

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
ELLSTON PARK METROPOLITAN DISTRICT**

**Adopting Policies, Procedures, and Penalties for the Enforcement of the Governing
Documents**

WHEREAS, Ellston Park Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, consistent with the terms and conditions of the Declaration of Covenants, and Conditions of Ellston Park recorded in the real property records of the Clerk and Recorder of El Paso County, Colorado at Reception No. 225090984 (the “**Covenants**” and together with any Rules and Regulations (as defined in the Covenants), Policies and Procedures (as defined in the Covenants) and Guidelines (as defined in the covenants) hereafter adopted, collectively the “**Governing Documents**”), the Service Plan for Ellston Park Metropolitan District, approved by the City Council of the City of Colorado Springs on June 8, 2021 (as may be further amended from time to time, the “**Service Plan**”), and § 32-1-1001(1)(j)(I), C.R.S., the Board of Directors of the District (the “**Board**”) is authorized to levy and collect fees (the “**Fees**”), increase or decrease the amount of the Fees, impose additional penalties, charges, or interest, impose liens, send demand letters and notices, negotiate, settle and take any other actions with respect to any violation(s), or alleged violation(s), of any of the Governing Documents; and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., until paid, the Fees shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District is authorized by § 32-1-1004.5, C.R.S., to collect such Fees, including the District’s costs for collection, by certification to the El Paso County Treasurer; and

WHEREAS, by this Resolution Adopting Policies, Procedures, and Penalties for the Enforcement of the Governing Documents (this “**Resolution**”), the District desires to set forth its guidelines for the District’s enforcement of the Governing Documents and the imposition of Fees related to the same, all as further set forth herein; and

WHEREAS, notwithstanding anything in this Resolution to the contrary, the guidelines set forth in this Resolution are intended to create orderly and fair procedures for the enforcement of the Governing Documents and any deviation from the guidelines shall not alter, amend or impact the Covenants in any way.

NOW, THEREFORE, be it RESOLVED by the Board of Ellston Park Metropolitan District as follows:

1. **Intent of the District.** This Resolution is adopted to ensure the protection of the health, safety and welfare of the residents and taxpayers of the District, to preserve property values, enhance the quality of life for all District residents, and provide a fair and consistent enforcement process of the Governing Documents. Although many violations may be resolved through a courtesy/warning notice, there are instances when further action is required. Fees are intended to bring properties into conformance with the Governing Documents, which includes but is not

limited to the Covenants, in a timely manner while providing due notice and appeal rights to property owners as described herein.

2. **Enforcement Policy.** The District may enforce the Governing Documents as set forth herein, 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 (the “**Owner**”) subject to this Resolution. This Resolution is intended to serve as guidance to the Board and the District’s authorized representative(s) (referred to herein as the “**District Representative**”), and does not limit or restrict the authority of the Board. The Board may intervene at any time with respect to any authority granted to or action undertaken by the District Representative.

3. **Investigative Procedure.** 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 shall take the following steps:

a. **Notice of Alleged Continuous Violation.** If the District Representative determines that a Continuous Violation of the Governing Documents exists, either through the investigative process as set forth in Section 3, or through independent inspections or observations, the District Representative will send a Notice of Alleged Continuous Violation (“**Notice of Alleged Continuous Violation**”) to the Owner by certified United States mail to the address of the Owner on record according to the records of the El Paso County Assessor (“**Owner’s Address**”), notifying the Owner: (i) the nature of the alleged Continuous Violation, (ii) the date of the Continuous Violation or the date the Continuous Violation was observed, (iii) that the Owner must correct the Continuous Violation within 15 calendar days of the date of the Notice of Alleged Continuous Violation, (iv) that failure to timely cure the Continuous Violation may result in potential Fees or other sanctions, in accordance with the schedule of Fees approved by the Board, as amended from time to time, and (v) information regarding the Owner’s right to request a hearing before the District Board or its Designee (as defined in **Exhibit A**) within 5 calendar days of receiving the Notice of Alleged Continuous Violation. If, at the discretion of the District Representative, the Continuous Violation requires more than 15 calendar days to cure, the District Representative may extend the cure period or require the Owner to commence such cure within 15 calendar days of the date of the Notice of Alleged Continuous Violation and diligently prosecute the same to completion.

b. **Right to Request a Hearing.** An Owner who receives a Notice of Alleged Continuous Violation has the right to request a hearing to contest or respond to the alleged violation. To exercise this right, the Owner must submit a written request for a hearing within 5 calendar days of receiving the notice. The hearing will be conducted in accordance with the procedures set forth in **Exhibit A**, which is attached hereto and incorporated by reference (the “**Dispute Resolution Process**”). If a hearing is timely requested, the District will schedule and hold the hearing within 30 calendar days of the date the Notice of Alleged Continuous Violation was issued, unless a different timeline is mutually agreed upon by the Owner and the Board.

c. ***Notice of Finding of Continuous Violation and Imposition of Fees.*** If the Owner fails to cure the Continuous Violation within the timeframe set forth in the Notice of Alleged Continuous Violation 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 Continuous Violation is present or has occurred, the District shall send the Owner a Notice of Finding of Continuous Violation (“**Notice of Finding of Continuous Violation**”), which shall state that the Owner has been found in violation of the Governing Documents and will be assessed Fees for the Continuous Violation in accordance with the schedule of Fees approved by the Board, as amended from time to time, and that further failure by Owner to cure the Continuous Violation may result in additional Fees to the Owner.

d. ***Further Failure to Comply.*** In the event that a Continuous Violation continues to exist uninterrupted 15 calendar days after the time period to cure as set forth in the Notice of Alleged Continuous Violation, and a Notice of Finding of Continuous Violation has been provided to the Owner, the District Representative may in its discretion, in addition to any other lawful remedy, send the Owner a notice of daily fines (a “**Daily Fine Notice**”) and thereafter impose a fine of up to \$10 daily 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 Board shall take the following steps:

a. ***Notice of Alleged Repetitious Violation.*** If the District Representative determines that a Repetitious Violation of the Governing Documents has occurred, either through the investigative process as set forth in Section 3, or through independent inspections or observations, the District Representative will send a Notice of Alleged Repetitious Violation (a “**Notice of Alleged Repetitious Violation**”) to the Owner by certified United States mail to the Owner’s Address, notifying the Owner: (i) of the Repetitious Violation, (ii) the date of the Repetitious Violation or the date the Repetitious Violation was observed, and (iii) that any subsequent violations of the same covenant or rule within 90 calendar days of the date of the Notice of Alleged Repetitious Violation may result in the imposition of Fees, in accordance with the schedule of Fees approved by the Board, as amended from time to time.

b. ***Subsequent Repetitious Violations.*** If the same rule or covenant is violated again within 90 calendar days of the date of the Notice of Alleged Repetitious Violation, the District Representative will issue a Repeat Notice of Repetitious Violation (a “**Repeat Notice of Repetitious Violation**”) notifying the Owner: (i) the nature of the Repetitious Violation, (ii) the date of the Repetitious Violation or the date the Repetitious Violation was observed, (iii) the Fee imposed for such in accordance with the schedule of Fees approved by the Board, as amended from time to time, and (iv) if it is the first Repeat Notice of Repetitious Violation, information regarding the Owner’s right to request a hearing before the District Board or its Designee within 5 calendar days of receiving the Repeat Notice of Repetitious Violation.

c. ***Right to Request a Hearing.*** An Owner who receives a *first* Repeat Notice of Repetitious Violation has the right to request a hearing to contest or respond to the alleged

violation. To exercise this right, the Owner must submit a written request for a hearing within 5 calendar days of receiving the Repeat Notice of Repetitious Violation. The hearing will be conducted in accordance with the procedures set forth in **Exhibit A**. If a hearing is timely requested, the District will schedule and hold the hearing within 30 calendar days of the date the first Repeat Notice of Repetitious Violation was issued, unless a different timeline is mutually agreed upon by the Owner and the Board. Following the first Repeat Notice of Alleged Repetitious Violation, the District is not required to offer additional hearing opportunities for further violations of the same nature within the 90-day window. If a similar violation occurs more than 90 calendar days after the date of the most recent Notice of Alleged Repetitious Violation or Repeat Notice of Repetitious Violation, the enforcement process will reset. That new violation will be treated as a new Repetitious Violation, and the Owner will again receive a Notice of Alleged Repetitious Violation in accordance with subsection (a) above.

6. **Right to Submit Written Position Statement.** An Owner who receives a Notice of Alleged Continuous Violation or the *first* Repeat Notice of Repetitious Violation, may, in lieu of requesting a hearing, submit a written position statement contesting or responding to the alleged violation. This written statement must be sent via certified United States mail to the District Representative at the address listed in the notice, and must be sent within 5 calendar days of the date of the notice. The Board or its Designee will review the written position statement and any other relevant information submitted or obtained regarding the alleged violation, and will consider the matter in the same manner as if a hearing had been held. The Board or its Designee will render a decision within 30 calendar days of receiving the written position statement.

7. **Fee Schedule.** The following Fee schedule is adopted for any and all violations of the Governing Documents.

<u>Continuous Violations</u>	
Notice of Alleged Continuous Violation	Advisory Letter
Notice of Finding of Continuous Violation	\$25
Daily Fine Notice	\$10 daily
<u>Repetitious Violations</u>	
Notice of Alleged Repetitious Violation	Advisory Letter
Repeat Notice of Repetitious Violation	\$50 for each Repetitious Violation for which a Notice of Alleged Repetitious Violation has already been sent

8. **Violations or Offenses that Constitute a Present Danger.** If a violation concerns a serious and 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 District Representative, with a report to the Board regarding such waiver. The Board or its

Designee may impose sanctions as necessary to abate any threat to health, safety, or welfare of any person or property.

9. **Quarterly Report of Fees.** District Representative will provide a quarterly report to the Board of all Fees imposed and outstanding.

10. **Failure to Pay Outstanding Fees.** Any outstanding Fees shall be assessed interest, late fees, and additional charges as set forth in the Resolution of the Board of Directors of Ellston Park Metropolitan District – Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges for Covenant Enforcement, as it may be amended from time to time (“**Guidelines for Processing and Collection of Delinquent Fees and Charges**”).

11. **Other Enforcement Means.** The provisions of this Resolution shall be in addition to all other enforcement means which are available to the District through the Governing Documents or any other legal authority. Application of this Resolution does not preclude the District from using any other enforcement means, including, but not limited to the recording of liens, notices of non-compliance, and any other legal or equitable remedies available to the District.

12. **Certification of Account to County Treasurer.** Pursuant to § 32-1-1004.5, C.R.S., the Board may elect to certify any delinquent account and late fees satisfying the criteria established therein to the El Paso County Treasurer for collection with ad valorem property taxes. The certification process may be in addition to or in lieu of any procedures set forth in this Resolution in the Board’s sole discretion. The fees for the certification process shall be in accordance with Colorado law and El Paso County policy.

13. **Legal Action.** Any violation of the Governing Documents may, in the discretion of the Board, 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 collection amounts due and owing the District.

14. **Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

15. **Amendment.** The policies, procedures and Fee schedule set forth herein may be supplemented and/or amended from time to time by the Board, in its sole and absolute discretion.

16. **Payment.** Payment for all Fees shall be by check or equivalent form acceptable to the District, made payable to “Ellston Park Metropolitan District” and delivered on or before the due date to the District’s manager at the address listed on the District’s official webpage. As of the date of this Resolution, the District’s manager is: WSDM Managers, 3204 N. Academy Boulevard, Suite 100, Colorado Springs, Colorado 80917. If the District appoints a new manager, payments shall be sent to the updated address as listed on the District’s official webpage or as otherwise designated by the District in writing.

17. **Supersedes Prior Resolutions:** This Resolution shall supersede and replace in their entirety all prior resolutions addressing the policies, procedures and penalties for the enforcement of the Governing Documents. To the extent that any term or provision in this

Resolution conflicts with any term or provision in a previously enacted and valid resolution of the District, the term or provision in this Resolution shall prevail.

18. **Severability:** If any term, condition or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such term, condition or provision shall not affect any other provision contained in this Resolution, the intention being that such provisions are severable. 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.

[Remainder of page intentionally left blank, signature page follows.]

ADOPTED this 1st day of December, 2025.

**ELLSTON PARK METROPOLITAN
DISTRICT**

By: 
Chair

Attest:

By: 
Bryan Reid (Dec 5, 2025 13:49:30 MST)
Secretary

EXHIBIT A

Dispute Resolution Process

SECTION 1 – NOTICE

1. Any Owner who receives a Notice of Alleged Continuous Violation or the first Repeat Notice of Repetitious Violation may be heard regarding such violation by the Board or its designee (the “**Designee**”). Fees 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 amended from time to time.

SECTION 2 – HEARING PROCESS

1. The hearing shall be held either (a) before the Board in open session or (b) the Designee. In the case of a hearing before the Designee, the forum shall be open unless the Owner requests that the hearing be closed.

2. The Board Chair or the Designee shall summarize the violation to be heard and introduce all parties.

3. The Owner shall be afforded 10 minutes to state his or her case and to present to the Board or the Designee any evidence that is applicable to the Owner’s position.

4. Each Board member or the Designee shall have an opportunity to question the Owner regarding the violation.

5. Any Board member or the 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 Chair or the Designee will state that the violation has been heard and the Board or the Designee will make their decision. In reaching a decision, the Board or the Designee may consider the Owner’s statements and other evidence presented, the Owner’s willingness to work towards compliance, and any other factors that may be pertinent as determined by the Board or the Designee.

7. The Board or the Designee may continue the hearing if it determines that additional information is required from the Owner before making an informed decision. The Board or its Designee shall notify the Owner of the date and time of the continued hearing and the additional information that the 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 Fee, if any, imposed. The Owner shall be given written notice of the results of the hearing within 5 calendar days after the date of the hearing.

SECTION 3 – FINDING OF VIOLATION

1. All decisions of the Board or the Designee are final and may not be further appealed through the District.

Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents(01014473_xAF7F5))

Final Audit Report

2025-12-05

Created:	2025-12-05
By:	Beth Diana (beth.d@wsdistricts.co)
Status:	Signed
Transaction ID:	CBJCHBCAABAAK_L--qzlrNCXFf84ByiyJsDChBcYfoSO

"Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents(01014473_xAF7F5))" History

- Document created by Beth Diana (beth.d@wsdistricts.co)
2025-12-05 - 7:54:02 PM GMT
- Document emailed to Kate Cloud (kcloud@drhorton.com) for signature
2025-12-05 - 7:54:36 PM GMT
- Email viewed by Kate Cloud (kcloud@drhorton.com)
2025-12-05 - 8:11:37 PM GMT
- Document e-signed by Kate Cloud (kcloud@drhorton.com)
Signature Date: 2025-12-05 - 8:11:48 PM GMT - Time Source: server
- Document emailed to Bryan Reid (bareid1@drhorton.com) for signature
2025-12-05 - 8:11:49 PM GMT
- Email viewed by Bryan Reid (bareid1@drhorton.com)
2025-12-05 - 8:49:17 PM GMT
- Document e-signed by Bryan Reid (bareid1@drhorton.com)
Signature Date: 2025-12-05 - 8:49:30 PM GMT - Time Source: server
- Agreement completed.
2025-12-05 - 8:49:30 PM GMT



Adobe Acrobat Sign