



HEATHER GARDENS METROPOLITAN DISTRICT
GENERAL RULES AND REGULATIONS
Adopted and Effective August 29, 2019

ARTICLE I
PURPOSE AND SCOPE OF RULES AND REGULATIONS

- A. GENERAL PURPOSE AND AUTHORITY.** The purpose of these Rules and Regulations is to provide for the orderly construction, management, operation, and control of the public facilities, and improvements of the Heather Gardens Metropolitan District (the “District”). The District is a governmental entity and political subdivision of the State of Colorado and a body corporate with all powers of a public or quasi-municipal corporation which are specifically granted or implied for carrying out the objectives and purposes of the District.

These Rules and Regulations are promulgated and adopted pursuant to the provisions of Section 32-1-1001(1)(m), Colorado Revised Statutes, as may be amended from time to time. The Board of Directors of the District (the “Board”) has determined to adopt these Rules and Regulations in order to assist the District, the public, the District’s Agent, agents, and consultants in implementing the decisions and policies of the Board. Any Person desiring to use the District’s Facilities shall comply with these Rules and Regulations.

The District’s Agent, agents, and consultants shall utilize these Rules and Regulations as a tool for assuring proper treatment of Persons within the District and fair responses to issues which confront the District. The District’s Agent shall post the Rules and Regulations on the Heather Gardens website and shall provide copies of these Rules and Regulations to any Person who requests them, at cost. No Person shall be entitled to any exemption from the applicability of these Rules and Regulations due to the failure of that Person to become familiar with policies and standards of the District contained herein, and in amendments or supplements hereto.

- B. PUBLIC HEALTH, SAFETY, AND WELFARE.** It is hereby declared that the Rules and Regulations hereinafter set forth serve a public interest and are necessary for the protection of the health, safety, prosperity, security, and general welfare of the Residents and Users of the District and the public in general.
- C. SCOPE OF RULES AND REGULATIONS.** These Rules and Regulations shall be treated and considered as a new and comprehensive regulation, governing the operations and functions of the District and shall supersede all previous compilations of Rules and Regulations and informal practices and policies of the District, which practices and policies may be in conflict with the provisions hereof.

There are additional rules and regulations for the use of specific District Facilities contained in the Procedure Memorandum applicable to each of the District Facilities and those rules and regulations are supplemental hereto and are incorporated herein by this reference.

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In addition, the Heather Gardens Association may have additional policies and rules that are applicable.

D. RULES OF CONSTRUCTION. The Rules and Regulations of the District are promulgated pursuant to statute in the exercise of the Board's discretion to provide a tool for management of the District and for the orderly provision of services. These Rules and Regulations shall be liberally construed to affect the general purposes set forth herein, and each and every part hereof is separate and distinct from all other parts. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law now in effect or any law which may subsequently be enacted by the Colorado General Assembly pertaining to the affairs of the District. No omission or additional material set forth herein shall be construed to alter, waive, or deviate from any grant of power, duty, responsibility, limitation, or restriction imposed or conferred upon the Board by statutes now existing or amended in the future or under any contract or agreement existing between the District and any other governmental entity. The Board reserves the right to construe any provision hereof in its sole discretion in order to effectuate lawful purposes of the District and to attempt to ensure orderly and non-discriminatory treatment of all Persons or entities subject to these Rules and Regulations now or in the future.

The Rules and Regulations constitute guidelines for the benefit of the District and must be complied with by all Residents and Users absent receipt of a proper written waiver. No Owner, Resident, or User shall obtain, by virtue of the Rules and Regulations, any right or cause of action against the District or its management arising as a result of the enforcement or lack of enforcement of the Rules and Regulations by the District. Nothing herein shall be deemed to be a waiver of any immunity granted to the District under Colorado law.

E. CONFLICTS. In case of any conflict between any provision of these Rules and Regulations, the District shall be entitled to resolve such conflict in its own favor at the District's sole discretion, it being the intention of the Board that these Rules and Regulations shall be construed or interpreted by the District in such manner so as to maximize the ability of the District to govern and manage the District and its facilities.

The District has attempted to articulate herein its rules, regulations, and policies for the provision, management and operation of public services and facilities by the District. From time to time, the Board may adopt policies reflected in the minutes of meetings for the District or reflected in resolutions of the Board. To the extent any policy found in minutes of District meetings which pre-date and conflict with any resolution of the Board, the resolution shall be deemed to supersede the minutes, unless the Board determines otherwise after such conflict is brought to the attention of the Board. To the extent policies found in minutes of meetings post-date resolutions of the District and conflict with such resolutions, the policy stated in the minutes shall be binding unless the Board determines otherwise after

such conflict is brought to the attention of the Board. The District shall have the right, at all times, to repeal and re-enact resolutions of the Board unless any resolution specifically states that it is not subject to repeal and such statement is found to be enforceable.

The District's Bylaws and Procedure Memoranda shall be considered supplemental hereto, except, in the instance where anything therein is in conflict with the provisions hereof, in which case these Rules and Regulations shall govern.

To the extent that any of the District's Rules and Regulations are inconsistent with any valid and applicable regulations promulgated by any local, state, or federal agency, the local, state or federal agency shall govern.

F. AMENDMENT, MODIFICATION, WAIVER, OR SUSPENSION. These Rules and Regulations may be amended, modified, waived, or suspended, from time to time, by the Board, as it deems appropriate. Neither notice, beyond that required by law, of such amendments, modifications, waivers, or suspensions nor public hearing shall be required to be provided by the District prior to exercising its amendment, modification, waiver, or suspension powers. The District has the power to revise its Rules and Regulations from time to time by either formal action of the Board or by implication and has authority to waive the application of its Rules and Regulations to its own activities, or to the activities of others. Any formal action of the Board to revise, amend, or modify these Rules and Regulations shall be deemed incorporated herein notwithstanding whether such revision, amendment, or modification is codified herein. Supplemental policies of the District may be adopted from time to time in order to assist the Board in managing the affairs of the District. The Board shall have the sole authority to amend, waive, suspend, or modify these Rules and Regulations. Any Person claiming the benefit of such a waiver, suspension, or modification shall be required to obtain a written waiver signed by the District Agent. No refusal, failure, or omission of the Board or its agents to apply or enforce these Rules and Regulations shall be construed as an alteration, waiver, or deviation from any grant of power, duty, or responsibility, or any limitation or restriction upon the Board by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other entity. Any express waiver shall not be deemed an amendment of these Rules and Regulations. However, an express waiver or variance from these Rules and Regulations by the Board shall supersede these Rules and Regulations regarding the subject matter of the express waiver. No waiver shall be deemed a continuing waiver.

G. RULES AND REGULATIONS OF OTHER GOVERNMENTAL ENTITIES. Residents and Users of the District shall abide by all applicable local, state, and federal laws and regulations or permits. If, as a result of any violation of applicable local, state, and federal laws and regulations or permits, the District is subject to any civil or criminal liability, any fines, fees, penalties, or other costs assessed

against the District and any costs incurred by the District to defend against such liability, including but not limited to legal, engineering, administrative, and accounting fees and costs, shall be owed and paid to the District by such violator.

H. SEVERABILITY. The invalidity or unenforceability of any portion or previous version of these Rules and Regulations shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from these Rules and Regulations, and the balance of these Rules and Regulations shall be construed and enforced as if these Rules and Regulations did not contain such invalid or unenforceable portion or provisions.

**ARTICLE II
DESCRIPTION OF THE DISTRICT AND POWERS**

- A. DESCRIPTION OF THE DISTRICT.** The District is a quasi-municipal corporation and political subdivision of the State of Colorado that was organized with the authority to provide certain services and facilities within the boundaries of the District. The District derives its power from the Special District Act, Sections 32-1-101 *et seq.*, Colorado Revised Statutes, and the Statement of Purposes, as the same may be amended from time to time.
- B. RATES, FEES, TOLLS, AND CHARGES.** The District has power to charge various rates, fees, tolls, charges, and penalties, and impose taxes, for services and facilities provided by the District. The Schedule of Fees and Charges is available from the District upon request.
- C. PENALTIES AND PERPETUAL LIEN.** Reasonable penalties may be fixed for any delinquency including, but not limited to, interest on delinquent fees, reasonable attorney's fees, and costs of collection pursuant to state law. The District expressly reserves the right to impose all penalties permitted under state law, as appropriate. The failure of a Resident to pay fees imposed by the District creates a perpetual lien on the affected property and a right for the District to foreclose on that lien. The District expressly imposes a perpetual lien pursuant to state law for failure to pay or for delinquent payment of any rate, fee, toll, charge, or penalty assessed by the District pursuant to state law. The District exercises such powers for the overall benefit of the District and reserves the right to exercise its discretion on a case-by-case basis in determining whether to file a statement of such lien and foreclose it. Additional provisions regarding violations and enforcement are contained in these Rules and Regulations.

**ARTICLE III
DEFINITIONS**

Unless the context specifically indicates otherwise, the meaning of terms used herein shall be as follows. Additional meanings of terms as used within a specific Article hereof may be defined therein.

- A. BOARD.** Shall mean the duly elected and/or appointed Board of Directors of the District which acts as the governing body of the District.
- B. CLUBHOUSE.** Shall mean the Heather Garden's Clubhouse located within the boundaries of the District.
- C. DISTRICT.** Shall mean the Heather Gardens Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado.
- D. DISTRICT'S AGENT or AGENT.** Shall mean the Heather Gardens Association's general manager or duly authorized representative thereof, who, in accordance with the Management Agreement, has been delegated certain agential, administrative and ministerial duties related to the affairs of the District.
- E. DISTRICT FACILITIES OR FACILITIES.** Shall mean all property and facilities owned and/or operated by the District, including, but not limited to the Rendezvous Restaurant, Golf Course, maintenance facilities, Linvale Place, Clubhouse, RV Lot, and the Garden Plots.
- F. GARDEN PLOTS.** Shall mean the community garden property and facilities owned and/or operated by the District, including the 72 individual garden plots.
- G. GOLF COURSE.** Shall mean the nine-hole executive golf course located within the boundaries of the District and the associated golf shop.
- H. GOLF PROFESSIONAL.** Shall mean the Person who is an employee of the Heather Gardens Association for the management and operation of the Golf Course.
- I. MANAGEMENT AGREEMENT.** Shall mean the Management Agreement by and between the District and the Heather Gardens Association dated August 23, 2018, as may be amended from time to time.
- J. OWNER.** Shall mean the Person owning a fee interest in property located within the boundaries of the District.

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- K. PERSON.** Shall mean any individual, firm, company, society, corporation, association, organization, partnership, group, government or subdivision thereof, or other entity.
- L. RESIDENT.** Shall mean any Person residing in property located within the boundaries of the District.
- M. RENDEZVOUS RESTAURANT.** Shall mean the Rendezvous Restaurant located within the boundaries of the District.
- N. RULES AND REGULATIONS.** Shall mean the Rules and Regulations adopted by the Board including all amendments, policies, and resolutions.
- O. RV LOT.** Shall mean the recreational vehicle parking lot owned and/or operated by the District, including the 99 parking individual parking spaces.
- P. SCHEDULE OF FEES AND CHARGES.** Shall mean the schedules of the District's fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the District and authorized to be assessed pursuant to Section 32-1-1001(1)(j)(I), Colorado Revised Statutes, as the same may be amended from time to time, which is included in the Procedure Memorandum for the applicable District Facilities and available from the District upon request and is incorporated herein by this reference.
- Q. SHALL** is mandatory; **MAY** is permissive.
- R. USER.** Shall mean any Person that uses the District's Facilities, this includes a Person who does not reside in Heather Gardens, but who is personally invited and accompanied by a Resident and any Person not residing in property located within the boundaries of the District.
- S. PEDESTRIAN.** Shall mean any Person walking near or within the Golf Course boundaries who is not a paid golfer, an authorized staff person, or an authorized golf spectator.

**ARTICLE IV
GENERAL RULES REGARDING USE OF DISTRICT FACILITIES**

- A. ASSUMPTION OF RISK.** All use of the District Facilities is at each User's own risk. The District is not responsible for any injuries sustained while using the District Facilities. The District does not endorse Persons who rent the use of District Facilities or endorse any information or claims made by such Persons.
- B. CONDUCT.** All Persons using the District Facilities must conduct and present themselves in such a manner as to preserve the comfort, health, safety and welfare of others using the District Facilities. Proper attire, etiquette, language, and courtesy are to be observed at all times. This includes proper conduct and relinquishing of facilities that are subject to scheduled reservations. Any Person violating these Rules may be asked to leave without a refund, if applicable. The District and its agents expressly deny responsibility for User's conduct while using District Facilities.
- C. SMOKING/TOBACCO PRODUCTS.** No smoking or tobacco products will be allowed to be used where prohibited (as posted or provided by law) in the District Facilities. No smoking shall be allowed within twenty-five (25) feet of any entryway to the Clubhouse building.
- D. GUNS/FIREARMS/WEAPONS.** No guns, firearms or weapons of any kind will be allowed to be used where prohibited (as posted or provided by law) in the District Facilities, unless, authorized by law or carried by authorized security personnel and law enforcement.
- E. ALCOHOL CONSUMPTION.** Alcoholic beverages may be served and consumed only within designated areas of the District Facilities in accordance with the District's liquor license. All Persons consuming alcohol within the District Facilities shall abide by all laws governing consumption of alcoholic beverages.
- F. EMERGENCIES.** All emergencies shall be reported by calling 9-1-1 or other appropriate authorities as any individual emergency may require. In addition, if feasible without risking safety, emergencies shall be reported to a security officer, the District's Agent, and/or the Golf Professional, Golf Course Superintendent and Clubhouse management, as appropriate based on the location of the emergency.
- G. NON-DISCRIMINATION.** The District will not exclude anyone from participating in the enjoyment of and/or use of the District Facilities based on national origin, race, color, physical handicap, or sexual orientation.
- H. OPEN TO THE PUBLIC.** The District endeavors to provide well maintained, attractive facilities and programs designed to meet the needs of an active senior community. All are encouraged to make use and enjoy the District Facilities.

- I. CLOSURE OF FACILITIES.** The District reserves the right, in its sole discretion, from time to time to close District Facilities to the public and restrict access. The District's Agent will endeavor to limit such closures to events that financially benefit the District and to times when the majority of the Users will not be inconvenienced.
- J. PROHIBITED ACTIVITIES ON DISTRICT PROPERTIES.** No fishing is allowed in any District lake. No feeding of wildlife on District Facilities, and no pets allowed on the Golf Course at any time. Climbing on rocks surrounding the lakes, wading in the lakes, or walking on any ice on the lakes is prohibited. Bicycles are prohibited on the Golf Course and the paved Golf Course path.
- K. PEDESTRIAN RULES AND REGULATION.** The Golf Course is designed as a recreational facility for golfers. The District recognizes that the paved perimeter pathway and outlying grass areas are utilized by Pedestrians for personal access to and from residences and for exercise. The District allows this access only in compliance with the regulations listed. A Pedestrian is prohibited from walking at any time on the grassy surfaces within the Golf Course boundaries, the sand bunkers, and on the rock lined lake shore.
- L. INDEMNIFICATION AND ACCIDENTS.** The User agrees to take, use, provide, and maintain all necessary precautions, safeguards, and protection to prevent accidents or injury to Persons or property on, about, or adjacent to the District Facilities. The User shall continuously maintain adequate protection to the District's Facilities from injury or loss arising in connection with the User's activities and shall make good any such damages, injury, or loss except for ordinary wear and tear incidental to the use of the District's Facilities by the User. The User agrees to report any accidents, injury, or damage to the Clubhouse Manager-on-Duty and/or Security immediately. The rental of any District Facilities is hereby conditioned upon the individual renting such District Facilities (the "Rental Party"), agreeing on behalf of itself and its successors and assigns, to waive and release all liability and to forever defend, indemnify, and hold harmless, the District, the District's employees, consultants, licensees, invitees, agents, successors, and assigns from any and all injuries, loss, claims, liability, damages, and costs, including, without limiting the generality of the foregoing, court costs and attorney's fees, caused by, resulting from, or in any way arising out of, or alleged to arise out of, in whole or in part, the use of the District's Facilities by the Rental Party, its licensees, invitees, agents, contractors, subcontractors, employees, successor, and/or assigns.

**ARTICLE V
FEES, RATES, AND CHARGES**

- A. GENERAL.** The Board is empowered to fix and from time to time to increase or decrease fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the District pursuant to Section 32-1-1001(1)(j)(I), Colorado Revised Statutes, as amended from time to time. The District imposes and collects such rates, fees, tolls, and charges in amounts to ensure they are sufficient to operate, maintain, repair, and replace District Facilities. The District imposes and utilizes its rates, fees, tolls, and charges in accordance with applicable law for protection of the health and welfare of residents and property owners of the District.
- B. APPLICATION.** The fees, rates, tolls, penalties, and charges established by the Board and the other information set forth herein shall apply to all Owners, Residents, and Users.
- C. FEES, RATES, AND CHARGES.** The fees, rates, tolls, penalties, and charges in existence and in effect are set by the Board and are set forth in the Schedule of Fees and Charges. Such fees, rates, tolls, penalties, and charges shall remain in effect until modified by the Board in accordance with applicable laws. Nothing contained herein shall limit the Board from modifying fees, rates, tolls, penalties, and charges or from modifying any classification.
- D. ADJUSTMENT OF FEES, RATES, AND CHARGES.** In those situations where, in the District's sole discretion, the fees, rates, tolls, penalties, and/or charges as set forth in the Schedule of Fees and Charges do not represent a fair, reasonable, and equitable charge for the intended use, the District, in its sole discretion, may adjust said fees, rates, tolls, penalties, and/or charges in accordance with law.
- E. PAYMENT OF FEES, RATES, AND CHARGES.** Pursuant to the Management Agreement the Heather Gardens Association bills and collects a "Recreation Fee" (as defined in the Management Agreement). All other fees, rates, and charges of the District are billed and/or collected at or before the service, class, event, or trip are rendered.
- F. REFUNDS.** Requests for refunds are administered based on the Procedure Memorandum.
- G. RESPONSIBILITY FOR COSTS.** Any Person who seeks to do business with the District, obtain agreements with the District, obtain approval of plans from the District, or otherwise undertake activities which cause the District to incur costs or fees may be responsible for paying the District for all such costs. Any activities by Persons that may require additional costs to the District, including,

but not limited to, additional legal, engineering, administrative, and accounting fees and costs, shall pay the District for all such additional costs. Payment shall be due upon receipt of invoice from the District or as the Board directs, but not later than the date when such agreements are executed, approvals are delivered, or such Person receives benefit from the District for such activities.

- H. PERPETUAL LIEN / FORECLOSURE.** In accordance with 32-1-1001(1)(j)(I), Colorado Revised Statutes, as may be amended from time to time, and as more particularly discussed in Sections 2.3 and 6.2.2.4 of these Rules and Regulations, until paid, all rates, tolls, charges, fines, fees, assessments, penalties, and costs shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of this state for the foreclosure of mechanics' liens. If at any time it becomes necessary for the District to initiate foreclosure proceedings as allowed by Section 32-1-1001(1)(j), Colorado Revised Statutes, as amended from time to time, in order to collect overdue payments of any fee or charge assessed by the District under these Rules and Regulations or Colorado law, all costs so incurred by the District shall be due and payable by the Owner, Resident, or User.
- I. PENALTIES FOR LATE PAYMENT OR NON-PAYMENT.** Late payment or non-payment of any rates, tolls, charges, fines, fees, and/or assessments owed to the District may result in the District taking one or more actions, including but not limited to, charging a late fee, charging interest, and/or revoking use of District Facilities, in accordance with these Rules and Regulations. Further, the District has the right to assess to any Owner, Resident, or User who is overdue in payment of his or her account, any and all court, legal, engineering, administrative, and accounting fees and costs and any other costs necessary to or incidental to the collection of said account

**ARTICLE VI
ENFORCEMENT, VIOLATIONS, AND PENALTIES**

Please note that all references made to days are calendar days.

A. VIOLATIONS. Any intentional or negligent action taken by a Person in contravention of these Rules and Regulations or the conditions or obligations set forth in any other agreement with the District shall be considered a violation and shall be subject to the provisions of this Article.

B. ENFORCEMENT REMEDIES.

1. Notification of Violation. Whenever the District finds that any Person has violated or is violating these Rules and Regulations or the conditions or obligations set forth in any other agreement with the District, the District may issue a written notice to resolve the violation and correct the problem or practice at issue. If, in the sole discretion of the District, an emergency exists, the District may take immediate action as provided in these Rules and Regulations and shall provide written notice as soon thereafter as possible. In the event of late payment or non-payment of any rates, tolls, charges, fines, fees, and/or assessments, the District is not required to send any notification beyond the billing statement, unless otherwise required by law. Should the violation still exist after the time limit on the notice has elapsed, the District may deny access to District Facilities, or assess charges, fines, and/or penalties as provided in these Rules and Regulations.

2. Penalties for Violations.

A. Penalty. Any Person in violation of these Rules and Regulations or the conditions or obligations set forth in any other agreement with the District may be assessed penalties as set forth below. Each violation is subject to a penalty and each day of a violation shall be considered a separate violation. Penalties may be added to the Owner's, Resident's or User's next bill.

Non-compliance with the Rules and Regulations may result in the following penalties:

- Verbal warning
- Written warning
- A fine of \$10.00
- A fine of \$50.00
- Possible loss of privileges if so, determined by the Board, in its sole discretion.

If the severity of a particular event of non-compliance so merits the Board may determine to immediately suspend privileges to use of one or more the District's Facilities and/or take any other action allowed by law

- B. Late Fee.** Any time an Owner, Resident, or User is thirty (30) days late in payment of any rates, tolls, charges, fines, fees, and/or assessments due to the District, the District shall have the right to assess a penalty on the unpaid balance in the amount shown on the Schedule of Fees and Charges.
- C. Interest.** Unpaid rates, tolls, charges, fines, fees, assessments, and/or penalties may be assessed interest as permitted by law.
- D. Perpetual Lien/Foreclosure.** In accordance with 32-1-1001(1)(j)(I), Colorado Revised Statutes, as may be amended from time to time, until paid all rates, tolls, charges, fines, fees, assessments, penalties, and costs (including legal, engineering, administrative, and accounting fees and costs) shall constitute a first and perpetual lien on or against the property served. Any such lien may be foreclosed in the manner provided by law.
- E. Removal/Denial of Access.** Violation of any of these Rules and Regulations may result in immediate removal from the District Facilities. Should an Owner, Resident, or User remain in violation of these Rules and Regulations or the conditions or obligations set forth in any agreement after the time limit stated on a violation notice issued pursuant to of these Rules and Regulations has elapsed, the District may deny access to District Facilities. In the event of a proposed denial of access to District Facilities, the Owner, Resident, or User shall be given not less than ten (10) days advance notice in writing of the denial of access. A notice denying access to District Facilities shall set forth the following:

 - 1. The reason for the denial of access and the date on which denial of access to District Facilities shall begin;
 - 2. That the Owner, Resident, or User has the right to contact the District and the manner in which the District may be contacted for the purpose of resolving the violation(s); and

3. That there exists an opportunity for a hearing in accordance with these Rules and Regulations.

If the violations(s) are not resolved or a request for a hearing, accompanied by a deposit equal to the amount of any fees, rates, and/or charges specified in the notice (if any), is not received by the District within ten (10) days, the District may deny access to the District Facilities.

F. Civil Liability. Any Person who intentionally or negligently violates any provision of these Rules and Regulations or the conditions or obligations set forth in any agreement may be subject to civil liability to the District.

G. Criminal Liability. Any Person who violates these Rules and Regulations or the conditions or obligations set forth in any agreement and in doing so commits a misdemeanor or felony may be charged with a misdemeanor or felony, and upon conviction thereof, shall be subject to such penalties as provided by law.

H. Other Remedies Provided at Law. In addition to the other rights and remedies set forth in these Rules and Regulations, the District may exercise any other rights or remedies it may be entitled to under law or in equity to enforce these Rules and Regulations or the conditions or obligations set forth in any agreement.

I. Reimbursement of District Costs. Any Person that violates any of the provisions of these Rules and Regulations or the conditions or obligations set forth in any agreement shall become liable to the District for any expense, loss, or damage occasioned by reason of such violation, including, but not limited to, administrative, attorneys', engineering, collection, court, and accounting fees and costs. Residents may be responsible for damage incurred by their family members and their guests.

C. HEARING AND APPEAL PROCEDURES.

1. General. If an Owner, Resident, or User wishes to dispute any rates, tolls, charges, fines, fees, assessments, and/or penalties imposed by or determination made by the District, the Owner, Resident, or User may appeal such rates, tolls, charges, fines, fees, assessments, and/or penalties

or determination by following the procedure set forth below (an Owner, Resident, or User filing an appeal is referred to in the remainder of this Section as the “Appellant”). Notwithstanding the filing of an appeal, the Appellant is required to pay any rates, tolls, charges, fines, fees, assessments, and/or penalties assessed by the District, and such rates, tolls, charges, fines, fees, assessments, and/or penalties shall be held by the District until such time as the appeal is final. The hearing and appeal procedures established below shall apply to all disputes concerning the interpretation, application, or enforcement of the rates, tolls, charges, fines, fees, assessments, and/or penalties of the District and the application and enforcement of these Rules and Regulations, as they now exist or may hereafter be amended. In the event a proper and timely request for an appeal is not made as provided herein, the right to an appeal shall be deemed forever waived.

- 2. Appeal to District’s Agent.** The Appellant must first file a written request with the District’s Agent within ten (10) days of being notified of a proposed denial of access to District Facilities or other determination of the District or of the due date specified for a rate, toll, charge, fine, fee, assessment, and/or penalty of the District. Within thirty (30) days of receiving the request from the Appellant and after a full and complete review of the record, the District’s Agent shall issue a written determination regarding the application or enforcement of the rates, tolls, charges, fines, fees, assessments, and/or penalties of the Districts and/or application and enforcement of these Rules and Regulations, as may be applicable.
- 3. Hearing Before Board of Directors.** If the Appellant wishes to appeal the written determination of the District’s Agent under Section 6.3.2 of these Rules and Regulations, the Appellant must file a written request with the Board for a hearing within ten (10) days of the date the written determination of the District’s Agent under Section 6.3.2 of these Rules and Regulations was mailed. The request for a hearing shall set forth with specificity the facts upon which the Appellant is relying and shall contain a brief statement of the Appellant’s reasons for the complaint. The Board shall hold a formal hearing on the appeal at the next regularly scheduled meeting that is held no earlier than ten (10) days after the filing of the Appellant’s request for a hearing.
 - A. Notice.** A notice shall be served on the Appellant, specifying the time and place of the hearing to be held by the Board regarding the appeal and directing the Appellant to present evidence of why the determination regarding the application or enforcement of the rates, tolls, charges, fines, fees, assessments, and/or penalties of the District and/or

application and enforcement of these Rules and Regulations, as may be applicable, is not correct. The notice of the hearing shall be served personally or by certified mail return receipt requested or by any mail delivery service that is the equivalent to or superior to certified mail return receipt requested, at least ten (10) days before the hearing. Service may be made on any agent or officer of a corporation. When an Appellant is represented by an attorney, notice of any action, finding, determination, decision, or order affecting the Appellant shall also be served upon the attorney.

B. Conduct of Hearing. At the hearing, the District's Agent and the Appellant shall be entitled to present all evidence that is relevant and material to the dispute, and to examine and cross-examine witnesses. The Board may establish rules and procedures governing the hearing. A record of the hearing shall be maintained.

C. Written Determination. Based on the record established, the Board shall issue a written decision concerning the disposition of the dispute presented to it and shall cause notice of the decision to be hand delivered or sent by certified mail to the Appellant within fifteen (15) days after the hearing.

D. Board of Directors Determination Final. The decision issued by the Board shall be final and binding upon the District and the Appellant and shall constitute the final administrative action of the District. Any party to the hearing aggrieved or adversely affected by an order of the Board may appeal such order to the District Court in and for the County of Arapahoe, pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

D. EMERGENCIES. If an emergency is deemed to exist, the District may take any reasonable actions to remediate the emergency until such time as the District has received adequate assurance that any and all violations of these Rules and Regulations will cease and will not occur in the future. The District will, as soon as possible, provide written notice as described in Section 6.2.1 of these Rules and Regulations.