

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

January 28, 2016

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 2015

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 2015:

Water Line Extension	66,757
Trailside	48,152
Long Term Maintenance/Securities	19,037
Metro Backbone	16,233
Sagelands I	59,778
Total	<u>209,957</u>

Please note the costs reflected above for the Districts' 2015 infrastructure projects are preliminary year end amounts. The audit, which will provide final 2015 infrastructure costs, is expected to be completed by July 31, 2016. A copy of the audit report will be provided to the Town upon completion.

2. Other major actions undertaken by the Districts during 2015 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 2016 capital projects fund for the Headwaters Metropolitan District are as follows:

Municipal Water Line Extension	1,355,811
Trailside	76,688
Settlers Ridge – F11	35,294
Sagelands I – F17	971,498
Sagelands II – F18	800,681
Long Term Maintenance/Securities	41,742
Metro Backbone	79,931
Cracksealing	30,000
Detention & Stormwater Management	15,000
Total	<u>3,406,645</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