

RESOLUTION NO. 2020-06-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE STERLING RANCH
COMMUNITY AUTHORITY BOARD CREATING AN ENFORCEMENT
COMMITTEE**

A. The Sterling Ranch Community Authority Board (the “**CAB**”) is a public corporation and political subdivision of the State of Colorado created pursuant to Sections 29-1-203 and 29-1-203.5, C.R.S., and that certain First Amended and Restated Sterling Ranch Community Authority Board Establishment Agreement, dated June 29, 2015, as may be amended (the “**CABEA**”), by and among the Sterling Ranch Colorado Metropolitan District Nos. 1-7 (the “**Districts**”); and

B. Pursuant to the CABEA, the CAB Board (the “**Board**”) shall govern the business and affairs of the CAB and establish the policies, rules and regulations of the CAB; and

C. Pursuant to § 32-1-1004(8), a metropolitan district may perform covenant enforcement if the declaration, rules and regulations or any similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement or design review entity; and

D. Pursuant to the CABEA, the Districts assigned to the Board, all duties, rights, obligations of the District under the Declaration, Design Principals, and Covenant Enforcement Rules and Regulations as all may be amended with respect to the Covenant Enrockment Services; and

E. Pursuant to the Declaration of Covenants, Conditions and Restrictions for Sterling Ranch Planned Development (the “**Declaration**”), CAB was granted, and CAB accepted, the authority to enforce the covenants contained in the Declaration; and

F. All words and phrases herein shall have the meanings provided for them in the Declaration, unless otherwise defined herein; and

G. The Declaration granted to CAB the authority to create rules and regulations governing the community, design review guidelines and a design review committee to aid in compliance with the Declaration; and

H. Pursuant to its authority under the Declaration, CAB has enacted Covenant Enforcement and Design Guidelines and created a Design Review Committee (the “**DRC**”) to create, review and enforce rules and regulations necessary to effectuate the Declaration and ensure effective governance of the community; and

I. The Declaration provides CAB the authority to create an Enforcement Committee to be responsible for the ministerial administration and enforcement of the Documents; and

J. The Declaration provides CAB the right to adopt rules and regulations concerning the governance, structure and practices of the Enforcement Committee; and

K. On May 20, 2020 the Board adopted Resolution No. 2020-05-04 Adopting a Policy Concerning the Formation and Function of Committees; and

L. The CAB finds that the formation of an Enforcement Committee (the “Committee”) for the purposes carrying out the ministerial and administrative acts to enforce the Documents is in the best interests of the CAB, the Districts, and the community as a whole.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STERLING RANCH COMMUNITY AUTHORITY BOARD, COUNTY OF DOUGLAS, COLORADO:

1. **Creation of Committee.**

a. The CAB hereby creates the Enforcement Committee as a standing committee of the CAB as defined in Resolution No. 2020-05-04 fulfill the purpose and responsibilities as set forth herein and to exercise the power and authority of the Enforcement Committee as provided in the Declaration and Design Guidelines.

2. **Statement of Enforcement Committee Purpose and Responsibilities.**

a. The Committee shall be responsible for the ministerial administration and enforcement of the Documents, and shall have the powers granted to it by the Documents, including the power to:

i. Accept complaints for violations of the Documents, including Notices of Noncompliance from the DRC;

ii. Submit complaints regarding Violations of the Documents;

iii. Inspect the Property for Violations of the Documents;

iv. Issue various notices to Owners regarding the Documents;

v. Hold hearings as required by the Documents;

vi. Determine whether a Violation of the Documents has occurred;

vii. Take any enforcement action allowed by the Documents, including imposing CAB adopted Fees and Fines and remedying any Violation;

viii. Take all ministerial and administrative steps to enforce and remedy any Violation as permitted under the Documents.

b. CAB determines it is in the best interest of the Committee and the Owners and Occupants within the CAB boundaries that certain permitted committee activities and actions be delegated to the retained third party CAB Managing Agent as allowed in the

Documents. Specifically, the CAB Managing Agent shall perform the following tasks as directed and on behalf of as the authorized agent of the Committee.

- i. Inspections of Lots carried out pursuant to Section 7.5.1 of the Declaration;
 - ii. To prepare and send correspondence on the CAB approved form to any Owner or Occupant regarding an alleged Violation, process for contesting an alleged Violation, the determination of the Committee or the determination of CAB pursuant to Sections 7.5.2. and 7.5.3 of the Declaration.
 - iii. To prepare and file any documents necessary to enforce the decision of the Committee, or in the case of appeal to the CAB, the CAB, consistent with the Documents.
 - iv. To perform such other actions or tasks necessary to support the Committee's function and decision-making process as directed by the Committee, except that the Committee shall not delegate any decision-making authority to the CAB Managing Agent.
- c. At each meeting of the Committee, the CAB Managing Agent shall present a detailed report of all activities carried out between meetings.

3. **Enforcement Committee Decisions Subject to CAB Appeal**

a. An Owner or Occupant may appeal a decision of the Committee to the CAB as provided in the Design Guidelines. Any such hearing shall be held at the next regular meeting of the CAB following timely receipt of a request for hearing.

4. **Administrative Support**

a. All expenses of the Committee and enforcement actions taken pursuant to the Documents shall be paid by CAB.

b. CAB or CAB's Managing Agent shall provide administrative support to the Committee to effectuate its purpose and responsibilities under the Documents, including the preparation of materials for meetings, the preparation of correspondence and notices, and providing assistance with community communication.

5. **Committee Makeup, Terms and Initial Appointment**

a. Committee members shall be appointed as provided herein, and may be removed, at the CAB's sole discretion.

b. The Committee shall consist of no fewer than three and no more than seven members, including the Committee chair. To the greatest extent possible, the Committee shall be made up of an odd number of members.

c. Committee members shall be either CAB members or individuals who reside within the boundaries of one of the Sterling Ranch Colorado Metropolitan District Nos. 1 - 7.

d. Committee members shall serve staggered two-year terms, with the initially appointed terms to be as follows:

i. If a three-member committee, two members shall serve until April 30, 2021, and one member shall serve until April 30, 2022;

ii. If a five-member committee, three members shall serve until April 30, 2021, and two members shall serve until April 30, 2022;

iii. If a seven-member committee, four members shall serve until April 30, 2021, and three members shall serve until April 30, 2020.

e. In the event the CAB determines to expand the Committee in size beyond its original appointments, new appointments shall be made in a way to keep the number of member appointments expiring in a given year balanced.

f. There shall be no limit to the number of terms a member may be appointed to.

6. Appointment Process

a. Following the initial appointments to establish the Committee, members shall be appointed using the following Annual Appointment Process, except of vacancies that arise in the middle of a term:

i. Annually each February, the CAB shall cause to be published via one or more CAB communication systems, including but not limited to, email, newsletter, or website posting, to the residents a call for committee candidates to be considered for committee appointment. The call for candidates shall state the number of seats open for appointment, the deadline to submit a self-nomination, and a statement of the documents necessary for self-nomination. The period for self-nomination shall begin with the delivery of the call for candidates and shall conclude no less than fifteen (15) days after the published call for candidates.

ii. Each candidate shall provide a resume and a statement of interest as to why he/she wants to serve on the Committee.

iii. CAB Staff and the CAB Managing Agent shall review the submissions and may conduct interviews with qualified candidates as necessary. Committee members whose seats are not expiring may also participate in this process. Not all candidates may receive an interview. All candidate information shall be available for the Board to review, whether selected for an interview or not.

iv. CAB Staff and the CAB Managing Agent may make a recommendation for appointments to the Board, as may the Committee members whose seats are not expiring; however, such recommendation is advisory only and shall not prevent the Board from exercising its full discretion in appointing Committee members.

v. The Board shall make annual appointments no later than at its May meeting following the February call for nominations.

b. In the event a vacancy on the Committee shall arise in the middle of a term, the Board may appoint any eligible person to the Committee for the remainder of the term at any regular or special meeting of the CAB. The sitting Committee at that time may make an advisory recommendation to the Board on filling the vacancy.

7. **Committee Officers**

a. The Committee shall appoint a Chair, Vice-Chair and Secretary.

i. The Chair shall be responsible for running all meetings of the Committee and be the primary liaison to the CAB.

ii. The Vice-Chair shall assist the Chair and serve as Chair in the event of the Chair's absence.

iii. The Secretary shall keep the minutes of the Committee.

8. **Meeting Procedures**

a. **Time and Place.** The Committee shall meet at a time and place of convenience to the Committee members, provided that the Committee shall meet at least once each quarter and shall meet within the boundaries of the CAB.

b. **Notice.** Notice of the Committee meetings shall be posted on the CAB's webpage no later than 24-hours prior to the Committee meeting. All committee meetings shall be open to the public.

c. **Conflict of Interest Disclosures.** As appropriate for each committee member, conflict of interest disclosures shall be made at the start of each committee meeting.

d. **Minutes.** Minutes of each committee meeting shall be taken and presented for review and approval at the next committee meeting. Minutes shall not be distributed or posted until approved by the Committee.

9. **Committee Member Code of Conduct**

a. Committee members are expected to adhere to the following standards:

i. Committee members shall attend at least 75% of committee meetings in a 12-month period. Committee members who do not meet this requirement shall be deemed to have submitted their resignation from the Committee unless exempted from this requirement by the Committee Chair for good cause shown.

ii. Committee members are expected to carry out their duties in the best interest of the entire CAB community and not in furtherance of their own interests.

iii. Committee members shall not solicit, accept or obtain any gift, present, gratuity, goods, services, or other consideration from any person, vendor, contractor, supplier, or other entity that is not generally available to other residents in the community.

10. **Limitation on Authority:**

a. The Committee's authority is strictly limited as described in the Documents, Resolution No. 2020-05-04, this resolution or as specifically delegated by action of the Board.

11. **Prior Committees Dissolved:** Any prior Enforcement Committee or Committees that were formed or appointed by the CAB Board are hereby disbanded and dissolved.

12. **Severability:** If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

[Signature Page to Follow]

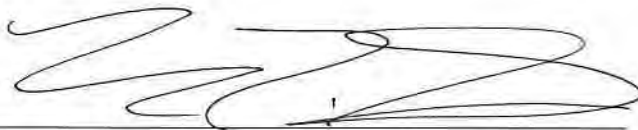
ADOPTED AND APPROVED this 17th day of June 2020.

STERLING RANCH COMMUNITY
AUTHORITY BOARD



President, Board of Directors

Attest



Asst, Secretary, Board of Directors

Exhibit A

Initial Resident Advisory Committee Member Appointments