

**RESOLUTION OF THE  
SUNSET WEST 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 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 Declaration, Bylaws, Articles of the Association, and Colorado law, including, but not limited to, C.R.S. 38-33.3-209.5.

**EFFECTIVE DATE:** June 1, 2016

**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, or Board member(s).

2. Complaints.

(a) Complaints by owners or residents shall be in writing and submitted to the Board of Directors or their designees. 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 might not be investigated or prosecuted at the discretion of the Association. (b) Complaints by a member of the Board of Directors or the Managing Agent, 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 Managing Agent.

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 the Managing Agent or a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.

4.First Notice (Courtesy Notice). If a violation is found to exist, a First Notice (Courtesy Notice) shall be sent to the Violator explaining the nature of the violation. The Violator will have 14 days from the date of the notice to come into compliance.

5.Continued Violation After First Notice (Courtesy Notice). If the alleged Violator does not come into compliance within 14 days of the First Notice a fine threat notice shall then be sent to the alleged Violator, including a notice regarding the opportunity for a hearing and that a fine may be imposed if after 14 days from the date of the fine threat notice the alleged violation has not been corrected or a hearing requested. If the alleged Violator does not come into compliance as requested, the third and subsequent notices shall be sent to the Violator providing the Violator with notice of the alleged violation and the amount of the fine. The notices shall further state that the Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 14 days of the date on the violation notice. The Association may modify any dates for compliance as may be appropriate given the nature of the violation.

6.Failure to Timely Request Hearing If the alleged Violator fails to request a hearing within 14 days of the first violation notice, or fails to appear at the hearing, a hearing shall be conducted as to whether a fine should be imposed. In the sole discretion of the Board, the Board, committee or other person may conduct the hearing, hereafter referred to as the "Hearing Body". Hearings for violations involving the condition of landscaping or unapproved alterations to the exterior of a residence will be conducted by the Managing Agent. The Hearing Body 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 Violator will be assessed a fine pursuant to these policies and procedures.

7. Notice of Hearing.

If a hearing is requested by the alleged Violator the Hearing Body shall send a written notice of the hearing to all parties involved at least 14 days prior to the hearing date.

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 Hearing Body 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 and residents. After all testimony and other evidence has been presented at a hearing, the Hearing Body shall, within a reasonable time, not to exceed (five) 5 business days, render its written findings and decision, and impose a fine, if applicable. A decision, either a finding for or against the alleged Violator, shall be by a majority of the Hearing Body. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the hearing Body's decision absent a showing of denial of due process.

9. Fine Schedule.

The following fine schedule has been adopted for all recurring covenant violations:

Alleged Violation	First Notice (Courtesy Notice)
Second Notice	Fine Threat Notice
Third Notice (of same covenant or rule)	\$50.00
Fourth Notice (of same covenant or rule)	\$100.00 (in addition to previous fine)
Fifth Notice (of same covenant or rule)	\$250.00 (in addition to previous fines)

If the violation continues more than 14 days after the fifth Notice the sixth and subsequent violation may be turned over to the Association's attorney to take appropriate legal action at which time privileges will be suspended per the Suspension Policy. Any Owner committing three or more violations in a twelve 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.

10. 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.

11. 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.

12. Definitions.

Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

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

IN WITNESS, the undersigned certifies that this Resolution was adopted by the Board of Directors of the Association on this \_\_\_\_\_.

**SUNSET WEST HOMEOWNERS ASSOCIATION, INC.**

By: \_\_\_\_\_ Its: President