
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 May 22, 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, May 22, 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 (Joined at 10:50am)

Also present or in attendance via teleconference were:

- Ryan Bartashius, Cornerstone Metropolitan District
- 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 May 22, 2023 at 10:03 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 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

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

RESOLVED to approve the agenda as presented.

Election of Officers

The Boards reviewed the officer positions and upon motion duly made and seconded, it was unanimously

RESOLVED to keep the same slate of officers for the upcoming year:

Brian Wallin, President – Districts 1 & 2

Warren Ache, Vice President – Districts 1 & 2

Marijo Ache, Treasurer – Districts 1 & 2

Wendy Lawler Sisler, Secretary – Districts 1 & 2

Jason Stroehlein, Secretary – District 1

Public Comment

Mr. Aisner spoke about the impact of the significant increase in assessment values and inquired how this would impact the mill levy. Mr. Weaver explained that the maximum debt mill levy must be imposed but a decrease in the operating mill levy will be examined as part of the 2024 budget.

Minutes

The minutes of the March 27, 2023 regular meeting were reviewed, upon a motion duly made and seconded it was unanimously

RESOLVED to approve the minutes of the March 27, 2023 regular meeting.

Water and Sewer Operations

Mr. Bartashius gave an update on water and sewer operations. A single-phase power converter is in need of replacement and a proposal from Water Technology Group is being obtained; cost is estimated at \$20,000.

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The golf course has not needed water yet this year, it is expected that pumping will begin in late June.

Mr. Bartashius' license for wastewater collection is up for renewal and he would like to upgrade to a Level 2 license at a cost of \$150.00. Upon a motion duly made and seconded it was

RESOLVED to approve the upgrade of Mr. Bartashius' wastewater collection license to Level 2 at a cost of \$150.00.

Mr. Bartashius reported the truck needs new tires and front shocks. This maintenance is budgeted, and the Boards instructed Mr. Bartashius to proceed with these repairs.

Mr. Bartashius updated the Boards on the Chloramine Booster System Project. A proposal for additional work was received and previously approved by the Boards. The bid packet from Wright Water Engineering should be finalized in early June and Hayes Lenhart will request a formal extension to the project deadline from The Colorado Department of Public Health and Environment. The project is expected to be completed by December 31, 2023.

Road maintenance needs were discussed.

Legal

There are no updates on the Road Easement Agreement or the Traffic Study.

The Chloramine Booster System Additional Design Services Proposal, previously reviewed by the Boards and signed, was reviewed. Upon a motion duly made and seconded it was

RESOLVED to ratify the Chloramine Booster System Additional Design Services Proposal.

Ms. Hartung reviewed the 2023 legislative memorandum which was also enclosed in the meeting packet.

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Financials

Mr. Weaver presented the March 31, 2023 financials, noting that snow removal costs were extremely high through the winter, exceeding budget. Crack sealing is budgeted but has not yet been scheduled.

Accounts Payable and Accounts Receivable were reviewed. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Accounts Payable and Accounts Receivable reports.

2022 Audits

Mr. Weaver presented the 2022 audits for Districts No. 1 and 2. Both Districts received clean opinions and the audits went smoothly. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the 2022 Audit Reports, subject to final legal review.

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