

Annual Meeting 2025 - Dos Rios III HOA

Date: September 26, 2025, 5:30 PM

Location: Dos Rios Golf Course Clubhouse Pavilion.

501 Camino Del Río, Gunnison, CO 81230

AGENDA

1. Welcome and Roll Call.

Sign in sheet provided.

Call to order: 5:32 p.m.

Trivia Ice Breaker provided by Mark Hatcher:

- What happened 47 years ago? DR3 HOA was formed on October 3rd, 1978.

Meeting Attendees:

Mark Hatcher - President

Sean McCormick - Vice President

John Nelson - Secretary

Jacob With - Law of the Rockies Counsel

Joe & Chris Browder

Ron & Kristen Copenhaver

William & Sandra Dowis

Russ Halpern

Pam Hatcher

Richard Hayward

Jim Johnson

Jim & Kathleen MacAllister

Douglas & Cynthia McBee

Shawn Meldrum

Greg & Wendy Naugle

Jen & Shane Sampson

Steve and Cindy Westbay

Jeff Wilkinson

2. Proof of Notice of Meeting.

Mark annotated that emails / letters had been sent out to the membership. The motion to approve that proper notice was provided was adopted unanimously by voice vote.

3. Reading and Approval of any Unapproved Minutes.

John Nelson provided highlights from the 2024 Annual Meeting Minutes which are available on the DR3 HOA website. The motion to approve the 2024 annual meeting minutes was adopted unanimously by voice vote.

4. Presidents Report

- Mark Hatcher provided updates on DR3 several DR3 HOA accomplishments over the past several years. Summary highlights include:
- DR3 is considered one of the nicest communities in Gunnison and homeowners have experience massive increases in home values. Having a functional HOA is desirable and contributes to our communities appeal.
- Mailbox resurfacing was conducted in the mailbox areas eliminating potholes and improving access. Contract snow plowing at the mailbox areas is also occurring as needed.
- 2 approved solar power speed limit signs have been installed resulting in slower traffic speeds and safer roads. Much positive feedback has been received.
- Annual Spring clean-up events have been provided the past three years with green waste and refuse dumpsters provided for member use. This has also been met with positive feedback and appreciation.
- DR3 HOA now offers an online payment option for annual dues which most residents are utilizing. The HOA is sending out online newsletters and notices via email, which is also posted to the updated website.
- The DR3 HOA has been keeping our membership up-to-date on proposed land use regulation changes. Several DR3 residents have been regularly attending Gunnison County planning meeting and sharing their findings with the Board and community.
- The DR3 HOA Covenant Committee is diligently working to update the covenants which will be discussed in further detail later in the meeting.

5. Election of 2 Members at Large Positions, Treasure, Secretary, and President.

DR3 Board of Directors Positions:

2 Members at Large. One 2-year and 3-term available, both term currently vacant.

- 2-year Member. Floor opened for Nominations / Volunteers. Shawn Meldrum nominated by Jim Wilkinson. The motion to approve Shawn to a 2-year term was adopted unanimously by hand vote.
- 3-year member. Jeff Wilkerson nominated by Russ Halpern. The motion to approve Jef to a 3-year term was adopted unanimously by hand vote.

Treasurer - Currently vacant. Last held by Doug Gorman. Mark Turner was assisting somewhat but is not a full-time resident. Sean McCormick provided an overview of the positions responsibilities.

President - 3 year term limited. Mark Hatcher incumbent, term expired.

Secretary - 3 year term limited. John Nelson incumbent, term expired. Mark Hatcher nominated John is willing to continue serving as Secretary as long as he's eligible. Pam Hatcher seconded the motion. The motion to approve John to a 3-year term was adopted unanimously by hand vote.

Treasurer (2-year term) - Sean M. Provided background on the position, Mark Hatcher has been carrying that responsibility for 1.5 years and commended Mark Hatcher for performing those duties over the past 2 years. The Board will continue to search for a willing candidate.

President (3-year term)— Sean nominates Mark Hatcher for president. Jeff Wilkerson seconded the motion. The motion to approve Mark to a consecutive 3-year term was adopted unanimously by hand vote.

6. Financial Statement.

Mark Hatcher provided the annual budget report. Print outs of the 2026 annual budget proposal and 2025 financial ledger were provided.

Summary highlights include:

- Our DR3 HOA insurance company dropped our policy and will not renew coverage. The Board searched for new insurance providers, and a new company (US Insurance Company) has agreed to cover the HOA at \$2,400 / year. We do not have land value; only property value that needs to be insured, i.e., installed speed limit signs.
- Annual dues were billed and collected primarily via the new online system. Only a few members still have outstanding dues. Most payments occurred online following newsletter releases. \$4,081 has currently been collected in annual dues. Annual DR3 HOA expenses consist primarily of legal fees, post office box fee, insurance, mailings, and the annual meeting. Balance estimate is around \$25,000.
- Late dues. Approximately 10-12 members are delinquent in paying annual dues.

- Reserve Policy. A question was asked if a reserve policy is required? Jacob With provided a response. Any existing reserve policy would have been established by the HOA previously. Jacob has a 2014 DR3 file mentioning a reserve policy specifically an intent to “invest our reserve funds in good faith with the care of an ordinary person” DR3 does not need a reserve study. The State only requires that we talk about it, and that it’s not required. HOAs typically only need reserve policies if there are financial liabilities and capitol expenditures are necessary or required, which is not the case for DR3 HOA. Jacob does not feel conducting a reserved study would be worth the expense for our HOA.
- 2026 Proposed Budget. Mark provided an overview of estimated revenue and expenses. A small shortfall is predicted due to anticipated expenses, primarily increased legal fees associated with updating the covenants. Steve Westbay motioned to approve the 2026 budget. The motion to approve the 2026 budget was adopted unanimously by hand vote.

6. Presentation of Proposed Covenant Changes.

Mark Hatcher provided a brief introduction, then turned over the update to Sean McCormick

Sean described the work and progress of the covenant committee to include a summary of changes. The covenant committee met several times over the past year.

Highlights include:

- October 1978 - Covenants established for DR3 HOA at formation. Updates are well overdue. Much of the existing language is dated.
- Amendments to our covenants have been made on several occasions over the years.
- Committee recommendations have been vetted with the Covenant Committee and Jacob With, DR3 HOA counsel.
- Drafts of the updated, amended covenants are available on the DR3 HOA website.
- 3 main proposed updates :
 1. Architectural Committee - Attempt to streamline process, take language out of covenants, insert in the architectural control committees forms. This will make it a simpler process for anyone that is interested in either remodeling, changing, roofing, colors, etc., and it would be available for them on the website. It's an attempt to streamline the process and take some of the language out of the

covenants itself and put it into a document that's the architectural review committees has developed.

2. Section 13. Number of vehicles outside of home. Section 13 stipulates the number of vehicles you can have parked outside of your home. It's been a longstanding section in our covenants. It used to be two vehicles, but was amended to three. The proposed covenants updates increased the number of vehicle to four.
 3. Section 14 - Short Term Rentals. Short term rentals have never been addressed before within our HOA, and now there is a proposed section within the covenants that addresses short term rentals. There are several properties within our HOA that the design and capacity of the home was approved to allow for a mother-in-law apartment, or a separate apartment that's separate from the home. Those have been approved and would be grandfathered in based on their previous approval.
- Most other changes in the document are focused on updating antiquated and out-of-state language.
 - Sean opened up the floor to questions and discussion. Highlights include:
 - Do these updates protect us legally? Jacob replied Yes, these updates help us come into compliance with the law.
 - Is the Architectural review committee working? Mark replied Yes, the review and approval process has been improving annually. There is a very small percentage of folks ignoring the process.
 - Enforcement of covenants? How does that work? Sean mentioned enforcement is discussed in the covenants itself. Last year DR3 HOA approved regulations (CCIOA) that governs compliance issues. Sean offered his opinion regarding the board's approach to enforcing covenants. Mark mentioned the Board has been 'on hold' so to speak regarding enforcement of covenants until the process of updating the covenants has been completed. The Board has mostly been responding to complaints received from residents regarding specific covenant infractions. Jacob shared that over the past five years, the Colorado general assembly has created tremendous obstacles for HOAs regarding enforcement. Colorado has made it extremely difficult for HOAs to enforce covenants. It's important for us have clear and concise documents (better than what we have now) in order to have any chance of enforcing covenants.
 - Why did the covenant committee decide on 4 and not 5 vehicles? Sean replied stating that everyone has at least a 2 car garage. With 4

vehicles or combinations thereof allowed to be parked outside a residence, a total of 6 vehicles or combinations are possible.

- Sean mentioned we're not here to vote on the covenant updates tonight, rather just want to provide better underrating. Goal of the Board: Complete this process by the end of the year. A special election / vote will be held, and will need 67% home owner approval in order to pass. Without the approval of the amended and restated Declaration of Covenants, we're subject to the old covenants.
- Updated documents need to reflect changes in Colorado law. For example, current covenants say 'no commercial activities' or 'single family homes', however the Colorado Supreme Court says this language is not sufficient.

7. New Business.

Gunnison Country Proposed Land Use Regulation Updates

Background: Mark described 'what's happening next door' on the Dunbar property, part of old Tomichi Ranch. Owners recently made a proposal to strip off 7 acres of the ranch and sell to rancher to manage the rest of the land.

Steven Westbay (former planner) has been attending and representing the DR3 HOA at recent County meetings. He provided an overview regarding development proposals. Highlights include:

- Special area regulations have been developed which have a lot of content, i.e., parking lot standards, architectural standards, etc. This outlines how development will occur, i.e., zoning. Proposed updates allow for a minimum of 10 units per acres, 20 units maximum = 1,400 units. This would allow for 800-1400 units to be built on the Dunbar property. There are concerns regarding where all the cars (2-3 per unit) would be parked.
- There are two proposed points of entry points of entry along Fairway Lane: 1) North where 879 Fairway lane cuts across Dunbar property and 2) Across from 879 Fairway Lane where the pasture touches the road easement.
- Estimate = 10 vehicles / day per dwelling unit. 14,000 automobile trips per day going up and down fairway lane (projected). ~ 70 acres would be left for development. At 20 units per acres, this would total 1,400 units. Hwy 50 / Gold Basin intersection sees about 11K cars daily.
- Development concerns include the shallow water table and if it's economical to build. Also storm water runoff and if it will affect the local watershed resulting in major environmental concerns.

- There were 60 plus individuals at the meeting and around 40 people spoke. A three minute rule was enforced. There was a concern this limit was a violation of due process.
- Procedurally, the planning commission will get together to make amendments, then recommend those to the Gunnison County commissioners.
- The public hearing process has officially closed, however residents are still encouraged to reach out to planning commission members directly.
- Next Steps: The County still has to get this passed through compatibility and environmental review. DR3 should track what the County does next, wait and see what they do, then consider options. DR3 has a good relationship with the Dunbars and should reach out to them directly Residents should sign up for notifications from Planning Commission on the County website. Steve believes recommendations may be submitted to the County Commissioners as soon as Thanksgiving. The board will be proactive moving forward, will reach out to the Dunbars.

8. Setting of Next Board Meeting.

Next board meeting scheduled for November 5th, 2025, 1600, large room, at the Gunnison Public Library.

9. Adjournment.

Move to adjourn meeting unanimously adopted by voice vote at 1732.