

**RIVER VALLEY RANCH MASTER ASSOCIATION, INC.**  
**POLICY AND PROCEDURE**

**ENFORCEMENT OF COVENANTS AND RULES**

Effective \_\_\_\_\_, 2022

This policy and procedure has been adopted by the Executive Board ("Board") of the RIVER VALLEY RANCH MASTER ASSOCIATION, INC. (the "Association") for enforcement of covenants and rules ("Enforcement Policy") pursuant to C.R.S. §§ 38-33.3-209.5(1)(b)(IV) and 209.5(2). This Enforcement Policy repeals and replaces in its entirety the Association's "Enforcement of Covenants and Rules" Policy and Procedures dated May 30, 2019 and shall remain in effect until such time as they may be duly changed, modified, or amended by the Board.

1. Enforcement Committee. Pursuant to Section 9.1 of the Bylaws, the Board hereby creates an Enforcement Committee (the "Committee") to conduct the duties and responsibilities under the Enforcement Policy or delegated to it by the Board, and to constitute the "impartial decisionmaker" under C.R.S. § 38-33.3-209.5. The Enforcement Committee may be comprised of at least 3 but no more than 5 members, one of whom shall be the Committee Chair. The Committee may be comprised of Board Members (Directors) or non-Board Members (non-Directors). At least 1 Board Member (Director) shall be a member of the Committee. The Committee Chair shall be a Board Member (Director). Any non-Board Member (Director) Committee members shall be appointed by the Board. All Committee members shall be bound by the same duties and standards of conduct of Board Members (Directors).
  
2. Reporting Alleged Violations; Complaint Procedure. Any Owner or resident in the community, a Board Member (Director), Association employee, or the General Manager, may submit a written complaint to report an alleged violation of the Governing Documents (i.e. Declaration, Bylaws, Rules, Regulations, Policies, Design Review Guidelines). All written complaints shall be submitted to the General Manager. Each written complaint shall:
  - (i) identify the individual making the complaint (the "Complainant");
  - (ii) identify the alleged violator ("Violator"), if known;
  - (iii) describe the alleged violation, including the location or property on which the alleged violation occurred;
  - (iv) identify the specific provisions alleged to have been violated, if known;
  - (v) state when the violation was observed; and
  - (vi) include any other relevant information.

Non-written complaints or anonymous complaints will not be accepted; however, Complainants identity may remain confidential at the request of the Complainant, unless needed to provide testimony at a hearing. Complaints failing to include any information

required by this provision may be returned to the Complainant for revision or clarification, or may not be investigated, at the General Manager's discretion.

Violations of the Town of Carbondale Municipal Code should be reported to the Town of Carbondale Police Department.

3. Investigation. Upon receipt of a complaint, the alleged violation may be investigated by the General Manager (or his/her designee) and/or the Board. The General Manager and/or Board shall determine: (i) whether the alleged violation occurred based on the complaint and any additional information obtained through the investigation; (ii) whether the alleged violation threatens public safety or health; (iii) whether the alleged violation has been or may be resolved informally; and (iv) whether enforcement action is warranted.

4. Enforcement Procedure; Notice of Violation. If the General Manager and/or Board determines that the alleged violation actually occurred and that enforcement action is warranted, it shall direct the General Manager to send a Notice of Violation of any provision of the Governing Documents to the applicable Violator and follow the applicable enforcement procedure, as follows:

A. *Violations that **DO NOT** Threaten Public Safety or Health:*

- The Notice of Violation shall:

(i) describe the violation;

(ii) state the amount of fine to be imposed pursuant to this Policy and/or Schedule of Fines;

(iii) state the Violator may request a hearing with the Committee, as an impartial decision maker, to challenge or contest the alleged violation and fine, and that such request must be made within 30 days from the date of the Notice of Violation;

(iv) state that if a hearing is not requested within 30 days, the fine set forth on the Notice of Violation shall be deemed validly imposed and accepted;

(v) if a continuing violation, state how to cure such violation and that the violation must be cured within 30 days or continuing fines will be imposed (upon inspection by the Association determining the violation is uncured);

- For continuing violations, if the Violator has not cured the violation (upon inspection) within such 30-day cure period (or otherwise requested a hearing), the Association may impose continuing fines until the violation is cured, in accordance with this Policy. The Association shall inspect the unit within 7 days after receiving written notice from the Violator that the violations has been cured pursuant to Section 5 below OR the expiration of the 30-day cure period to determine if the violation has been cured,

whichever occurs first. Prior to taking legal action for the violation (other than imposing fines), the Association shall provide two consecutive 30-day periods in which to cure a violation.

B. *Violations that Threaten Public Safety or Health:*

- The Notice of Violation shall:

(i) describe the violation;

(ii) state the amount of fine to be imposed pursuant to this Policy and/or Schedule of Fines;

(iii) state the Violator may request a hearing with the Committee, as an impartial decision maker, to challenge or contest the alleged violation and fine, and that such request must be made within 72 hours from the date and time of the Notice of Violation;

(iv) state that if a hearing is not requested within 72 hours, the fine set forth on the Notice of Violation shall be deemed validly imposed and accepted; and

(v) if a continuing violation, state how to cure such violation and that the violation must be cured within 72 hours or continuing fines will be imposed until cured.

- For continuing violations, if the Violator has not cured the violation (upon inspection) within such 72-hour period (or otherwise requested a hearing), the Association may impose continuing fines until the violation is cured in accordance with this Policy and may take legal action against the Violator.

5. Curing Continuing Violations; Notice of Cure.

A. A Violator may cure a continuing violation and provide the General Manager notice of such cure. If the notice of cure includes visual evidence that the violation has been cured which is confirmed by inspection by the General Manager, then the violation is deemed cured on the date of the notice of cure. If the notice of cure does not include visual evidence that the violation has been cured, the General Manager shall inspect the violation as soon as practicable to determine if the violation has been cured.

B. Once the Violator cures a violation, the Association shall notify the Violator in writing that: (a) the Violator will not be further fined with respect to the continuing violation; and (b) the amount of any outstanding fine balance owed.

6. Violations that Threaten Public Safety or Health. The General Manager and/or Board may determine on a case-by-case basis whether a violation of the Governing Documents threatens public safety or health. In addition, the Board finds that violations of the

following provisions of the Governing Documents constitute violations threaten the public safety or health: parking regulations, those that impact utilities, construction regulations, acts that threaten or cause damage to Common Elements, acts involving hazardous materials, \_\_\_\_\_.

7. Request for Hearing. If a Violator desires a hearing to challenge or contest any alleged violation and possible fine, the Violator must request such hearing, in writing, within the time set forth in the Notice of Violation. The request for hearing shall describe the grounds and basis for challenging the alleged violation. If a hearing is not requested within the applicable period, then the Notice of Violation shall constitute an accepted Violation and the fines set forth on the Notice of Violation shall be deemed validly imposed, assessed, accepted, and immediately due and payable.
8. Hearing.
  - A. If requested by the Violator, the Committee shall inform the Violator of the scheduled time, place and date of the hearing, provided that the Committee Chair may grant continuances for good cause shown (and no unnecessary delay). The Violator must be in attendance at the hearing. The hearing shall be held in executive session. If the Violator fails to appear at the hearing or otherwise respond, the Committee may proceed with or without a hearing to make a determination regarding the allegations in the complaint and Notice of Violation based on the relevant facts and circumstances.
  - B. At the beginning of each hearing, the Committee Chair shall explain the rules, procedures and guidelines by which the hearing shall be conducted and shall introduce the case before the Committee by reading the Notice of Violation. Each party may make opening statements, may present evidence and testimony, may present witnesses, and may make closing statements. The decision of the Committee at each hearing shall be based on the matters set forth in the complaint, Notice of Violation, Request for Hearing, and such evidence as may be presented at the hearing.
9. Decision. Whether or not a hearing is held, the Committee shall render its written findings and decision, and impose a reasonable fine, if applicable. A decision, either a finding for or against the Violator, shall be by a majority of the members of the Committee present at the hearing. For continuing violations involving real property, the Committee may also issue and present for recording with the County Clerk and Recorder a Notice of Finding of Violation. Upon satisfactory compliance with the Association's Governing Documents, the Notice of Finding of Violation may be released by the Association issuing and recording a Release of Notice of Finding of Violation. A Violator wishing to dispute the Committee's Decision must follow the Association's Alternative Dispute Resolution Policy and Procedure.
10. Fines.

- A. The Association is authorized to impose fines pursuant to C.R.S. § 38-33.3-302(1)(k)(I). Unless otherwise provided in the Schedule of Fines, any violation of the Governing Documents will subject the Violator/Owner to a reasonable fine assessment imposed by the Committee on behalf of Association. The Board may determine and adopt a Schedule of Fines; otherwise fines shall be determined by the Committee for each finding of a violation based on the type, severity, repetition, and circumstances of each violation. Total fines for a violation that **does not** threaten public safety or health shall not exceed \$500.
  - B. In the event of a continuing violation, a fine may be levied for each 48 hour period the violation continues until cured and a separate notice and hearing procedure is not required for each period in which the fine for the continuing violation is imposed. Notwithstanding, each 48 hour period in which a violation remains uncured constitutes a new violation and the Association may elect to provide a new notice of violation for each “new violation,” in its discretion.
  - C. The Committee, in its sole discretion, may amend, suspend, or waive all or any portion of any fines, and on reasonable terms and conditions, if appropriate under the circumstances.
  - D. Upon imposition of any fine which is on unpaid, the Association shall provide the Violator a monthly statement of account the itemizes all assessments, fines, fees, and charges that the Owner owes to the Association. Such notice shall be sent by first-class mail and by email (if available) to the Owner and any Designated Contact for the Owner.
11. Committee to Conduct Hearing. Unless determined to have a “a direct personal or financial interest in the outcome,” the Committee members shall act as the “impartial decision maker” and shall hear and decide cases set for hearing pursuant to this Policy. The Committee may appoint an officer or other Owner to act as the Committee Chair at any of the hearings.
12. Conflicts. Committee members shall comply with the Association’s Conflict of Interest Policy and Procedure. Any Committee member who is incapable of objective and disinterested consideration on any hearing before the Association shall disclose such to the Committee Chair prior to the hearing on the case, if possible, or, if advance notice is not possible, then such disclosure shall be made at the hearing, and the Committee member shall be disqualified from all proceedings with regard to the hearing. If disqualification of any Committee member(s) results in an even number of remaining Committee members eligible to hear a case, the Presiding Officer may appoint a Board member (Director) or Owner, in good standing, to serve as a temporary voting member of the hearing board.

13. Failure to Appear. If the Violator fails to appear at any of these proceedings, the action of the Committee will stand.

14. Service of Notices. Service of all notices required or permitted to be given hereunder shall be made as follows:

*If to Violator:* By email, personal delivery, posting on the Owner's property, or by U.S. Mail, certified mail, return receipt requested, addressed to the last registered address of the Violator as contained in the Association's records or as permitted by C.R.S. § 38-33.3-209.5(1.7)(a).

**\*Except, however,** notices of violation for violations that do not threaten public safety or health shall be sent by certified mail, return receipt requested.

*If to the Association:* By email to General Manager, personal delivery, or by U.S. Mail, certified mail, return receipt requested, addressed to the Association.

Email service of notice is preferred. Any notice personally delivered shall be deemed received on the date of delivery, and any notice mailed shall be deemed received on the third (3<sup>rd</sup>) day following the date of mailing.

Notices shall be provided in a language other than English if requested by the Owner pursuant to C.R.S. § 38-33.3-209.5(1.7)(a).

Notices for collection of fines shall be made in accordance with C.R.S. §§ 38-33.3-209.5(1.7)(a) and (6).

The Owner shall be solely responsible for providing the Association with the information for any Designated Contact or to request that Notices be provided in a language other than English.

15. Collection of Fines; Lien; Foreclosure. Fines imposed shall constitute and be collected in the same manner as assessments pursuant to the Association's Collection Policy and Procedure, which may include recording a lien. Fines alone may not provide the basis for instituting a foreclosure action.

16. Suspension of Rights. Upon a failure to cure by the required time, the Violator's voting privileges shall be suspended and shall be precluded from using the Ranch House and other Association amenities until such time as the violation is cured and any fine paid.

17. Informal Enforcement. Nothing herein shall preclude the Committee or Board from seeking voluntary compliance via informal communication.

18. Remedies Not Exclusive; Deviations. Notwithstanding any provision of this Policy, the Association may use any legal means available at any time to enforce the terms of the

Governing Documents. The Committee/Board may deviate from the procedures set forth in this Policy if, in its sole discretion, such deviation is reasonable under the circumstances and in compliance with Colorado law. Fines may be modified by a majority vote of the Committee/Board.

19. Violations or Offenses that Constitute a Present Danger. Nothing in this Policy shall limit the Association's right to immediately act to preserve and protect the Common Elements, the Units, the Owners, occupants or guests pursuant to the Governing Documents or applicable law. If, in its sole discretion, the Board deems that any alleged violation is or may be an immediate or substantial threat of damage to community property or to the health, safety or welfare of the community or an individual, the Board may take the appropriate action necessary to abate the threat and protect property and persons.
20. Responsibility for Actions of Tenant or Guest. Owners shall at all times be responsible for the actions of their tenants and guests. In the event that an Owner's tenant or guest violates the Governing Documents and a fine is imposed, the fine may be assessed against that Owner.
21. Miscellaneous.
  - A. The Committee/Board may determine enforcement action on a case-by-case basis, and take other actions as it may deem necessary and appropriate to assure compliance with the Association's Governing Documents, and to create a safe and harmonious living environment.
  - B. Failure by the Association to enforce any provision of this Policy shall in no event be deemed to be a waiver of the right to do so thereafter.
  - C. The provisions of this Policy shall be independent and severable. The invalidity of any one or more of the provisions hereof by judgment or court order or decree shall in no way affect the validity or enforceability of any of the other provisions, which other provisions shall remain in full force and effect.
  - D. The provisions of this Policy 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 common interest community and non-profit corporations.
22. Schedule of Fines. A Schedule of Fines is enclosed as **Exhibit A**. The Schedule of Fines may be amended by the Board.

**CERTIFICATION:**

The undersigned, as President of the River Valley Ranch Master Association, Inc., a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by

the Executive Board of the Association, at a duly called and held meeting of the Board on \_\_\_\_\_, 2022.

RIVER VALLEY RANCH MASTER ASSOCIATION, INC.,  
a Colorado non-profit corporation

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

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