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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 January 22 2015**

A Joint Special Meeting of the Boards of Directors of the Cornerstone Metropolitan District Nos. 1 & 2, Montrose and Ouray Counties, Colorado, was held January 22, 2015 at the Ache Residence, 700 Birdsong Lane, Montrose, Ouray 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
- Marijo Ache- District No. 2
- Pam Fugazzi- District No. 2
- David Coker – District No. 2

Also in attendance were:

- Clint Waldron, White Bear Ankele Tanaka & Waldron (via phone)
- Zachary White, White Bear Ankele Tanaka & Waldron (via phone)
- Harvey Williamson, Harvey Williamson P.C. (via phone)
- Eric Weaver, Marchetti & Weaver, LLC (via phone)
- Rick Gonzales, Marchetti & Weaver, LLC (via phone)

### **Call to Order**

The Joint Meeting of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 was called to order by Chairman Fugazzi on January 22, 2015 at 10:05 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

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Boards determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Boards to act.

<b>Public Input</b>	No public comment was offered.
<b>Agenda</b>	No changes were made to the Agenda.
<b>Minutes</b>	<p>Minutes for meetings October 27, 2014 and December 12, 2014 were presented for approval. Director Warren Ache had a question regarding the Monument Survey under Operational Matters for the October 27<sup>th</sup> meeting. The board agreed to change the minutes to read ‘survey results pending’ Upon motion made and duly seconded the board voted unanimously to</p> <p style="text-align: center;"><b>APPROVE</b> the minutes of meeting for meeting dates October 27, 2014 and December 12, 2014 as amended above.</p>
<b>Operations Matters</b>	A. There was discussion about the dam at pond 4 and the need to evaluate the dam next spring.
<b>Legal Matters:</b>	<p>A. <u>Update on foreclosure status</u>: Mr. Williamson updated the board on the Cobalt foreclosure status and the mediation session held December 29<sup>th</sup>. The board then discussed possible outcomes of the foreclosure process and pursuit of collection on other delinquent accounts.</p> <p>B. <u>Records Retention Resolution</u>: Mr. Weaver and Mr. Waldron explained the State is encouraging all districts to adopt a records retention policy and this resolution follows the state’s policy and guidelines. Upon a motion made and duly seconded the board voted unanimously to</p> <p style="text-align: center;"><b>ADOPT</b> the Records Retention Resolution</p> <p>C. <u>24 Hour Meeting Notice Resolution</u>: Mr. Waldron explained to the board that state law requires every district to identify a posting location for 24 hour notice of meetings at the first meeting of the year. Discussion ensued regarding the posting location for District No. 1. Mr. Waldron and Mr. Weaver will work on a solution to the problem of accessibility of the posting location for District No. 1. Upon a motion made and duly seconded the board voted unanimously to:</p> <p style="text-align: center;"><b>ADOPT</b> the 24 Hour Meeting Notice Resolution</p>

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	<p>D. <u>Executive Session</u>: There was no executive session.</p> <p>E. <u>Other Legal</u>: The board discussed a letter Mr. Waldron received from an individual property owner resulting from the receipt of a legal collection notice. The individual has requested documents from the district and Mr. Waldron advised the individual that document requests are handled by Marchetti &amp; Weaver under the Colorado Open Records Act and his letter would be forwarded to Mr. Weaver. Mr. Waldron informed the board that with a public records request, the district is not required to create new documents, only to produce records maintained.</p>
<b>Financial Matters</b>	<p>A. <u>December Financial Statements</u>: Mr. Weaver reviewed the financial statements for December 31, 2014 and variances from the budget and estimated year end projections. Overall, the District performed better than forecasted in 2014.</p> <p>Upon motion made and duly seconded the board voted unanimously to</p> <p style="text-align: center;"><b>APPROVE</b> the December 2014 financial statements.</p> <p>B. <u>Accounts Receivable</u>: Mr. Weaver presented a summary status update of the collection process initiated under the District's Collection Policy and the Accounts Receivable report for activity through January 19, 2015. Mr. Gonzales reported that since the report was published an additional 6 customers have paid the 2015 Operation Fees.</p> <p>C. <u>Other Financial Matters</u>: Accounts payable: Upon motion made and duly seconded the board voted unanimously to:</p> <p style="text-align: center;"><b>RATIFY</b> the accounts payable list.</p>
<b>Other Business</b>	<p>The next regularly scheduled meeting date is 10:00 am April 27, 2014 at the Ache residence, 700 Birdsong Lane, Montrose, CO, unless a special meeting is needed before that time.</p>
<b>Adjourn:</b>	<p>There being no further business to conduct, upon motion duly made and seconded the board unanimously voted to adjourn the meeting.</p>

Respectfully Submitted

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**CORNERSTONE METROPOLITAN DISTRICT NOS. 1 & 2**  
**January 22, 2015 Meeting Minutes**

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/S/Rick Gonzales

Rick Gonzales  
Secretary to the meeting