

**AMENDED AND RESTATED RESOLUTION NO. 2
OF THE
MEADOW HILLS ESTATES HOMEOWNERS ASSOCIATION, INC.
REGARDING
POLICIES AND PROCEDURES FOR COVENANT AND RULE ENFORCEMENT**

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearing and imposition of fines.

PURPOSE: To adopt a uniform procedure to be followed when enforcing covenants and rules to facilitate the efficient operation of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

EFFECTIVE DATE: October 21, 2009
Amended *and approved by Board Oct. 22, 2020,
unanimously.*

RESOLUTION: The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Association, amending, restating and superseding the Resolution Regarding Policies and Procedures for Covenant and Rule Enforcement adopted October 21, 2009:

1. Reporting Violations. Complaints regarding alleged violations of the covenants or rules 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, 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.
 - 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 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 15 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 15 days of the first warning letter, the Architectural Control Committee ("ACC") will determine whether further action is warranted and will recommend any further action to the Board. If further action is recommended by the ACC, this 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, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. 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 15 days of the date on the second violation letter.
6. Notice of Hearing. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing as may be determined in the sole discretion of the Board, will provide written notice of the hearing to the Violator at least 10 days prior to the hearing date.
7. Hearing. The ACC shall conduct the hearing on behalf of the Association, except that any member of the ACC who has a direct personal or financial interest in the outcome of the hearing must recuse himself/herself from participating in the hearing. A person is deemed not to have a direct personal or financial interest if he/she will not receive any greater benefit or detriment from the outcome than will the general membership of the Association. 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 ACC 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 ACC, all hearings shall be open to attendance by all owners. After all testimony and other evidence has been presented at a hearing, the ACC shall, within a reasonable time, not to exceed 10 days, render its written findings and recommendations to the Board, and such findings and recommendations shall be fair and reasonable taking into consideration all of the relevant facts and circumstances, and may recommend to the Board that a fine be imposed, if applicable. A decision either a finding for or against the Owner, shall be by a majority of the ACC members present at the hearing. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the hearing committee's 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 15 days of any letter, or fails to appear at any hearing, the ACC may make its findings and recommendations 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 ACC may recommend that the alleged Violator be assessed a fine pursuant to these policies and procedures.
9. Decision of the Board. Upon the Board's receipt of the ACC's findings and recommendations, the Board shall make a final decision regarding the alleged violation, as well as any fines that may be imposed.

10. Notification of Decision. The decision of the Board, committee or other person, shall be in writing and provided to the Violator and Complainant within 10 days of the hearing, or if no hearing is requested, within 10 days of the final decision.

11. Fine Schedule. The following fine schedule has been adopted for all recurring covenant violations:

First violation	Warning letter
Second violation of same covenant or rule	\$50.00
Third and subsequent violations (of same covenant or rule)	\$100.00

Third and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action. The Board may also impose daily fines for ongoing violations at the rate of \$10 per day. The Board may also impose additional fines for the same or substantially similar violations without being required to provide notice or opportunity for a hearing as to each violation, so long as the second letter sent to the alleged Violator (as set forth in paragraph 5 above), providing notice and an opportunity for a hearing, advises that additional fines may be imposed for the same or substantially similar violations.

12. Habitual Offenders and Continuing Violations. A Member who accumulates more than three (3) violations (whether such violations are of the same nature or different nature) within a twelve (12) month period will be deemed to be a habitual offender. For habitual offenders, continuing violations, or violations which have an indefinite commencement or termination date, the Board may impose such additional fines as are deemed reasonable by the Board without regard to the schedule set forth above.
13. Willful and Wanton Violations. In the event of a determination by the ACC of a willful, wanton or flagrant disregard for the provisions of the covenants or rules, or based on the severity of the violation, the Board may impose such additional fines as it deems reasonable without regard to the schedule set forth above.
14. Violations or Offenses that Constitute a Present Danger. If, in its sole discretion, the Board deems that any alleged violation is or may be an immediate or substantial threat to the health, safety or welfare of the community or an individual, the Board may take the appropriate action necessary to abate the threat to health, safety or welfare of the community or individual.
15. 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 Articles, Declaration, Bylaws or Rules.
16. 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.

- 17. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- 18. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
- 19. 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 except that fines shall not be levied unless the Board reasonably believes the Violator has received in some form notice of the opportunity for a hearing prior to fine(s) being levied.
- 20. Amendment. This policy may be amended from time to time by the Board of Directors.
- 21. Superseding Prior Policy. The provisions of this policy shall replace and supersede any other rules or regulations of the Association addressing the enforcement of the Association's Documents.

PRESIDENT'S
CERTIFICATION

The undersigned, being the President of the Meadow Hills Estates Homeowners Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Amended and Restated Resolution was adopted by the Board of Directors of the Association at a duly called and held meeting of the Board of Directors on see above and in witness thereof, the undersigned has subscribed his name.

MEADOW HILLS ESTATES HOMEOWNERS
ASSOCIATION, INC., a Colorado nonprofit corporation

By: Wm. J. Warkentin
Its: President, MHE HOA Board of Directors

Wm. J. Warkentin, MD

Oct. 22, 2020