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# RECORD OF PROCEEDINGS

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## Minutes of the Joint Special Meeting Of the Boards of Directors Cornerstone Metropolitan District Nos. 1 & 2 March 27, 2017

A Joint Special Meeting of the Boards of Directors of the Cornerstone Metropolitan District Nos. 1 & 2, Montrose and Ouray Counties, Colorado, was held at 10:00 a.m. Monday, March 27, 2017 at the Ache Residence, 929 Courthouse Peak Lane, Montrose, Montrose County, Colorado, in accordance with the applicable statutes of the State of Colorado.

### **Attendance**

The following Directors were present and acting:

- Warren Ache - District No. 1 and No. 2
- Bill Fugazzi - District No. 1 and No. 2 (via phone)
- Marijo Ache - District No. 1 and No. 2
- Pam Fugazzi - District No. 1 and No. 2 (via phone)
- David Coker - District No. 1 and No. 2

Also in attendance were:

- Clint Waldron, White Bear Ankele Tanaka & Waldron (via phone)
- Eric Weaver, Marchetti & Weaver, LLC (via phone)
- Rick Gonzales, Marchetti & Weaver, LLC (via phone)

### **Call to Order**

The Joint Special Meeting of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 was called to order by Director Ache on March 27, 2017 at 10:00 a.m. noting a quorum was present.

### **Combined Meetings**

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of both Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

### **Disclosure Matters**

The Directors reviewed the agenda for the meeting, following which each Director confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Each director also confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Boards noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts. Additionally, the Boards determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Boards to act.

### **Public Comment**

No public comment was offered.

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## CORNERSTONE METROPOLITAN DISTRICT NOS. 1 & 2 March 27, 2017 Meeting Minutes

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**Agenda** The Board unanimously approved the addition of “Consideration to host a “Ride The Rockies” event to the agenda under Other Operations item 7B.

**Minutes** Upon motion duly made and seconded it was unanimously

**RESOLVED**, to approve the minutes for the meeting held February 14, 2017 as submitted.

### Legal Matters

**Executive Session** Upon motion duly made and seconded, it was unanimously

**RESOLVED**, to enter into Executive Session pursuant to C.R.S. §24-6-402(4)(a), for the purposes of discussing the purchase and sale agreement for real property and C.R.S. § 24-6-402(4)(e)(I), for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators regarding the same.

The Board then returned from executive session.

There was no update to the status of the Lease Agreement for Donated Properties as there has been no feedback from the prospective new developer since the date of the last district meeting.

Upon motion duly made and seconded it was unanimously

**RESOLVED**, to authorize Director Fugazzi to sign an extension of the Purchase And Sale Agreement on behalf of District 1 provided there are no material changes to the following requirements from the new developer as conditions of an extension to May 31, 2017: 1) demonstration of the amount of financing secured by the new developer; 2) provision of a 5 year plan of development and investment in the project; 3) grant of first right of refusal on any sale of all or substantially all of assets acquired for 5 years; 4) commencement of golf course rehabilitation, including seeding and all water lines operational, this year such that it will be ready for play by June of 2018; 5) \$200,000 in non-refundable earnest money; and, 6) commitment by new developer to pay 100% of all tax certificates eligible to be converted to Treasurer’s Deeds prior to the extension date.

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### **Operations**

The Board then discussed the Ride The Rockies request to utilize the Cornerstone entrance to stage an aid station. Upon motion duly made and seconded it was unanimously,

**RESOLVED**, to approve the Ride The Rockies request subject to the following conditions: 1) participants not to go past the electronic gates and, 2) the Districts are named as an additional insured to the Ride The Rockies liability insurance.

Director's Bill and Pam Fugazzi left the meeting at this time.

### **Financial**

Upon motion duly made and seconded it was unanimously,

**RESOLVED**, to approve the Accounts Payable Report as presented.

### **Next Meeting**

The next regular meeting of the Boards of Directors is scheduled for 10:00 a.m. Monday April 24, 2017 at 929 Courthouse Peak Lane, Montrose, CO 81403, the Ache residence.

### **Continuance**

There being no further business to come before the Boards and upon motion duly made and seconded it was unanimously

**RESOLVED**, to continue the meeting to 5:00 p.m. on Wednesday, March 29 at 929 Courthouse Peak Lane, Montrose, CO.

Respectfully Submitted

Rick Gonzales  
Secretary to the meeting