
RECORD OF PROCEEDINGS

Minutes of the Annual Meeting Of the Members of Cornerstone Owners Association

January 17, 2023

The annual meeting of the members of the Cornerstone Owners Association, Montrose and Ouray Counties, Colorado, was held Monday, January 17, 2023 at 11:00 A.M. mountain time. The meeting was held as a teleconference.

Attendance The following Members were in attendance via conference call (number of homestead votes in parenthesis):

- Bob Aisner (1)
- Warren Ache (1)
- C. Berry Madden (1)
- Dean McLain (1)
- Mark Salter (1)
- Tom Mussleman (2)
- Curtis Anderson (1)
- David Coker (2)
- Ernest Carey (1)
- Jay and Brandi Pollack (1)
- Paul McBride (1)
- Randy Averitte (1)
- Michael Henderson (1)
- Carol Lawler (4)
- Owen Sweeney (1)
- Peg Cline (1)
- Kevin Holbrook (1)
- John and Johanna Nelson (1)
- Cornerstone Acquisition Group (54)

Guests in attendance via conference call:

- Candyce Cavanagh, Orten Cavanagh & Holmes
- Jason Stroehlein, Cornerstone Club
- Eric Weaver, Marchetti & Weaver, LLC
- Erin McCauley, Marchetti & Weaver, LLC

Call to Order

The annual member meeting of the Cornerstone Owners Association was called to order on January 17, 2023 at 11:00 A.M. by Mr. Bob Aisner, President of the Cornerstone Owners Association.

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Mr. Weaver reported that with Cornerstone Acquisition Group present at this meeting, there are an adequate number of members in attendance via teleconference or proxy to constitute a quorum.

Minutes

Minutes from meeting held March 28, 2022 were considered for approval. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes for the meeting held March 28, 2022.

Community

Mr. Aisner reviewed the past year of activity for the Association. 2022 was a standard year with regard to financials and operations.

In 2022 the Colorado legislature passed new laws regarding how Associations collect assessments fines and fees, and the Board has worked to come into compliance with these new statutes.

The Design Review Board was active this year in reviewing applications. The Board will also be reviewing the guidelines originally put in place by Hunt in 2006.

A forest health report was received and overall was a positive review. It was learned that the standing dead trees are not good for the forest so the Board agreed to approve any lot owner who wishes to take down standing dead may proceed without Design Review Board approval.

The Association is planning a large undertaking to remap and upgrade the trail system. 1,200 acres adjacent to Cornerstone on north end of property has been sold and trails which were previously available on that property are no longer available. The upgrade to trails is expected to allow easier access for bicycling and hiking.

Director Aisner shared that the AT&T tower was installed and is operations, Mr. Earnest Carey assisted with this project. The tower is located behind the maintenance building and should help those with AT&T cellular coverage. In addition, upgrades to a tower

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which provides internet service to the community have been made to ensure the equipment does not fail. Diesel generators are to be installed to provide power if voltage drops to a low level.

An update was provided regarding updates to the clubhouse facilities. Ouray county has issued the permits and preliminary stages of work are underway. Flowers cabin work has also begun, interior improvements are being made to accommodate fitness equipment which has been ordered. AV and IT upgrades will also be included. Preliminary surveys are complete for the sport courts, trees have been cleared and work should begin in late March. Sport courts will include four pickleball courts, one tennis court and one multisport court.

Metropolitan District Update

Mr. Ache, Vice President of Cornerstone Metropolitan Districts Nos. 1 and 2, provided a summary of duties and responsibilities of the Metropolitan Districts. These responsibilities include infrastructure matters such as roads, water, sewer and snow removal. In addition, security, fire and safety, are also responsibilities of the Districts. Mr. Ache noted that during 2022 snow removal services provided by the District were considerable due to heavy snowfall during the season. Information on the water distribution system was shared, as well as an overview of the related operational and maintenance costs and potential capital needs. Mr. Ache provided an update to the Members regarding the ongoing project of Cornerstone Metropolitan District No. 1 who is working with the Colorado Department of Public Health and Environment (“CDPHE”) to design a chlorination system. He emphasized that the water system is in compliance as a potable water system now and the re-design is necessary for the water system to remain in compliance at full build-out. The design of the project and approval from CDPHE has taken over a year, and the installation of the system is expected to take place in 2023.

2023 Budget

The 2023 budget was adopted at a previously held Board of Directors meeting and was distributed to the members with the notice of the annual meeting and was also available on the

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Association website at www.cornerstoneowners.org. Annual assessments for 2023 were held flat at \$800 per homestead. In 2023 it is planned that it will be business as usual for the Association.

Elections

The two-year term has expired for Rich Moses, Warren Ache and Jon Nelson. Mr. Moses and Mr. Ache have expressed their willingness to continue serving on the Board, and one vacant seat now remains. Mr. Aisner asked the members if there were others who want to serve on the Board of Directors. Earnest Carey expressed interest and was nominated to fill the position previously held by Jon Nelson. Upon motion duly made and seconded it was unanimously

RESOLVED to elect the uncontested slate via acclimation, including Rich Moses, Warren Ache and Earnest Carey to each serve a two-year term on the Board.

Public Comment

Mr. Berry Madden inquired about the policy of hunting on Cornerstone Owners Association property. Mr. Aisner stated that only organized hunts are allowed and these hunts take place on land leased from the Association by Cornerstone Club. It was noted the Bylaws of the Association currently state that discharging of firearms is prohibited.

Plowing of roads was discussed. Ouray county is maintaining the stem road this winter. Cornerstone Metropolitan District does not maintain that road during the snow season as it is too large of an operation.

Adjournment

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

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RESOLVED to adjourn the annual member meeting of the Cornerstone Owners Association this 17th day of January, 2023.

Respectfully submitted,

Erin McCauley
Secretary for the meeting

DRAFT