

**RESOLUTION OF THE SILVER SAGE VILLAGE COMMUNITY ASSOCIATION
ADOPTING POLICY AND PROCEDURE FOR
COVENANT AND RULE (GOVERNING DOCUMENTS) ENFORCEMENT**

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules (Silver Sage governing documents) and a procedure for the notice of alleged violations, conduct of hearings, and imposition of fines.

PURPOSE: To adopt a uniform policy and procedure to be followed when enforcing covenants and rules (Silver Sage governing documents) to facilitate the efficient operation of the Association.

AUTHORITY: Colorado law, the Declarations, Articles of Incorporation and Bylaws of the Association, including but not limited to C.R.S. §38-33.3-209.5; Article XXV E. of the Declarations; Article 6.17 of the Bylaws

**EFFECTIVE
DATE:**

RESOLUTION: The Steering Team, on behalf of the Association, hereby adopts the following:

1. Reporting Violations. Complaints regarding alleged violations of the Association’s governing documents as defined in Article I N. of the Declarations, or of any other law applicable to the Association or its members, may be reported by an Owner or resident within the community, a group of Owners or residents, the Association’s management company, if any, Steering Team member(s) or other team member(s) by submission of a written complaint to a member of the Steering Team.

2. Complaints.

The Complainant must have observed the alleged violation and must identify the Complainant and the alleged violator (“Violator”), if known, and set forth a statement describing the alleged violation, referencing the specific 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.

3. Investigation. Upon receipt of a complaint by the Association, The Steering Team will have sole discretion in appointing one or more individuals to investigate and attempt to resolve the matter.

4. Informal Resolution Procedures The Steering Team will first attempt a resolution of the complaint by:

- a. One or more members of the Steering Team will meet with the person alleged to have committed the violation to attempt a resolution
- b. If no resolution reached, the Steering Team will refer the matter to the Stewardship Team, in accordance with the Association's agreed-on conflict resolution procedures
- c. If the Stewardship Team cannot resolve the alleged violation, the team will refer the matter to the community as a whole
- d. If the community as a whole cannot resolve the matter in the interests of the community as a whole, the matter will revert to the Steering Team for formal resolution.

5. Formal Resolution Procedures

If the Steering Team finds that a violation exists, it will send a written demand to stop the alleged violation by personal hand delivery or certified mail to the Violator explaining the nature of the alleged violation, the action required to abate the violation, and giving the violator 10 days from the date of the letter to come into compliance.

6. Continued Violation After Initial Warning Letter and Demand for Abatement.

If the Violator fails to come into compliance within 10 days of the Initial Warning Letter and Demand for Abatement, the Steering Team will personally serve or send via certified mail, return receipt requested written notice of an opportunity for hearing to be held by a presiding officer designated by the Steering Team. The notice must contain a description of the alleged violation; the time and

place of the hearing; an invitation to attend the hearing and produce any statement, evidence and/or witness of his/her behalf; and, the proposed sanction to be imposed. Such hearing must be held at least 10 days from the date of the notice of hearing.

7. Hearing. The Steering Team will designate a presiding officer for the hearing. Proof that the notice of opportunity for hearing was sent to the Violator must be placed with the minutes of the hearing. At the beginning of each hearing, the presiding officer must 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 adopt such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing. The presiding officer will base his or her recommended 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 Steering Team, all hearings must be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the presiding officer will, within a reasonable time, not to exceed 30 days, render his or her written findings and recommended decision to the Steering Team. If the Steering Team accepts the recommended decision, it will impose a fine, if applicable, and take such other actions as it, in its sole discretion, determines appropriate. A decision, either a finding for or against the Owner, must be by a majority of the Steering Team members. Failure to strictly follow the hearing procedures set forth above will not constitute grounds for appeal of the presiding officer's recommended decision absent a showing of denial of due process.

8. Failure to Appear at Hearing. If the alleged Violator does not appear at the hearing, the Steering Team may make a decision with respect to the alleged violation based on the Complaint, results of any investigation conducted by one or more members of the Steering Team, 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 these policies and procedures.

9. Notification of Decision. The decision of the Steering Team following the hearing must be in writing and provided to the Violator and Complainant within 60 days of the hearing, or if no hearing is requested, within 30 days of the final decision.

10. Fine Schedule. The following fine schedule has been adopted for all recurring governing document violations:

First violation	Warning letter
Second violation (of same provision of governing documents)	\$50.00
Third violation (of same provision of governing documents)	\$100.00
Fourth and subsequent Violations (of same provision)	\$200.00

11. 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 or weekly fine in an amount determined by the Steering Team in its sole discretion, following a notice and opportunity for a hearing as set forth above.

12. Waiver of Fines. The Steering Team may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Steering Team may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Association's governing documents.

13. 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 its Declaration, Bylaws, Articles of Incorporation and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

14. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration will have the same meaning in this Resolution.

15. Supplement to Law. The provisions of this Resolution are in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Association.

16. Alternative Dispute Resolution. In accordance with Article XXIX F. of the Declarations and C.R.S. 38-33.3-124, if the Violator disagrees with the decision of the Steering Team, the matter may first be submitted to mediation prior to the commencement of any legal proceeding.

17. Legal Action. Following completion of any alternative dispute resolution, violations may be turned over, in the sole discretion of the Steering Team, to the Association's attorney to take appropriate legal action.

18. Deviations. The Steering Team may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances and consistent with Colorado law and the Association's governing documents.

19. Amendment. This policy may be amended from time to time by the Steering Team.

**CHAIRPERSON'S
CERTIFICATION:**

The undersigned, being the Silver Sage Village Community Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Steering Team of the Association, at a duly called and held meeting of the Association on

