

**AMENDED AND RESTATED
JOINT RESOLUTION
OF THE BOARDS OF DIRECTORS OF
ST. VRAIN LAKES METROPOLITAN DISTRICT NOS. 1-4**

**REGARDING POLICIES, PROCEDURES AND PENALTIES FOR THE
ENFORCEMENT OF THE GOVERNING DOCUMENTS**

WHEREAS, St. Vrain Lakes Metropolitan District Nos. 1-4 (each a “**District**” and collectively, the “**Districts**”) are each a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to the terms and conditions of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Barefoot Lakes recorded in the real property records of the Clerk and Recorder of Weld County, Colorado at Reception No. 4332320, on September 1, 2017 (the “**Covenants**”), the Districts are permitted to send demand letters and notices, levy and collect fines and interest, impose liens, and negotiate, settle and take any other actions with respect to any violations or alleged violations of the Governing Documents (as defined below); and

WHEREAS, the Board of Directors of a District (each a “**Board**” and collectively, the “**Boards**”) is authorized to promulgate adopt, enact, modify, amend, repeal, and re-enact rules and regulations concerning and governing the Property (as that term is defined in the Covenants) (the “**Rules and Regulations**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., each Board is authorized to fix and from time to time increase or decrease, fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the respective District; and

WHEREAS, such fees, rates, tolls, penalties, or charges, until paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the Districts hereby agree that District No. 1 (the “**District No. 1**”) shall be responsible for enforcing the Covenants and Rules and Regulations as the implementing and enforcing district; and

WHEREAS, the Boards desire to set establishing policies, procedures and penalties for violations of the Covenants, any guidelines, rules and regulations, and other policies and procedures of the Districts, as the same may be adopted, amended and supplemented from time to time (collectively, the “**Governing Documents**”)and;

WHEREAS, on August 8, 2018, the Boards adopted that certain Joint Resolution of the Boards of Directors of St. Vrain Lakes Metropolitan District Nos. 1-4 Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents (the “**Prior Policy**”), and the Board desires to adopt this Resolution to amend and restate the Prior Policy in its entirety.

NOW THEREFORE, the Boards hereby adopts this Resolution and the following policies and procedures:

1. Intent of District. This Resolution is adopted to ensure the protection of the health, safety and welfare of the residents and property owners of the Districts, to preserve property values, enhance the quality of life for all residents of the Districts, and provide a fair and consistent enforcement process of the Governing Documents.

2. Enforcement Policy. The Districts may enforce the Governing Documents through administrative proceedings or judicial action, and any non-compliance with the Governing Documents by any owner, renter or guest will be the responsibility of the owner of the respective property subject to this Resolution (“the **“Owner”**”). This Resolution is intended to serve as guidance to the Board of District No. 1 and the District No. 1 authorized representative(s) (the **“District Representative”**), and does not limit or restrict the authority of the Boards. The Boards may intervene at any time with respect to any authority granted to or action undertaken by the District Representative. In addition, this Resolution shall not supersede the procedures for approval, disapproval, or notice of noncompliance related to improvements as set forth in the Governing Documents.

3. Inspection and Investigative Procedure. The District Representation shall make a physical, drive through inspection of the Districts the first Tuesday of every month, subject to adjustment for holidays, inclement weather, or as determined as necessary by the District Manager, in order to identify violation. Further, upon receipt of a written complaint alleging a violation of the Governing Documents, the District Representative will conduct an investigation to determine whether a violation of the Governing Documents has occurred.

4. Enforcement Process for Continuous Violations Upon determining that a **“Continuous Violation”** (defined as a violation that is ongoing, uninterrupted by time and may take time to cure) has occurred, the District Representative and the Board of District No. 1 shall take the following steps:

a. Advisory Letter. If the District Representative determines that a Continuous Violation of the Governing Documents exists, either through the investigative process as set forth above, or through independent inspections or observations of the District Representative, the District Representative will send an “Advisory Letter” to the Owner by first-class United States mail to the address of the Owner on record according to the records of the County Assessor (**“Owner’s Address”**), notifying the Owner of: (i) the restriction violated and the nature of the violation, (ii) that the Owner must have the Continuous Violation corrected within 30 calendar days of the date of the Advisory Letter, and (iii) that failure to timely cure the Continuous Violation may result in potential fines or other sanctions. If, in the discretion of the District Representative, the Continuous Violation requires more than 30 days to cure, the District Representative may extend the cure period or require the Owner to commence such cure within 30 days of the date of the Advisory Letter and diligently prosecute the same to completion.

b. Notice of Complaint and Opportunity to Be Heard. If an Owner fails to cure (or provide adequate proof that he or she is diligently seeking to cure, if applicable) a Continuous Violation within 30 days of the date of the Advisory Letter this shall be considered a second violation for which a fine may be imposed. The District Representative shall send a notice of complaint and opportunity to be heard (“**Hearing Notice**”) to the Owner at the Owner’s address notifying the owner of the Continuous Violation and of the potential fines that may be imposed if the Continuous Violation is not cured. The Hearing Notice shall further state that the Owner is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing by the Owner within 30 days of the date of the Hearing Notice.

c. Notices of Ongoing Violation. If the Owner has not requested a hearing, cured the Continuous Violation or made arrangements to cure the Continuous Violation and communicated such arrangements to the District Representative in writing within 30 days of the Hearing Notice, this shall be considered a third violation for which a fine may be imposed. The District Representative shall send a notice of ongoing violation (“**Ongoing Violation Notice**”) to the Owner’s Address demanding that the Owner cure the ongoing Continuous Violation and that an additional fine has been imposed on the Owner’s account pursuant to the fine schedule set forth in Paragraph 9 below. If the Continuous Violation remains uncured 30 days after the date of the first Ongoing Notice Violation or the Owner has not made arrangements to cure the Continuous Violation and communicated such arrangements to the District Representative in writing within 30 days of the first Ongoing Violation Notice, this shall be considered a fourth violation for which an additional fine may be imposed. A second Ongoing Violation Notice shall be sent to the Owner and shall advise the Owner of the imposition of an additional fine, pursuant to the fine schedule set forth in Paragraph 9 of this Resolution.

d. Continuing Violation. In the event that a Continuing Violation continues to exist uninterrupted 30 days after the date of the second Ongoing Violation Notice, the District may in its discretion, in addition to any other remedy, send the Owner a notice of daily fines (“**Daily Fine Notice**”) and thereafter impose a fine of up to \$100 for each day that a Continuous Violation so continues.

5. Enforcement Process for Repetitious Violations. Upon determining that a “**Repetitious Violation**” (defined as a violation that occurs at a set point in time and does not require time to cure, such as the parking of a restricted vehicle in the community or leaving trash cans out beyond the time allowed) has occurred, the District Representative and the Board of District No. 1 shall take the following steps:

a. Advisory Letter. If the District Representative determines that a Repetitious Violation of the Governing Documents has occurred, either through the investigative process as set forth above, or through independent inspections or observations of the District Representative, the District Representative will send an “Advisory Letter” to the Owner by first-class United States mail to the Owner’s Address, notifying the Owner of: (i) the restriction violated and the nature of the Repetitious

Violation, and (iii) that any subsequent violations of the same restriction within 90 days of the date of the Advisory Letter may result in the imposition of fines.

b. Notices of Repetitious Violations. If an Owner subsequently violates the same covenant or rule within 90 days of date of the Advisory Letter, each such instance shall constitute a separate Repetitious Violation for which fines may be imposed pursuant to the fine schedule set forth in Paragraph 9. Upon the occurrence of each subsequent Repetitious Violation, the District Representative shall send the Owner a notice advising the Owner of the Repetitious Violation and of the fine to be imposed (“**Repetitious Violation Notice**”). The first such Repetitious Violation Notice shall further state that the Owner is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing by the Owner within 15 days of such first Repetitious Violation Notice. District No. 1 may impose additional fines with each Repetitious Violation Notice sent after the first Repetitious Violation Notice without the necessity of providing the Owner with the opportunity for a hearing thereafter.

6. Hearing on Violation. If a hearing is requested by the Owner pursuant to Paragraph 4.b or 5.b above, the District Representative shall notify the Owner of the date, time and place of the hearing at least 10 days prior to the hearing. Hearings regarding violations of the Governing Documents shall be conducted by the Board of District No. 1, or a tribunal consisting of residents of the Districts or other persons as selected by the Boards.

7. Failure to Attend or Request Hearing. In the event any Owner fails to request a hearing within 30 days of the date of the Hearing Notice or within 15 days the first Notice of Repetitious Violation, as applicable, or fails to appear at a requested hearing, the Boards or the tribunal or persons designated by the Boards to conduct the hearing may make a decision with respect to the violation based on the complaint, results of the investigation and any other available information without the necessity of holding a formal hearing. Failure to request a hearing or to appear at a requested hearing will result in the Owner being deemed to have admitted and acknowledged the violation and the Owner will thereafter be subject to all fines and penalties assessed in connection with the violation. After offering an Owner the opportunity for a hearing in the Hearing Notice or the first Notice of Repetitious Violation, as applicable, regardless of whether the Owner then requests a hearing or not, the District need not offer the opportunity for a hearing for any additional fines to be imposed for failure to cure a Continuous Violation or for subsequent instances of a Repetitious Violation.

8. Decision. After District No. 1 has taken the steps as outlined above, upon a finding that an Owner is in violation of the Governing Documents, the District Representative shall send notice of violation (“**Notice of Violation**”) to the Owner’s Address. District No. 1 may revoke or suspend the Owner’s privileges, impose fines in accordance with the fine schedule set forth below and take such other actions as it may deem necessary or appropriate to assure compliance with the Governing Documents.

9. Fine Schedule. The following fine schedule is adopted for any and all violations of the Governing Documents.

Continuous Violations

First Violation	Advisory Letter
Second Violation (Hearing Notice):	\$ 25.00
Third Violation (First Ongoing Violation Notice)	\$ 50.00
Fourth Violation (Second) Ongoing Violation Notice:	\$ 75.00
Daily Fine Notice:	Up to \$100.00 per day

Repetitious Violations:

First Violation	Advisory Letter
Second Violation within 90 days of the Advisory Letter:	\$25.00
Subsequent Violations within 90 days of the Advisory Letter:	\$50.00 per offense

Fifth and subsequent violations or violations that remain uncured after the second Notice of Ongoing Violation may be turned over to the District's attorney for legal action.

10. Violations or Offenses that Constitute a Present Danger. If a violation concerns a serious or immediate risk to the health, safety, or welfare of person or property, the District Representative shall seek to obtain prompt action by the Owner to correct the violation and avoid any reoccurrence, and the procedural requirements under this Resolution may be waived by the Board of District No. 1 and a hearing scheduled as soon as possible. The Board of District No. 1 may impose sanctions as necessary to abate any threat to health, safety or welfare of any person or property.

11. Waiver of Fines and Other Amounts. District No. 1 may determine enforcement actions on a case by case basis, and take other actions as it may deem necessary or appropriate to assure compliance with the Governing Documents. The District Representative and/or the Board of District No. 1 may, either in its sole discretion, waive all or any portion of any fines and other amounts levied under this Resolution. Additionally, the District Representative and/or the Board of District No. 1 may condition waiver of any fine or other amount(s), upon the Owner coming into and staying in compliance with the Governing Documents.

12. Other Enforcement Means. The provisions of this Resolution shall be in addition to all other enforcement means which are available to District No. 1 through the Governing Documents, or by law. Application of this Resolution does not preclude District No. 1 from using any other enforcement means, including, but not limited to the recording of liens, foreclosure, and any other legal or equitable remedies available to District No. 1.

13. Legal Action. Any violation of the Governing Documents may, in the discretion of the Board of District No. 1, be turned over to legal counsel to take appropriate legal action either in lieu of, or in addition to, the imposition of any fines or other penalties under this Resolution, and Owners shall be responsible for all attorneys' fees and costs incurred in enforcing this Resolution and in collecting amounts due and owing the Districts.

14. Foreclosure of Lien. All amounts imposed pursuant to this Resolution shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the

foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S., such lien being a charge imposed for the provision of services and facilities to the property. Said lien may be foreclosed at such time as District No. 1 in its sole discretion may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land.

15. Deviations. District No. 1 may deviate from the procedures set forth herein if, in its sole discretion, such deviation is reasonable under the circumstances.

16. Amendment. The policies, procedures and fine schedule set forth in this Resolution may be supplemented and/or amended from time to time by District No. 1, in its sole and absolute discretion.

17. Payment. Payment for all fines shall be by check or equivalent form acceptable to District No. 1, made payable to "St. Vrain Lakes Metropolitan District No. 1" and sent to the following address, on or before the due date: St. Vrain Lakes Metropolitan District Nos. 1-4, c/o Pinnacle Consulting Group, Inc. 550 W. Eisenhower Boulevard, Loveland, Colorado 80537. District No. 1 may change the payment address from time and time and such change shall not require an amendment to this Resolution.

18. Severability. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

19. Effective Date. This Resolution shall become effective immediately, and shall supersede in its entirety any prior resolution.

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APPROVED AND ADOPTED THIS THE 13th DAY OF NOVEMBER, 2019.

**ST. VRAIN LAKES METROPOLITAN
DISTRICT NOS. 1-4**, a quasi-municipal
corporation and political subdivision of the State of
Colorado

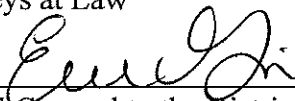


Officer of the Districts

ATTEST:



APPROVED AS TO FORM:
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