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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 September 25, 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, September 25, 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
- Brian Wallin - District No. 1 and No. 2
- Wendy Lawler Sisler - District No. 1 and No. 2
- Jason Stroehlein – District No. 1

Also present or in attendance via teleconference were:

- Ryan Bartashius, Cornerstone Metropolitan District
- Heather Hartung, White Bear Ankele Tanaka & Waldron
- Hayes Lenhart, Wright Water Engineers (Joined at 10:26am)
- 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 25, 2023 at 10:04 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 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 regarding 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 complying with laws pertaining to potential conflicts. Additionally, the

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Boards determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Boards to act.

### **Agenda**

Upon a motion duly made and seconded it was unanimously

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

### **Public Comment**

There was no public comment.

### **Minutes**

The minutes of the July 31, 2023 regular meeting were reviewed, upon a motion duly made and seconded it was unanimously

**RESOLVED** to approve the minutes of the July 31, 2023 regular meeting.

### **Water and Sewer Operations**

Mr. Bartashius gave an update on water and sewer operations. Watering of the golf course is completed for the year; no additional water will be needed.

The VFD at station 1 was replaced and the station is expected to be fully operational soon.

A tank diver inspection will take place in October, the last diver inspection was in 2019. These inspections are required by the Colorado Department of Health and Environment (CDPHE) every three to five years.

Mr. Bartashius obtained quotes from England Fence for installation of fencing around the tank to keep out livestock. One quote includes t-posts, and one includes wooden posts. The quote that includes t-posts is approximately \$5,000 lower and as this is in an area out of view, all agreed t-posts would be sufficient rather than the more expensive wooden posts. Scheduling is currently three months out so work will take place in the spring. Upon a motion duly made and seconded, it was

**RESOLVED** to approve the England Fence proposal for the fence including t-posts.

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Ms. Hartung will prepare the agreement with England Fence.

Mr. Bartashius and Mr. Lenhart provided an update on the status of the Chloramine Booster System project. CDPHE has been informed of the project cost estimate and delays. CDPHE stated the tank mixer can be removed from the scope of work at this time and it can be installed at a later date. The Board discussed loan and revenue bond options to fund the project, no action was taken at this time. It is anticipated the project will require re-bidding after the scope and timing of the project are updated.

Mr. Lenhart left the meeting at this time.

### **Other Operations**

Director Stroehlein presented two snow removal proposals for the upcoming 2023-2024 season. The board discussed the specifics of each proposal and agreed that the proposal from Kuboske is the best option. Ms. Hartung will prepare the agreement. Upon a motion duly made and seconded it was unanimously

**RESOLVED** to approve the Kuboske snow removal proposal for the upcoming 2023-2024 season.

Asphalt crack sealing and repairs will be completed in early October. This will be the only asphalt work in 2023.

Power to the back gate has now been installed. The next step will be installation of a gate which is expected to cost \$30,000-\$40,000.

### **Legal**

Ms. Hartung discussed the proposed 2024 meeting dates, which are scheduled similarly to 2023, with meetings every other month, and October. The budget meeting and annual town hall meeting will take place in October 2024.

There are no updates on the Road Easement Agreement at this time. Cornerstone Acquisition Group and Tom Kennedy continue to work on the Eldred road easement agreement.

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**Financials** Mr. Weaver presented the proposals received from various audit firms to complete the 2023 audits for the districts. After discussion and upon motion duly made and seconded it was unanimously

**RESOLVED** to engage McMahan & Associates to complete the 2023 audits.

The August 31, 2023 financials and 2024 preliminary budget were presented by Mr. Weaver. Discussion was held and revisions were made to the preliminary 2024 budgeted expenditures. The next meeting will be held on October 23, 2023, and it is expected that the budget will be approved at that meeting.

The Accounts Payable and Accounts Receivable reports were reviewed, upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the August 31, 2023 financials, Accounts Payable and Accounts Receivable reports.

### **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