



**ROLLING HILLS RANCH TOWNHOMES ASSOCIATION  
REGULATION FOR COVENANT AND RULE  
ENFORCEMENT**

**SUBJECT:** Board Resolution re adoption of a regulation regarding the enforcement of covenants and rules and regulations and re procedures for the notice of alleged violations, conduct of hearings and imposition of fines.

**AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association, and Colorado law (the Controlling Documents).

**EFFECTIVE DATE:** 60 days after the Board Resolution approving this regulation.

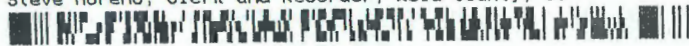
**RESOLUTION:** The Association hereby adopts the following regulation to be followed when enforcing the covenants, rules and regulations of the Association:

1. Reporting Violations. Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, Board member(s) or committee member(s) by submission of a written complaint.
2. Complaints. (a) Complaints by Owners or residents shall be in writing and submitted to the Board of Directors. The complaining Owner or resident shall have observed the alleged violation and shall identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, where possible referencing the specific covenant provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association. (b) Complaints by a member of the Board of Directors, a committee member, or the manager, if any, may be made in writing or by any other means deemed appropriate by the Board if such violation was observed by the Director, committee member or manager.
3. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to



the complainant or may be investigated further by a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.

4. Initial Warning Letter. If a violation is found to exist, a warning letter shall be sent to the Violator explaining the nature of the violation. The Violator will have 7 days from the date of the letter to come into compliance.
5. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within 7 days of the first warning letter, it will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing. A second letter shall then be sent to the alleged Violator explaining that if a violation is found to exist a fine may be imposed pursuant to this regulation. The letter shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 30 days of the date of the violation letter. The letter shall include a statement that if the Violator does not request or attend the hearing, then the Board may impose fines pursuant to this policy or may take any enforcement action as provided by the Controlling Documents.
6. Notice of Hearing. If a hearing is requested by the alleged Violator, the Board shall serve or mail a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.
7. Hearing. At the beginning of each hearing, the presiding officer shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Each party or designated representative, may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The presiding officer may also impose such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator are required to be in attendance at the hearing. The Board shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Board shall, within a reasonable time, not to exceed 7 days, render its written findings and decision, and impose a fine, if applicable. A



decision, either a finding for or against the Owner, shall be by a majority of the Board members present at the hearing. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the decision absent a showing of denial of due process.

8. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 30 days of any letter, or fails to appear at any hearing, the Board may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the alleged Violator may be assessed a fine pursuant to this regulation.
9. Notification of Decision. The decision of the Board shall be in writing and provided to the Violator and complainant within 7 days of the hearing, or if no hearing is requested, within 7 days of the final decision.
10. Appeals. The Violator may file a written appeal to the Board of Directors of any adverse decision within 45 days of the decision.
11. Fine Schedule. The following fine schedule has been adopted for all covenant violations:

First Violation	Warning Letter
Second Violation (of same covenant or rule)	\$25.00
Third Violation (of same covenant or rule)	\$50.00
Fourth and subsequent Violations (of same covenant or rule)	\$100.00

Fourth and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action.

12. Continuous Violations. Continuous violations are defined as violations of Owner obligations that are uninterrupted by time. Each day of noncompliance with such violations constitutes a separate violation. *For example: the failure to remove an*



*unapproved exterior improvement or the continuous parking in a fire lane.*

If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy, such Owner may be subject to a daily fine of \$15.00 per day if not corrected, following a notice and opportunity for a hearing as set forth above.

13. Waiver of Fines. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Controlling Documents and the Association's Rules and Regulations.
14. Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means which are available to the Association through the Controlling Documents.
15. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
16. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Controlling Documents.
17. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

**CERTIFICATION:**

The undersigned, being the president of the Rolling Hills Ranch Townhomes Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association at a duly called and held meeting of the Board of Directors on 6-19-14.

**ROLLING HILLS RANCH TOWNHOMES ASSOCIATION,**

By: Frankie Simmons 6/20/14  
President