

**RESOLUTION
OF THE
BEEBE DRAW FARMS PROPERTY OWNERS ASSOCIATION
REGARDING REVISED 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 hearings 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 Amended and Restated Declaration of Covenants for Beebe Draw Farms and Equestrian Center ("Declaration"), Articles of Incorporation and Bylaws of the Association and Colorado law, including but not limited to C.R.S. §38-33.3-209.5.

EFFECTIVE DATE: 10/12/2020

RESOLUTION: The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules 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 complaint.
2. Complaints. (a) Complaints by Owners or residents shall be in writing and submitted to the Board of Directors. A written complaint is not required if the alleged violation can be independently verified by the Association. 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. 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. Fine Threat Letter. If a violation is found to exist, a fine threat letter shall be sent to the alleged Violator, providing notice that a fine may be imposed if the violation is not corrected within 10 days or 48 hours for trash or other similar violations of rules. The Association may further modify any dates for compliance as may be appropriate given the nature of the alleged violation. The foregoing procedure will not be used, however, in the event the violation is determined by the Board to be a Repetitious Violation as defined in paragraph 13 of this policy. In such event, the procedure outlined in paragraph 13 shall be followed.

5. Continued Violation After Fine Threat Letter. If the Violator does not come into compliance as requested, a second and subsequent violation letters, if necessary, shall be sent to the Violator providing the Violator with another notice of the alleged violation and an opportunity for a hearing. The second and subsequent letters shall explain that a fine may be imposed pursuant to this Policy. The letters shall likewise 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 10 days of the date on the violation letter. The foregoing procedure will not be used, however, in the event the violation is determined by the Board to be a Repetitious Violation as defined in paragraph 13 of this policy. In such event, the procedure outlined in paragraph 13 shall be followed.

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, may serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.

7. Impartial Decision Maker. Pursuant to Colorado law, the alleged Violator has the right to be heard before an "Impartial Decision Maker". An Impartial Decision Maker is defined under Colorado law as "a person or group of persons who have the authority to make a decision regarding the enforcement of the association's covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the association and do not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the association." Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint to act as the Impartial Decision Maker the entire Board, specified members of the Board, any other individual or group of individuals.

8. 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 30 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 hearing committee's decision absent a showing of denial of due process.

9. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 10 days of the second letter, or fails to appear at the 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 these policies and procedures.

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 30 days of the hearing, or if no hearing is requested, within 30 days of the final decision.

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

First violation	Fine Threat Letter
Second violation (of same covenant or rule)	\$50.00 fine
Third violation (of same covenant or rule)	\$100.00 fine
Fourth and subsequent Violations (of same covenant or rule)	\$200.00/month

Uncorrected covenant violations may be turned over to the Association's attorney, at the discretion of the Board, to take appropriate legal action. Any Owner committing six or more violations in a six-month period (whether such violations are of the same covenant or different covenants) may be immediately turned over to the Association's attorney for 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: Article 9, Section 9.2(i), subsection (iii) of the Declaration allows residents to park their RV's for a period of not to exceed 48 hours accommodate loading or unloading of supplies. Each day the resident fails to move the RV after the permitted 48 hours would or could be considered a continuous parking violation.

In addition to the fines indicated above, 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 \$10.00 per day per covenant if not corrected, following a notice and opportunity for a hearing as set forth above.

13. Repetitious Violations. Repetitious Violations are defined as a series of identical or substantially similar individual violations that occur repeatedly or continuously within a period of time to be determined in the discretion of the Board, with each individual violation separated by a period of no less than 1 day, nor more than 90 days, the result of which is a pattern of violations of the same covenant restriction. In the event of such Repetitious Violation, in the discretion of the Board, each instance of noncompliance may constitute a separate violation, and the Board shall not be required to provide a new compliance period from each violation for the alleged Violator to come into compliance. A warning letter shall be sent for the first violation in the series. After the warning letter, the Board may cause violation notices to be sent for each violation in the series stating the amount of the fine to be imposed (pursuant to the Fine Schedule in paragraph 11), and giving notice and an opportunity for a hearing. The Board shall individually consider each violation for which a hearing is requested, but is permitted to combine any and all hearings requested for Repetitious Violations on one date.

Examples of Repetitious Violations include, but are not limited to repeatedly or continually parking a restricted recreational vehicle in the community, repeated failure to remove and store a portable basketball hoop, and failure to remove excessive weeds growing on a lot. In each one of these examples, the Owner will receive a warning letter on the first instance of the violation. On the second and subsequent instances of the violation, the owner will receive a fine letter which fine shall be determined by the Board of Directors and notice and opportunity for a hearing. If hearings are requested, the Board may set them all on the same date.

14. 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.

15. 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.

16. Definitions. Unless otherwise defined in this Resolution, initially

capitalized or terms defined in the Declaration shall have the same meaning herein.

17. 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.

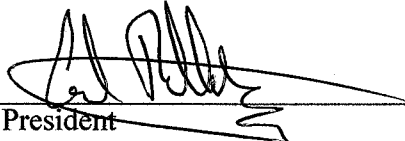
18. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

19. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Beebe Draw Farms Property Owners 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 October 6th, 2020 and in witness thereof, the undersigned has subscribed his/her name.

**BEEBE DRAW FARMS PROPERTY OWNERS
ASSOCIATION,**
a Colorado nonprofit corporation



President

**SUMMARY OF KEY PROVISIONS OF POLICIES AND PROCEDURES FOR
COVENANT AND RULE ENFORCEMENT**

Complaints: May be made by any Owner, resident, board member or Manager. Must be in writing unless they can be independently verified by the Association.

Steps:	Letter Sent to Owner	Days to Correct from Date of Letter
	Fine Threat letter	10
	Second letter (actual fine after notice and hearing)	10
	Third letter (fine with threat of legal action)	10
	Fourth letter (fine and turnover to legal counsel)	10
	Turned over to legal counsel	

Hearing: At least 10 days' notice given by Board to Owner
Board decision within 30 days of hearing

Fine Schedule:	First Violation	Fine threat letter
	Second Violation	\$50.00
	Third Violation	\$100.00
	Fourth and Subsequent Violations	\$200.00/month