

**Salado Hidden Springs Property Owners' Association**

The following document titled

*Covenant Enforcement and Fines Assessment Policy  
Violation Identification Procedure*

**Replaces the previously filed document titled**

***Covenant Enforcement and Fines Assessment Policy***

because this document is wholly contained  
in the document titled

*Covenant Enforcement and Fines Assessment Policy  
Violation Identification Procedure*

SALADO HIDDEN SPRINGS PROPERTY OWNERS' ASSOCIATION  
COVENANT ENFORCEMENT AND FINES ASSESSMENT POLICY  
VIOLATION IDENTIFICATION PROCEDURE

On February 10, 2015, the HSPOA Board of Directors, consisting of Joe Sloan, Tom Bailey, Michael Maag, Sheila Brooks and Bud Croom, voted to approve the "Covenant Enforcement and Fines Assessment Policy." This instrument was legally recorded with the County Clerk in the Bell County records on February 19, 2015. This policy describes the procedures and practices used to enforce violations. From that document, please note the following related excerpts:

"Now, therefore, it is resolved that the following procedures and practices are established for the **enforcement** of the restrictive covenants of the Declarations and for the **elimination** of violations of such provisions found to exist in, on and about the Lots within Hidden Springs and the same are to be known as the "Covenant Enforcement and Fines Assessment Policy" (to be referred herein as the "Enforcement Policy"):

- 1) **Violation:** Any condition, use, activity or improvement which does not comply with the provisions of the Declarations, Bylaws or the Rules and Regulations of Hidden Springs, shall constitute a "Violation" under this Policy for all purposes.
- 2) **Report of Violation:** *The existence of a Violation will be verified* by a field observation, with photographs if possible, conducted by a member(s) of the Hidden Springs Property Owners' Association Board of Directors ("Board") or its delegate. For the purpose of this Enforcement Policy, the delegate may include Management, an officer or member of the Board, or a member of any other committee established by the Board for this purpose. A timely written report shall be prepared by the field observer for each Violation which will include the following information:"

For the purposes of both the "Enforcement Policy" and this additional document, the "Violation Identification Procedure," please note the following definitions:

**Enforcement** is defined as the act of compelling observance of or compliance with a law, rule, or obligation.

**Elimination** is defined as the complete removal or destruction of something.

**Existence** is defined as the fact or the condition of being or of being real.

**Verified** is defined as to prove the truth of, as by evidence or testimony; confirm; substantiate.

**Identify** is defined as to find out or show the identity of.

Before a Violation can be **eliminated** through **enforcement**, it first must be **identified** and then **verified to exist**. The "Enforcement Policy" provides the methods to verify the existence of the Violation and to eliminate the Violation through the enforcement via First and Second Notice of Violation but does not state how the Violation is first identified.

**Herein, this shall be the method to identify Violations in Hidden Springs, Section One and Section Two.**

1. **Complaint Based Violation Identification:** Any HSPOA member may at any time submit a Complaint using the Complaint Form attached. Complainant may email [HiddenSpringsCompliance@gmail.com](mailto:HiddenSpringsCompliance@gmail.com) to receive this Complaint Form.
  - a. Upon receipt of the Complaint Form, the 2nd V.P. shall assign a tracking number to the complaint.
  - b. The 2nd V.P. shall then verify the existence of a covenant violation and create a report that will include the information required under the "Enforcement Policy" Section 2, a-f.

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- c. If there is not evidence of a violation, the case will be closed and filed in our records.
- d. If there is evidence of a violation, the report will be presented to the Board for their review and additional validation.
- e. If the Board agrees that a violation has occurred, then the First Notice of Violation will be delivered to the Owner of the property as per the guidelines in the "Enforcement Policy" Section 3 and will have 30 days to respond as per the guidelines of the "Enforcement Policy."
- f. If the Violation is corrected, then the case will be closed and filed in our records.
- g. If the Violation is not corrected then within 10 days of after the 30 days have passed, the Second Notice of Violation will be delivered to the Owner of the property as per the guidelines in the "Enforcement Policy" Section 4. As per the "Enforcement Policy" Section 4, sanctions will be imposed from the date of the 31st day after the date of the First Notice of Violation.

**2. Quarterly Inspection of Hidden Springs by a disinterested third party.**

Four times a year, an Inspection of Hidden Springs will be conducted in order to identify Violations. This inspection will be done by a paid disinterested third party to be hired by the HSPOA Board. This person shall drive around the neighborhood with a clearly marked vehicle to take note of Violations and will then provide a written report following the guidelines of the "Enforcement Policy" to the HSPOA Board. The Board will then follow the procedures outlined in a-g above in order to verify the existence of the Violations and then take measures to correct the Violations as per the guidelines of the "Enforcement Policy."

Attachments: "Covenant Enforcement and Fine Assessment Policy," Diagram of Enforcement process, Complaint Form, First Notice of Violation, Second Notice of Violation,

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WHEREAS, the Bylaws of Salado Hidden Springs Property Owners Association, the Declaration of Covenants, Conditions and Restrictions for Hidden Springs Section One and the Declarations of Covenants, Conditions and Restrictions for Hidden Springs Section Two, and the Rules and Regulations for Hidden Springs, as each may be amended from time to time (the "Declarations"), provides the authority to the Hidden Springs Property Owners Association (the "Association") to establish orderly procedures for the enforcement of the restrictive covenants set forth in the Declarations, and WHEREAS, the Board of Directors of Hidden Springs Property Owners Association, finds there is a need to establish orderly procedures for the enforcement of the restrictive covenants and for the levying of fines against the owners of lots deemed to be in violation, set forth in the Declarations,  
NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices

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are established for the enforcement of the restrictive covenants of the Declarations and for the elimination of violations of such provisions found to exist in, on and about the Lots within Hidden Springs and the same are to be known as the "Covenant Enforcement and Fines Assessment Policy" (to be referred to herein as the "Enforcement Policy"):

1) Violation. Any condition, use, activity or improvement which does not comply with the provisions of the Declarations, Bylaws or the Rules and Regulations of Hidden Springs, shall constitute a "Violation" under this Policy for all purposes.

2) Report of Violation. The existence of a Violation will be verified by a field observation, with photographs if possible, conducted by a member(s) of the Hidden Springs Property Owners Association Board of Directors ("Board") or its delegate. For the purpose of this Enforcement Policy, the delegate of the Board may include Management, an officer or member of the Board, or a member of the Architectural Control Committee, or a member of any other committee established by the Board for this purpose. A timely written report shall be prepared by the field observer for each Violation which will include the following information:

a. Identification of the nature and description of the Violation(s). If applicable, a photograph of the violation should accompany documentation.

b. Identification by street address and legal description, if available, of the Lot on which the Violation exists.

c. Identification of the Declaration establishing that the subject improvements, modifications, conditions, etc. constitute a Violation(s).

d. Date of the verification observation and name of the person making such observation.

e. At the same time that the field observation report is prepared, the Board or its delegate will attempt to contact the Owner of the Lot in question to advise the Owner of the violation and agree upon a timely remedy, if possible.

f. If verbal correction agreement is reached, a written narrative of the verbal agreement and timeframe arrived at by the Board and Lot Owner.

3) First Notice of Violation. The Board will forward to the Owner of the Lot in question written notice, via registered mail with return receipt requested, of the discovery of a Violation(s) (the "First Notice"), and a confirmation of the verbally agreed remedy including written narrative, if such was agreed to prior to this notice.

The First Notice will state the following:

a. The nature, description and location of the Violation, including any property damage caused by the Owner. Include photograph, if applicable, and written narrative agreement for correction

b. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner.

c. The proposed sanction to be imposed, including the amount of any fine or the amount claimed to be due from the owner for property damage.

d. That the sanctions delineated in the First Notice may be imposed and that any associated attorney's fees and costs will be charged to the Owner.

e. For purposes of this document the thirty (30) day time period to correct the

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violation may be extended, solely upon the determination of the Association Board. The Board will be the sole determiner of correction of the problem.

The Owner will have Thirty (30) days from the receipt of the First Notice of Violation to

f. submit a Corrective Action Plan subject to Board approval, or

g. fully correct or eliminate the Violation(s) or

h. submit a written request to appeal before the Board

**4) Second Notice of Violation.** If no response to First Notice of Violation is received within the 30 day response time, including the required:

a. Corrective Action Plan subject to Board approval, or

b. Evidence of full corrective action satisfactory to the Board or

c. Written request for appeal,

then, within 10 days thereafter, as deemed necessary and appropriate by the Board, the Board will send the Second Notice of Violation by certified mail return receipt requested.

d. The Second Notice will state the following:

e. The nature, description and location of the Violation, including any property damage caused by the Owner. Include photograph, if applicable, and written narrative agreement for correction

f. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner.

g. The proposed sanction to be imposed, including the amount of any fine or the amount claimed to be due from the owner for property damage.

h. That the sanctions delineated in the Second Notice will be imposed from the date of the 31st day after the date of the First Notice of Violation

i. That any associated attorney's fees and costs will be charged to the Owner.

**5) Request for a Hearing.** If the Owner requests a hearing within the 30 day period after the date of the First Notice, the hearing shall be held in executive session of the Board, affording the Owner a reasonable opportunity to discuss and verify facts and resolve the matter in issue. Such hearing shall be held no later than thirty (30) days after the date the Board receives the Owner's request for a hearing. The Board shall provide the Owner a minimum of 10 days' notice of the date of the hearing.

a. Prior to the effect of any sanction hereunder, proof of proper notice of the hearing shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, agent or delegate who delivered such notice.

b. The Association or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days.

c. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed by the Board or its delegate.

d. The Association shall notify the Owner in writing of its action within ten (10) days after the hearing.

e. The Board may, but shall not be obligated to, suspend any proposed sanction if the Violation is cured within the ten-day period and as specified Such suspension shall not constitute a waiver of the right to sanction future

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- violations of the same or other provisions and rules by any Owner.
- 6) Correction of Violation.** Where the Owner corrects or eliminates the Violation(s) prior to the imposition of any sanction, no further action will be taken (except for collection of any monies for which the Lot Owner may become liable under this Enforcement Policy and/or the Declaration). Written notice of correction or elimination of the Violation may be obtained from the Board upon request for such notice by the Owner and upon payment of a fee for same, the amount of which is set by the Board.
- 7) Corrective Action.** Notwithstanding any other provision contained herein to the contrary, where a Violation is determined or deemed determined to exist, the Board may undertake to cause the Violation to be corrected, removed or otherwise abated if the Board, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where the Board decides to initiate any such action, the following will apply:
- The Board must give the Owner and any third party that is known to the Association to be directly affected by the proposed action prior written notice of undertaking of the action.
  - Costs incurred in correcting or eliminating the Violation will be referred to the Association to be recovered from the Owner.
  - The Association, and its agents and contractors, will not be liable to the Owner or any third party for trespass or any damages or costs alleged to arise by virtue of action taken under this Paragraph 7.
- 8) Corrective Action.** Notwithstanding any other provision contained herein to the contrary, where a Violation is determined or deemed determined to exist, the Board may undertake to cause the Violation to be corrected, removed or otherwise abated if the Board, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where the Board decides to initiate any such action, the following will apply:
- The Board must give the Owner and any third party that is known to the Association to be directly affected by the proposed action prior written notice of undertaking of the action.
  - Costs incurred in correcting or eliminating the Violation will be referred to the Association to be recovered from the Owner.
  - The Association, and its agents and contractors, will not be liable to the Owner or any third party for trespass or any damages or costs alleged to arise by virtue of action taken under this Paragraph 7.
- 9) Referral to Legal Counsel.** Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner and/or seeking injunctive relief against the Owner to correct or otherwise abate the Violation. Attorney's fees and all costs incurred by the Association in enforcing the Declaration and administering this Enforcement Policy shall become the personal obligation of the Owner.
- 10) Fines.** Subject to the provisions of this Enforcement Policy and/or the Declaration, the imposition of fines will be on the following basis:

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- a. Fines will be based on an amount that is reasonably related to the nature of the Violation. The Board shall have final discretion in determining the appropriate fine for the Violation in question. In no event, however, shall the initial fine exceed \$1000.00. If, after the imposition of the initial fine, the Violation has not been cured or the Owner has not commenced with work necessary to cure such Violation, the Board may, upon ten (10) days' written notice impose an additional fine not to exceed \$1000.00
  - b. If after the imposition of the additional fine, the Violation has not been cured or the Owner has not commenced with work necessary to cure such Violation, the Board may impose the previously assessed fine, to be assessed on a daily basis, until such time as the Violation has been cured. There shall be no limit to the number or the aggregate amount of fines which may be levied against an Owner for the same Violation.
  - c. The Board has adopted and may amend, from time to time, a Schedule of Fines applicable to Violations within Hidden Springs Property Owners Association. The Schedule of Fines is included herein as "Attachment A".
  - d. Imposition of fines will be in addition to and not exclusive of any other rights, remedies and recoveries of the Association as created by the Declaration or this Enforcement Policy.
  - e. Fines are imposed against Lots and become the personal obligation of the Owners of such Lots. Upon presentation of outstanding fines to the Board for action, the same will be levied against the respective Lots and their Owners as an individual assessment under Article 6, Section 6.4.3 of the Declaration.
- 11) Notices. All notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by registered United States Mail, first, to the Owner at the address which the Owner has designated in writing and filed with the Secretary of the Association or on record with Bell County or, if no such address has been designated, to the address of the Lot of the Owner.
- a. Where the notice is directed by personal delivery, notice shall be deemed to have been given, sent, delivered, or received, upon actual receipt by any person accepting delivery thereof at the address of the recipient, as set forth in such notice or if no person is there, by leaving the notice taped to the front door of the residence.
  - b. Where the notice is placed into the care and custody of the United States Postal Service, notice shall be presumed to have been given, sent, delivered or received, as of the third (3rd) calendar day following the date of postmark of such notice bearing postage prepaid and the appropriate name and address as required herein, unless otherwise shown by the recipient to have been received at a later date.
  - c. Where a day required for an action to be taken or a notice to be given, sent, delivered or received, as the case may be, falls on a Saturday, Sunday or United States Postal Service holiday, the required date for the action or notice will be extended to the first day following which is neither a Saturday, Sunday or United States Postal Service holiday.

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d. Where the Board has actual knowledge that such situation exists, any action to be taken pursuant to this Enforcement Policy which would directly affect the property of a third party or would be the responsibility of a party other than the Owner, notices required under this Enforcement Policy may be given, if possible, to such third party in addition to the Owner.

Notwithstanding any notice sent to a third party, the Owner remains the party responsible for compliance with the requirements of the Declaration. The Board shall accept a response from any such third party only upon the written direction of the Owner of the Lot upon which the Violation exists.

e. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interest in a Lot has been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.

f. Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs and fines under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy. The new Owner shall be personally liable for all costs and fines under this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

**12) Cure of Violation During Enforcement.** An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by written report to the Board and sent, where appropriate, to the Board that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist. The Owner will remain liable for all costs and fines under this Enforcement Policy.

**13) Definitions.** The definitions contained in the Declaration and Bylaws and Rules and Regulations are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Covenant Enforcement and Fines Assessment Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Hidden Springs Board of Directors at a meeting of same on February 10, 2015 and has not been modified, rescinded or revoked.



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**ATTACHMENT A: SCHEDULE OF FINES**

Description Fine Amount

- 1) Building and Improvement Maintenance Section 3.05 \$25 / day per violation
- 2) Storage of Trailers, RVs, Boats, Etc Section 3.17 \$20 / day per violation
- 3) Offensive Activity Section 3.14 \$20 / day per violation
- 4) Hunting or Discharge of a Firearm Section 3.14 \$1000 / day per violation
- 5) Animal husbandry including dogs running loose Section 3.19 \$25 / day per violation
- 6) Storage of junked vehicles or boats Section 3.16 \$50 / day per violation
- 7) Unapproved Signs Section 3.18 \$25 / day per violation
- 8) Improper Waste Disposal Section 3.15 \$25 / day per violation
- 9) Undifferentiated Covenant or Rules Violations \$25 / day per violation
- 10) Repeat violations of any of the above within 1 year, double the listed amount

Rev. 3 Date: 2/10/2015

Bell County  
Shelley Coston  
County Clerk

Belton, Texas 76513

11 11 11

70 201 5 00006200

Instrument Number: 2015-00006200

As

Recorded On: February 19, 2015 Recordings

Parties: SALADO HIDDEN SPRINGS POA Billable Pages: 7

To EX PARTE Number of Pages: 8

Comment:

( Parties listed above are for Clerks reference only )

**\*\* Examined and Charged as Follows: \*\***

Recordings 35.00

Total Recording: 35.00

\*\*\*\*\*|| DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*||

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2015-00006200

Receipt Number: 228804

Recorded Date/Time: February 19, 2015 03:39:22P

User / Station: K Salamone - Cash Station 3

Record and Return To:

SHEILA BROOKS

PO BOX 1295

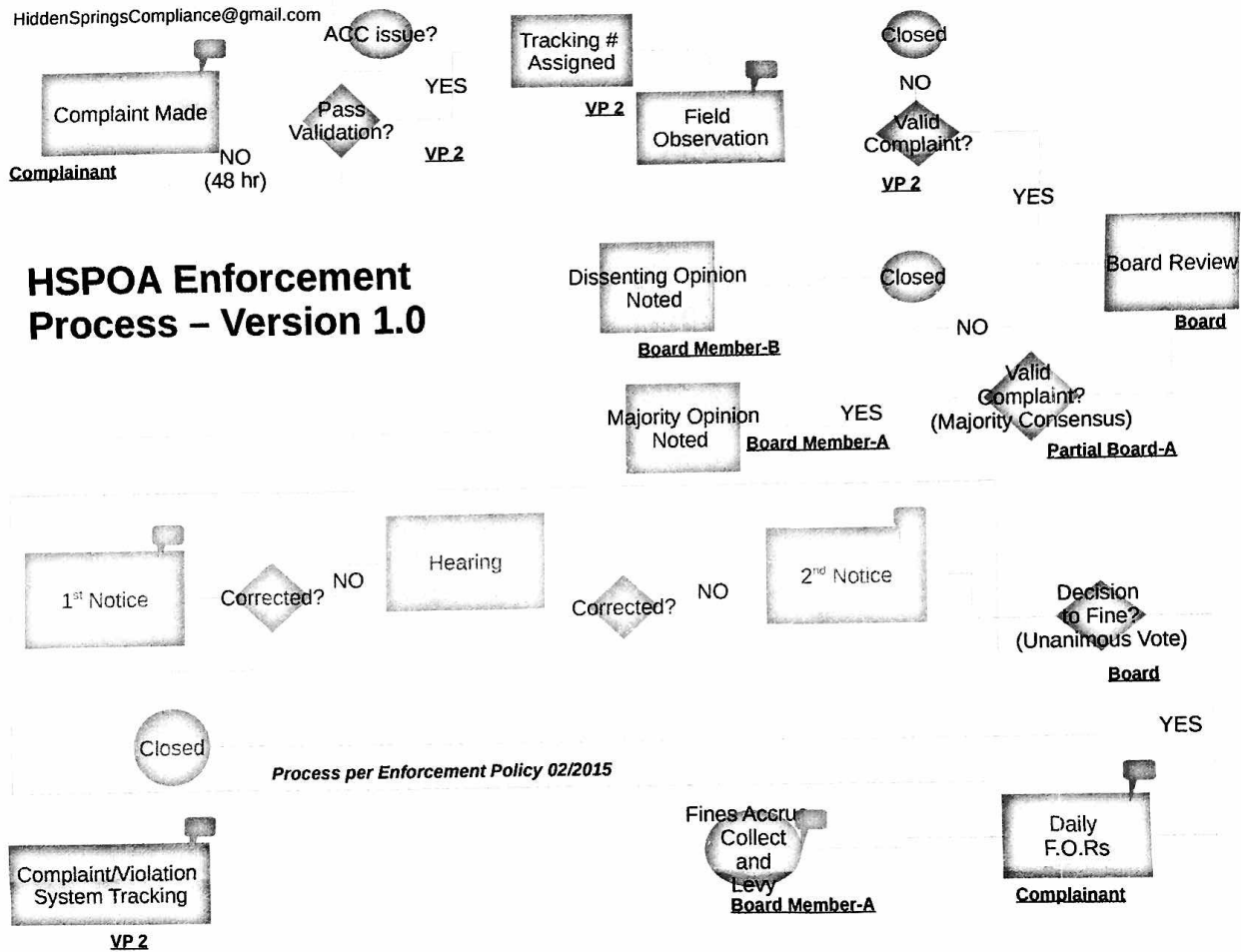
SALADO TX 76571

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property

Records in Bell County, Texas

Shelley Coston  
Bell County Clerk

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**HSPOA Enforcement  
Process – Version 1.0**

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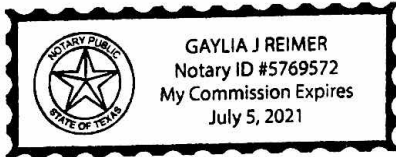
IN WITNESS WHEREOF, the undersigned, being an Officer or Authorized Agent of the Salado Hidden Springs Property Association, has hereunto set its hand this 4 day of the month of May, 2017

SALADO HIDDEN SPRINGS PROPERTY OWNERS ASSOCIATION,  
(a Texas non-profit corporation)

BY: Kathi Walrath  
Kathi Walrath, President

This instrument was acknowledged before me on this 4<sup>th</sup> day of May, 2017

by Kathi Walrath, President of the Hidden Springs Property Owners' Association.



Gaylia J Reimer  
NOTARY PUBLIC, STATE OF TEXAS

Bell County  
Shelley Coston  
County Clerk  
Belton, Texas 76513



Instrument Number: 2017-00017966

As

Recordings

Recorded On: May 05, 2017

Parties: SALADO HIDDEN SPRINGS PROPERTY OWNERS ASSOC

To EXPARTE

Billable Pages: 11

Number of Pages: 12

Comment:

( Parties listed above are for Clerks reference only )

**\*\* Examined and Charged as Follows: \*\***

Recordings	51.00
<b>Total Recording:</b>	<b>51.00</b>

\*\*\*\*\* DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

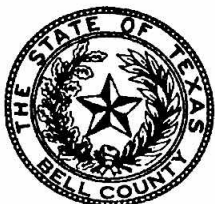
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 2017-00017966  
Receipt Number: 300750  
Recorded Date/Time: May 05, 2017 08:11:08A  
User / Station: M Harr - Cash Station 1

**Record and Return To:**

HSPOA  
PO BOX 185  
SALADO TX 76571



I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston  
Bell County Clerk