

Headwaters, Granby Ranch, and Granby Ranch Metropolitan District Nos. 2 - 8

January 31, 2014

Wally Baird, Town Manager
Town of Granby
PO Box 440
Granby, CO 80446

Re: Annual Report for Headwaters Metropolitan District, Granby Ranch Metropolitan District, and Granby Ranch Metropolitan District Nos. 2 & 8 (the "Districts") for 2013

Dear Mr. Baird,

In accordance with the requirements of Section 9(f) of the Intergovernmental Agreement between the Town of Granby, Headwaters Metropolitan District, Granby Ranch Metropolitan District, and Granby Ranch Metropolitan District Nos. 2 & 8, the Districts are submitting the following information:

Major Actions Taken by the Districts during the Preceding Year

1. Capital fund expenditures of the Headwaters Metropolitan District in 2013:

Saddleridge Infrastructure	281,833
Eisenhower Camp Infrastructure	27,986
Ranchview Infrastructure	1,785
East Mountain Water Tank	2,969
Fairways Lift Station	1,342
Lake Drive to 2 nd Switchback	1,050
Metro Backbone	16,558
Trailside Improvements	27,761
Prospect Ridge Infrastructure	5,013
Settler's Ridge Infrastructure	13,425
Base Area Improvements	2,192
2009 Shore-Up Project	13,345
Total	<u>395,259</u>

Please note the costs reflected above for the Districts' 2013 infrastructure projects are preliminary year end amounts. The audit, which will provide final 2013 infrastructure costs, is expected to be completed by July 31, 2014. A copy of the audit report will be provided to the Town upon completion.

2. Other major actions undertaken by the Districts during 2013 include the ongoing lease of the ski mountain and golf course as well as operation and maintenance of the roads within the Districts.

The ski area (Ski Granby Ranch) and the golf course (Golf Granby Ranch) are leased by Headwaters Metro from the Developer of the community. In December 2012 Headwaters Metropolitan District entered into a Second Amended Lease Purchase Agreement with Granby Realty Holdings, LLC and also a Leased Premises Management Agreement with Granby Ranch Amenities, LLC.

3. Projections for 2014 capital projects fund for the Headwaters Metropolitan District are as follows:

Eisenhower Camp	286,500
Long Term Maintenance/Securities	40,171
Metro Backbone	60,000
Detention and Stormwater Management	52,000
Total	<u>438,671</u>

If you have any questions regarding this report, please contact me at (970) 926-6060, Ext 6.

Sincerely,



Eric Weaver
District Administrator

cc: Sharon Spurlin, Town of Granby Finance Director
Deb Hess, Town of Granby Clerk
Town of Granby Board of Trustees
Clint Waldron, Districts' Counsel

HWMD Board of Directors
GRMD Board of Directors
GRMD Nos. 2&8 Board of Directors