
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 April 25, 2022

A Regular 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, April 25, 2022. 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
- Ryan Bartashius, Cornerstone Metropolitan District
- Heather Hartung, White Bear Ankele Tanaka & Waldron
- 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 April 25, 2022 at 10:02 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 these disclosures are restated at this time with the intent of fully

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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 Mr. Aisner led a discussion regarding John Kuijvenhoven's road access.

Agenda The agenda was discussed and the topic of Asphalt repairs will be added. Upon a motion duly made and seconded it was unanimously

RESOLVED to approve the agenda as amended.

Minutes The minutes of the March 28, 2022 regular meeting were reviewed. Upon a motion duly made and seconded it was unanimously

RESOLVED, to approve the minutes of the March 28, 2022 regular meeting.

Operations Mr. Bartashius provided an update on the water and sewer operations. The District is still awaiting a response from the Colorado Department of Public Health and Environment regarding preliminary findings and a plan to move forward with the chloramine booster project.

Director Wallin reported that Mr. Bartashius has obtained his Class C License, as well as his Level 2 Distribution License. These certifications will allow Mr. Bartashius to perform the services that DB Waterworks has been providing the District, therefore, the use of DB Waterworks will be phased out. Director Wallin proposed a \$5,000 pay increase for Mr. Bartashius, and upon a motion duly made and seconded it was unanimously

RESOLVED to approve a pay increase of \$5,000 for Mr. Bartashius effective May 25, 2022.

Director Wallin proposed the termination of the road access permit process, discussion was held. Upon motion duly made and seconded it was unanimously

RESOLVED to discontinue the road use permit process.

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The Board discussed drafting an agreement between the District, Cornerstone Acquisition Group, and John Kuijvenhoven, to state a specific number of allowed trips on the roads per week relating to gravel operations. Attorney Hartung's office will draft this agreement. Upon motion duly made and seconded it was unanimously

RESOLVED to have Attorney Hartung proceed with drafting an agreement between Cornerstone Metropolitan District, Cornerstone Acquisition Group, and John Kuijvenhoven, to determine an allowed number of trips related to gravel operations per week on District roadways.

Discussion was held regarding guest access and future procedures for the front and back gates. Director Stroehlein provided an overview of the gate code assignment process and gate monitoring procedures.

Mr. Aisner provided an overview of Montage, the management group which will be taking over operations management of the Golf Club in the near future. There will be a third-party management agreement in place with Montage, and all employees will become employees of that company. A new conflict form will be required for Director Stroehlein.

Director Stroehlein shared an updated proposal from SealCo for asphalt repairs which is higher than the initial estimate due to additional materials needed to complete the repairs. The proposal total is \$54,000. Upon a motion duly made and seconded it was unanimously

RESOLVED to approve the expenditure of \$54,000 to SealCo for asphalt repairs.

Legal

Ms. Hartung presented the Resolution to Discuss Road Easement Agreement Amendment and the Cornerstone Owners Association Handling Negotiations. The Resolution explains how the Districts arrived at the position where the Cornerstone Owner's Association is the group primarily dealing with negotiations related to the Road Easement Agreement. This does not give the Association the authority to bind the

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Districts, it merely explains the Association is doing the negotiating. Upon duly made and seconded it was unanimously

RESOLVED to approve the Resolution to Discuss the Road Easement Agreement Amendment and the Cornerstone Owners Association Handling Negotiations.

Ms. Hartung brought to the attention of the Board that the District's debt authorization lasts for twenty years and was authorized at the 2004 election, so if the District does want to reauthorize the amount, it should be discussed prior to 2024 when it expires. This will be discussed further at a future meeting.

May Election

The May 3, 2022 election was cancelled and oaths of office will take place the week of May 9th for the Directors elected via acclamation.

Financials

Ms. McCauley presented the March 31, 2022 financial report as well as the accounts payable report. Upon motion duly made and seconded it was unanimously

RESOLVED, to approve the March 31, 2022 financials and the accounts payable report as presented.

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