

**RESOLUTION OF
THE SUMMIT AT ROCK CREEK HOMEOWNERS ASSOCIATION, INC.**

WHEREAS, The property within The Summit at Rock Creek Homeowners Association, Inc. ("Association") is subject to the Declaration of Covenants, Conditions and Restrictions, recorded on March 21, 2000 at Reception No. 2017426 and The Master Declaration entitled Fifteenth Statement of Annexation of Additional Land to Master Declaration of Covenants, Conditions and Restrictions of Rock Creek Ranch, recorded on January 27, 1998 at Reception No. 1766568 in the Clerk and Recorder's Office of Boulder County, Colorado, as amended (the "Declaration") and Colorado law, including but not limited to CRS 38-33.3-209.5.

BE IT RESOLVED, The Board of Directors (the "Board") at the 10/24, 2006 meeting adopts the following policies:

1. Rights and Responsibilities for a Better Community. The Association will commit to balance the rights and responsibilities of the individual owners with those of their community as a whole. The guide lines attached hereto as Exhibit A, entitled "**Rights and Responsibilities for Better Communities**", will be the principles the Association will follow to the best of its ability.

2. Parking of Emergency Vehicles (Reference: C.R.S. 38.33.3-106.5).

The Association will not prohibit the parking of emergency vehicles if the owner or occupant of a unit is required to have the vehicle as a condition of employment. The following criteria must be met to qualify a vehicle as an emergency vehicle: (a) gross vehicle weight is 10,000 lbs or less; (b) must bear an official emblem; and (c) the vehicle can not be parked as to obstruct emergency access or interfere with the reasonable needs of the owners to use street and driveways within the common areas. The vehicle may be parked in the owner's driveway or guest parking areas.

3. Board Member Education (Reference: C.R.S. 38-33.3-209.6).

Board members or committee members may be entitled to reimbursement for education relating to homeowner association business if proof of attendance is given to the Association.

4. Owner Education (Reference: C.R.S. 38-33.3-209-7).

At least once a year, the Association will provide education to the owners as to the general operations of the Association and the rights and responsibilities of the owners, the Association and the Board.

5. Voting-Proxies (Reference: C.R.S. 38-33.3-310).

Secret ballots will be used when requested by at least twenty (20%) percent of the owners present at a meeting in person or represented by proxy, if a quorum has been achieved, when voting on issues other than the election of directors. Secret ballots must be used in the election of directors.

Ballots shall be counted by a neutral third party, or by a committee of volunteers. Such volunteers shall be unit owners who are selected or appointed at an open meeting by the person presiding over the meeting. The volunteers shall not be Board members.

Proxies that are obtained through misrepresentation or perceived fraud may be deemed to be invalid. The Board has the right to reject the proxy, vote, waiver or consent if they have reasonable doubt about the signature or authority.

6. **Insurance Claim** (Reference: C.R.S. 10-4-110.8(5)).

An owner may file an insurance claim with the association's insurance policy for a claim that falls within the Association's insurance responsibilities. An owner will be allowed to file a claim only if after giving written notice to the Association, the Association does not respond to the written notice within fifteen (15) days of the receipt of the written notice.

7. **Owners allowed to Speak at Meetings** (Reference: C.R.S. 38-33.3-308 (1), (2.5) (a), and (2.5) (b)).

All owners have the right to attend association meetings, except for executive sessions as allowed under the law. Owners may also designate a representative to attend for them if designated in writing. Owners will be allowed to speak at all owners' meetings. Owners will also be allowed to speak at board meetings under the following conditions: (a) if allowed by a majority of the board of directors; or (b) before a board of directors' action or vote. The Board will allow the owner to speak for three (3) minutes and the Board may limit the pro and con discussion to one speaker for any given issue. Any speaker, who wishes to address the pertinent issues, must sign up prior to the Board meeting.

8. **Audit Time Frames** (Reference: C.R.S. 38-33.3-303 (4) (b) (I) (II) (III) (IV)).

An *audit* shall be required if both of the following conditions are met: (a) the Association has annual revenues or expenditures of at least two hundred fifty thousand dollars; and (b) the request is by the owners of at least one-third (1/3) of the units. A *review* shall be required only when requested by the owners of at least one-third of the units. Copies of an audit or review shall be made available upon request to any unit owner beginning no later than thirty (30) days after completion. Copying costs will be charged to the requesting Owner.

9. **Patriotic and Political Expressions** (Reference: C.R.S. 38.33.3-106.5 and Section 16-334 of the Town of Superior municipal code).

American Flags. Installation of flag poles, for the sole purpose of displaying the American flag will be allowed, one per lot, not to exceed the height of the ridge line (roof) of the home. The pole will be set back from all property lines, the height of the pole. i.e. if the pole is 12 feet, it must be set back 12 feet from the property lines. The flag must be proportionate in size to the height of the flagpole, maximum size 3 feet x 5 feet. The flag pole must be anchored in concrete and be able to withstand 100 mph winds. In no event shall the height of the flag pole exceed 20 feet. Flags may also be attached to the side of a home. A flag must be flown in compliance with the Federal Flag Code, which specifies that the flag should not be fastened, displayed, used or stored in such manner as to permit it to be easily torn, soiled, or damaged in any way.

Service Flags. A service flag with a star denoting the service of the unit owner, or occupant, or member of a unit owner, or occupant's immediate family may be displayed on the inside of a unit window or door. The flag must not be larger than nine (9) inches by sixteen (16) inches.

Political Signs.

Political campaign signs are permitted under the following conditions:

1. One (1) sign per candidate and/or issue may be displayed no earlier than sixty (60) days before an election.
2. Signs may not exceed sixteen (16) square feet in size.
3. Signs are not allowed on common area property.
4. Signs must be removed three (3) days after an election.

10. Alternative Dispute Resolution (Reference: C.R.S. 38-33.3-124).

In the event of any dispute involving the Association and an owner, the owner is invited and encouraged to meet with the Board to resolve the dispute informally and without the need for litigation. If the owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the owner's request. If this meeting fails to reach an agreement between the parties, the affected parties will use the county's mediation service if available, or a mediation service agreed to by both parties to try to remediate the dispute. Nothing in this policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the owner waives any right to pursue whatever legal or other remedial actions available to either party.

Owners and their guests who violate these policies will be subject to the current fine policy.

This Resolution may be changed in the future at the discretion of the Board.

AUTHORITY: The Declaration, Articles and Bylaws of the Association and Colorado law.

EFFECTIVE DATE: December 1, 2006.

PRESIDENT'S AND SECRETARY'S CERTIFICATION:

The undersigned, respectively being the President and Secretary of The Summit at Rock Creek Homeowners Association, Inc., a Colorado nonprofit corporation, certify that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, as a duly called and held at meeting of the Board of Directors of the Association on 10/24, 2006. And in witness thereof, the undersigned have subscribed their names.

**THE SUMMIT AT ROCK CREEK
HOMEOWNERS ASSOCIATION, INC.**
a Colorado non-profit corporation

By: [Signature]
President

ATTEST:

By: [Signature]
Secretary

Rights and Responsibilities for Better Communities

Principles for Homeowners and Community Leaders

Homeowners Have the Right To:

1. A responsive and competent community association.
2. Honest, fair and respectful treatment by community leaders and managers.
3. Participate in governing the community association by attending meetings, serving on committees and standing for election.
4. Access appropriate association books and records.
5. Prudent expenditure of fees and other assessments.
6. Live in a community where the property is maintained according to established standards.
7. Fair treatment regarding financial and other association obligations, including the opportunity to discuss payment plans and options with the association before foreclosure is initiated.
8. Receive all documents that address rules and regulations governing the community association—if not prior to purchase and settlement by a real estate agent or attorney, then upon joining the community.
9. Appeal to appropriate community leaders those decisions affecting non-routine financial responsibilities or property rights.

Homeowners Have the Responsibility To:

1. Read and comply with the governing documents of the community.
2. Maintain their property according to established standards.
3. Treat association leaders honestly and with respect.
4. Vote in community elections and on other issues.
5. Pay association assessments and charges on time.
6. Contact association leaders or managers, if necessary, to discuss financial obligations and alternative payment arrangements.
7. Request reconsideration of material decisions that personally affect them.
8. Provide current contact information to association leaders or managers to help ensure they receive information from the community.
9. Ensure that those who reside on their property (e.g., tenants, relatives, friends) adhere to all rules and regulations.

Community Leaders Have the Right To:

1. Expect owners and non-owner residents to meet their financial obligations to the community.
2. Expect residents to know and comply with the rules and regulations of the community and to stay informed by reading materials provided by the association.
3. Respectful and honest treatment from residents.
4. Conduct meetings in a positive and constructive atmosphere.
5. Receive support and constructive input from owners and non-owner residents.

6. Personal privacy at home and during leisure time in the community.
7. Take advantage of educational opportunities (e.g., publications, training workshops) that are directly related to their responsibilities, and as approved by the association.

Community Leaders Have the Responsibility To:

1. Fulfill their fiduciary duties to the community and exercise discretion in a manner they reasonably believe to be in the best interests of the community.
2. Exercise sound business judgment and follow established management practices.
3. Balance the needs and obligations of the community as a whole with those of individual homeowners and residents.
4. Understand the association's governing documents and become educated with respect to applicable state and local laws, and to manage the community association accordingly.
5. Establish committees or use other methods to obtain input from owners and non-owner residents.
6. Conduct open, fair and well-publicized elections.
7. Welcome and educate new members of the community—owners and non-owner residents alike.
8. Encourage input from residents on issues affecting them personally and the community as a whole.
9. Encourage events that foster neighborliness and a sense of community.
10. Conduct business in a transparent manner when feasible and appropriate.
11. Allow homeowners access to appropriate community records, when requested.
12. Collect all monies due from owners and non-owner residents.
13. Devise appropriate and reasonable arrangements, when needed and as feasible, to facilitate the ability of individual homeowners to meet their financial obligations to the community.
14. Provide a process residents can use to appeal decisions affecting their non-routine financial responsibilities or property rights—where permitted by law and the association's governing documents.
15. Initiate foreclosure proceedings only as a measure of last resort.
16. Make covenants, conditions and restrictions as understandable as possible, adding clarifying "lay" language or supplementary materials when drafting or revising the documents.
17. Provide complete and timely disclosure of personal and financial conflicts of interest related to the actions of community leaders, e.g., officers, the board and committees. (Community associations may want to develop a code of ethics.)

Community Associations Institute (CAI) is a national organization dedicated to fostering vibrant, responsive, competent community associations. Founded in 1973, CAI represents association-governed communities, such as condominium and homeowner associations, cooperatives, and planned communities. To learn more about CAI and its local, regional and state chapters, visit www.caionline.org or call CAI Direct at 703-548-8600.

Sponsored by CAI President's Club

