
RECORD OF PROCEEDINGS

Minutes of the Special Meeting Of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 September 28, 2021

A Special Meeting of the Boards of Directors of the Cornerstone Metropolitan Districts Nos. 1 & 2 Montrose and Ouray Counties, Colorado, was held at 10:00 A.M. Monday, September 28, 2021. The meeting was held as a teleconference.

Attendance

The following Directors were present and acting via teleconference:

- Marijo Ache - District No. 1 and No. 2
- Warren Ache - District No. 1 and No. 2
- Wendy Lawler Sisler - District No. 1 and No. 2
- Brian Wallin - District No. 1 and No. 2
- Jason Stroehlein – District No. 1

Also present or in attendance via teleconference were:

- Bob Aisner, Cornerstone Acquisition Group
- Heather Hartung, White Bear Ankele Tanaka & Waldron
- Eric Weaver, Marchetti & Weaver, LLC
- Erin McCauley, Marchetti & Weaver, LLC

Call to Order

The Meeting of the Boards of Directors of Cornerstone Metropolitan Districts Nos. 1 & 2 was called to order by Director Wallin on September 28, 2021 at 10:05 A.M. noting a quorum was present for both districts.

Combined Meetings

The Boards of Directors of the Districts Nos. 1 & 2 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

Ms. Hartung reported that disclosures for those Directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Ms. Hartung inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Boards noted, for the record, that

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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 There was no public comment at this time.

Agenda The Agenda was discussed and upon a motion duly made and seconded it was unanimously

RESOLVED to approve the agenda as presented.

Minutes The minutes of the September 13, 2021 special meeting were reviewed. Upon a motion duly made and seconded it was unanimously

RESOLVED, to approve the minutes of the September 13, 2021 special meeting.

Operations Director Stroehlein provided an update on operations and noted the Chloramine Booster Injection System work is still in progress and information is still being gathered from Wright Water Engineering. The golf course stopped pumping water a few weeks ago. The recent water leak was repaired with no major issues to report. Director Stroehlein is in the process of scheduling asphalt crack sealing.

Director Ache suggested placement of speed limit signs on the access road in addition to signs requesting the use of caution for approaching vehicles. Discussion was held regarding placement and need of signs, as well as enforcement.

Legal Ms. Hartung provided an update on the first amendment to the road easement agreement, discussions between the parties took place recently but there are no new developments to report. The Board discussed the possibility and process of condemnation which would consist of the District proving the need of the land for a public purpose, paying fair market value, and ultimately taking ownership of that land (rather than

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have an easement through it). Ms. Hartung stated that Special Counsel would need to be involved to provide review and research on the matter, advise on the strength of the case and give information on the process timeline. The fee agreement with Hamre, Rodriguez, Ostrander & Dingess was reviewed.

Upon a motion duly made and seconded, it was

RESOLVED to approve the Hamre, Rodriguez, Ostrander & Dingess, P.C. Fee Agreement, as Special Counsel for condemnation actions.

The Board reviewed the Special Use Permit Application submitted by John Kuijvenhoven. Based on the request specified in the permit for, “blanket,” access to the road, the application is denied. Director Stroehlein and Ms. Hartung will draft a response to Mr. Kuijvenhoven to inform him of the Board’s decision.

Financials

Mr. Weaver reviewed the Accounts Payable report. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable report as presented.

The Accounts Receivable report was reviewed, no action taken at this Time.

A review of Tom Kennedy Invoice 16750 billed to CAG took place. A portion of the fees relate to the easement agreement and will be paid by the District. Upon motion duly made and seconded it was

RESOLVED to approve reimbursement to CAG for 50% of Tom Kennedy Invoice 16750.

Mr. Aisner informed the Board that cabin 1, Montrose Block 01 HS 01, is in the process of being conveyed to the new owner and a certificate of occupancy was issued on September 23, 2021. Per the payment plan agreement, the road fee and tap fees are to be paid upon issuance of the Certificate of Occupancy. Mr. Aisner acknowledged and stated payment of \$20,000 for these fees will be forthcoming. \$8,254.77 in fees and interest have accrued on this account. The Board discussed waiving of the

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fees and interest. This is not typical, however, Cornerstone Acquisition Group is building units such as this which will expand the Club and benefit Cornerstone as a whole. Therefore, upon motion duly made and seconded, it was

RESOLVED to waive the fees and interest related to the road and tap fees on Cabin 1, Montrose Block 01 HS 01, in the amount of \$8,254.77.

Adjournment

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

RESOLVED, to adjourn the meeting.

Respectfully Submitted



Erin McCauley
Secretary to the meeting