

**TRAILSIDE METROPOLITAN DISTRICT NOS. 1-5
RESOLUTION OF THE BOARDS OF DIRECTORS CONCERNING OUT OF
DISTRICT POOL RATES, AMENITIES ACCESS AND RULES AND REGULATIONS**

THIS RESOLUTION CONCERNING OUT OF DISTRICT POOL RATES, AMENITIES ACCESS AND RULES AND REGULATIONS (the "Resolution") is made and entered into by the Trailside Metropolitan District Nos. 1-5 (formerly known as the Rendezvous Metropolitan District Nos. 1-5)(the "Districts") to be effective as of the 22nd day of June, 2022.

WHEREAS, the Districts are special districts organized and existing pursuant to the Special District Act, Sections 32-1-101 et seq., C.R.S.; and

WHEREAS, the Districts were organized to provide certain public improvements, facilities, and services to and for the use and benefit of their constituents, taxpayers, users, property owners, and the public; and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District is authorized to adopt, amend, and enforce bylaws, rules, and regulations not in conflict with the constitution and laws of this state for carrying on the business, objectives, and affairs of the Board and of the Districts; and

WHEREAS, pursuant to Section 18-9-117(1), C.R.S., in addition to any authority granted by any other law, the Districts may adopt such orders, rules, and regulations as are reasonably necessary for the administration, protection, and maintenance of public property under its control, management, or supervision, specifically orders, rules, or regulations upon the following matters; preservation of property and other structures; restriction or limitation of the use of such public property as to time, manner, or permitted activities; prohibition of activities or conduct on public property which may be reasonably expected to substantially interfere with the use and enjoyment of such places by others or which may constitute a general nuisance; and necessary sanitation, health, and safety measures; and

WHEREAS, the Service Plan for the Districts (the "Service Plan") was approved by the Town of Timnath via Resolution No. 29, Series 2018 on March 27, 2018 for the purpose of providing certain parameters for the financing, development, and administration of certain public facilities, improvements, and appurtenances within the area legally permitted to be served by the Districts (the "Service Area") and empowers the Districts to impose fees, rates, tolls, charges and penalties for services and facilities provided by the Districts and provides the ability of the Districts to own, operate and maintain certain recreational facilities within the Districts for the use and benefit of its taxpayers, residents and the public including, but not limited to a District pool, and amenities and recreational facilities related thereto; and

WHEREAS, on the Board of Directors of the Districts (collectively, the "Board") desires to adopt and update a set of Swimming Pool Rules and Regulations (the "Rules and Regulations") for District Pool Facilities and establish a code of conduct regarding the use of any District amenities, including, but not limited to the District Pool and District recreational amenities; and

WHEREAS, the Districts are authorized pursuant to §32-1-1001(1)(j)(I) of the Colorado Revised Statutes (“C.R.S.”), to fix and impose fees, rates, tolls, charges and penalties for services, programs or facilities provided by the Districts; and

WHEREAS, a portion of the operations and maintenance mill levy imposed upon District residents is used to offset the costs of operating and maintaining the pool and amenities and provide services related thereto; and

WHEREAS, in order to provide access and clean and well operated pool facilities to non-taxpaying members of the public, and to provide the amenities within the District for recreational facilities the District requires supplemental revenue to offset the additional costs it incurs for providing the District pool and related services to additional members of the public; and

WHEREAS, to defray the cost of providing the District pool, amenities and services related thereto to both taxpaying and non-taxpaying members of the public, the Board deems it necessary to impose a fee for the usage of the District pool by members of the public who are not District residents or taxpayers.

NOW THEREFORE, the Boards of Directors of the Districts hereby RESOLVE as follows:

1. Rules and Regulations. The Trailside Metropolitan District Swimming Pool Rules and Regulations set forth in **Exhibit A**, attached hereto and incorporated herein (the “Pool Rules and Regulations”) are hereby adopted and may be amended from time to time.

2. Notice. The Board hereby directs the District Manager to post notice of (1) the Pool Rules and Regulations in the form attached hereto and incorporated herein, and (2) any COVID-19 Supplement (as may apply or be defined in the Pool Rules and Regulations), both on the District’s website and at the District pool in accordance with Section 18-9-117(2), C.R.S. Additionally, the District can be contacted through the District manager as follows:

Trailside Metropolitan District Nos. 1-5
c/o Pinnacle Consulting Group, Inc.
550 W Eisenhower Blvd.
Loveland CO, 80537

3. Pool Use Fee. The “Pool Usage Fee” for use of the Pool and related facilities by members of the public who do not pay District taxes or otherwise reside within the District is One Thousand Dollars (\$1,000.00) per residence for the 2022 pool season. The Pool Use Fee may be adjusted in the future based upon the Districts’ annual budgets.

4. Conflicting Policies Superseded. These Pool Rules and Regulations shall supersede in full any conflicting policies and rules and regulations relating to the subject matter hereof. Any supplements to the policies shall be updated and posted as provided in Section 2

above.

5. Effective Date. The Pool Rules and Regulations shall take effect upon the Board's adoption of this Resolution.

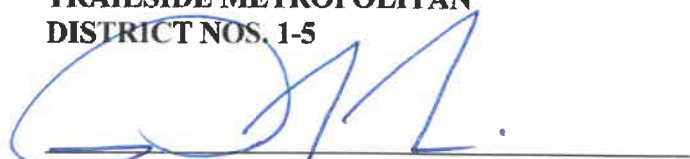
6. Delinquent Charges and Collections. Delinquent account procedures and collection activities associated with District Fees are governed by the Districts' then-existing Fee Resolution and Collection Policy on file with the Districts and posted on the Districts' website.

7. Validity. If any clause or provision of this Resolution is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable clause or provision shall not affect the validity of the Resolution as a whole but shall be severed here from, leaving the remaining clauses or provisions in full force and effect.

Upon a motion duly made and seconded, and upon a majority vote, this Resolution was approved by the Boards of Directors of the Districts.

ADOPTED AND APPROVED to be effective as of the 22nd day of June, 2022.

**TRAILSIDE METROPOLITAN
DISTRICT NOS. 1-5**



President

ATTEST:



Secretary

EXHIBIT A

**Trailside Metropolitan District Nos. 1-5
Swimming Pool Rules and Regulations**

Pool Rules and Regulations – 2022

The Trailside Metro District Pool ("TSMDP") is available to all Trailside Metro District ("TSMD") residents free of charge. The Pool is available to TSMD members who live in and/or own property in the TSMD boundaries. The pool agreement with TSMD is included in the annual operations and maintenance fees that you pay. A TSMD pool tag will be issued to District members in good standing.

District Member definition for the Pool Membership Form: Consists of the applicant, spouse, guardians (two adults) and dependents. Dependents are persons un-married, 23 years of age or younger who reside at same address as applicant and are dependent upon applicant for financial support. (Over 21 assumed going to school.)

One tag will be issued to each home/lot. If home is a rental, pool tag will be issued to either the renter or the homeowner, not both. Pool tag is not to be shared. Pool tags are owned by TSMD. Pool memberships carry no proprietary rights. No District members shall have or acquire any property rights in the property, assets, or holdings of Trailside Metro Districts.

To get your pool tag: Read the pool membership packet and all rules for the pool, complete page 1 of the Pool Membership Application. Take completed pool membership form (page 1) to the Pool when notified of dates a District representative will be at the Pool or take pool packet any time to the pool/guards after pool is open for the season.

The pool tag must be presented when using the Pool. Lost pool tag replacement fee is \$25.00. A Guest Punch Pass is available to purchase at the pool. The Guest Punch Pass is non-transferable, expires yearly and has limitations or you can also pay for individual guest fees as needed.

You must check in guests with guards and remain at the pool with your guests. See rules on guest and associated fees for guest when required.

Also available is a nanny pass for your childcare provider. The nanny pass is to be used for childcare providers that are not District members or a family member over 23 (see Dependent definition providing childcare). **(Nanny/daycare provider must attend with a District member.)**

Fees for guest pass and/or nanny pass as needed are:

\$ 5.00 Daily Guest Fee: For adults and kids age 2 or more. Kids under 2 are free. (Fees subject to change)

\$ 50.00 Guest Punch Pass: Each district household will initially receive 10 free guest passes. After the initial 10 guest passes, each punch card with 10 punches can be purchase at the pool. **Must be pool member to buy guest pass.**

\$ 50.00 Nanny Pass: To add an additional name to your membership for a childcare provider. (Purchase at the pool.)

When you are at the pool and want to buy a guest pass or nanny pass have cash, check, or money order payable to TSMD.

General Pool Rules and Regulations

Supervision Required:

The lifeguards are not replacements for close, active supervision of child/children by their guardian or parent. Parents or guardian, whether or not they are at the pool, are responsible for the safety and behavior of their children. For the protection and safety of all pool users, all parents, guardians, and children are expected to follow the rules and regulations for adequate supervision at all times: **DO NOT LEAVE CHILDREN UNATTENDED AT THE POOL.**

It is the responsibility of parents and/or guardians to ensure that dependents (regardless of age) who are non-swimmers or have limited swimming abilities, remain in shallow water levels and are within arm's length of an adult at all times. Do not leave your children at the pool unattended, lifeguards are not baby sitters. If you use a day care provider or a baby sitter please talk to them about supervision of your child/children at the pool. Do not leave child/children unattended in the pool or surrounding area.

Ages 0 to 12: A parent and or guardian must accompany all dependents under the age of 13 to the pool. That person is responsible for the supervision of the child/children at all times. An adult must be within arm's reach in the water for all children ages 0 to 6 years old.

Non-swimmers age 6 and above: May not be in the deep end of the pool and must be within arm's reach of an adult who is in the water or must wear a Coast Guard approved life jacket.

Age 13 to 17: May swim unaccompanied during regular lifeguard hours with demonstrated adequate swimming ability by swimming the length of the pool twice to the satisfaction of the lifeguards.

All persons using the pool and adjoining areas shall be responsible for their own safety and shall be deemed to assume risk of using the pool and agree by their presence in the pool and surrounding areas, that neither the operator, its agents or employees shall be liable for any loss, injury or death arising out of the Pool areas. Applicant assumes full financial responsibility for any damage caused by you/myself, spouse, guardians, dependents, and/or guests to the pool.

Lifeguard Responsibilities:

The lifeguards or other authorized personnel have responsibility for all activities at the pool and in the pool enclosed area and, therefore, have the authority and responsibility for the following:

A. Close the pool at any time due to acts of nature, weather (Thunder, lighting, rain,) fire ash, dust storms, safety reasons, disturbances, mechanical issues (Heater, pumps, etc.) and water quality issues due to human defecation or outside temperature of 65 or less. Keep in mind if the pool closes due to weather it could remain closed for the entire day, depending on time of inclement weather and weather forecast for that day.

B. Remove any person from the pool area for any logical reason including improper swimming attire (i.e. cut-offs, thongs) are prohibited, reckless play, intoxication, etc.

C. Non-swimmers may use lifeguard-approved flotation devices. Swimmers who are dependent of flotation devices to swim must be supervised and accompanied by an adult swimmer who is also in the water; they must be within arm's reach and supervise the swimmer.

D. Lifeguard's have the right to assess any one's swimming ability as seen fit and might ask the swimmer to complete certain swimming task to assess that person swimming ability.

E. The lifeguard is not a nanny or babysitter. They are concerned with overall pool safety and cannot/will not supervise one individual.

F. Orders of the lifeguard must be obeyed at all times. If you have a concern or complaint, please direct it to the Pool Manager. If a problem continues contact the District Manager.

G. Snorkels, fins, masks, kick boards, weights, Frisbees, small balls, and inflatable devices are NOT PERMITTED in the pool unless permission is obtained from pool staff. (**This depends on number of people in pool area.**)

H. All swimmers under the age of 18 must vacate the water during rest breaks (No Exceptions). No sitting on edge of pool during rest breaks.

I. The first time the rules have been disobeyed there will be a warning. The second time, the District member will be called about the incident. The third offense will result in possible membership being revoked, not being able to use the Pool for the remainder of the pool season or for a certain amount of time. No pool membership refunds will be issued.

J. Pool staff and/or District personnel may verify tag/pool membership, to ensure member entry accuracy.

General Pool rules and usage:

1. **Parents or mature guardian/caretaker must accompany and SUPERVISE ALL CHILDREN UNDER THE AGE OF 12 YEARS OLD.**
2. **Children who cannot swim may use US-Coast Guard approved life vests in the pool. Parents of children who cannot swim must be within one arm's length of non-swimming children at all times. DO NOT LEAVE CHILDREN UNATTENDED AT THE POOL.**
3. Children over 5 years of age are required to use restroom designed for their specific gender.
4. **Absolutely no children in a life vest, or who cannot swim one length of the pool without stopping, may use the climbing wall. Must be 12 or older to use climbing wall.**
5. To keep a family-friendly environment, all swimmers must wear proper swim attire. Cut-offs, gym shorts, and thongs are specifically prohibited. Swim diapers are required for children under 3 and for health safety reasons. **Cloth or disposable diapers are not allowed.**
6. Members or their guests will be requested to leave the premises if they are intoxicated, use foul or sexually-explicit language, or exhibit violent, abusive, or other undesirable behavior.
7. Anyone using must shower before entering the pool.
8. Persons with open sores, skin infections, contagious diseases, or bandages will not be allowed in the pools.
9. Members are solely responsible for safeguarding **ALL PERSONAL BELONGINGS** (*keys, cell phones, audio & electronic devices, etc.*). Musical devices, cameras, and cell phones are not allowed in restrooms/locker rooms.
10. **MEMBERS MUST UNDERSTAND THAT THEY ARE ULTIMATELY RESPONSIBLE FOR THE SAFETY OF THEIR FAMILY MEMBERS AND GUESTS.**
11. **NO GLASS** allowed in the pool area at any time. Food allowed in designated areas, only and not in pool.
12. **NO RUNNING, NO DIVING, NO JUMPING IN BACKWARDS, NO WRESTLING, NO PUSHING,**
13. **NO PETS ALLOWED IN THE POOL AREA** (certified service dogs are accepted).
14. **POSSESSION AND CONSUMPTION OF ALCOHOLIC BEVERAGES THROUGHOUT THE POOL AREA IS STRICTLY PROHIBITED.**

15. **NO SMOKING OR DRUGS.** This is a non-smoking facility. Smoking of any kind this includes electronic/vapor, chew tobacco, and drugs are not permitted in or around the pool, pool deck, restrooms, parking lot, or on the pool area grounds.
16. **FIREARMS, WEAPONS OR DRUGS ARE STRICTLY PROHIBITED ANYWHERE IN OR NEAR THE POOL FACILITY.**
17. The use of **FLOATATION DEVICES MAY BE USED ONLY AT THE DISCRETION OF THE LIFEGUARDS.** Use of these devices may be discontinued if the pool becomes busy and the flotation devices interfere with guarding the pool, or if flotation devices are being used in an unsafe manner.
18. **Bicycles, tricycles, skateboards, roller skates, or other play equipment not allowed in the pool area.**
19. **JUMPING THE FENCE IS PROHIBITED.** Violators will be prosecuted for trespassing and pool tag taken away. Possible membership may be revoked, or revoked for a certain amount of time, with no pool membership refunds being issued.
20. At **no time may gates be propped open** for entry to the facility unless opened by a guard for facility usage reasons.
21. **REST BREAKS WILL BE CALLED BY THE LIFEGUARDS EVERY HOUR.** All swimmers under the age of 18 must vacate the water during rest breaks (No Exceptions). No sitting on edge of pool during rest breaks. **Only adults can be in the water during the rest breaks/adult swim.**
22. **LIFEGUARDS HAVE THE FINAL SAY ON ALL RULES, THEIR INTERPRETATION AND ENFORCEMENT. DISOBEYING LIFEGUARDS MAY RESULT IN TEMPORARY OR COMPLETE REVOCATION OF SWIMMING POOL PRIVILEGES.**
23. **Pool may close at any time:** Due to acts of nature, weather (Thunder, lighting, rain,) fire ash, dust storms, safety reasons, disturbances, mechanical issues (Heater, pumps, etc.) and water quality issues due to human defecation or outside temperature of 65 or less. Keep in mind if the pool closes due to weather it could remain closed for the entire day, depending on time of inclement weather and weather forecast for that day.
24. **Covered Patio/Sun screens areas:** Members and their guests can use the Covered Patio/Sun screen areas of the pool at any time unless signage indicating that the patio /sun screen area is reserved for private events.
25. **Pool Furniture:** The District member will pay for any damage to the pool furniture, equipment, or facility by District member / or their guests. Due to high winds unpredictability we no longer put out umbrellas.
26. **Guest Pass rules:**
 - a. District/pool member must be in good standing with the District to bring in guests. **Must be pool member to buy guest pass.**
 - b. District/pool member must check-in guests with the guards when entering the pool.
 - c. Guests must always be accompanied by a District/pool member.
 - d. Adult District Members in good standing may bring guests by paying a fee per guest, per day. Adult District households in good standing may bring in up to 4 guests per day. (Limit of 4 guests per day subject to change.)
 - e. Good standing household members between the ages of 13-17 may bring guests after paying a fee per guest, per day.
 - f. When using a guest punch card: Children under two (2) are free.

- g. Guest daily pass punches are not reusable/refunded due to weather, mechanical issues, or illness.
 - h. Guests: No in and out with guests, once guests leave they must pay a fee for re-entry.
 - i. No Refunds on purchased guest punch cards.
 - j. No guest punch card replacement that is lost.
 - k. Guest visits permitted on a space available basis only. (Limit of 4 guests per day: Subject to change.)
27. **Nanny Pass for your childcare provider:** Add an additional name to your membership for a childcare provider. The nanny pass is to be used for childcare providers that are not District/pool member and/or a family member over the age of 23 (See Dependent definition) that is your childcare provider. Nanny pass would be for your childcare provider or a grandparent and/or other relatives over 23 that take your children to the pool.
- a. Nanny/day care provider must attend with a District/pool member. Nanny passes are purchased at the pool and expire at the end of the pool season.
 - b. **District/pool member definition for the Pool Membership Form:** Consists of the applicant, spouse, guardians (two adults) and dependents. Dependents are persons un-married, 23 years of age or younger who resides at same address as applicant and are dependent upon applicant for financial support. (Over 21 assumed going to school.)
28. **Daytime Pool Party Rates & Policies:** **Pool Party contact the Pool Manager, after Memorial Day.*Day Pool Party dates may be reserved with full payment, beginning the Tuesday after Memorial Day and not on the 4th of July and Labor Day.***
- a. Day time pool parties up to fifteen (15) guests (2-hour party) for pool members may be held during regular pool hours. Fee is \$60.00 for 2 hours. If you need more than two hours price will be quoted.
 - b. Cost of a day pool party includes guard coverage, tables, chairs, and a semi-private area. Guest pool fees do apply for non-District members.
 - c. Daily guest limits do not apply to pool parties, your guest limit at the pool party is (15) fifteen. The guest count for a pool party will include all members and guests. (Swimmers and non-swimmers)
 - d. Pool party must be arranged one week in advance with the pool manager. Full payment is due when you sign up for a day pool party. This agreement is for the pool area only.
 - e. ***** Parties with 16 or more people will not be scheduled during the day due to overcrowding of the pool area. *****
 - f. After hours pool party (After 8:00 pm) see pool manager for quote.
29. **Pool tag will be issued:** Tag will be issued to District members in good standing. District members in good standing are: Paid in full on their taxes, O and M fees, along with no outstanding covenant violations. If a member's status is not in good standing, pool entry may be denied until such time member becomes in good standing.
30. **District Member definition for the Pool Membership Form:** Consists of the applicant, spouse, guardians (two adults) and dependents. Dependents are persons un-married, 23 years of age or younger who resides at same address as applicant and are dependent upon applicant for financial support (21 years of age or younger, assumed going to school).
31. **If home is rented:** Pool tag is issued to either the renter or the owner not to both. One Pool tag will be issued to each home/lot. Pool tag is not to be shared. Pool tags are owned by TRMD.

32. **Pool memberships carry no proprietary rights:** No District members shall have or acquire any property rights in the property, assets, or holdings of Timnath Ranch Metro Districts.
33. **All persons using the Pool and adjoining areas:** Shall be responsible for their own safety and shall be deemed to assume risk of using the pool and agree by their presence in the Pool and surrounding areas, that neither the operator, its agents or employees shall be liable for any loss, injury or death arising out of the Pool areas. Members assume full financial responsibility for any damage they, spouse, guardians, dependents, and/or guests cause to the Pool.

Pool days of operation and Hours: (Weather permitting)

District does not send out e-mails when pool closes due to weather issues.

The pool located off School House Drive will be open the following hours:

Pool Opens: Saturday, May 28, 2021
Summer Pool Hours: 10:30 am to 8:00 pm.

Pool hours will change the 3rd Monday of August (8/15):

Monday through Friday: Hours: 4:30 pm to 7:30 pm.

Saturday and Sunday: Hours: 10:30 am to 7:30 pm.

(Pool Hours subject to change)

Except Holidays:

Memorial Day – 10:30 am – 8:00 pm

July 4th – 10:30 am – 5:00 pm

Labor Day – 10:30am -6:00 pm

Pool closes for the season Monday at 6:00 pm Labor Day (9/5).

Pool water temperature will be approximately 82°F.

Please note: Due to acts of nature, weather (Thunder, lighting, rain,) fire ash, dust storms, safety reasons, disturbances, mechanical issues (Heater, pumps, etc.) and water quality issues due to human defecation or outside temperature of 65°F or less the pool may close. Keep in mind if the pool closes due to weather it could remain closed for the entire day, depending on time of inclement weather and weather forecast for that day.

Trailside Slide Rules

1. Only one person on each slide at a time.
2. No swimmer may wait for the slide on the ladder. The line for the slide starts at the bottom of the ladder, on the pool deck.
3. Parents must wait for swimmers under 6 years old at the bottom of the slide and help swimmer to the side of the pool.
4. The only flotation devices allowed on the slide are life jackets and water wings, both of which must have a strap that goes around the swimmer's back and attach in front.
5. Only go up the stairs, not down the stairs.
6. Swimmers must sit at the top of the slide, no propelling on the stand, no forcing oneself forward using the top of the slide as a handle.
7. Do not hang on the bottom of the slide.
8. Absolutely no jumping from the slide platform.
9. Must be 6 years old to ride the slide solo.
10. Only slide feet first.
11. Swimmer must exit landing area as quickly as possible after sliding.
12. A parent may slide with a younger child.

EXHIBIT B

Fine and Enforcement Policies of Trailside Metropolitan District Nos. 1-5

Section 1. INTENT

- A. The Board of Directors of Trailside Metropolitan District Nos. 1-5 (collectively, the “Board”) has adopted rules and regulations to promote the health, safety, and welfare of the residents and the maintenance and aesthetic appearance of the community for the preservation of property values and the assets of the District.
- B. While many violations are resolved through a courtesy/warning notice (see below), there are instances when further action is required. Fines are intended to bring properties into conformance with any applicable architectural guidelines, and other rules and regulations set forth by the District (collectively, the “Governing Documents”) in a timely manner while providing due notice and appeal rights to property owners, as described in Exhibit “A” – Violation and Fine Appeal Process attached hereto and incorporated herein by reference.
- C. In order to gain compliance, the Board intends to impose and collect monetary penalties and reserves the right to enforce the District’s policies and the community’s restrictions in any other legal manner.

Section 2. NOTICE OF VIOLATION

- A. Notice Required: Upon a unit/lot owner’s first violation of any provision of the Governing Documents, the District shall provide a written Courtesy/Warning Letter to the unit/lot owner to allow the unit/lot owner the right to cure said violation as stated in the Letter.
- B. Notice: If not cured, a Notice of the violation shall be mailed to the unit/lot owner and contain, at a minimum, the following information:
 - 1. The alleged violation of the Governing Documents;
 - 2. The date of the violation or the date the violation was observed;
 - 3. A statement that the violation must be cured within ten (10) days of the date of the Notice, and failure by the unit/lot owner to cure the violation within ten (10) days may result in a fine in accordance with the Fine Policy and Schedule of Fines in effect at the time of the violation; and
 - 4. That the unit/lot owner has the opportunity for a hearing before the District Board or its designee. The process for the hearing is set forth in Exhibit “A”.
- C. Right to Submit Written Position Statement: A unit/lot owner who receives a Notice regarding a violation, in lieu of attending a hearing before the Board or its designee, may respond to the violation by sending a written position statement via certified mail to the District’s address (as listed on the notice of contact form recorded with the county recorder) within ten (10) days of the date of the Notice, but not less than ten (10) days

before the hearing date contained in the Notice. The Board or its designee may consider the written position statement and any other information coming before it regarding the violation, in the same manner as though a hearing were conducted.

Section 3. NOTICE AND IMPOSITION OF FINES

- A. Notice of Imposition of Fine: If the unit/lot owner fails to cure the violation within ten (10) days of the date of the Notice and fails to request or attend a hearing, or submit a position statement to the Board or its designee, and the Board or its designee determines a violation is present or has occurred the District shall send the unit/lot owner a Notice of Finding of Violation, which Notice shall state that the unit/lot owner has been found in Violation of the Governing Documents and may be assessed a fine for the violation in accordance with the Schedule of Fines attached hereto, as amended from time to time, and that failure by unit/lot owner to cure the violation within the period stated in the Notice of Finding of Violation may result in additional fines to the unit/lot owner.
- B. Further Failure to Comply: Additional Notices of fines citing unit/lot owner's failure to cure the violation shall be mailed to the unit/lot owner at the frequency and fine rate stated in the Schedule of Fines attached hereto, as amended from time to time. Each Notice shall indicate the current fine, past due fines and late fees, if any, the date that the violation must be cured to avoid additional fines, and unit/lot owner's right to appeal. The District may record a Notice of Violation against the unit/lot where the Violation exists.

Section 4. CONTINUING VIOLATIONS

- A. In the case of repeat and persistent violations, this system of fines may ultimately lead to prosecution of non-responsive violators. Fines will not take the place of legal action but will be used as an additional remedy. Fines shall not exceed the level, if any, established by state law.
- B. In addition, the Board shall have the right but not the obligation to remedy the violation and seek reimbursement from the unit/lot owner for collection costs and reasonable attorney fees incurred as a result of such failure to comply with the Governing Documents without the necessity of legal proceedings.
- C. The Board may take legal action against the unit/lot owner at any time after a fourth Notice has been sent to the unit/lot owner, when accrued fines equal or exceed \$250, or if the Board determines, in its sole discretion, that immediate legal action is necessary to preserve the health, safety, and welfare of District residents. Pursuant to state law, in any legal action pursued hereunder, the court shall award reasonable attorney fees, costs, and costs of collection to the prevailing party.
- D. To ensure that the Board is aware of continuing violations, the Management Company may list the violating unit/lot owner on the Executive Session agenda when a fourth Notice has been sent to the unit/lot owner, when accrued fines equal or exceed \$250,

or whenever the Management Company believes immediate action by the Board is necessary to preserve the health, safety and welfare of District residents. At such time, the Board may consider whether the Board should take other appropriate action against the unit/lot owner as provided herein.

Section 5. RECURRENCE OF VIOLATION

Any recurrence of the same violation within six (6) months of the original violation, as noted in the Notice, shall make the unit/lot owner subject to the imposition of a fine. Such fine shall be levied at the current rate of a 2nd violation in accordance with the "Schedule of Violations and Fines" then in effect. Such violations shall be considered a continuing violation and no Notice shall be provided to the unit/lot owner.

Section 6. FAILURE TO PAY

- A. Fines shall be due and payable within 30 days of the violation notice. Fines not paid within 30 days may be charged a late fee.
- B. All rights and remedies of the District are cumulative and not exclusive, and the District shall have all rights and remedies to levy and collect fines which may be available to it under the Governing Documents and applicable law.
- C. Until paid by the unit/lot owner, all fines, fees, and charges assessed against the unit/lot owner pursuant to the Fine Policy and Schedule, as amended from time to time, including, but not limited to, the cost of collecting fines, fees, and charges such as collection agents and attorney fees, shall constitute a lien on and against the property in accordance with the Declaration of Covenants.
- D. Fee Schedule:
 - 1. Late Fee Charge: A late fee of \$15.00 may be assessed on every account that is not paid in full within the 30 days referenced above. The late fee charge may be amended from time to time by resolution of the Board.
 - 2. Bad Check Charge: For each check that for any reason is returned to the District unpaid, the unit/lot owner shall owe the District a "bad check" charge of \$25.00. The bad check charge may be amended from time to time by resolution of the Board.
 - 3. Collection Fees: The unit/lot owner shall be responsible for all collection costs incurred by the District as part of the collection process, including, but not limited to, attorney fees, collection agent fees, and court costs.

Section 7. HEARING PROCESS

Violations and fines may be heard by the Board or its designee in accordance with the procedures set forth in Exhibit A, which procedures may be amended from time to time by a majority vote of the Board.

Section 8. SCHEDULE OF FINES

Fines may be levied as shown below. The Board may amend the Schedule of Fines from time to time as it deems necessary by a majority vote of the Board.

SCHEDULE OF FINES:

Violation	Amount of Fine				Assess	
	1st	2nd	3rd	Thereafter		
Architectural Committee Review and Approval Required	Warning	\$100	\$200	\$200	Bi-weekly	
Architectural Review, Improvement not Conforming to Request/Approval	Warning	\$100	\$200	\$200	Bi-weekly	
Residential Use: Professional or Home Occupation	Warning	\$100	\$200	\$200	Bi-weekly	
Declaration of Covenants, Other Violations of District Policies, Rules and Regulation Not Listed	Warning	\$100	\$200	\$200	Bi-weekly	
Drainage & Irrigation	Warning	\$100	\$200	\$200	Bi-weekly	
Household Pets	Warning	\$100	\$200	\$200	Bi-weekly	
Leases	Warning	\$100	\$200	\$200	Bi-weekly	
Vehicle Parking, Storage and Repairs	Warning	\$100	\$200	\$200	Bi-weekly	
Light, sound and Orders	Warning	\$100	\$200	\$200	Bi-weekly	
Nuisances	Warning	\$100	\$200	\$200	Bi-weekly	
Hazardous Activities	Warning	\$100	\$200	\$200	Bi-weekly	
Completion of Landscape	Warning	\$100	\$200	\$200	Bi-weekly	
Lot Maintenance	Warning	\$100	\$200	\$200	Bi-weekly	
Miscellaneous Requirement & Improvements including signage	Warning	\$100	\$200	\$200	Bi-weekly	
Temporary Structures	Warning	\$100	\$200	\$200	Bi-weekly	
Trash and Materials	Warning	\$100	\$200	\$200	Bi-weekly	
Damage to District Property, Landscaping or Improvements	Warning	\$100	\$200	\$200	Bi-weekly	

Exhibit "A"
VIOLATION AND HEARING PROCESS

SECTION 1 – NOTICE

1. Any unit/lot owner who receives a Notice of violation or imposition of fine may be heard regarding such violation by the Board of the District or its designee. Such hearing will be scheduled as set forth in the Notice. Fines set forth in any notice from the District may continue to accrue during the hearing process so that the process is not used to delay effective enforcement of the District's Governing Documents, as defined in the Fine Policy and Schedule noted above.
2. In lieu of a hearing, a unit/lot owner may submit a written position statement no less than ten (10) days before the noticed hearing which written position statement shall be considered by the Board or its designee in the same manner that verbal testimony would be considered.

SECTION 2 – HEARING PROCESS

1. The hearing shall be held before the Board in open session or its designee in an open forum unless the unit/lot owner requests that the hearing be closed.
2. The Board President or Board's designee shall summarize the violation to be heard before the Board or its designee and introduce all parties.
3. The unit/lot owner shall be afforded 10 minutes to state his or her case and to present to the Board or its designee any evidence that is applicable to the unit/lot owner's position.
4. Each Board Member or the Board's designee shall have an opportunity to question the unit/lot owner regarding the violation.
5. Any Board Member or the Board's designee may receive additional evidence to aid in the determination of the matter including, but not limited to, any relevant documentation and/or information from third parties.
6. Upon completion of the question and answer period, the Board President or the Board's designee will state that the violation has been heard and the Board or its designee will make their decision follow an executive session if the Board or the designee deems an executive session to be available under applicable law and necessary in the given circumstances. In reaching a decision, the Board or its designee may take into account the unit/lot owner's statements and evidence presented, the unit/lot owner's willingness to work towards compliance, and any other factors that may be pertinent as determined by the Board or its designee.
7. The Board or its designee may continue the hearing if it determines that additional information is required from the unit/lot owner before making an informed decision. The

Board or its designee shall notify the unit/lot owner in writing of the date and time of the continued hearing and the additional information that the unit/lot owner must present on the continued hearing date.

8. The minutes of the meeting shall contain a written statement of the results of the hearing and the fine, if any, imposed. The unit/lot owner shall be given written notice of the results of the hearing within five (5) days from the date of the hearing.

SECTION 3 – FINDING OF VIOLATION

1. All decisions of the Board or its designee are final and may not be further appealed through the District.
2. If the Board or its designee finds that a violation is present, the unit/lot owner must bring the violation into compliance and pay all outstanding fines and charges accrued to date within the time period specified in the written notice received from the Board or its designee, regarding the Board's or the designee's decision. Failure to cure the violation within the designated time period stated therein shall constitute a continuing violation and subject the unit/lot owner to subsequent fines at the rate and frequency noted in Fine Policy and Schedule noted above – Schedule of Fines, which additional fines shall not be subject to the hearing process.
3. The Board may, in its sole discretion, take legal action against the unit/lot owner at any time after a unit/lot owner's violation has been confirmed and the unit/lot owner has accrued fines equal to or greater than \$250 or the Board determines that immediate legal action is necessary to preserve the health, safety, and welfare of District residents.