

**RESOLUTION OF
ALPINE MOUNTAIN RANCH ASSOCIATION
TO ENACT RESPONSIBLE GOVERNANCE POLICIES**

The Alpine Mountain Ranch Association, a Colorado nonprofit corporation (the "Association"), for the purpose of complying with C.R.S. §38-33.3-209.5, hereby adopts the following responsible governance policies. Unless otherwise defined in these policies, terms defined in the Declaration of Covenants, Conditions, Restrictions and Easements for Alpine Mountain Ranch dated December 19, 2006, and recorded in the Office of the Clerk and Recorder of Routt County, Colorado on December 29, 2006, under Reception No. 650155, as amended ("Declaration"), the Association's Articles of Incorporation ("Articles"), the Association's Bylaws ("Bylaws") and any Rules and Regulations the Association may adopt ("Rules and Regulations") shall have the same meaning herein. The Declaration, Articles, Bylaws, Rules and Regulations and these Policies shall hereafter be collectively referred to as the "Governing Documents."

Assessment Collection Policy (as amended to comply with HB 22-1137)

1. Due Dates. The annual assessment shall be due and payable in periodic installments as determined by the Board. Special assessments or other charges may be assessed from time to time by the Association in accordance with the Declaration and are due and payable as specified by the Board. Assessment installments and other charges not paid to the Association within thirty (30) days after the due date shall be considered past due and delinquent.
2. Late Charges and Interest Charges. Any assessment or other charge not paid by the due date thereof shall bear interest from the due date at 8% per annum. In addition, the Association shall be entitled to impose a late charge of one hundred dollars (\$100.00) on each assessment installment or other charge that is not paid within sixty (60) days after the same is due. All such charges shall be due and payable immediately, without notice, in the manner provided for payment of assessments.
3. Collection Process.
 - a. For the purposes of this section, "assessments" shall include regular and special assessments and any associated fees, charges, late charges, attorney fees, fines, and interest charges.
 - b. All assessments shall be paid on the date due.
 - c. If not paid on the date due, the Owner shall be delinquent.
 - d. If any assessment is not paid within thirty days of the date due, the unpaid balance shall begin accruing interest from the date due at the rate of 8% per annum until paid.
 - e. If any assessment is not paid within sixty days of the date due, a late fee of \$100.00

shall be imposed.

- f. If there is a check submitted by an Owner to the Association for assessments that is returned for insufficient funds or any other reason, the Association shall impose a returned check fee of \$50.00.
 - g. If an Owner is delinquent, the Association shall suspend the voting rights of the delinquent Owner.
 - h. The Association shall be entitled to recover its reasonable attorneys' fees and collection costs incurred in the collection of assessments or other charges due to the Association from a delinquent Owner. The reasonable attorneys' fees incurred by the Association shall be due and payable immediately when incurred, upon demand.
4. Required Actions. The Association shall take the following steps if an Owner is delinquent in paying assessments, fines, or fees:
- a. The Association shall first contact the Owner regarding the delinquency and shall maintain a record of any contacts, including information regarding the type of communication used to contact the Owner and the date and time that the contact was made.
 - b. The Association shall also contact the Owner regarding the delinquency by certified mail, return receipt requested, and physically post a notice of delinquency at the Owner's Lot.
 - c. The Association shall also contact the Owner regarding the delinquency by one of the following means:
 - i. First-class mail;
 - ii. Text message to a cellular number that the Association has on file because the Owner has provided the cellular number to the Association; or
 - iii. Email to an email address that the Association has on file because the Owner has provided the email address to the Association.
 - d. The Association shall only refer the delinquent account to a collection agency or attorney if a majority of the Board votes to refer the matter in a recorded vote at a meeting conducted in executive session pursuant to section 38-33.3-308(4)(e).
5. Prohibited Charges. The Association shall not impose the following on a daily basis against an Owner:
- a. Late fees; or

- b. Fines assessed for violations of the Declaration, Bylaws, Articles or other Governing Documents.
6. Fine Timeline. The Association shall only impose fines as follows:
- a. With respect to any violation of the Declaration, Bylaws, Articles or other Governing Documents that the Association reasonably determines threatens the public safety or health, the Association shall provide the Owner written notice, in English and in any language that the Owner has indicated a preference for correspondence and notices, of the violation informing the Owner that the Owner has seventy-two hours to cure the violation or the Association may fine the Owner.
 - b. If, after an inspection of the Lot, the Association determines that the Owner has not cured the violation within seventy-two hours after receiving the notice, the Association may impose fines on the Owner every other day and may take legal action against the Owner for the violation; except that the Association shall not pursue foreclosure against the Owner based on fines owed.
 - c. If the Association reasonably determines that an Owner committed a violation of the Declaration, Bylaws, Articles or other Governing Documents, other than a violation that threatens the public safety or health, the Association shall, through certified mail, return receipt requested, provide the Owner written notice, in English and in any language the Owner has indicated a preference for correspondence and notices, of the violation informing the Owner that the Owner has thirty days to cure the violation or the Association, after conducting an inspection and determining that the Owner has not cured the violation, may fine the Owner; however, the total amount of fines imposed for the violation may not exceed five hundred dollars.
 - d. The Association shall grant an Owner two consecutive thirty-day periods to cure a violation before the Association may take legal action against the Owner for the violation; and the Association shall not pursue foreclosure against the Owner based on fines owed.
 - e. If the Owner cures the violation within the period to cure afforded the Owner, the Owner may notify the Association of the cure and, if the Owner sends with the notice visual evidence that the violation has been cured, the violation is deemed cured on the date that the Owner sends the notice. If the Owner's notice does not include visual evidence that the violation has been cured, the Association shall inspect the Lot as soon as practicable to determine if the violation has been cured.
 - f. If the Association does not receive notice from the Owner that the violation has been cured, the Association shall inspect the Lot within seven days after the expiration of the thirty-day cure period to determine if the violation has been cured. If, after the inspection and whether or not the Association received notice from the Owner that the violation was cured, the Association determines that the violation

has not been cured:

- i. A second thirty-day period to cure commences if only one thirty-day period to cure has elapsed; or
 - ii. The Association may take legal action pursuant to this policy if two thirty-day periods to cure have elapsed.
 - g. Once the Owner cures a violation, the Association shall notify the Owner, in English and in any language that the Owner has indicated a preference for correspondence and notices:
 - i. That the Owner will not be further fined with regard to the violation; and
 - ii. Of any outstanding fine balance that the Owner still owes the Association.
 - h. On a monthly basis and by first-class mail and, if the Association has the relevant email address, by email, the Association shall send to each Owner, in English and in any language that the Owner has indicated a preference for correspondence and notices, who has any outstanding balances owed the Association an itemized list of all assessments, fines, fees, and charges that the Owner owes to the Association.
7. The Association shall not fine an Owner for an alleged violation of the Declaration, Bylaws, Articles or other Governing Documents without first following its Covenant Enforcement Policy as well as giving all of the above-required notices.
8. Required Steps Prior to Sending to Collections or Attorney. The Association may not use a collection agency or take legal action to collect unpaid assessments unless the Association does the following:
- a. The Association shall send the Owner a notice of delinquency by certified mail, return receipt requested, specifying:
 - i. The total amount due, with an accounting of how the total was determined;
 - ii. Whether the opportunity to enter into a payment plan exists and instructions for contacting the Association to enter into such a payment plan;
 - iii. The name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt;
 - iv. That action is required to cure the delinquency and that failure to do so within thirty days may result in the Owner's delinquent account being turned over to a collection agency, law suit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law;
 - v. The method by which payments may be applied on the delinquent account

- of the Owner; and
 - vi. The legal remedies available to the Association to collect on an Owner's delinquent account pursuant to the Governing Documents and Colorado law.
- b. Any notice of delinquency sent by the Association to an Owner for unpaid assessments, fines, fees or charges shall:
- i. Be written in English and in any language that the Owner has indicated a preference for correspondence and notices;
 - ii. Specify whether the delinquency concerns unpaid assessments; unpaid fines, fees, or charges; or both unpaid assessments and unpaid fines, fees, or charges, and, if the notice of delinquency concerns unpaid assessments, the notice of delinquency must notify the Owner that unpaid assessments may lead to foreclosure;
 - iii. Describe the steps the Association must take before the Association may take legal action against the Owner, including a description of the Association's cure process described above; and
 - iv. Describe what legal action the Association may take against the Owner, including a description of the types of matters that the Association or Owner may take to small claims court, including injunctive matters for which the Association seeks an order requiring the Owner to comply with the Declaration, Bylaws, Articles or other Governing Documents.
9. Pre-requisites to Legal Action. The Association shall not commence a legal action to initiate a foreclosure proceeding based on an Owner's delinquency in paying assessments unless:
- a. The Association has complied with all of the above requirements as well as made a good-faith effort to coordinate with the Owner to set up a payment plan that meets the requirements in subsection b, below; and
 - b. The payment plan must be made in a written offer that authorizes the Owner to repay the debt in monthly installments over eighteen months. Under the repayment plan, the Owner may choose the amount to be paid each month, so long as each payment must be in an amount of at least twenty-five dollars until the balance of the amount owed is less than twenty-five dollars; and
 - c. Within thirty days after the Association has provided the Owner with a written offer to enter into a repayment plan, the Owner has either:
 - i. Declined the repayment plan; or
 - ii. After accepting the repayment plan, failed to pay at least three of the monthly installments within fifteen days after the monthly installments were due.
10. Prohibited Actions. The Association shall not:

- a. Charge a rate of interest on unpaid assessments, fines or fees in an amount greater than eight percent per year;
- b. Assess a fee or other charge to recover costs incurred for providing the Owner a statement of the total amount that the Owner owes; or
- c. Foreclose on an assessment lien if the debt securing the lien consists only of one or both of the following:
 - i. Fines that the Association has assessed against the Owner; or
 - ii. Collection costs or attorney fees that the Association has incurred and that are only associated with assessed fines.

A party seeking to enforce rights and responsibilities arising under the Declaration, Bylaws, Articles or other Governing Documents in relation to disputes arising from assessments, fines or fees owed to the Association and for which the amount at issue does not exceed seven thousand five hundred dollars, exclusive of interest and costs, may file a claim in small claims court.

Policy and Procedures for the Enforcement of Covenants and Rules and Regulations (as amended to comply with HB 22-1137)

1. Power. The Board shall have the power and duty to hear and make decisions regarding violations and written complaints filed with the Board and to impose fines or other sanctions, pursuant to this policy. The 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 Governing Documents and to create a safe and harmonious living environment.
2. Remedies Not Exclusive. These enforcement provisions may be in addition to other specific provisions outlined in the Governing Documents, and the Association is not required to follow these enforcement provisions before seeking such other remedies. The Association may choose a legal remedy or seek assistance from other enforcement authorities, such as police, fire, or animal control, as it deems appropriate.
3. Responsibility for Actions of Tenant or Guest. Owners are responsible for the actions of their tenants and guests. If an Owner's tenant or guest violates the Governing Documents and a fine is imposed, the fine shall be assessed against the Owner.
4. Complaint. An Owner may report an alleged violation of the Governing Documents by filing a written Complaint with the Association's Board or community association manager. In addition to acting upon a complaint by an Owner, the Board or community association manager, upon their own discovery of an alleged violation of the Governing Documents, may initiate these enforcement procedures upon a reasonable determination that a violation has been committed. All complaints shall be maintained with the Association's records relating to the Lot associated with the complaint, but are

not records that the Association must produce under C.R.S. Section 39-33.3-317. The complaint by an Owner shall state the specific provision(s) of the Governing Documents alleged to have been violated and as many specifics as are available as to time, date, location, and persons involved. While the Association will not accept anonymous complaints, the Association is not obligated to disclose the identity of the complaining party unless otherwise required by law.

5. Impartial Decision-Maker. The Association shall rely on an impartial decision maker for all decisions concerning potential violations. An impartial decision maker is a person or group of persons who do(es) not have any direct personal or financial interest in the outcome. A decision maker will not be deemed to have a personal or financial interest in the outcome, if the outcome will not cause the decision maker any greater benefit or detriment than the community's general membership.
6. Notice of Complaint. If the Association determines that the allegations in the complaint are sufficient to constitute a violation of the Governing Documents and that action is warranted, the Board shall send a Health and Safety Notice as described in section 9, below, or a Notice of Violation as described in section 14, below. All notices must be in English and in any language the Lot Owner ("Respondent") has indicated a preference for pursuant to C.R.S. Section 38-33.3-209.5(1.7)(a)(1). In addition, all notices must include (a) the details of the complaint, or include a copy of the complaint; (b) the action or actions that may be taken by the Association in response to the alleged violation, including the interval upon which fines may be imposed if the violation is continuing in nature and the time after which the Association may commence legal action to obtain compliance; (c) the action or actions required to cure the alleged violation; (d) the Respondent's right to be heard, either orally or in writing; and (d) the process to request and schedule an in-person hearing.
7. Confirmation of Cure. Once the Respondent cures a violation, the Association shall notify the Respondent that the Respondent will not be further fined with respect to that specific violation and of any outstanding fine balance that the Respondent owes to the Association.

Health and Safety Violations

8. Definition. Health and safety violations are those violations that have the potential to affect a person's mental or physical condition and circumstances likely to cause danger, risk or injury to people, pets or property. These violations may include, but are not limited to: noise violations; fire hazards; hoarding; infestations of insects, mice, rats or other vermin; short-term rental violations; parking violations; harassment; and violations of local, state or federal law intended to protect public health and safety.
9. Notice of Health and Safety Violation. If the Association reasonably determines that a health and safety violation has occurred, it shall send a notice ("Health and Safety Notice") to the Respondent that meets the requirements set forth in section 6, above, and demands the Respondent cure the violation within 72 hours of receiving the Health

and Safety Notice or face fines, legal action, or both. The Health & Safety Notice shall also state that if Respondent fails to cure the violation within the initial 72 hour compliance window, the Association may then assess fines for the ongoing violation every other day. If possible, the Association shall send the Health & Safety Notice to the Respondent by email, to the email address provided by the Respondent to the Association. If Respondent has not provided the Association with an email address, the Association shall send the Health and Safety Notice by regular United States mail, and may also send it by certified mail, return receipt requested, or by posting it on the Lot. The Health & Safety Notice shall include the fine schedule set forth in section 11, below. In addition, the Health & Safety Notice shall inform the Respondent that they may appeal any fine by submitting a written request for a hearing within 14 days of the date the Association issues the Health and Safety Notice.

10. Inspection. The Association shall inspect to see whether the Respondent has cured the health and safety violation as soon as practicable after the 72 hour cure period has passed. If the Respondent has failed to cure the violation, the Association may impose fines on the Respondent in accordance with section 11, below.
11. Fines for Health and Safety Violations. If the Respondent fails to cure a health and safety violation within 72 hours of receiving the Health and Safety Notice, the Association may fine the Respondent as frequently as every other day for ongoing or repeated violations according to the following fine schedule:

<u>Fines for Health & Safety Violations</u>	<u>Fine Amount</u>
First Violation	\$ 500.00
Second Violation	\$ 750.00
Third & Subsequent Violation	\$1,000.00

12. Request for Hearing. Respondent may request a hearing regarding any fine for a health and safety violation by submitting a written request to the Association within 14 days of the date the Association issues the Health and Safety Notice or assesses a fine for the violation assigned in the Health and Safety Notice. The hearing shall comply with the procedures set forth in section 20, below.
13. Commencement of Legal Action. If the Association determines that Respondent has failed to cure a health and safety violation within the 72 hour cure period, the Association may commence legal action in accordance with section 22, below.

Regular Violations

14. Notice of Violation. If the Association reasonably determines that a violation of the Governing Documents has occurred and it is not a health and safety violation as defined in section 8, above, the Association shall send a notice to the Respondent (“Notice of Violation”) that meets the requirements set forth in section 6, above, as well as this section. The Association shall send the Notice of Violation by certified mail, return receipt requested, as well as by prepaid, first-class United States mail, addressed to the

Respondent's mailing address appearing on the Association's records. The Association may also send the Notice of Violation to any electronic mail address on file with the Association and provided by the Respondent. The Notice of Violation shall advise the Respondent that they have 30 days to cure the violation ("First Cure Period") which commences on the date the Association issues the Notice of Violation and shall further provide for a second consecutive 30 day cure period ("Second Cure Period") in the event the violation is not cured within the First Cure Period.

The Notice of Violation shall include the fine schedule set forth in section 17, below, and inform the Respondent that if they fail to cure the violation within the First Cure Period or Second Cure Period, the Association will assess one or more fine(s) in accordance with the schedule.

Further, the Notice of Violation shall inform the Respondent that if they cure the violation within the First Cure Period or Second Cure Period, they may provide the Association with written notice of the cure ("Notice of Cure") and that if the Notice of Cure contains visual evidence that the violation has been cured, the violation is deemed cured as of the date the Respondent sends the notice.

Finally, the Notice of Violation shall inform the Respondent that they may submit a written request for an in-person hearing within 14 days of the date the Association sends the Notice of Violation or assesses a fine for the violation described in the Notice of Violation.

15. Notice of Cure. If the Respondent cures the violation within any Cure Period, the Respondent may send the Association a written Notice of Cure. If the Respondent includes visual evidence that they have cured the violation, the violation is deemed cured on the date the Respondent sends the notice. If the Respondent does not provide visual evidence with their Notice of Cure, the Association shall inspect for compliance as soon as practicable after receiving the Notice of Cure.
16. Inspection. The Association shall inspect Respondent's property within seven days after expiration of each Cure Period and shall notify the Respondent if the violation remains uncured and whether any fine has been assessed. If a violation has not been cured within the First Cure Period or Second Cure Period, regardless of any notice provided or hearing requested by the Respondent, the Association may assess a fine as provided in this Policy.
17. Fines for Regular Violation. Fines may be levied by the Board or the impartial decision maker for regular violations of the Governing Documents as follows:

<u>Fines for Discrete Violations</u>	<u>Fine Amount</u>
First violation (first Notice of Violation)	\$ 50.00
Second violation (second Notice of Violation)	\$200.00
Third violation (third Notice of Violation)	\$250.00

18. Request for Hearing. Respondents may request a hearing to appeal any fine for a regular violation by submitting a written request to the Association within 14 days of the date the Association issues the Notice of Violation or assesses a fine for the violation described in the Notice of Violation. The hearing shall comply with the procedures set forth in section 20, below.
19. Commencement of Legal Action. If the Association determines that Respondent has failed to cure a regular violation within the Second Cure Period, the Association may commence legal action in accordance with section 22, below.

Hearing Procedure

20. Hearing to Appeal Fines. If a Respondent timely requests a hearing regarding a fine, the Association shall schedule a hearing and provide the Respondent with written notice of date and time at least 7 days in advance. The Board may grant continuances for good cause. Each hearing shall be held by the Board or another impartial decision maker appointed by the Board. The Board or the impartial decision maker may: (a) exercise its discretion as to the specific manner in which a hearing shall be conducted; (b) question witnesses and review evidence; and (c) act as it may deem appropriate or desirable to permit it to reach a just decision. The Respondent is required to attend the hearing and may present relevant evidence (all such hearings may be held virtually as long as all parties can hear and see each other). If the Respondent fails to attend the hearing, Respondent will be deemed to have waived their right to appeal the fine(s) in question and the Association shall not be required to provide Respondent with any further notice regarding such fines. Any interested party may present relevant evidence at the hearing. Any decision by the Board or the impartial decision maker shall be fair and reasonable taking into consideration all of the relevant facts and circumstances.
21. Decision on Fine Hearing. The Board or other impartial decision maker shall render its decision on whether to rescind the fine(s) in question based on the information contained in the complaint, evidence presented at the hearing (if any), and the Respondent's written response (if any), and considering all the relevant facts and circumstances.

Commencement of Legal Action

22. Commencement of Legal Action. The Association is not required to impose fines before seeking to enforce the Governing Documents by taking legal action, including, but not limited to, commencement of a lawsuit to force compliance or seeking injunctive relief, damages, or both. However, the Association shall not commence legal action for a health and safety violation until it has confirmed, through inspection, that the Respondent has failed to cure the violation within 72 hours of receiving the Health and Safety Notice. Similarly, the Association shall not commence legal action against the Respondent for a regular violation until the Association has confirmed, through inspection, that Respondent has failed to cure the violation before the end of the Second Cure Period.

23. Liability for Attorney's Fees, Costs, and Damages. The Association shall be entitled to reimbursement of all reasonable attorney's fees and costs incurred by the Association in connection with any enforcement action, including any proceeding or correspondence under this Policy. If a violation involves damage to Association property, the Association may charge the Respondent for the costs of repair or replacement.
24. Lien. Fines imposed pursuant to this Policy shall become an assessment imposed against the record Owner's real estate and enforceable as provided in the Governing Documents; fines are a part of the Association's lien but are not subject to a foreclosure action.

Alternative Remedies

25. Suspension of Privileges. In addition to levying fines, and without limiting the Association's remedies under the Governing Documents, the Board may suspend membership privileges, which may include, but shall not be limited to, suspension of access to Association amenities and suspension of voting privileges, and impose other sanctions in accordance with the Governing Documents and applicable Colorado law.

26. Miscellaneous.

- a. 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.
- b. The provisions of this policy shall be independent and severable. The invalidity of any one or more 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.

The foregoing Resolution to Enact Responsible Governance Policies was adopted by the Board of Directors of the Association on the 22 day of August, 2023.

Alpine Mountain Ranch Association
A Colorado nonprofit corporation

By: _____
Its: President

Attest:

By: _____
Its: Secretary