

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

January 31, 2013

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 2012

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 2012:

Saddleridge Infrastructure	1,291
Eisenhower Camp Infrastructure	2,204
Ranchview Infrastructure	1,785
East Mountain Water Tank	4,582
Fairways Lift Station	1,342
Lake Drive to 2 nd Switchback	190,876
Metro Backbone	15,766
Trailside Improvements	419,016
Bridge under Lake Drive	34,199
Prospect Ridge Infrastructure	64,455
Settler's Ridge Infrastructure	112,647
Base Area Improvements	2,191
2009 Shore-Up Project	1,010
Total	<u>851,364</u>

Please note the costs reflected above for the Districts' 2012 infrastructure projects are preliminary year end amounts. The audit, which will provide final 2012 infrastructure costs, is expected to be completed by July 31, 2013. A copy of the audit report will be provided to the Town upon completion.

2. Other major actions undertaken by the Districts during 2012 include the ongoing operation 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 2013 capital projects fund for the Headwaters Metropolitan District are as follows:

Eisenhower Camp	2,204
East Mtn Water Tank	22,894
Ranchview	1,785
Lakeside Dr to Second Switchback	1,050
Fairways Lift Station	1,342
Saddle Ridge Infrastructure	299,791
Prospect Ridge Infrastructure	987
Trailside	15,117
Bridge Under Lake Dr	4,071
Settlers Ridge	2,794
Metro Backbone	64,951
Base Area Improvements	17,192
Detention and Stormwater Management	<u>35,000</u>
Total	<u><u>469,178</u></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