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# RECORD OF PROCEEDINGS

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## Minutes of the Meeting Cornerstone Owners Association Board of Directors October 5, 2012

The continued meeting of the Board of Directors of the Cornerstone Owners Association, Montrose and Ouray Counties, Colorado, was held October 5, 2012 at 11:30 a.m., at the Fugazzi Residence, 896 Birdsong Lane, Montrose, Montrose County, Colorado, in accordance with the applicable statutes of the State of Colorado.

### Attendance

The following Directors were present and acting:

- Bill Fugazzi
- Warren Ache
- David Jaynes (via phone)
- Bob Aisner (via phone)

The following Director was absent and excused:

- Richard Moses

Also in attendance were:

- Eric Weaver, Robertson & Marchetti, PC (via phone)
- Tom Kennedy, Esq. (via phone)

### Call to Order

The continued meeting of the Cornerstone Owners Association Board of Directors was reconvened on October 5, 2012 at 11:30 a.m. by Director Jaynes.

### Counsel

The Board discussed the desire to have Mr. Kennedy represent the Association due to his extensive knowledge of the community and governing documents. Mr. Kennedy will provide an engagement letter for legal services to the Board for consideration at the next Board meeting. Ms. Cavanagh will remain counsel for general matters. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to move forward with the engagement of Mr. Kennedy as special counsel.

### Fence

Director Jaynes has researched the roughly ½ mile of that needs to be replaced and now estimates a four barb wire fence with metal posts would cost approximately \$3K per ¼ mile. Due to already being late fall, this project will be considered as part of the 2013 budget.

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**Community Status** The Board expressed a continued desire to meet with Mr. Thompson, Cobalt, and other parties to see if interests and intents can align. Mr. Thompson had requested a short expectation list, however as the Association does not represent all aspects of the community it was determined that multiple entities would have to provide input into such a list.

**Golf Course  
Winterization**

Mr. Kennedy reported under section 9.2(a) of the Cornerstone Charter, the Association may elect to pursue the completion of the winterization and related maintenance of the Cornerstone Golf Course. It was agreed the Association was willing to share half of the costs up to \$25K upon completion of the work and receipt of an invoice with proper back up documentation. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the following:

The Board has determined that necessary winterization and related maintenance of the Cornerstone Golf Course (consisting of work described in the email from Eric Feely dated October 2, 2012, including blowing out irrigation lines and application fungicide, fertilizer, sand, etc.) which is a portion of the Private Amenities, has not been completed by the parties to the Ground lease covering the Cornerstone Golf Course. Pursuant to the authority given the Association under Section 9.2(a) of the Cornerstone Charter, the Association is electing to pursue the completion of this work and to assist in its funding, subject to the following conditions:

1. The Association authorizes and designates Lew Thompson or his agents to undertake and complete the necessary winterization and related maintenance of the Cornerstone golf Course.
2. The Association's contribution is limited to one-half of the actual costs of the completed work, which share will not in any event exceed \$25,000 unless approved in advance by the Board, which the Association will promptly fund once the work is completed and invoices supporting the cost of the work, without mark up, are provided.

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3. The Association's agreement to undertake and share in the funding of this work, is a one-time decision by the Board and is not intended to obligate the Association to undertake and/or fund any future failed maintenance work or other work on the Private Amenities.

**Future Meetings** The next meeting was scheduled for Tuesday, October 9, 2012 at 4:00 p.m. Mr. Weaver will prepare a notice of the meeting which will be posted within the community.

**Adjournment** There being no further business to come before the Board at this time, upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the meeting of the Cornerstone Owners Association Board of Directors this 5th day of October, 2012.

Respectfully submitted,



Eric Weaver  
Secretary for the meeting