

**RESOLUTION
OF THE
RED HAWK HOMEOWNERS ASSOCIATION, INC.
REGARDING POLICIES AND PROCEDURES
FOR
CHANGING THE COLOR PALETTE**

SUBJECT: Adoption of a policy regarding changes to the color palette as provided for in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Red Hawk recorded in the records of Douglas County on September 30, 2014 (“Declaration”).

PURPOSE: To adopt uniform procedures to be followed when changing the color palette either by a Board directed action or through the decennial color palette review.

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

EFFECTIVE DATE: November 30, 2014

RESOLUTION: The Association hereby adopts the following procedures to be followed for changing the color palette:

1. **Generally.** Compliance with the scheme of development and aesthetic standards of the Community, as set forth in the Declaration, is critical to ensure a quality living environment and to preserve and maintain the value of the property within the Community.
2. **Responsibility of the Board of Directors.** The Board shall be responsible for creating and maintaining a color palette that is aesthetically pleasing, in good taste, and is suitable for the Red Hawk community. Care should be taken to consider and be in compliance with the laws of the State of Colorado and ordinances of the Town of Castle Rock.
3. **Independent Specialist.** An Independent Specialist in exterior color design will be engaged by the Board whenever there is a desired change to the color palette. This Independent Specialist is to assist the Board and/or the Color Palette Review Committee (“CPRC”) in determining compatibility of the individual proposed color schemes with the existing color palette in the case of an annual review and change or with the entire proposed new palette. This will ensure some degree of color expertise and an unbiased opinion.
4. **Board Directed Change of the Color Palette.** During any year that the Decennial Review of the Color Palette is not to take place, the Board may elect to change and/or modify not more than two of the 26 approved color schemes. This may take place during the period from election in May to the following April. Note that, in accordance with Article IX(6)(i) of the Declaration no more than 26 body colors may be adopted on an interim or permanent basis.
5. **Process and Procedures for a Board Directed Change of the Color Palette.** The process begins whenever the Board believes it is in the best interests of the community to add, substitute, or replace one or two color schemes. The process is outlined below:

The Board may convene a small Committee or function as a Committee of the whole.

In any event, the Committee shall also include the Chairperson of the Architectural Review Committee.

The Board will engage the Independent Specialist when they are ready for the consultation. This may be early in the process or delayed at the convenience of the Board, but it is a necessary and required step as set forth in the Declaration.

The majority of the Committee, with the concurrence of the Independent Specialist, is required to recommend changes to the color palette to the Board.

The majority of the Board (3 members) is required to adopt the changes to the approved color palette.

6. **Periodic Review of the Color Palette.** In order for the Red Hawk community to meet the twin goals of being a stable community and an up-to-date community with respect to its visual appearance, the Color Palette will be reviewed on a periodic basis. To achieve these goals, the Board will convene the CPRC at the regular BOD meeting during the month of June in all years ending in zero (2xx0), e.g. 2020, 2030, etc. This will allow the new Board elected in May of that year time to get organized and set priorities before becoming immersed in the design efforts.
7. **Color Palette Review Committee.** The purpose of the CPRC will be to review the complete color palette as currently exists at the time the committee is convened and recommend modifications or changes to that palette. In order to stabilize the palette so that the committee can function against a known database, no changes or exceptions to the current color palette may be made during the period that the CPRC is in session. The CPRC will be formed as follows:
 - (a) The CPRC shall consist of seven (7) members.
 - (b) The CPRC shall be appointed by the Board by majority vote and consist of the Chairperson of the Architectural Review Committee and three (3) members from the Board and three (3) members from the Unit owners. All members of the CPRC MUST currently reside in the community.
 - (c) The Chairperson of the Architectural Review Committee will function as the Chairperson of the CRPC.
 - (d) At least one Unit owner will be selected from Filing 1 and Filing 2 respectively with the third member chosen at large.
 - (e) No Unit may have more than one (1) member on the Committee.
 - (f) No member may be selected from a Unit that is currently in arrears with its dues or is in litigation with the HOA.
 - (g) No absentee landlord may be selected as a member of the Committee.

8. **Process and Procedures for the Decennial Review.** The process begins when the Board appoints and convenes the CPRC. The CPRC must complete its assignment within 90 days of appointment or the regular Board meeting during September, whichever comes first.

The Board will engage the Independent Specialist at the request of the CPRC when they are ready for the consultation. This may be early in the process or delayed at the convenience of the CPRC, but it is a necessary and required step.

A vote of the majority of the CPRC (4 members), with the concurrence of the Independent Specialist, is required to recommend a color palette to the Board. Note that in accordance with Article IX(6)(i) of the Declaration no more than 26 body colors may adopted on an interim or

permanent basis.

Assuming the CPRC recommends a new color palette within the allotted time, the Board will approve the CPRC to canvas the Unit Owners for approval of the recommended palette.

The CPRC will prepare the voting ballots to include materials to evaluate the recommended color palette for mailing to the community. The Property Management company will mail the materials and ballots to the entire community. Once mailed, no changes will be permitted to the recommended color palette or individual color schemes. The CPRC may also set up displays wherever appropriate and canvas door-to-door, if deemed necessary.

The CPRC will have 60 days or the regular Board meeting in November, whichever comes first, from recommending the new color palette to the Board to obtain Unit Owners approval as required in the Declaration.

A majority (i.e., 217 votes) of the Allocated Interests in the Association is required to adopt the new palette. Voting may be at a regular or special meeting of the HOA or by written proxy.

9. **Deviations.** The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances and does not conflict with Article IX(6)(i) of the Declaration.
10. **Miscellaneous Provisions.** In the event a Court of competent jurisdiction finds a provision of this collection policy void or otherwise unenforceable, the other provisions shall remain in full effect.

PRESIDENT'S CERTIFICATION: The Undersigned, being the President of the Association certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on NOV 20, 2014 and in witness thereof, the undersigned has subscribed his/her name.

RED HAWK HOMEOWNERS ASSOCIATION, INC.,
a Colorado nonprofit corporation

By: Ralph J. Johnston
President

