
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Boards of Directors of Cornerstone Metropolitan District Nos. 1 & 2 January 26, 2026

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 26, 2026. The meeting was held as a teleconference.

Attendance

The following Directors were present and acting via teleconference:

- Brian Wallin - District No. 1 and No. 2
- Warren Ache - District No. 1 and No. 2
- Marijo Ache - District No. 1 and No. 2
- Wendy Lawler Sisler – District No. 1 and No. 2
- Jason Stroehlein – District No. 1
- Randy Averitte – District No. 2

Also present or in attendance via teleconference were:

- Ryan Bartashius, Cornerstone Metropolitan District
- Heather Hartung, WBA, PC
- Rex McGuire, REEF
- 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 26, 2026 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 reflected in these minutes.

Disclosure

Ms. Hartung advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Hartung reported that disclosures for those directors that provided WBA, PC, with notice of 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.

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Agenda The agenda was reviewed and under Other Business it was added that Rex McGuire from REEF will be attending the meeting to introduce himself. Upon a motion duly made and seconded it was unanimously

RESOLVED to approve the agenda as amended.

Public Comment There was no public comment.

Minutes The minutes of the Regular Meeting held October 27, 2025 were reviewed, upon motion duly made and seconded, was unanimously

RESOLVED to approve the minutes of the October 27, 2025 Regular Meeting.

Water and Sewer Operations

Mr. Bartashius gave an update on water and sewer operations. All pump systems are working properly. Due to the warmer than average weather in December, increased flushing of water was required. This flushed water goes into pond four and is utilized by the golf course. As summer operations ramp up the need for flushing is minimal and it is expected in future years that winter use will also increase and reduce flushing needs.

Other Operations Director Stroehlein reported that during snow removal processes a Kuboske plow took up a small portion of asphalt in a section of the road; Kuboske will be repairing this damage.

Legal Ms. Hartung presented the 2026 Joint Annual Resolution Designating a Meeting Notice Posting Location. Upon a motion duly made and seconded it was

RESOLVED to approve the 2026 Joint Annual Resolution Designating a Meeting Notice Posting Location.

Ms. Hartung discussed the disclosures by REEF for the interstate land sales full disclosure act and requested review of marketing materials when they become available for review.

Financials The preliminary December 31, 2025 financial statement was reviewed by Mr. Weaver including tax collections information for the year and bond

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payment details for District 2. District 1 expenditures and revenues for the year were reviewed.

Mr. Weaver discussed historical information on water flushing noting in 2024 1.6 million gallons were flushed and in 2025 4.6 million gallons were flushed. The golf course utilizes this flushed water and currently is not charged for this usage. In 2021, processes were amended and billing for flushed water into pond four was discontinued. However, now that the volume has increased significantly, this flushed water that is purchased from Tri-County and pumped to the pond, the District is absorbing the cost for, but the golf course is benefiting from the water at no charge. The Boards discussed this water usage and agreed that a third-tier rate for this flushed water should be created. This will be discussed at the April Board meeting and the fee schedule updated for this water usage. Upon a motion duly made and seconded it was unanimously

RESOLVED, to approve the December 31, 2025 financials.

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

RESOLVED to approve the Accounts Payable and Accounts Receivable.

Other Business

Director Wallin introduced Rex McGuire, a representative from REEF, and noted that Mr. McGuire will be attending meetings going forward. Mr. McGuire's role is Project Director for Cornerstone.

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