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# RECORD OF PROCEEDINGS

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## Minutes of the Regular Meeting Of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 January 23, 2023

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, January 23, 2023. 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:

- Ryan Bartashius, Cornerstone Metropolitan District
- Bob Aisner, Cornerstone Acquisition Group
- Hayes Lenhart, Wright Water Engineering
- 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 January 23, 2023 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 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**      There was no public comment.

**Agenda**                The agenda was reviewed and upon a motion duly made and seconded it was unanimously

**RESOLVED** to approve the agenda as presented.

**Minutes**                The minutes of the October 24, 2022 regular meeting were reviewed, upon a motion duly made and seconded it was unanimously

**RESOLVED** to approve the minutes of the October 24, 2022 regular meeting.

**Water and Sewer  
Operations**

Mr. Bartashius gave an update on water and sewer operations. Operations are running smoothly. Mr. Bartashius stated that the equipment used for e-coli testing is owned by DB Waterworks and the District will likely be required to purchase the equipment. Mr. Bartashius will obtain pricing and report back to the Board.

Mr. Hayes Lenhart with Wright Water Engineers (WWE) provided an update on the Chloramine Booster Station project. Architectural drawings have been received for the building and WWE is reviewing to ensure all necessary equipment fits properly inside the building. WWE is working on the technical specifications of the project manual and Mr. Lenhart will provide that information along with the invitation to bid to Ms. Hartung for review. The Colorado Department of Public Health and Environment (CDPHE) has a deadline of June 30, 2023 for the project, it is anticipated that an extension will be necessary and Mr. Lenhart will inquire with CDPHE about obtaining an extension. Parts and materials may take up to sixteen weeks to receive once ordered. With regard to the Tank Mixer portion of the project, this piece could take 48 hours to complete installation but could not exceed that or the impact of water supply to households could be impacted. It was noted that it should be written into the contract documents that the tank mixer installation must not last more

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than 48 hours. Also during this time, the District will consider asking residents to reduce their water consumption and pause irrigation.

### Legal

Ms. Hartung provided an update on the Road Easement Agreement and Traffic Study, a response has not been received from Bob Thomas to the revisions provided by Tom Kennedy.

The Resolution Approving the Transfer of Open Space Parcel 9c was previously approved by the Board. Upon a motion duly made and seconded, it was unanimously

**RESOLVED** to ratify the Resolution Approving the Transfer of Open Space Parcel 9c and Quitclaim Deed.

Ms. Hartung reviewed the Resolution Designating the District's (Nos. 1 & 2) Website for Online Posting of Meeting Notices and 24-Hour Posting Location. Upon a motion duly made and seconded it was unanimously

**RESOLVED** to approve the Resolution Designating the District's (Nos. 1 & 2) Website for Online Posting of Meeting Notices and 24-Hour Posting Location.

An overview of the May 3, 2023 Election was provided. Erin McCauley is the Designated Election Official and will be sending the Call for Nominations by email and US mail, as well as posting on the website.

Ms. Hartung discussed the engagement of special counsel to handle collections matters for the District and noted the District will only hire Special Counsel if needed. The Board determined that there is no need to engage these services at this time.

### Financials

Mr. Weaver reviewed the preliminary December 31, 2022 financials. Some outstanding invoices and year end entries are still required, but the year ended with revenue finishing slightly ahead and lower expenses than anticipated. The available cash in District 1 of approximately \$1.2MM is invested in ColoTrust and earning interest at increased rates. Water and Sewer revenues ended on track, and some funds for the Chloramine Booster project will be spent in 2023 rather than 2022.

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Mr. Weaver presented the Accounts Payable and Accounts Receivable reports, upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the Accounts Payable and Accounts Receivable reports.

Mr. Aisner reported that cabins 3 and 4 will be put on the market in the near future. Cabin 7 construction has been slowed down at this time to allow for the completion of other projects.

### **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