

CORNERSTONE OWNERS ASSOCIATION, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

TIME AND PLACE OF MEETING

The regular meeting of the Board of Directors of the Cornerstone Owners Association, Inc. ("COA") was held on April 15, 2010 at 10:00am MST at 1000 Cornerstone Trail, Montrose, Colorado 81403.

BOARD MEMBERS PRESENT

The following officers and Board members, constituting a quorum, were present and voting throughout:

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|-----------------------|----------------------------------|
| DIRECTOR & PRESIDENT: | Brian Wallin |
| DIRECTOR & SECRETARY: | Jamieson Merrill (via telephone) |
| DIRECTOR: | Tom Huesgen |
| TREASURER: | Jason Massey (via telephone) |

The following persons also participated via telephone: Sue McIntosh, Cornerstone Consultant, and Diane Hornquist, Esq. and Angela Easton, of Hunt Realty Investments, Inc.

CALL TO ORDER

President Wallin, after noting that a quorum of the Board was present, called the meeting to order at 10:08am.

APPROVAL OF AGENDA

A motion was made by President Wallin and seconded by Director Huesgen to approve the Agenda. The motion was approved unanimously.

MEMBERS' FORUM

There were no members in attendance. The Members' forum was concluded.

ACKNOWLEDGMENT OF INCOMING DIRECTOR AND SECRETARY

President Wallin acknowledged the Declarant's appointment of Jamieson Merrill as a Director and Secretary of COA.

APPOINTMENT OF PRESERVATION COMMITTEE MEMBER

President Wallin acknowledged John Thede's resignation and made a motion to appoint Boyd Blackburn to the Preservation Committee which was seconded by Director Huesgen and unanimously approved.

GOVERNANCE POLICIES AMENDED TO INCLUDE RESERVE STUDY POLICY

The status of the on-going reserve study was discussed. President Wallin made a motion to approve the amendment to the Governance Policies to include the Reserve Study Policy. The motion was seconded by Director Huesgen and unanimously approved.

FINANCIAL MATTERS

All 2010 assessments have been paid in full. The Board went into executive session to review attorneys' fees due in connection with 6 collection accounts.

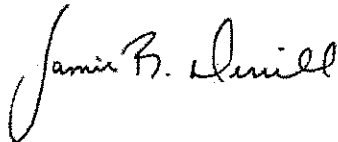
PRESERVATION COMMITTEE

President Wallin announced that the Spring Preservation Committee meeting would follow the Board Meeting.

ADJOURNMENT

There being no further business, motion was duly made, seconded and unanimously carried, and the meeting adjourned at 10:25am MST.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Jamieson Merrill
Secretary

the beaver's access to the outflows we have installed woven wire and 't' post exclosures in all affected outflows.

- ii. West Fork population – Several signs of new beaver activity have become apparent in the West Fork of Horsefly Creek. Beavers historically occupied this drainage but have been absent for some time. 2009 was the first year that beaver activity has been noticed in this drainage since Cornerstone has owned the property. We welcome the new neighbors and will continue to monitor this activity and its impact on the Wetland Project cells in the drainage.
 - c. Trespass cattle continue to impact Cornerstone's open space and occasionally its developed areas. The areas of possible intrusion have been narrowed by past year's fence maintenance and some areas of new fence. We will continue to address trespass cattle in 2010 with a heightened priority of protecting the wetland project cells.
- IV. Proposed seasonal open space restrictions: The 2009 Calving and Fawning Study Report recommends a seasonal closure of the Heeble Ground (natural headwaters of Cottonwood Creek) and the Cottonwood Creek drainage below Pond 4 to the first Cornerstone boundary fence during calving and fawning season. Based on three years of monitoring it has become clear that these areas are of critical importance to elk and deer during this time. There were no objections to this recommendation and the recommendation will be implemented to prohibit recreational or sales activity in these areas from May 15 – June 31, 2010.
- V. Hunting policy on Cornerstone Property: there was a reminder that the Initial Rules attached to and made part of the Cornerstone Charter prohibits discharge of firearms or material disturbance to wildlife on the property.
- VI. The meeting adjourned at 10:55am.