
RECORD OF PROCEEDINGS

Minutes of the Joint Regular Meeting Of the Boards of Directors Cornerstone Metropolitan Districts Nos. 1 & 2 November 16, 2015

A Joint Regular Meeting of the Boards of Directors of the Cornerstone Metropolitan District Nos. 1 & 2, Montrose and Ouray Counties, Colorado, was held 10:00 a.m. Monday, November 16, 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)
- Eric Weaver, Marchetti & Weaver, LLC (via phone)
- Rick Gonzales, Marchetti & Weaver, LLC (via phone)

Call to Order

The Joint Regular Meeting of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 was called to order by Chairman Fugazzi on November 16, 2015 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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- Agenda** No changes were made to the agenda.
- Minutes** Upon motion duly made and seconded it was unanimously

RESOLVED to approve the minutes for the meeting held October 19, 2015.
- Legal Matters** Appointment of Directors of District No. 1: Upon motion duly made and seconded, it was unanimously

RESOLVED to appoint David Coker to the Board of Directors of Cornerstone Metropolitan District No. 1.

After further discussion regarding board membership and upon motion duly made and seconded, it was unanimously

RESOLVED to appoint Pam Fugazzi and Marijo Ache to the Board of Directors of Cornerstone Metropolitan District No. 1

Director Fugazzi then administered the Oath of Office to all three new appointees.

Tax Certificates: The Board then discussed tax certificates qualified to be converted to Treasurer's Deeds in 2016. Discussions pertained to reaching out to those certificate holders to inform them of recent actions taken by the Board and other related parties to preserve the Cornerstone community. Director Fugazzi will discuss a possible outreach with the parties and report back to the Board. No action was taken.
- Operational Matters** No operational matters were brought before the board or discussed.
- Financial Matters** Public hearing to consider and adopt the 2016 Budget: The public hearing on the 2016 budget, continued from the October 19 meeting, was reconvened. No public comment was offered and the board determined to continue the public hearing until the next meeting date. The board then discussed the mill levy to be assessed for 2016. Mr. Weaver advised the board of the December 15 deadline to certify the mill levy to the counties.

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After further discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to tentatively set the 2016 mill levy at 70 mills for contractual obligations for operations and 40 mills for debt service, subject to review based on any new information regarding the status of the sale of the property and to authorize Director Fugazzi to act on behalf of the Board to finalize the mill levy on or before December 14.

Next Meeting The Board determined to hold a special meeting at 10:00 a.m. Monday, December 7, 2015 at 700 Birdsong Lane, Montrose, CO.

Adjournment Upon a motion duly made and seconded the board unanimously

RESOLVED to adjourn the meeting.

Respectfully Submitted

Rick Gonzales
Secretary to the meeting