



The Colorado Property Management Group Inc.

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July 24, 2007

TO: Watkins Farm Homeowners
FROM: Watkins Farm Board of Directors

RE: PROPOSED REVISION TO ASSOCIATION'S
RULES' ADOPTION POLICY

The existing policy is enclosed for your convenience.
*NOTE: The Association's Governing Documents and Governance Policies are available at www.withcpmg.com and follow the link to WATKINS FARM.

The proposed revision for PARAGRAPH 5 is:

Except in cases determined by the Board of Directors to require immediate action, the Board shall give at least 10 days notice to all owners of its intent to adopt a new rule or amendment to an existing rule. Owners may comment on the rule in writing and/or attend the next regularly scheduled Board of Directors meeting at which time the proposed rule will be considered and adopted, if appropriate. In those cases where the Board adopts a rule without the above notice and opportunity to comment, owners may submit written comments on the rule after its adoption and/or may attend the next Board meeting where owners' comments will be heard. The Board will review all written and oral comments at the next Board meeting and ratify the rule as adopted or propose a revised rule, which shall be subject to notice and comment as provided above. Owners who do not comment on a proposed rule or a rule adopted by the Board without prior notice shall be deemed to agree with the proposed or adopted rule(s).

THE BOARD WILL CONSIDER ADOPTING THIS REVISION AT THE
OCT. 16, 2007, BOARD OF DIRECTORS MEETING
WRITTEN COMMENTS MAY BE SUBMITTED TO THE BOARD
IN CARE OF CPMG

WATKINS FARM
RESOLUTION REGARDING THE ADOPTION OF RULES, POLICIES, AND
PROCEDURES;

WHEREAS, The Board of Directors of Watkins Farms, Inc. is empowered to govern the affairs of the Association pursuant to Article II of the Bylaws;

WHEREAS, There is a need to adopt a specific procedure for adopting rules, policies, and procedures;

WHEREAS, It is the intent that this rule shall be applicable to all members of the association Board of Directors and this resolution shall remain in effect until otherwise rescinded, modified, or amended by a majority of the Board of Directors;

NOW, THEREFORE, Be it resolved that the following procedures for adopting rules, policies, and procedures, are hereby adopted by the Board of Directors:

Scope of Rules and Guidelines:

The Board is charged with creating rules, policies, and procedures that outline expected behavior and govern the community with the intent of promoting harmony within the community.

Areas of Rules and Guidelines:

1. Rules for the use of common property and individual lots or units.
2. Rules regarding changes in the architecture, the construction, or the appearance of lots or units.
3. Rules concerning the behavior of residents, guests, and other visitors.

Procedure for Adopting a Rule, Policy, or Guideline:

1. Identify the need for a specific rule.
2. Identify the Source of Authority to create the rule. These sources may be State Statutes and Court Decisions, or Governing Documents.
3. Determine if the rule is valid and enforceable under the following criteria:
 - a. The rule must not violate a fundamental constitutional right;
 - b. The rule must be consistent with applicable federal, state, and local statutes, and association governing documents;
 - c. The rule must reasonably relate to the operation and purpose of the community;
 - d. The rule must be reasonable;
 - e. The rule must be fair, and not create a separate class or group of people;
 - f. The rule must be capable of uniform enforcement;
 - g. The rule must be necessary.
4. Consider the immediate and long-term impact of the rule.

- 5. The Board may choose to give notice and allow discussion of any proposed rule that may impact the association's members.
6. Adopt the rule as a resolution by a majority vote of the Board members at a regular board meeting.
7. Give written notice to all members of the association at their association address or alternate address as specified in writing by the owner by first class mail.

Amending & Repealing Policies:

1. In order to amend or repeal a policy, rule, or procedure, the Board must consider the same stipulations as when adopting a rule.
2. Such action must be taken by a majority of the Board of Directors at a regular board meeting.
3. Notice of amendment must be mailed to all members of the association at their association address or alternate address as specified in writing by the owner by first class mail.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Watkins Farm, a Colorado non-profit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and conducted meeting of the Board of Directors on, 11/01/26 and in witness thereof, the undersigned has subscribed his/her name.

WATKINS FARM
a Colorado non-profit corporation

By: _____

President