

<p style="text-align: right;">SERVED ONLY: August 12, 2022 10:04 PM          FILING ID: 8FE4E5C1A5957          CASE NUMBER: 2021CV30008</p>	
DISTRICT COURT, GRAND COUNTY, COLORADO Court Address: Grand County Combined Courts 307 Moffat Ave Hot Sulphur Springs, CO 80451 Telephone No.: (970) 725-3357	<b>▲COURT USE ONLY▲</b>  Case No.: 2021CV030008  Div.: Rm.:
<b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,  <b>v.</b>  <b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.	
<i>Counsel for Plaintiff:</i> Charles E. Norton, #10633 Alicia M. Garcia, #53860 NORTON & SMITH, P.C. 600 17 <sup>th</sup> Street, Suite 2150S Denver, Colorado 80202 Phone Number: (303) 292-6400 FAX Number: (303) 292-6401 E-mail: <a href="mailto:CNorton@NortonSmithLaw.com">CNorton@NortonSmithLaw.com</a> <a href="mailto:AGarcia@NortonSmithLaw.com">AGarcia@NortonSmithLaw.com</a>	
<b>PLAINTIFF GRANBY RANCH METROPOLITAN DISTRICT’S RESPONSE TO GR TERRA’S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION</b>	

Plaintiff Granby Ranch Metropolitan District (“GRMD”) submits the following Response to GR Terra’s First Set of Interrogatories and Requests for Production.

**RESPONSE TO PATTERN INTERROGATORIES**

- [1.0] State the name, address, telephone number, and relationship to you of each person who prepared or assisted in the preparation of the responses to these interrogatories.

**Response:**

- Charles E. Norton & Alicia Garcia

Norton & Smith, P.C.  
600 17<sup>th</sup> St. Suite 2150S, Denver, Colorado 80202  
Ph: (303) 292-6400  
Ms. Garcia and Mr. Norton are litigation counsel to GRMD.

- **Matt Girard**

c/o Norton & Smith, P.C., 600 17<sup>th</sup> Street Suite 2150S, Denver, Colorado, 80202  
Ph: (303) 994-4609  
Mr. Girard is the President of the GRMD Board of Directors.

- **Charles R. Wolfersberger**

8354 Northfield Blvd. Building G, Suite 3700, Denver, Colorado 80238  
12210 Brighton Rd #8, Henderson, CO 80640  
Ph: (720) 541-7725  
Mr. Wolfersberger is the manager of GRMD through his limited liability company, Wolfersberger, LLC.

2. [50.1] For each agreement, resolution and service plan alleged in the pleadings (which includes all of the agreements, resolutions and service plans set forth above at Definitions, Nos. 10-29):

(a) identify all DOCUMENTS that are part of the agreement, resolution or plan and, if you do not have copies of all documents, for each document you do not have, state the name, ADDRESS, and telephone number of each PERSON OR ENTITY who has the DOCUMENT;

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All of the requested documents were provided in the Plaintiff's initial disclosures.

Without waiving this objection, the Plaintiff identifies the following documents:

- Amended and Restated Joint Resolution Establishing Amenity Fee GRMD\_7 - GRMD\_31
- Amended and Restated Intergovernmental Agreement GRMD\_32 - GRMD\_48
- Intergovernmental Agreement Concerning the Facilitation of Payment of Capital Facilities Fees GRMD\_50-GRMD\_56
- First Amended and Restated District Facilities Construction and Service Agreement GRMD\_57-GRMD\_111
- First Amendment to Consolidated Service Plan for Granby Metropolitan District Nos. 2-8 GRMD\_112-GRMD\_115
- First Amendment to Service Plan for Headwaters Metropolitan District GRMD\_116-GRMD\_118
- Sol Vista Metropolitan District Obligations and Agreements GRMD\_120-GRMD\_603
- Sol Vista Metropolitan District No. 1 Service Plan GRMD\_604-GRMD\_703
- Town of Granby Resolution No. 2002-10-01A-HGRMD\_707-714

- Town of Granby Planning Commission Resolution No. 2003-01-27a GRMD\_715-GRMD\_717
- First Amendment to Intergovernmental Agreement between Town of Granby and Headwaters and Granby Ranch Metropolitan Districts GRMD\_887-GRMD\_891
- Intergovernmental Agreement between Town of Granby and Sol Vista Metro 1 and 2 GRMD\_892-GRMD\_899
- Sol Vista Master Intergovernmental Agreement GRMD\_902-GRMD\_916
- First Amendment to Service Plan of Granby Ranch Metropolitan District GRMD\_917-GRMD\_919
- Town of Granby Resolution No. 2006-06-27 GRMD\_920-GRMD\_921
- First Amendment to Service Plan of Granby Ranch Metropolitan District GRMD\_930-GRMD\_932
- Intergovernmental Agreement between Town of Granby and Headwaters and Granby Ranch Metropolitan Districts GRMD\_993-GRMD\_1000
- Town of Granby Resolution No. 2003-07-22b GRMD\_1001-GRMD\_1003
- Sol Vista Metropolitan District No. 1 Service Plan GRMD\_1004-GRMD\_1054
- Town of Granby Resolution No. 2006-06-27 and associated certifications GRMD\_1117-GRMD\_1128
- Sol Vista Metropolitan District No. 2 Service Plan GRMD\_1133-GRMD\_1183
- Second Amended and Restated Lease Purchase Agreement GRMD\_2126-GRMD\_2174
- Amended and Restated Amenity Fee Agreement GRMD\_2210-GRMD\_2253
- Intergovernmental Funding Agreement GRMD\_2559-GRMD\_2572
- Termination of Intergovernmental Agreement GRMD\_2671-GRMD\_2682

(b) state each part of the agreement, resolution or plan not in writing, the name, ADDRESS, and telephone number of each PERSON OR ENTITY agreeing to that provision, and the date that part of the agreement was made;

**Response:** GRMD objects to this interrogatory as being vague, inconsistent, and incomprehensible. For example, the notion of an oral resolution or oral service plan has no meaning. Without waiving this objection, GRMD states that at this point in the discovery and disclosure process, it is aware of no agreement, resolution, or plan identified in the pleadings that is not in writing. GRMD reserves the right to supplement this answer pursuant to C.R.C.P. 26e as discovery continues.

(c) identify all DOCUMENTS that evidence each part of the agreement, resolution or plan not in writing and, if you do not have copies of all documents, for each document you do not have, state the name, ADDRESS, and telephone number of each PERSON OR ENTITY who has the DOCUMENT;

**Response:**

GRMD objects to this interrogatory as being vague, inconsistent, and incomprehensible. For example, the notion of an oral resolution or oral service plan has no meaning. Without waiving this objection, GRMD states that at this point in the discovery and disclosure process, it is aware of no agreement, resolution, or plan identified in the pleadings that is not in writing. GRMD reserves the right to supplement this answer pursuant to C.R.C.P. 26e as discovery continues.

(d) identify all DOCUMENTS that are part of each modification to the agreement, resolution or plan, and, if you do not have copies of all documents, for each document you do not have, state the name, ADDRESS, and telephone number of each PERSON OR ENTITY who has the DOCUMENT;

**Response:** The documents provided in subpart (a) contain a full listing of all DOCUMENTS that are part of each modification to an agreement, resolution, or plan identified in the pleadings and that are known to GRMD at this point in the discovery process. GRMD reserves the right to supplement this answer pursuant to C.R.C.P. 26e as discovery continues.

(e) state each modification not in writing, the date, and the name, ADDRESS, and telephone number of each PERSON OR ENTITY agreeing to the modification, and the date the modification was made;

**Response:** GRMD states that at this point in the discovery and disclosure process, it is aware of no agreement, resolution, or plan identified in the pleadings that is not in writing. GRMD reserves the right to supplement this answer pursuant to C.R.C.P. 26e as discovery continues.

(f) identify all DOCUMENTS that evidence each modification of the agreement, resolution or plan not in writing and, if you do not have copies of all documents, for each document you do not have, state the name, ADDRESS, and telephone number of each PERSON OR ENTITY who has the DOCUMENT.

**Response:** GRMD objects to this interrogatory as being vague, inconsistent, and incomprehensible. For example, the concept of a DOCUMENT that evidences an oral modification of a resolution or service plan has no meaning. Without waiving this objection, GRMD states that at this point in the discovery and disclosure process, it is aware of no modifications to any agreement, resolution, or plan identified in the pleadings that is not in writing. GRMD reserves the right to supplement this answer pursuant to C.R.C.P. 26e as discovery continues.

3. [50.2] If there was a breach of any agreement, resolution or plan alleged in the pleadings (which includes all of the agreements and resolutions set forth in the Definitions above at Nos. 10-29), for each breach describe and give the date of every act or omission that you claim is the breach of the agreement.

**Response:** GR Terra breached the LPA by refusing to act as Landlord and attempting to extinguish the option to purchase provisions of Section 23 while retaining the benefits of the Amenities Fees. Such breach occurred on or about May 5, 2021, when GR Terra purchased the property subject to the LPA from Gray Jay Ventures, which conveyed the property to GR Terra via special warranty deed. GR Terra took the position that the previous non-judicial foreclosure action by Granby Prentice LLC had extinguished the LPA and so GR Terra was excused from acting as Landlord under the LPA or applying the Amenities Fees as rent under the LPA (although GR Terra has continued to receive Amenities Fees payments from Headwaters). The breach was also evidenced when GR Terra asserted that the LPA had been terminated, and hence it would refuse to honor it, because of a notice purportedly given by a letter from Clint Richardson, attorney for GPGH/Gray Jay, dated November 11, 2020, which referred to a previous letter from Mr. Richardson to Headwaters, dated September 1, 2020. The notice was purportedly given under section 10 of the LPA, because of Headwaters' alleged failure to operate the Amenities for a period of more than 30 days. However, the notice did not meet the procedural requirements of section 10 and it was based on an inaccurate factual premise.

An area remaining for further discovery is the extent to which GR Terra acted either alone or in concert with other parties to breach the LPA or assist others in breaching it. For example, after notice was constructively given to Headwaters of the pending non-judicial foreclosure, the Board of Directors of Headwaters failed to seek any form of relief, including injunctive relief, which could have converted the public trustee foreclosure into a judicial foreclosure, thus allowing Headwaters to assert its rights under the LPA along with those of GRMD. GR Terra has refused to produce any of the contracts and related documents involved with its purchase of the property on May 5, 2021, except for the special warranty deed and some title work. Depending upon the date when GR Terra first entered into some form of legal arrangement to buy the property (and due diligence for a purchase of this type could have required many months) GR Terra may have fully participated in Headwaters' course of action, which would be an additional event of breach by GR Terra.

4. [50.3] If performance of any agreement, resolution or plan alleged in the pleadings (which includes all of the agreements and resolutions set forth in the Definitions above at Nos. 10-29) was excused, identify each agreement excused and state why performance was excused.

**Response:** The Master IGA between Granby Ranch Metropolitan Districts Nos 1-8 and Headwaters was terminated by the Termination of Intergovernmental Agreement on November 17<sup>th</sup>, 2021 (the "Termination"). On its face and applying standard rules of contract interpretation and the law of waiver, this Termination did not waive performance under the LPA.

5. [50.4] If any agreement, resolution or plan alleged in the pleadings (which includes all of the agreements and resolutions set forth in the Definitions above at Nos. 10-29) was terminated by mutual agreement, release, accord and satisfaction, or novation, identify each agreement or resolution terminated and state why it was terminated including dates.

**Response:** The Master IGA between Granby Ranch Metropolitan Districts Nos 1-8 and Headwaters was terminated by the Termination of Intergovernmental Agreement on November 17<sup>th</sup>, 2021(the “Termination”). On its face and applying standard rules of contract interpretation and the law of waiver, this Termination did not waive performance under the LPA.

6. [50.6] If any agreement, resolution or plan alleged in the pleadings (which includes all of the agreements and resolutions set forth in the Definitions above at Nos. 10-29) is ambiguous, identify each ambiguous agreement and state why it is ambiguous.

**Response:** GRMD objects on the grounds that this interrogatory is overbroad, ambiguous, and does not seek information that is relevant to the claim or defense of any party as required by C.R.C.P. 26(b)(1). Only ambiguities in the DOCUMENTS that are material and relevant to the claims and defenses of the parties may be the subject of discovery. Without waiving this objection, GRMD states that it is not currently aware of any material ambiguities in the DOCUMENTS. GRMD reserves the right to supplement this answer pursuant to C.R.C.P. 26e as discovery continues.

7. [15.2] For your affirmative defense no. 2:

- a. State the facts upon which you base the affirmative defense.

**Response:** The LPA expressly states in section 28f. that “This instrument shall also bind and benefit, as the case may require, the heirs, legal representatives, assigns and successors of the respective Parties, and all covenants, conditions and agreements herein contained shall be construed as covenants running with the land.” The LPA was recorded in the real property records of Grand County on January 3, 2020 at Reception No. 2020000067.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** Matt Girard, whose contact information is listed in the response to Interrogatory No. 1. Also, the persons who executed the LPA on behalf of the Parties, including the Board President of Headwaters (whose signature is indecipherable on the original document), and whose identity is known to GR Terra, since it was the successor in interest to the developer of the SolVista project, Granby Realty Holdings LLC, , which controlled Headwaters at the time that the LPA was executed on December 31, 2012.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.
    - o **Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures. The Second Amended and Restated Lease Purchase Agreement was produced as GRMD\_2126-GRMD\_2174.
8. [15.2] For your affirmative defense no. 3:
- a. State the facts upon which you base the affirmative defense.
 

**Response:** Since assuming control of the Headwaters Board, the GR Terra affiliated directors have continued to impose and collect the Amenities Fee provided for in the Amenities Fees resolutions approved by the Headwaters and GRMD Boards of Directors. The Headwaters Board appropriated these fees to Lease Payments under the LPA, thus giving rise to an understanding on the part of those paying the fees that they would be applied to rent payments under the LPA. Those paying the fees reasonably relied on this conduct by the Headwaters Board. Headwaters has since claimed that the LPA was terminated and that it is entitled to continue to impose the fees, to retain the fees that it has already collected, and that GR Terra should also have the benefit of any improvements or additions to the Amenities financed by the payment of the fees.
  - b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.
 

**Response:** It is believed that the following individuals have knowledge of these facts: Clint Waldron, Eric Weaver, Matt Girard, and Glenn O'Flaherty. Their contact information is contained in GRMD's initial disclosures.
  - c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.
 

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures. Without waiving this objection, additional support for this affirmative defense is provided by an exchange of emails involving Mr. Waldron, Diane Rodriguez of Community Resource Services of Colorado, and Mylea Draper, an escrow officer with Title Company of the Rockies. These documents were produced as GRMD\_10030-10031.

9. [15.2] For your affirmative defense no. 4:

a. State the facts upon which you base the affirmative defense.

**Response:** In paragraph 11 of GR Terra’s Affirmative Defenses, it alleges that the promises made by its predecessor in interest, Granby Ranch Holdings, were “illusory.” It thus concedes that it seeks to invoke the equitable powers of this Court to set aside the LPA as a covenant running with the land, in order to retain the benefit of past Amenity Fee payments as rent under the LPA, and thereby to take advantage of Granby Ranch Holdings’ “illusory” promises.

b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** It is believed that the following individuals have knowledge of these facts: Eric Weaver, Bob and David Glarner. Their contact information is set forth in GRMD’s Initial Disclosures.

c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents in the possession of Plaintiff that are relevant to the claims and defenses of the Parties were provided in Plaintiff’s initial disclosures. The Defendant GR Terra made the statement that the promises in the LPA were illusory; it may have documents in its possession that support its statement.

10. [15.2] For your affirmative defense no. 5:

a. State the facts upon which you base the affirmative defense.

**Response:** The facts supporting this affirmative defense are set forth on pages 3 through 13 of GRMD’s Motion for Summary Judgment on Counts II, III, and IV of GR Terra’s counterclaims. Those pages of the Motion for Summary Judgment are incorporated herein.

b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** Those persons and entities are detailed in the Motion for Summary Judgment. They include Scott Johnson, Sue Johnson, and Eric Weaver. Mr. and Ms. Johnson served on the Board of Directors of Headwaters and so GR Terra has their contact information.

c. Identify all documents and other tangible things which support your

affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures, and include the documents labeled as Exhibits A, B, and C of GRMD's motion for summary judgment. These have been disclosed as Bates labeled items GRMD\_10076-10129; GRMD\_10133-10157.

11. [15.2] For your affirmative defense no. 6:

a. State the facts upon which you base the affirmative defense.

**Response:** Section 28f. of the LPA expressly provides that its covenants, conditions, and agreements shall be construed as covenants running with the land. Section 28e. provides that the Agreement merges all oral and written undertakings by the Parties subject only to an amendment signed in writing. Section 9 provides expressly that the Landlord will not sell or grant a security interest in the Leased Premises without first obtaining documentation obligating the Landlord to be bound by the LPA, expressly including Sections 2 and 23.

b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** All of the persons designated in GRMD's disclosures have knowledge of the terms of the LPA.

c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures; the Sixth Affirmative Defense is based on the LPA, which is identified in the response to Interrogatory No. 2.

12. [15.2] For your affirmative defense no. 7:

a. State the facts upon which you base the affirmative defense.

**Response:** Headwaters is the Tenant under the LPA. As is detailed in the response to Interrogatory No. 8, Headwaters continues to collect Amenities Fees to finance the construction and installation of Amenities.

b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** It is believed that the following individuals have knowledge of these facts: Clint Waldron, Eric Weaver, Matt Girard, and Glenn O’Flaherty. Their contact information is contained in GRMD’s initial disclosures.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff’s initial disclosures. Without waiving this objection, support for this affirmative defense is provided by an exchange of emails involving Mr. Waldron, Diane Rodriguez of Community Resource Services of Colorado, and Mylea Draper, an escrow officer with Title Company of the Rockies. These documents were produced as

13. [15.2] For your affirmative defense no. 8:

- a. State the facts upon which you base the affirmative defense.

**Response:** Count IV of GR Terra’s Counterclaims is expressly based on slander of title, which is not among the torts for which sovereign immunity has been waived pursuant to sections 24-10-106 and 108, C.R.S. The other damage claims throughout the Counterclaims could also have been brought in tort and are similarly barred.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** Bob and David Glarner have knowledge of the pleadings which have been filed in court on behalf of GR Terra.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** GR Terra’s Counterclaims is the sole document required to support this affirmative defense.

14. [15.2] For your affirmative defense no. 9:

- a. State the facts upon which you base the affirmative defense.

**Response:** Section 24-10-109, C.R.S. mandates that a written notice be given by any person claiming to have suffered an injury by a public entity, whether or not by a willful and wanton act or omission. The notice is to be given within 182 days after the date of discovery of the injury. A review of GRMD’s files shows that no such notice was given by GR Terra.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** The following individuals and entities have knowledge of the facts: Charles Wolfersberger, Alan Pogue, and Matt Girard. The contact information for Mr. Wolfersberger and Mr. Girard is listed in the response to Interrogatory No. 1; that of Mr. Pogue is in GRMD's initial disclosures.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** This affirmative defense is based upon a review of GRMD's files, which are maintained in the offices of Mr. Wolfersberger and Mr. Pogue.

15. [15.2] For your affirmative defense no. 10:

- a. State the facts upon which you base the affirmative defense.

**Response:** In addition to the absolute bar against punitive or exemplary damages set forth in section 24-10-114 (4)(a), C.R.S., the common law of Colorado bars such claims based upon legislative acts performed by a special district board of directors, or the actions of the District based upon good faith.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** Bob and David Glarner have knowledge of the pleadings which have been filed in court on behalf of GR Terra.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures. GR Terra's Counterclaims is the sole document required to support this affirmative defense.

16. [15.2] For your affirmative defense no. 11:

- a. State the facts upon which you base the affirmative defense.

**Response:** GR Terra purchased the property, including the Amenities, with full knowledge of the existence of the LPA. The LPA had been recorded in the real property records of Grand County on January 3, 2020

at Reception No. 2020000067. The certificate of purchase from the foreclosure sale that took place on August 14, 2020 was assigned to Gray Jay Ventures, LLC. GR Terra then purchased the property from Gray Jay on May 5, 2021 with full knowledge of the existence of the LPA. Further, on February 2, 2021, GRMD sent a letter to counsel for Gray Jay, then called GP Granby Holdings, LLC, stating its position with regard to the continuing validity of the LPA. Despite this, GR Terra proceeded to closing.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** The following individuals have knowledge of these facts: Matt Girard, Glenn O’Flaherty, Bob and David Glarner. Their contact information is provided in GRMD’s disclosures and in the response to Interrogatory No. 1.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. Without waiving this objection all documents were provided in Plaintiff’s initial and supplemental disclosures.

17. [15.2] For your affirmative defense no. 12:

- a. State the facts upon which you base the affirmative defense.

**Response:** GR Terra has pled no facts supporting any injury caused by any actions of GRMD. Its initial disclosures also include only conclusory statements that it was injured and no computation of economic injuries as required by C.R.C.P. 26.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** Bob and David Glarner have knowledge of the pleadings which have been filed in court on behalf of GR Terra.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** This affirmative defense is supported by GR Terra’s counterclaims and its initial disclosures, which, as of the date of this Response, have not been supplemented.

18. [15.2] For your affirmative defense no. 13:

- a. State the facts upon which you base the affirmative defense.

**Response:** GRMD has brought its claims in good faith and only after making a demand on GR Terra. Its claims have withstood motions to dismiss filed by GR Terra.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** These facts are known to the Persons with Knowledge of Discoverable Information disclosed in GRMD's initial disclosures.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures. Without waiving this objection, GRMD identifies the demand letter of February 2, 2021 and this Court's Order of January 28, 2022.

19. [15.2] For your affirmative defense no. 14:

- a. State the facts upon which you base the affirmative defense.

**Response:** The LPA does not contain a provision awarding attorney's fees and costs of suit to the prevailing party.

- b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** All of the individuals listed in the section of GRMD's initial disclosures entitled "INDIVIDUALS LIKELY TO HAVE Discoverable INFORMATION have knowledge of the contents of the LPA.

- c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All documents were provided in Plaintiff's initial disclosures. Without waiving this objection, the LPA has been

identified in the Response to Interrogatory No. 2.

20. [15.2] For your affirmative defense no. 15:

a. State the facts upon which you base the affirmative defense.

**Response:** As is detailed in the response to Interrogatory No. 16, GR Terra bought the property with full knowledge of the existence of the LPA. It now claims damages for slander of title for an interest that was in the chain of title when it bought the property. Not only did it fail to mitigate its damages by going forward and purchasing the property, GR Terra now alleges that it made “significant investments to continue the development of Granby Ranch and enhance the Amenities” after its purchase. Answer and Counterclaims, para. 97.

b. State the names, addresses, and telephone numbers of all persons or entities who have knowledge of the facts.

**Response:** The following individuals have knowledge of these facts: Matt Girard, Glenn O’Flaherty, Bob and David Glarner. Their contact information is provided in GRMD’s disclosures and in the response to Interrogatory No. 1.

c. Identify all documents and other tangible things which support your affirmative defense, and state the name, address, and telephone number of the person or entity who has each document.

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. Without waiving this objection all documents were provided in Plaintiff’s initial and supplemental disclosures.

*Non-Pattern Interrogatories:*

1. Identify individuals with knowledge of the facts that you contend support your claims against GR Terra in this lawsuit.

**Response:**

- i. Matt Girard
- ii. Glenn O’Flaherty
- iii. Lance Badger
- iv. Marise Cipriani
- v. Clint Waldron
- vi. Eric Weaver
- vii. Bob and David Glarner
- viii. Charles Wolfersberger

2. Identify all individuals with knowledge of the facts that allegedly support and/or

substantiate your claimed damages as described in paragraph 42 of the Second Amended Complaint: “\$6.05 million dollars in equity already paid subject to the LPA from fees collected from its residents and members ....”

**Response:**

- i. Charles Wolfersberger
- ii. Matt Girard
- iii. Kathy Lewensten (Marchetti & Weaver)

3. Identify any facts and documents that support GRMD’s claim in paragraph 42 for damages in the amount of “\$6.05 million dollars in equity already paid ....”

**Response:** The spreadsheet attached to these disclosures sets forth the amenity fees collected from 2006 through 2020 totaling 6.11 million. This spreadsheet was prepared by Charles Wolfersberger by reviewing Headwaters’ audited financial statements. GRMD\_10032.

Kathy Lewensten from Marchetti & Weaver produced a spreadsheet in response to an Open Records Request which indicated that there were \$6.09 million in amenity fee payments made under the LPA. This spreadsheet is attached to these disclosures GRMD\_10158.

4. Identify the amount of damages claimed by GRMD against GR Terra, the components of those damages, and all facts and documents supporting same.

**Response:** The spreadsheet attached to these disclosures sets forth the amenity fees collected from 2006 through 2020 totaling 6.11 million. This spreadsheet was prepared by Charles Wolfersberger by reviewing Headwaters’ audited financial statements. GRMD\_10032.

5. Identify all facts and documents that support GRMD’s contention that the 2020 foreclosure of the Redwood Deed of Trust did not extinguish the LPA.

**Response:** A covenant running with the land is not necessarily extinguished by a foreclosure, as this Court held on page 18 of the Order re Motion to Dismiss. The Court cited *Top Rail Ranch Estates, LLC v. Walker*, 327 P.3d 321, 327 (covenants in a deed of trust were not extinguished by foreclosure); *Schwab v. Martin*, 441 P.2d 17, 19 (Colo. 1968) (despite foreclosure, the right to appoint a receiver under the deed of trust remained an operative as a contract between the parties). The Court further outlined the facts pled by GRMD which support the contention on pages 17-19, and that discussion is incorporated herein by this reference.

6. Identify all facts and documents that support GRMD’s contention that the LPA was not terminated via Gray Jay’s notice of termination to Headwaters dated November 11, 2020, attached to GR Terra’s Counterclaims as Exhibit L.

**Response:** The grounds for termination set forth in section 2 and 3 of the LPA have not been met in this case. The facts supporting this contention are set forth on pages 3 through 13 of GRMD’s Motion for Summary Judgment on Counts II, III, and IV of GR Terra’s counterclaims. Those pages of the Motion for Summary Judgment are incorporated herein. Further, the LPA is a covenant running with the land and has not been cancelled because of the foreclosure. Unless a termination of the LPA has taken place, or the LPA has been wiped out by the foreclosure, the first three counts in the counterclaims all fail as a matter of law.

7. Identify all facts and documents that support GRMD’s contention that the LPA was not terminated via Headwaters’ failure to appropriate rental payments under the LPA for fiscal years 2021 and 2022.

**Response:** See Bates Nos. GRMD\_10076-10131 attached to this document, and the facts set forth on pages 3 through 13 of GRMD’s Motion for Summary Judgment on Counts II, III, and IV of GR Terra’s counterclaims.

8. Identify any facts and documents that support GRMD’s contention that it is a third-party beneficiary under the LPA.

**Response:** See Joint Resolution of May 26, 2005; See Amended and Restated Lease Purchase Agreement. The LPA mentions GRMD expressly in Recital B, which notes that Headwaters had previously adopted, with the Granby Ranch Metropolitan District, a Joint Resolution to Establish an Amenity Fee dated May 26, 2005. Specifically, Recital B. provides that the Joint Resolution imposing the Amenity Fee had been adopted “In order to pay rental payments with respect to the Leased Premises and pay the purchase price of the Leased Premises.” GRMD jointly adopted an Amenities Fee with Headwaters to allow Headwaters to fund the rental payments for the ski area and golf course and eventually to buy them. These facts (and additional materials facts) are discussed in the Court’s orders of January 28, 2022, in which the Court found as a matter of law that GRMD was a third party beneficiary of the LPA. Those findings of fact are incorporated by this reference as though fully set forth herein.

9. Identify facts and documents that supports GRMD’s contention that Headwaters had a mandatory obligation to exercise the option to purchase in the LPA at any time prior to your commencement of this lawsuit.

**Response:** GRMD objects to this Interrogatory on the grounds that it mischaracterizes the contentions of GRMD. Without waiving this objection, GRMD responds that the provisions of section 23 of the LPA set out the rights held by Headwaters and GRMD as a third-party beneficiary to purchase the Leased Premises. GR Terra has wrongly attempted to extinguish that right. Further, under section 23b. of the LPA, Headwaters on behalf of GRMD would acquire the Leased Premises on December 1, 2062, even if the option was never exercised.

10. Identify all actions taken by GRMD to enforce any rights or remedies under the LPA.

**Response:** GRMD sent a formal demand to GR Terra on February 2, 2021 and to Headwaters on that same day. It had previously recorded the LPA in the real property records of Grand County on January 3, 2020 at Reception No. 2020000067. GRMD then commenced this lawsuit on February 23, 2021.

11. State whether GRMD contends that any of the agreements, resolutions or service plans referenced in the pleadings and in Nos. 10-29 of the Definitions above is not valid or enforceable, in whole or part, and identify all facts that support any such contention.

**Response:** GRMD contends that the referenced agreements, resolutions, and service plans are enforceable and valid in accordance with their terms and their plain meaning, applying accepted standards of statutory construction and contract interpretation.

12. Identify all benefits that GRMD asserts flows to it by virtue of any provision of the LPA.

**Response:** GRMD receives three categories of benefits under the LPA: (1) The Amenities remain open and accessible to the public as long as Amenity fees are paid over to Headwaters for the benefit of GRMD; (2) GRMD has the option to have the Leased Premises purchased by Headwaters for the benefit of the public including the residents, owners, and taxpayers of GRMD, in accordance with paragraph 23 of the LPA; and (3) the Leased Premises will be acquired by Headwaters for its benefit and that of GRMD on December 31, 2062 simply by virtue of paying the Amenities Fees over to GR Terra and its successors as rent.

13. Identify all benefits that GRMD asserts flow to any other party by virtue of any provision of the LPA.

**Response:** GRMD objects to this Interrogatory as being vague, ambiguous, and overbroad. The term “benefit” has many different meanings at law; for example, an important distinction is that the term “benefit” may include a “direct” or “indirect” benefit with different legal consequences. Without waiving this objection, GRMD will apply the definition set forth in Webster’s Dictionary: “something that produces good or helpful results or effects or that promotes well-being : ADVANTAGE.” Applying this definition, GR Terra receives the benefit from Amenities funded by the Amenities Fees imposed by Headwaters and GRMD which are provided at public expense. GR Terra also receives rent payments as Landlord under the LPA. It also receives the benefit of a payment under the purchase option set forth in section 23 of the LPA. GRMD receives the various benefits described in the Response to Interrogatory No. 12. The Town of Granby receives the advantage of coordinated development of the SolVista

Annexation property and preferred access to Town residents for the ski, golf, park and fishing Amenities as well as a discount on golf green fees.

## **RESPONSE TO FIRST SET OF REQUESTS FOR PRODUCTION OF DOCUMENTS TO GRMD**

14. All documents and communications relating to GRMD's responses to GR Terra's interrogatories.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

15. All documents and communications relating to any of the agreements or resolutions referenced in the Complaint, including all agreements described in Nos. 10-29 of the Definitions provided above.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

16. All documents and communications relating to the 2005 and 2013 Fee Resolutions.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

17. All documents and communications relating to GRMD's contention that it is a third-party beneficiary under the LPA.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

18. All documents and communications relating to GRMD's contention that the LPA was not terminated via the 2020 foreclosure of the Redwood Deed of Trust.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

19. All documents and communications that support GRMD's contention that the LPA was not terminated via Gray Jay's notice of termination to Headwaters dated November 11, 2020 attached to GR Terra's Counterclaims as Exhibit L.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

20. All documents and communications relating to GRMD's contention that the LPA was not terminated via Headwaters' failure to appropriate rental payments under the LPA for fiscal years 2021 and 2022.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

21. All documents and communications relating to GRMD's contention that Headwaters was obligated to acquire or purchase the Leased Premises (as described in the LPA) on GRMD's behalf at any time prior to the commencement of this lawsuit.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

22. All documents and communications relating to Headwaters' appropriation of Amenity Fees, as defined by the LPA, for the payment of rent thereunder.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

23. All documents and communication, including photographs, relating to GRMD's contention that Headwaters continued to operate the Amenities (as defined in the LPA) at any time between April 2020 to November 2020.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

24. All documents and communications relating to Amenity Fees paid with respect to any property within GRMD's boundaries under the 2005 Fee Resolution or the

2013 Fee Resolution or any of the agreements referenced in the pleadings or described in the Definitions.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

25. All documents and communications relating to Headwaters' payment of Amenity Fees (as defined in the LPA) as rent to the landlord under the LPA at any time during the term of the LPA.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

26. All documents and communications that support the amount of damages claimed by GRMD against GR Terra in its Complaint.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

27. All documents and communications relating to GRMD's (on its own behalf or on Headwater's behalf) and/or Headwater's efforts to purchase the Leased Premises under the LPA or tender of the purchase price for same.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

28. All documents and communications between GRMD and Headwaters relating to potential purchase of the Leased Premises under the LPA or tender of the purchase price for same.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

29. All documents and communications relating to GR Terra's alleged failure to recognize the LPA, act as landlord or accept the purchase provisions of the LPA as claimed in paragraph 70 of the Complaint.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through

copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

30. All documents and communications relating to GRMD's claim that the LPA constitutes an installment land contract.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

31. All documents and communications relating to any efforts by GRMD to enforce any contractual rights or remedies in the LPA.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

32. All documents and communications relating to any efforts by GRMD to comply with contractual obligations and remedies in the LPA, including default and notice provisions.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

**STATEMENT AS TO OBJECTIONS MADE IN THE ANSWERS TO INTERROGATORIES:**

I, Charles E. Norton, do hereby attest that the objections raised to the Interrogatories are, to the best of my knowledge, information, and belief, formed after reasonable inquiry, well grounded in fact and are warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and the objections are not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

NORTON & SMITH,  
A Professional Corporation

*s/ Charles E. Norton* \_\_\_\_\_

Charles E. Norton, #10633

Alicia M. Garcia, #53860

*Counsel for Plaintiff*

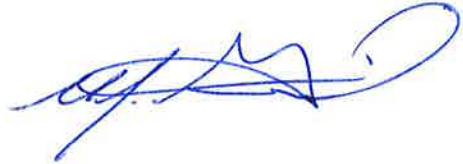


**VERIFICATION OF ANSWERS TO INTERROGATORIES**

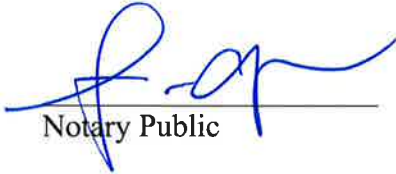
I, Matt Girard, being duly sworn and upon my oath, do hereby swear and affirm that I have read the foregoing Answers to Interrogatories and that the answers are true and correct to the best of my knowledge, information, and belief.

State of Colorado

County of Denver



The foregoing instrument was acknowledged before me this 12 day of August, 2022, by Matt Girard.

  
\_\_\_\_\_  
Notary Public

Print Name: Alicia Garcia

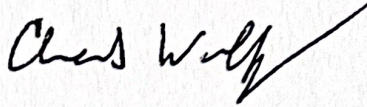
My commission expires:

**ALICIA GARCIA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20194007792  
MY COMMISSION EXPIRES 02/25/2023**

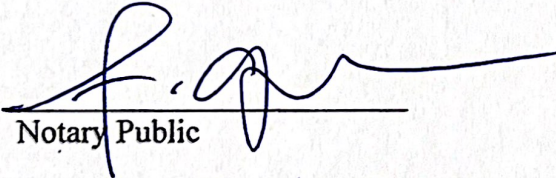
I, Charles Wolfersberger, being duly sworn and upon my oath, do hereby swear and affirm that I have read the foregoing Answers to Non-Pattern Interrogatories Nos. 2, 3, and 4, and that the answers are true and correct to the best of my knowledge, information, and belief.

State of Colorado

County of DENVER



The foregoing instrument was acknowledged before me this \_\_\_\_ day of August, 2022, by Charles Wolfersberger.

  
Notary Public

Print Name: Alicia Garcia

My commission expires:

**ALICIA GARCIA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20194007792  
MY COMMISSION EXPIRES 02/25/2023**

# HEADWATERS METROPOLITAN DISTRICT

January 7, 2019

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203  
Filed Electronically: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

RE: Headwaters Metropolitan District LGID: 65193

Attached is the 2019 Budget for the Headwaters Metropolitan District in Grand County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on October 17, 2018. If there are any questions on the budget, please contact Mr. Eric Weaver, telephone number (970) 926-6060.

The mill levy certified to the County Commissioners of Grand County is 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$78,290, the total property tax revenue is \$0.00. A copy of the certification of mill levies sent to the County Commissioners for Grand County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Grand County, Colorado.

Sincerely,



Eric Weaver  
District Administrator

Enclosure(s)

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*Administrative & Financial Management Provided By Marchetti & Weaver, LLC*

**Mountain Office**  
28 Second Street, Suite 213  
Edwards, CO 81632  
(970) 926-6060

**Website & Email**  
[www.mwcpaa.com](http://www.mwcpaa.com)  
[Admin@mwcpaa.com](mailto:Admin@mwcpaa.com)

**Front Range Office**  
245 Century Circle, Suite 103  
Louisville, CO 80027  
(303) 926-2109-9136  
**GRMD\_10076**

## **HEADWATERS METROPOLITAN DISTRICT**

### **2019 BUDGET MESSAGE**

Headwaters Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, streets, parks & recreation, safety protection, sanitary sewer, and mosquito control.

The District has no employees and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

### **2019 BUDGET STRATEGY**

The District's strategy is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the District in the most economic manner possible.

The General Fund is responsible for maintaining the general operations. The transportation and road operations and maintenance responsibilities have been transferred to Granby Ranch Conservancy therefore the District will have no expenses related to these functions. The District anticipates receiving contributions from Granby Ranch Metropolitan District Nos. 2 & 8 and the master developer to fund the operation costs budgeted for 2019.

The Capital Improvements Fund will receive funds from the release of escrowed funds of the developer to fund the construction and repair of public infrastructure in the District.

**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT**

**TO ADOPT 2019 BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE HEADWATERS METROPOLITAN DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2019 AND ENDING ON THE LAST DAY OF DECEMBER 2019.

WHEREAS, the Board of Directors of the Headwaters Metropolitan District has appointed a budget committee to prepare and submit a proposed 2019 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 17, 2018, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the Headwaters Metropolitan District, Grand County, Colorado:

- Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Headwaters Metropolitan District for the year stated above.
  
- Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

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**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2018, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, FOR THE 2019 BUDGET YEAR.

WHEREAS, the Board of Directors of the Headwaters Metropolitan District, has adopted the annual budget in accordance with the Local Government Budget Law, on October 17, 2018 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$0.00 and;

WHEREAS, the Headwaters Metropolitan District finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for contractual obligations approved at election is \$0.00 and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$0.00, and;

WHEREAS, the 2018 valuation for assessment for the Headwaters Metropolitan District, as certified by the County Assessor is \$78,290.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO:

- Section 1. That for the purposes of meeting all general operating expenses of the Headwaters Metropolitan District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2018.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2019 there is hereby levied a temporary tax credit/mill levy reduction of 0.000 mills.
- Section 3. That for the purpose of meeting the contractual obligations of the Headwaters Metropolitan District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2018.

**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES (CONTINUED)**

- Section 4. That for the purpose of meeting all capital expenditures of the Headwaters Metropolitan District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2018.
- Section 5. That for the purpose of meeting all payments for bonds and interest of the Headwaters Metropolitan District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2018.
- Section 6. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Grand County, Colorado, the mill levies for the Headwaters Metropolitan District as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Grand County, Colorado, the mill levies for the Headwaters Metropolitan District as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO APPROPRIATE SUMS OF MONEY**  
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, FOR THE 2019 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 17, 2018, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

GENERAL FUND:

Current General Fund Expenditures	\$	93,900
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TRANSPORTATION FUND

Current Transportation Fund Expenditures	\$	-0-
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ROAD MAINTENANCE FUND

Current Road Maint Fund Expenditures	\$	7,700
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CAPITAL IMPROVEMENTS FUND:

Current Capital Improv Fund Expenditures	\$	455,041
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LEASE PURCHASE AGREEMENT FUND:

Current LPA Fund Expenditures	\$	250,000
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**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO ADOPT 2019 BUDGET, SET MILL LEVIES AND  
APPROPRIATE SUMS OF MONEY  
(CONTINUED)**

The above resolutions to adopt the 2019 budget, set the mill levies and to appropriate sums of money were adopted this 17th day of October, 2018.

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

*President*

Headwaters Metropolitan District  
 Combined Balance Sheet  
 September 30, 2018

Printed: 1/5/2019

	GENERAL FUND	TRANSPOR- TATION FUND	ROAD MAINT FUND	CAPITAL PROJECTS FUND	L.P.A. FUND	FIXED ASSETS & LTD	TOTAL
<b>Assets</b>							
Cash - CSAFE	13,458				58		13,516
Grand Mountain Bank	6,804	8,000	5,043	1,036	1,018		21,900
Accounts Receivable							-
County Treasurer							-
Developer	-			-			-
GRMD	-					-	-
GRMD #2	2,494						2,494
GRMD #8	-						-
GRA	13,090	6,173					19,263
GRC	-		-				-
SCMHOA	-						-
GRH Escrow				-			-
Prepaid Expenses	-						-
Fixed Assets - Vehicles and Eqpt						51,938	51,938
Roads						12,039,163	12,039,163
Other						291,279	291,279
Water - CIP						146,626	146,626
Sewer - CIP						52,511	52,511
Accum. Depreciation						(3,818,777)	(3,818,777)
Cap & Svc Oblig From GRMD 2-8						4,612,921	4,612,921
<b>Total Assets</b>	<b>35,846</b>	<b>14,173</b>	<b>5,043</b>	<b>1,036</b>	<b>1,075</b>	<b>13,375,661</b>	<b>13,432,834</b>
<b>Liabilities</b>							
A/P - General	26,040			-	-		26,040
Due to GRC		14,173					14,173
Deferred KMHD Roadway	-		5,043				5,043
Deferred Property Tax							-
Accrued Liabilities							-
Long-Term Debt:							-
Developer - Cap Adv						2,989,550	2,989,550
Developer - Cap Adv Int						1,634,213	1,634,213
Davey Coach Lease							-
Wagner Eqpt Lease							-
<b>Total Liabilities</b>	<b>26,040</b>	<b>14,173</b>	<b>5,043</b>	<b>-</b>	<b>-</b>	<b>4,623,763</b>	<b>4,669,019</b>
<b>Net Position</b>							
Investment in Cap & Svc Obligations						4,612,921	4,612,921
Investment in Fixed Assets						12,581,517	12,581,517
Investment in Accum Depr						(3,818,777)	(3,818,777)
Net of related debt						(4,623,763)	(4,623,763)
Fund Balance	9,806	-	-	1,036	1,075	-	11,917
<b>Total Fund Equity</b>	<b>9,806</b>	<b>-</b>	<b>-</b>	<b>1,036</b>	<b>1,075</b>	<b>8,751,898</b>	<b>8,763,815</b>
<b>Total Liabilities and Fund Equity</b>	<b>35,846</b>	<b>14,173</b>	<b>5,043</b>	<b>1,036</b>	<b>1,075</b>	<b>13,375,661</b>	<b>13,432,834</b>
	=	=	=	=	=	=	=

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

General Fund

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	9 Months Ended 09/30/18 Actual	9 Months Ended 09/30/18 Budget	Variance Favorable (Unfavor)	2019 Adopted Budget	Budget Assumptions
<b>REVENUES</b>									
<b>Restricted Sales and Use Tax Revenues</b>									
TOG Revenue Sharing-Use Tax	-	-	-	-	-	-	-	-	None Available
TOG Revenue Sharing-Sales Tax	-	-	-	-	-	-	-	-	None Available
<b>Total Restricted Revenues</b>	-	-	-	-	-	-	-	-	
<b>Unrestricted Revenues</b>									
Interest Income	472	250	150	400	326	188	138	250	
Amenities Rental Fee	15,364	13,090	-	13,090	13,090	13,090	-	13,090	Per Management Agreement
Transportation Reimbursements	-	-	-	-	-	-	-	-	
Road Cost Reimbursements	-	-	-	-	-	-	-	-	
Miscellaneous Income	-	-	1,264	1,264	1,264	-	1,264	-	
GRMD #8 Operations Funding	-	-	-	-	-	-	-	18,000	Funds from #8
Other Revenues	-	-	-	-	-	-	-	-	
<b>Total Unrestricted Revenues</b>	<b>15,836</b>	<b>13,340</b>	<b>1,414</b>	<b>14,754</b>	<b>14,680</b>	<b>13,278</b>	<b>1,403</b>	<b>31,340</b>	
<b>TOTAL REVENUES</b>	<b>15,836</b>	<b>13,340</b>	<b>1,414</b>	<b>14,754</b>	<b>14,680</b>	<b>13,278</b>	<b>1,403</b>	<b>31,340</b>	
<b>EXPENDITURES</b>									
<b>Operating</b>									
Accounting and Administration	33,923	37,500	-	37,500	23,296	25,550	2,254	38,500	Based on 2018 Forecast
Audit	-	12,300	12,300	-	-	-	-	-	Audit Exempt
Elections	-	5,000	3,620	1,380	1,380	5,000	3,620	15,000	TABOR Contract Election
Insurance	7,923	6,525	620	5,905	5,901	6,525	624	6,500	Based on 2018 Forecast
Legal	27,335	28,000	-	28,000	21,600	21,000	(600)	28,000	Based on 2018 Forecast
Office Overhead	164	1,250	-	1,250	127	950	823	1,250	Based on 2018 Forecast
Unbudgeted Requests/Tasks	4,292	5,000	-	5,000	3,533	5,000	1,467	5,000	Special Counsel, Contingency
GRMD Bond Issue Costs	-	-	-	-	-	-	-	-	
Less Allocation to Road Maint Fund	(8,063)	(350)	(100)	(250)	(160)	-	160	(350)	Per Road fund
Less Allocation to Transportation Fund	(1,286)	-	-	-	-	-	-	-	Per Transportation Fund
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Operating</b>	<b>64,287</b>	<b>95,225</b>	<b>16,440</b>	<b>78,785</b>	<b>55,677</b>	<b>64,025</b>	<b>8,348</b>	<b>93,900</b>	
<b>Transportation</b>									
Operating Expenses	-	-	-	-	-	-	-	-	No longer done by District
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Transportation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Public Works</b>									
Road Plowing & Maintenance	-	-	-	-	-	-	-	-	No longer done by District
Dust Abatement & Road Grading	-	-	-	-	-	-	-	-	No longer done by District
Street Scaping & Street Light R & M	-	-	-	-	-	-	-	-	No longer done by District
Facilities Management Fee - PW	-	-	-	-	-	-	-	-	No longer done by District
Mosquito Control	-	-	-	-	-	-	-	-	No longer done by District
Electricity	-	-	-	-	-	-	-	-	No longer done by District
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Public Works</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL EXPENDITURES</b>	<b>64,287</b>	<b>95,225</b>	<b>16,440</b>	<b>78,785</b>	<b>55,677</b>	<b>64,025</b>	<b>8,348</b>	<b>93,900</b>	
<b>TOTAL REV OVER (UNDER) EXP</b>	<b>(48,451)</b>	<b>(81,885)</b>	<b>17,854</b>	<b>(64,031)</b>	<b>(40,996)</b>	<b>(50,748)</b>	<b>9,751</b>	<b>(62,560)</b>	
<b>OTHER SOURCES (USES) OF FUNDS</b>									
Developer Contributions	175,607	83,000	(48,000)	35,000	10,936	44,000	(33,064)	64,000	Estimated Need
Contributions to GRMD Nos. 2-8	-	-	(4,249)	(4,249)	(4,249)	-	(4,249)	-	
Bond COI Reimbursement from GRMD	-	-	40,000	40,000	40,000	-	40,000	-	
Xfer To Transportation Fund	-	-	-	-	-	-	-	-	
Xfer To Road Fund	(1,376)	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
<b>Total Other Sources (Uses) of Funds</b>	<b>174,232</b>	<b>83,000</b>	<b>(12,249)</b>	<b>70,751</b>	<b>46,687</b>	<b>44,000</b>	<b>2,687</b>	<b>64,000</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>125,780</b>	<b>1,115</b>	<b>5,605</b>	<b>6,720</b>	<b>5,691</b>	<b>(6,748)</b>	<b>12,438</b>	<b>1,440</b>	
Beginning Fund Balance	(121,665)	11,582	(7,467)	4,115	4,115	11,582	(7,467)	10,335	
<b>Ending Fund Balance</b>	<b>4,115</b>	<b>12,697</b>	<b>(1,862)</b>	<b>10,835</b>	<b>9,806</b>	<b>4,835</b>	<b>4,971</b>	<b>11,775</b>	
<b>Components of Fund Balance:</b>									
TABOR Emergency Reserve	1,970	2,857	(366)	2,491	2,491	-	-	2,817	3% of non-lease expenditures
Non-Spendable- Prepaid Expenses	243	6,851	(351)	6,500	-	-	-	6,825	Prepay insurance
Transportation Capital Reserve	-	-	-	-	-	-	-	-	Refunded to GRC
Restricted Sales & Use Tax	-	-	-	-	-	-	-	-	
Road Overlay Reserve	-	-	-	-	-	-	-	-	
Unrestricted	1,902	2,989	(1,145)	1,844	7,315	-	-	2,133	Remaining available
<b>Total Fund Balance</b>	<b>4,115</b>	<b>12,697</b>	<b>(1,862)</b>	<b>10,835</b>	<b>9,806</b>	<b>4,835</b>	<b>4,971</b>	<b>11,775</b>	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Transportation Fund

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	9 Months Ended 09/30/18 Actual	9 Months Ended 09/30/18 Budget	Variance Favorable (Unfavor)	2019 Adopted Budget	Assumptions
<b>Revenues:</b>									
SCMHOA Reimb	9,241	-	-	-	-	-	-	-	No longer done by District
GRC	24,940	-	-	-	-	-	-	-	No longer done by District
GRA (Weddings)	-	-	-	-	-	-	-	-	No longer done by District
Interest	-	-	-	-	-	-	-	-	
Sale of Assets	-	15,000	(827)	14,173	14,173	15,000	(827)	-	Sell Turtle Bus
<b>Total Revenues</b>	<b>34,181</b>	<b>15,000</b>	<b>(827)</b>	<b>14,173</b>	<b>14,173</b>	<b>15,000</b>	<b>(827)</b>	<b>-</b>	
<b>Expenditures:</b>									
Transportation Operating Expenses	25,714	-	-	-	-	-	-	-	No longer done by District
Shuttle Lease Purchase - Principal	-	-	-	-	-	-	-	-	No longer done by District
Shuttle Lease Purchase - Interest	-	-	-	-	-	-	-	-	No longer done by District
Shuttle Rental, Licensing & Repairs	-	-	-	-	-	-	-	-	No longer done by District
Allocated Overhead	1,286	-	-	-	-	-	-	-	No longer done by District
<b>Total Expenditures</b>	<b>27,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>7,181</b>	<b>15,000</b>	<b>(827)</b>	<b>14,173</b>	<b>14,173</b>	<b>15,000</b>	<b>(827)</b>	<b>-</b>	
<b>Other Sources (Uses) of Funds:</b>									
Xfer Trans Capital Reserves	-	-	-	-	-	-	-	-	
Xfer To GRC	(60,718)	(15,000)	827	(14,173)	(14,173)	(15,000)	827	-	Give all remaining funds to GRC
<b>Total Other Sources (Uses) of Funds</b>	<b>(60,718)</b>	<b>(15,000)</b>	<b>827</b>	<b>(14,173)</b>	<b>(14,173)</b>	<b>(15,000)</b>	<b>827</b>	<b>-</b>	
<b>Change in Fund Balance</b>	<b>(53,537)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Beginning Fund Balance	53,537	-	-	-	-	-	-	-	
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Road Maintenance Fund

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	9 Months Ended 09/30/18 Actual	9 Months Ended 09/30/18 Budget	Variance Favorable (Unfavor)	2019 Adopted Budget	Assumptions
<b>Revenues:</b>									
SVMD Funding	-	-	-	-	-	-	-	-	No longer done by District
GRC- Streetscape	164,462	-	-	-	-	-	-	-	No longer done by District
GRMD Funding	-	-	-	-	-	-	-	-	No longer done by District
GRMD #2 Funding	-	-	-	-	-	-	-	-	No longer done by District
GRMD #8 Funding	-	-	-	-	-	-	-	-	No longer done by District
KMHD	3,477	7,700	(2,200)	5,500	1,757	4,620	(2,863)	7,700	Cost + 10% Overhead
Interest	-	-	-	-	-	-	-	-	
<b>Total Revenues</b>	<b>167,939</b>	<b>7,700</b>	<b>(2,200)</b>	<b>5,500</b>	<b>1,757</b>	<b>4,620</b>	<b>(2,863)</b>	<b>7,700</b>	
<b>Expenditures:</b>									
<b>Operations:</b>									
Utilities - Street Lights	8,183	-	-	-	-	-	-	-	No longer done by District
Snow Removal	82,190	-	-	-	-	-	-	-	No longer done by District
KMHD Snow Removal	3,418	7,000	2,000	5,000	1,598	4,200	2,603	7,000	Estimate on high side
Weed Control/Herbicides	-	-	-	-	-	-	-	-	No longer done by District
Mosquito Control	10,625	-	-	-	-	-	-	-	No longer done by District
Drainage/Ditch Clean Out	8,050	-	-	-	-	-	-	-	No longer done by District
Street Sweeping (Dust Abate & Road Gra	15,118	-	-	-	-	-	-	-	No longer done by District
Streetscaping	-	-	-	-	-	-	-	-	No longer done by District
Vegetation	-	-	-	-	-	-	-	-	No longer done by District
Facilities Management Fee	11,242	350	100	250	80	210	130	350	5% of costs
Allocated Overhead	8,063	350	100	250	80	210	130	350	5% of costs
<b>Maintenance:</b>									
Shoulders Repair and Maintenance	546	-	-	-	-	-	-	-	No longer done by District
Drainage/Ditch Repair & Maintenance	-	-	-	-	-	-	-	-	No longer done by District
Signage & Lighting	6,750	-	-	-	-	-	-	-	No longer done by District
Slope Stabilization	-	-	-	-	-	-	-	-	No longer done by District
Tree/Shrub Clearing & Removal	-	-	-	-	-	-	-	-	No longer done by District
Crack Sealing / Surfacing Treatments	15,130	-	-	-	-	-	-	-	No longer done by District
Guardrail Repair	-	-	-	-	-	-	-	-	No longer done by District
Dust Control	-	-	-	-	-	-	-	-	No longer done by District
Grading	-	-	-	-	-	-	-	-	No longer done by District
Striping	-	-	-	-	-	-	-	-	No longer done by District
Other / Contingency	-	-	-	-	-	-	-	-	No longer done by District
<b>Long Term Maintenance</b>									
Road Surface Overlays	-	-	-	-	-	-	-	-	No longer done by District
Other Replacements	-	-	-	-	-	-	-	-	No longer done by District
<b>Total Expenditures</b>	<b>169,315</b>	<b>7,700</b>	<b>2,200</b>	<b>5,500</b>	<b>1,757</b>	<b>4,620</b>	<b>2,863</b>	<b>7,700</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>(1,376)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
<b>Other Sources (Uses) of Funds:</b>									
Transfer From General Fund	1,376	-	-	-	-	-	-	-	
Transfer to GRC	-	-	-	-	-	-	-	-	
<b>Total Other Sources (Uses) of Funds</b>	<b>1,376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Change in Fund Balance</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
Beginning Fund Balance	-	-	(0)	(0)	-	-	-	(0)	
<b>Ending Fund Balance</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Capital Improvements Fund

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	9 Months Ended 09/30/18 Actual	9 Months Ended 09/30/18 Budget	Variance Favorable (Unfavor)	2019 Adopted Budget	Assumptions
<b>Revenues:</b>									
Interest Income	95	-	-	-	0	-	0	-	
Other Revenues	-	-	-	-	-	-	-	-	
<b>Total Revenues</b>	<b>95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	
<b>Capital Expenditures:</b>									
Construction Management Fee	-	-	-	-	-	-	-	-	1.5 % of expenditures
Metro Backbone	-	-	-	-	-	-	-	-	None Expected
DeBerard Sewer Planning/Design	-	-	-	-	-	-	-	-	None Expected
Lake Drive to Second Switchback	-	-	-	-	-	-	-	-	None Expected
Prospect Ridge	-	-	-	-	-	-	-	-	None Expected
Sol Vista Dr North	-	-	-	-	-	-	-	-	None Expected
Seven Eagles	-	-	-	-	-	-	-	-	None Expected
F2 - Fairway Cabins	-	-	-	-	-	-	-	-	None Expected
F3 - Ranchview	-	-	-	-	-	-	-	-	None Expected
F6 - Saddle Ridge	-	-	-	-	-	-	-	-	None Expected
F8 - Eisenhower Cabins	-	-	-	-	-	-	-	-	None Expected
F10 - Trailside	-	-	-	-	-	-	-	-	None Expected
F11 - Settler's Ridge	-	-	-	-	-	-	-	-	None Expected
F12 - Base Area Improvements	-	-	-	-	-	-	-	-	None Expected
F-17 Greyhawk - Sagelands I	-	-	-	-	-	-	-	-	None Expected
F-18 Sagelands II	-	-	-	-	-	-	-	-	None Expected
Water Tanks	-	-	-	-	-	-	-	-	None Expected
Fairways Lift Station	-	-	-	-	-	-	-	-	None Expected
Crack Sealing	-	-	-	-	-	-	-	-	None Expected
Municipal Water Line Extension	-	-	-	-	-	-	-	-	None Expected
Road Repairs - Escrow	-	-	(110,000)	110,000	58,676	-	(58,676)	455,041	\$565,041 Total
Contingency	-	500,000	500,000	-	-	-	-	-	Unforeseen Needs
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Expenditures</b>	<b>-</b>	<b>500,000</b>	<b>390,000</b>	<b>110,000</b>	<b>58,676</b>	<b>-</b>	<b>(58,676)</b>	<b>455,041</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>95</b>	<b>(500,000)</b>	<b>390,000</b>	<b>(110,000)</b>	<b>(58,676)</b>	<b>-</b>	<b>(58,676)</b>	<b>(455,041)</b>	
<b>Other Sources (Uses) of Funds:</b>									
Developer Cash Advances	-	500,000	(500,000)	-	-	-	-	-	
Road Escrow Fund Releases	-	-	110,000	110,000	58,676	-	58,676	455,041	\$565,041 Total
Other	-	-	-	-	-	-	-	-	
<b>Total Other Sources (Uses) of Funds</b>	<b>-</b>	<b>500,000</b>	<b>(390,000)</b>	<b>110,000</b>	<b>58,676</b>	<b>-</b>	<b>58,676</b>	<b>455,041</b>	
Beginning Fund Balance	940	1,035	1	1,036	1,036	1,035	1	1,036	
<b>Ending Fund Balance</b>	<b>1,036</b>	<b>1,035</b>	<b>1</b>	<b>1,036</b>	<b>1,036</b>	<b>1,035</b>	<b>1</b>	<b>1,036</b>	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Lease Purchase Agreement (LPA) Special Revenue Fund

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	9 Months Ended 09/30/18 Actual	9 Months Ended 09/30/18 Budget	Variance Favorable (Unfavor)	2019 Adopted Budget	Assumptions
<b>Revenues:</b>									
Amenity Fee Revenue	230,000	250,000	(130,000)	120,000	90,000	90,000	-	250,000	Budget high to avoid amendment Based on 2017 Forecast
Interest	3	3	-	3	2	2	(0)	3	
<b>Total Revenues</b>	<b>230,003</b>	<b>250,003</b>	<b>(130,000)</b>	<b>120,003</b>	<b>90,002</b>	<b>90,002</b>	<b>(0)</b>	<b>250,003</b>	
<b>Expenditures:</b>									
Lease-Purchase Payments	230,000	250,000	130,000	120,000	90,000	90,000	-	250,000	Equal to fees received
<b>Total Expenditures</b>	<b>230,000</b>	<b>250,000</b>	<b>130,000</b>	<b>120,000</b>	<b>90,000</b>	<b>90,000</b>	<b>-</b>	<b>250,000</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>(0)</b>	<b>3</b>	
<b>Other Sources (Uses) of Funds:</b>									
Transfer From Old Amenities Fund		-	-	-			-		
<b>Total Other Sources (Uses) of Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Change in Fund Balance</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>(0)</b>	<b>3</b>	
Beginning Fund Balance	1,070	1,073	(0)	1,073	1,073	1,073	(0)	1,076	
<b>Ending Fund Balance</b>	<b>1,073</b>	<b>1,076</b>	<b>(0)</b>	<b>1,076</b>	<b>1,075</b>	<b>1,075</b>	<b>(0)</b>	<b>1,079</b>	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of Grand County, Colorado.

On behalf of the Headwaters Metropolitan District

(taxing entity)<sup>A</sup>

the Board of Directors

(governing body)<sup>B</sup>

of the Headwaters Metropolitan District

(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 78,290

(Gross<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation From DLG 5<sup>F</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 78,290

(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/12/2018 (not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2019 (yyyy)

Table with 3 columns: PURPOSE, LEVY<sup>2</sup>, and REVENUE<sup>2</sup>. Rows include General Operating Expenses, Temporary General Property Tax Credit, and various bond and obligation categories, ending with a TOTAL row.

Contact person: Eric Weaver, Daytime phone: (970) 926-6060 x6. Signed: Eric Weaver, Title: District Accountant.

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

1 If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution. 2 Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

# HEADWATERS METROPOLITAN DISTRICT

January 15, 2020

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203  
Filed Electronically: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

RE: Headwaters Metropolitan District LGID: 65193

Attached is the 2020 Budget for the Headwaters Metropolitan District in Grand County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on October 30, 2019. If there are any questions on the budget, please contact Mr. Eric Weaver, telephone number (970) 926-6060.

The mill levy certified to the County Commissioners of Grand County is 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$58,210, the total property tax revenue is \$0.00. A copy of the certification of mill levies sent to the County Commissioners for Grand County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Grand County, Colorado.

Sincerely,



Eric Weaver  
District Administrator

Enclosure(s)

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*Administrative & Financial Management Provided By Marchetti & Weaver, LLC*

**Mountain Office**  
28 Second Street, Suite 213  
Edwards, CO 81632  
(970) 926-6060

**Website & Email**  
[www.mwcpaa.com](http://www.mwcpaa.com)  
[Admin@mwcpaa.com](mailto:Admin@mwcpaa.com)

**Front Range Office**  
245 Century Circle, Suite 103  
Louisville, CO 80027  
(970) 926-9136  
**GRMD\_10090**

## **HEADWATERS METROPOLITAN DISTRICT**

### **2020 BUDGET MESSAGE**

Headwaters Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, streets, parks & recreation, safety protection, sanitary sewer, and mosquito control.

The District has no employees and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

### **2020 BUDGET STRATEGY**

The District's strategy is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the District in the most economic manner possible.

The General Fund is responsible for maintaining the general operations. The transportation and road operations and maintenance responsibilities have been transferred to Granby Ranch Conservancy therefore the District will have no expenses related to these functions other than minor revenues and expenses for plowing of an adjacent property. The District anticipates receiving contributions from Granby Ranch Metropolitan District No. 8 and the master developer to fund the operation costs budgeted for 2020.

The Capital Improvements Fund will receive funds from the developer to fund the construction and repair of public infrastructure in the District.

**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT**

**TO ADOPT 2020 BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE HEADWATERS METROPOLITAN DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board of Directors of the Headwaters Metropolitan District has appointed a budget committee to prepare and submit a proposed 2020 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 30, 2019, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the Headwaters Metropolitan District, Grand County, Colorado:

- Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Headwaters Metropolitan District for the year stated above.
- Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

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**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2019, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors of the Headwaters Metropolitan District, has adopted the annual budget in accordance with the Local Government Budget Law, on October 30, 2019 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$0.00 and;

WHEREAS, the Headwaters Metropolitan District finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for contractual obligations approved at election is \$0.00 and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$0.00, and;

WHEREAS, the 2019 valuation for assessment for the Headwaters Metropolitan District, as certified by the County Assessor is \$58,210.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO:

- Section 1. That for the purposes of meeting all general operating expenses of the Headwaters Metropolitan District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2019.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2020 there is hereby levied a temporary tax credit/mill levy reduction of 0.000 mills.
- Section 3. That for the purpose of meeting the contractual obligations of the Headwaters Metropolitan District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2019.

**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES (CONTINUED)**

- Section 4. That for the purpose of meeting all capital expenditures of the Headwaters Metropolitan District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2019.
- Section 5. That for the purpose of meeting all payments for bonds and interest of the Headwaters Metropolitan District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2019.
- Section 6. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Grand County, Colorado, the mill levies for the Headwaters Metropolitan District as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Grand County, Colorado, the mill levies for the Headwaters Metropolitan District as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO APPROPRIATE SUMS OF MONEY**  
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 30, 2019, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

GENERAL FUND:

Current General Fund Expenditures	\$	93,900
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TRANSPORTATION FUND

Current Transportation Fund Expenditures	\$	-0-
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ROAD MAINTENANCE FUND

Current Road Maint Fund Expenditures	\$	7,700
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CAPITAL IMPROVEMENTS FUND:

Current Capital Improv Fund Expenditures	\$	3,535,677
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LEASE PURCHASE AGREEMENT FUND:

Current LPA Fund Expenditures	\$	250,000
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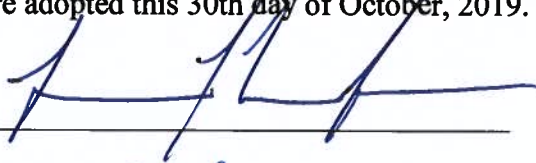
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**RESOLUTIONS OF HEADWATERS METROPOLITAN DISTRICT (CONTINUED)**

**TO ADOPT 2020 BUDGET, SET MILL LEVIES AND  
APPROPRIATE SUMS OF MONEY  
(CONTINUED)**

The above resolutions to adopt the 2020 budget, set the mill levies and to appropriate sums of money were adopted this 30th day of October, 2019.

Attest: \_\_\_\_\_



Title: \_\_\_\_\_

President

Headwaters Metropolitan District  
 Combined Balance Sheet  
 September 30, 2019

Printed: 12/28/2019

	GENERAL FUND	TRANSPOR- TATION FUND	ROAD MAINT FUND	CAPITAL PROJECTS FUND	L.P.A. FUND	FIXED ASSETS & LTD	TOTAL
<b>Assets</b>							
Cash - CSAFE	16,318				58		16,375
Grand Mountain Bank	2,529	-	2,992	1,037	1,022		7,580
Accounts Receivable							-
County Treasurer							-
Developer	16,466			343,442			359,908
GRMD	-					-	-
GRMD #2	-						-
GRMD #8	-						-
GRA	-	-					-
GRC	-		-				-
SCMHOA	-						-
GRH Escrow				-			-
Prepaid Expenses	-						-
Fixed Assets - Vehicles and Eqpt						-	-
Roads						12,039,163	12,039,163
Other						291,279	291,279
Water - CIP						146,626	146,626
Sewer - CIP						52,511	52,511
Accum. Depreciation						(4,185,643)	(4,185,643)
Cap & Svc Oblig From GRMD 2-8						4,622,726	4,622,726
<b>Total Assets</b>	<b>35,313</b>	<b>-</b>	<b>2,992</b>	<b>344,478</b>	<b>1,080</b>	<b>12,966,662</b>	<b>13,350,525</b>
<b>Liabilities</b>							
A/P - General	8,285			311,178	-		319,463
Due to GRC		-					-
CEI - Retainage Payable				32,264			32,264
Deferred KMHD Roadway	-		2,992				2,992
Deferred Property Tax							-
Accrued Liabilities							-
Long-Term Debt:							-
Developer - Cap Adv						2,989,550	2,989,550
Developer - Cap Adv Int						1,634,213	1,634,213
Davey Coach Lease							-
Wagner Eqpt Lease							-
<b>Total Liabilities</b>	<b>8,285</b>	<b>-</b>	<b>2,992</b>	<b>343,442</b>	<b>-</b>	<b>4,623,763</b>	<b>4,978,482</b>
<b>Net Position</b>							
Investment in Cap & Svc Obligations						4,622,726	4,622,726
Investment in Fixed Assets						12,529,579	12,529,579
Investment in Accum Depr						(4,185,643)	(4,185,643)
Net of related debt						(4,623,763)	(4,623,763)
Fund Balance	27,028	-	-	1,037	1,080	-	29,145
<b>Total Fund Equity</b>	<b>27,028</b>	<b>-</b>	<b>-</b>	<b>1,037</b>	<b>1,080</b>	<b>8,342,899</b>	<b>8,372,044</b>
<b>Total Liabilities and Fund Equity</b>	<b>35,313</b>	<b>-</b>	<b>2,992</b>	<b>344,478</b>	<b>1,080</b>	<b>12,966,662</b>	<b>13,350,525</b>
	=	=	=	=	=	=	=

No Assurance is provided on these financial statements: substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

General Fund

	2018 Unaudited Actual	2019 Amended Budget	Variance Positive (Negative)	2019 Forecast	9 Months Ended 09/30/19 Actual	9 Months Ended 09/30/19 Budget	Variance Favorable (Unfavor)	2020 Adopted Budget	Budget Assumptions
<b>REVENUES</b>									
<b>Restricted Sales and Use Tax Revenues</b>									
TOG Revenue Sharing-Use Tax	-	-	-	-	-	-	-	-	None Available
TOG Revenue Sharing-Sales Tax	-	-	-	-	-	-	-	-	None Available
<b>Total Restricted Revenues</b>	-	-	-	-	-	-	-	-	
<b>Unrestricted Revenues</b>									
Interest Income	427	250	150	400	324	188	136	250	
Amenities Rental Fee	13,091	13,090	3,376	16,466	16,466	13,090	3,376	16,500	Per Management Agreement
Transportation Reimbursements	-	-	-	-	-	-	-	-	
Road Cost Reimbursements	-	-	-	-	-	-	-	-	
Miscellaneous Income	1,264	-	-	-	-	-	-	-	
GRMD #8 Operations Funding	-	18,000	-	18,000	18,000	18,000	(0)	24,000	Funds from #8
Other Revenues	-	-	-	-	-	-	-	-	
<b>Total Unrestricted Revenues</b>	<b>14,782</b>	<b>31,340</b>	<b>3,526</b>	<b>34,866</b>	<b>34,789</b>	<b>31,278</b>	<b>3,512</b>	<b>40,750</b>	
<b>TOTAL REVENUES</b>	<b>14,782</b>	<b>31,340</b>	<b>3,526</b>	<b>34,866</b>	<b>34,789</b>	<b>31,278</b>	<b>3,512</b>	<b>40,750</b>	
<b>EXPENDITURES</b>									
<b>Operating</b>									
Accounting and Administration	30,115	38,500	-	38,500	19,223	26,550	7,327	38,500	Based on 2019 Forecast
Audit	-	-	-	-	-	-	-	-	Audit Exempt
Elections	1,380	15,000	-	15,000	2,243	2,500	257	15,000	HWMD, GRMD 2-8
Insurance	5,901	6,500	1,500	5,000	4,948	6,500	1,552	6,500	Based on 2019 Forecast
Legal	30,260	28,000	-	28,000	22,103	21,000	(1,103)	28,000	Based on 2019 Forecast
Office Overhead	127	1,250	-	1,250	26	750	724	1,250	Based on 2019 Forecast
Unbudgeted Requests/Tasks	6,218	5,000	-	5,000	768	5,000	4,232	5,000	Special Counsel, Contingency
GRMD Bond Issue Costs	-	-	-	-	-	-	-	-	
Less Allocation to Road Maint Fund	(298)	(350)	-	(350)	(260)	(260)	-	(350)	Per Road fund
Less Allocation to Transportation Fund	-	-	-	-	-	-	-	-	Per Transportation Fund
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Operating</b>	<b>73,703</b>	<b>93,900</b>	<b>1,500</b>	<b>92,400</b>	<b>49,050</b>	<b>62,040</b>	<b>12,990</b>	<b>93,900</b>	
<b>Transportation</b>									
Operating Expenses	-	-	-	-	-	-	-	-	No longer done by District
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Transportation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Public Works</b>									
Road Plowing & Maintenance	-	-	-	-	-	-	-	-	No longer done by District
Dust Abatement & Road Grading	-	-	-	-	-	-	-	-	No longer done by District
Street Scaping & Street Light R & M	-	-	-	-	-	-	-	-	No longer done by District
Facilities Management Fee - PW	-	-	-	-	-	-	-	-	No longer done by District
Mosquito Control	-	-	-	-	-	-	-	-	No longer done by District
Electricity	-	-	-	-	-	-	-	-	No longer done by District
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Public Works</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL EXPENDITURES</b>	<b>73,703</b>	<b>93,900</b>	<b>1,500</b>	<b>92,400</b>	<b>49,050</b>	<b>62,040</b>	<b>12,990</b>	<b>93,900</b>	
<b>TOTAL REV OVER (UNDER) EXP</b>	<b>(58,921)</b>	<b>(62,560)</b>	<b>5,026</b>	<b>(57,534)</b>	<b>(14,261)</b>	<b>(30,763)</b>	<b>16,501</b>	<b>(53,150)</b>	
<b>OTHER SOURCES (USES) OF FUNDS</b>									
Developer Contributions	28,936	64,000	(6,000)	58,000	31,408	23,000	8,408	55,000	Estimated Need
Contributions to GRMD Nos. 2-8	(4,249)	-	-	-	-	-	-	-	
Bond COI Reimbursement from GRMD	40,000	-	-	-	-	-	-	-	
Xfer To Transportation Fund	-	-	-	-	-	-	-	-	
Xfer To Road Fund	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
<b>Total Other Sources (Uses) of Funds</b>	<b>64,687</b>	<b>64,000</b>	<b>(6,000)</b>	<b>58,000</b>	<b>31,408</b>	<b>23,000</b>	<b>8,408</b>	<b>55,000</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>5,766</b>	<b>1,440</b>	<b>(974)</b>	<b>466</b>	<b>17,147</b>	<b>(7,763)</b>	<b>24,910</b>	<b>1,850</b>	
Beginning Fund Balance	4,115	10,335	(454)	9,881	9,881	10,335	(454)	10,347	
<b>Ending Fund Balance</b>	<b>9,881</b>	<b>11,775</b>	<b>(1,428)</b>	<b>10,347</b>	<b>27,028</b>	<b>2,573</b>	<b>24,456</b>	<b>12,197</b>	
<b>Components of Fund Balance:</b>									
TABOR Emergency Reserve	1,139	2,817	(45)	2,772	2,772	-	-	2,817	3% of non-lease expenditures
Non-Spendable- Prepaid Expenses	-	6,825	(325)	6,500	-	-	-	6,825	Prepay insurance
Transportation Capital Reserve	-	-	-	-	-	-	-	-	
Restricted Sales & Use Tax	-	-	-	-	-	-	-	-	
Road Overlay Reserve	-	-	-	-	-	-	-	-	
Unrestricted	8,743	2,133	(1,058)	1,075	24,256	-	-	2,555	Remaining available
<b>Total Fund Balance</b>	<b>9,881</b>	<b>11,775</b>	<b>(1,428)</b>	<b>10,347</b>	<b>27,028</b>			<b>12,197</b>	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Transportation Fund

	2018 Unaudited Actual	2019 Amended Budget	Variance Positive (Negative)	2019 Forecast	9 Months Ended 09/30/19 Actual	9 Months Ended 09/30/19 Budget	Variance Favorable (Unfavor)	2020 Adopted Budget	Assumptions
<b>Revenues:</b>									
SCMHOA Reimb	-	-	-	-	-	-	-	-	No longer done by District
GRC	-	-	-	-	-	-	-	-	No longer done by District
GRA (Weddings)	-	-	-	-	-	-	-	-	No longer done by District
Interest	-	-	-	-	-	-	-	-	
Sale of Assets	14,173	-	-	-	-	-	-	-	Sell Turtle Bus
<b>Total Revenues</b>	<b>14,173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Expenditures:</b>									
Transportation Operating Expenses	-	-	-	-	-	-	-	-	No longer done by District
Shuttle Lease Purchase - Principal	-	-	-	-	-	-	-	-	No longer done by District
Shuttle Lease Purchase - Interest	-	-	-	-	-	-	-	-	No longer done by District
Shuttle Rental, Licensing & Repairs	-	-	-	-	-	-	-	-	No longer done by District
Allocated Overhead	-	-	-	-	-	-	-	-	No longer done by District
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>14,173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Other Sources (Uses) of Funds:</b>									
Xfer Trans Capital Reserves	-	-	-	-	-	-	-	-	
Xfer To GRC	(14,173)	-	-	-	-	-	-	-	Give all remaining funds to GRC
<b>Total Other Sources (Uses) of Funds</b>	<b>(14,173)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Beginning Fund Balance	-	-	-	-	-	-	-	-	
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Road Maintenance Fund

	2018 Unaudited Actual	2019 Amended Budget	Variance Positive (Negative)	2019 Forecast	9 Months Ended 09/30/19 Actual	9 Months Ended 09/30/19 Budget	Variance Favorable (Unfavor)	2020 Adopted Budget	Assumptions
<b>Revenues:</b>									
SVMD Funding	-	-	-	-	-	-	-	-	No longer done by District
GRC- Streetscape	-	-	-	-	-	-	-	-	No longer done by District
GRMD Funding	-	-	-	-	-	-	-	-	No longer done by District
GRMD #2 Funding	-	-	-	-	-	-	-	-	No longer done by District
GRMD #8 Funding	-	-	-	-	-	-	-	-	No longer done by District
KMHD	3,275	7,700	-	7,700	3,120	4,620	(1,500)	7,700	Cost + 10% Overhead
Interest	-	-	-	-	-	-	-	-	
<b>Total Revenues</b>	<b>3,275</b>	<b>7,700</b>	<b>-</b>	<b>7,700</b>	<b>3,120</b>	<b>4,620</b>	<b>(1,500)</b>	<b>7,700</b>	
<b>Expenditures:</b>									
<b>Operations:</b>									
Utilities - Street Lights	-	-	-	-	-	-	-	-	No longer done by District
Snow Removal	-	-	-	-	-	-	-	-	No longer done by District
KMHD Snow Removal	2,978	7,000	-	7,000	2,600	4,200	1,600	7,000	Estimate on high side
Weed Control/Herbicides	-	-	-	-	-	-	-	-	No longer done by District
Mosquito Control	-	-	-	-	-	-	-	-	No longer done by District
Drainage/Ditch Clean Out	-	-	-	-	-	-	-	-	No longer done by District
Street Sweeping (Dust Abate & Road Gra	-	-	-	-	-	-	-	-	No longer done by District
Streetscaping	-	-	-	-	-	-	-	-	No longer done by District
Vegetation	-	-	-	-	-	-	-	-	No longer done by District
Facilities Management Fee	149	350	-	350	260	210	(50)	350	5% of costs
Allocated Overhead	149	350	-	350	260	210	(50)	350	5% of costs
<b>Maintenance:</b>									
Shoulders Repair and Maintenance	-	-	-	-	-	-	-	-	No longer done by District
Drainage/Ditch Repair & Maintenance	-	-	-	-	-	-	-	-	No longer done by District
Signage & Lighting	-	-	-	-	-	-	-	-	No longer done by District
Slope Stabilization	-	-	-	-	-	-	-	-	No longer done by District
Tree/Shrub Clearing & Removal	-	-	-	-	-	-	-	-	No longer done by District
Crack Sealing / Surfacing Treatments	-	-	-	-	-	-	-	-	No longer done by District
Guardrail Repair	-	-	-	-	-	-	-	-	No longer done by District
Dust Control	-	-	-	-	-	-	-	-	No longer done by District
Grading	-	-	-	-	-	-	-	-	No longer done by District
Striping	-	-	-	-	-	-	-	-	No longer done by District
Other / Contingency	-	-	-	-	-	-	-	-	No longer done by District
<b>Long Term Maintenance</b>									
Road Surface Overlays	-	-	-	-	-	-	-	-	No longer done by District
Other Replacements	-	-	-	-	-	-	-	-	No longer done by District
<b>Total Expenditures</b>	<b>3,275</b>	<b>7,700</b>	<b>-</b>	<b>7,700</b>	<b>3,120</b>	<b>4,620</b>	<b>1,500</b>	<b>7,700</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
<b>Other Sources (Uses) of Funds:</b>									
Transfer From General Fund	-	-	-	-	-	-	-	-	
Transfer to GRC	-	-	-	-	-	-	-	-	
<b>Total Other Sources (Uses) of Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
Beginning Fund Balance	-	-	(0)	(0)	-	-	-	(0)	
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Capital Improvements Fund

	2018 Unaudited Actual	2019 Amended Budget	Variance Positive (Negative)	2019 Forecast	9 Months Ended 09/30/19 Actual	9 Months Ended 09/30/19 Budget	Variance Favorable (Unfavor)	2020 Adopted Budget	Assumptions
<b>Revenues:</b>									
Interest Income	1	-	-	-	0	-	0	-	
Other Revenues	-	-	-	-	-	-	-	-	
<b>Total Revenues</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	
<b>Capital Expenditures:</b>									
Construction Management Fee	-	-	-	-	-	-	-	-	
Metro Backbone	-	-	-	-	-	-	-	-	
Lake Dr @ Cumulus Rd - Ph1A	-	81,463	-	81,463	-	81,463	81,463	-	Completed in 2019
Lake Dr @ Cirrus Way - Ph1B	-	78,598	78,598	-	-	-	-	78,598	Phase 1B & 2- Per Lance's SS
F3 - Upper Ranch View Rd - Ph2	-	100,541	100,541	-	-	-	-	100,541	Phase 1B & 2- Per Lance's SS
F3 - Lower Ranch View Rd - Ph2	-	575,175	575,175	-	-	-	-	575,175	Phase 1B & 2- Per Lance's SS
F6 - Thunderbolt Dr - Ph2	-	63,267	63,267	-	-	-	-	63,267	Phase 1B & 2- Per Lance's SS
F6 - Pawnee Lane - Ph2	-	69,486	69,486	-	-	-	-	69,486	Phase 1B & 2- Per Lance's SS
F8 - Eagles Nest Court - Ph1B	-	133,671	133,671	-	-	-	-	133,671	Phase 1B & 2- Per Lance's SS
F8 - Lone Eagle Dr - Ph1B	-	497,790	497,790	-	-	-	-	497,790	Phase 1B & 2- Per Lance's SS
F8 - Black Feather Court - Ph2	-	40,446	40,446	-	-	-	-	40,446	Phase 1B & 2- Per Lance's SS
F8 - Kiowa Lane - Ph2	-	173,099	173,099	-	-	-	-	173,099	Phase 1B & 2- Per Lance's SS
F10 - Cumulus Rd - Ph1A	-	679,221	-	679,221	645,944	679,221	33,277	-	Completed in 2019
F10 - Cirrus Way - Ph1B	-	355,450	355,450	-	-	-	-	355,450	Phase 1B & 2- Per Lance's SS
F10 - Nimbus Dr - Ph1B	-	578,961	578,961	-	-	-	-	578,961	Phase 1B & 2- Per Lance's SS
F10 - Stratus Court - Ph1B	-	369,193	369,193	-	-	-	-	369,193	Phase 1B & 2- Per Lance's SS
Road Repairs - Escrow / Engineering	105,905	45,250	(111,410)	156,660	156,657	45,250	(111,407)	-	
Contingency	-	500,000	500,000	-	-	-	-	500,000	Additional Contingency
Other Expenditures	-	-	-	-	-	-	-	-	
<b>Total Expenditures</b>	<b>105,905</b>	<b>4,341,611</b>	<b>3,424,267</b>	<b>917,344</b>	<b>802,601</b>	<b>805,934</b>	<b>3,333</b>	<b>3,535,677</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>(105,904)</b>	<b>(4,341,611)</b>	<b>3,424,267</b>	<b>(917,344)</b>	<b>(802,600)</b>	<b>(805,934)</b>	<b>3,334</b>	<b>(3,535,677)</b>	
<b>Other Sources (Uses) of Funds:</b>									
Developer Advances	-	3,882,475	(3,424,267)	458,208	343,442	760,684	(417,242)	3,535,677	
Road Escrow Fund Releases	105,905	459,136	0	459,136	459,159	459,136	23	-	
Other	-	-	-	-	-	-	-	-	
<b>Total Other Sources (Uses) of Funds</b>	<b>105,905</b>	<b>4,341,611</b>	<b>(3,424,267)</b>	<b>917,344</b>	<b>802,601</b>	<b>1,219,820</b>	<b>(417,219)</b>	<b>3,535,677</b>	
Beginning Fund Balance	1,036	1,036	-	1,036	1,036	1,036	1	1,036	
<b>Ending Fund Balance</b>	<b>1,036</b>	<b>1,036</b>	<b>-</b>	<b>1,036</b>	<b>1,037</b>	<b>414,922</b>	<b>(413,885)</b>	<b>1,036</b>	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

Headwaters Metropolitan District  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

Lease Purchase Agreement (LPA) Special Revenue Fund

	2018 Unaudited Actual	2019 Amended Budget	Variance Positive (Negative)	2019 Forecast	9 Months Ended 09/30/19 Actual	9 Months Ended 09/30/19 Budget	Variance Favorable (Unfavor)	2020 Adopted Budget	Assumptions
<b>Revenues:</b>									
Amenity Fee Revenue	110,000	250,000	(150,000)	100,000	70,000	70,000	-	250,000	Budget high to avoid amendment Based on 2019 Forecast
Interest	2	3	2	5	4	2	2	5	
<b>Total Revenues</b>	<b>110,002</b>	<b>250,003</b>	<b>(149,998)</b>	<b>100,005</b>	<b>70,004</b>	<b>70,002</b>	<b>2</b>	<b>250,005</b>	
<b>Expenditures:</b>									
Lease-Purchase Payments	110,000	250,000	150,000	100,000	70,000	70,000	-	250,000	Equal to fees received
<b>Total Expenditures</b>	<b>110,000</b>	<b>250,000</b>	<b>150,000</b>	<b>100,000</b>	<b>70,000</b>	<b>70,000</b>	<b>-</b>	<b>250,000</b>	
<b>Revenue Over (Under) Expenditures</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>5</b>	
<b>Other Sources (Uses) of Funds:</b>									
Transfer From Old Amenities Fund		-	-	-			-		
<b>Total Other Sources (Uses) of Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Change in Fund Balance</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>5</b>	
Beginning Fund Balance	1,073	1,076	(1)	1,075	1,075	1,076	(1)	1,080	
<b>Ending Fund Balance</b>	<b>1,075</b>	<b>1,079</b>	<b>1</b>	<b>1,080</b>	<b>1,080</b>	<b>1,078</b>	<b>1</b>	<b>1,085</b>	
	=	=	=	=	=	=	=	=	

No Assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO:** County Commissioners<sup>1</sup> of Grand County, Colorado.

On behalf of the Headwaters Metropolitan District

(taxing entity)<sup>A</sup>

the Board of Directors

(governing body)<sup>B</sup>

of the Headwaters Metropolitan District

(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 58,210

(Gross<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 58,210

(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** 12/9/2019  
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2020.  
(yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY<sup>2</sup></b>	<b>REVENUE<sup>2</sup></b>
1. General Operating Expenses <sup>H</sup>	<u>0.000</u> mills	\$ -
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	<u>(0.000)</u> mills	\$ -
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>(0.000)</u> mills</b>	<b><u>\$ -</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>0.000</u> mills	\$ -
4. Contractual Obligations <sup>K</sup>	<u>0.000</u> mills	\$ -
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	\$ -
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	\$ -
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	\$ -
	<u>0.000</u> mills	\$ -
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>0.000</u> mills</b>	<b><u>\$ -</u></b>

Contact person: Eric Weaver  
(print)

Daytime phone: (970) 926-6060 x6

Signed: 

Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

**BUDGET RESOLUTION**

**(2021)**

**CERTIFIED COPY OF RESOLUTION**

STATE OF COLORADO )  
 ) ss.  
COUNTY OF GRAND )

At the special meeting of the Board of Directors of Headwaters Metropolitan District, Town of Granby, County of Grand, Colorado, held at 8:00 AM on Friday, October 15, 2021, via virtual Zoom meeting. The following Board members were present:

Scott Johnson  
Susanne Johnson

Also present were:

Clint Waldron, Emilee Hansen and Allison Hanson, White Bear Ankele Tanaka and Waldron; David Richardson and Katie Jenner, Husch Blackwell; Marcos Pacheco and Diane Rodriguez; Community Resource Services of Colorado. Natascha O’Flaherty, Town of Granby Representative; Ted Cherry, Manager Town of Granby ; Matt Girard, John Gillogley, Andrew Glenn and Kim Konkel

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is a special meeting of the Board of Directors of the District and that a notice of the meeting was posted on the District’s website and at the Grand County Clerk and Recorder’s Office, and to the best of their knowledge, remains posted to the date of this meeting.

Thereupon, Director Scot Johnson introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HEADWATERS METROPOLITAN DISTRICT, TOWN OF GRANBY, GRAND COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021 AND ENDING ON THE LAST DAY OF DECEMBER, 2021.

WHEREAS, the Board of Directors (the "Board") of the Headwaters Metropolitan District (the "District") has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2021; and

WHEREAS, the proposed 2021 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on June 17, 2021, in the Middle Park Times, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 8:00 AM on Friday, October 15, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2021 Revenues and 2021 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2021, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021.

Section 3. 2021 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$-0-, and that the 2020 valuation for assessment, as certified by the Grand County Assessor, is \$ 58,210. That for the purposes of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of zero mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2021.

Section 4. Certification to Board of County Commissioners. No mill levies were certified to the Grand County Board of County Commissioners

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Susanne Johnson.

THIS RESOLUTION WAS APPROVED AND ADOPTED ON OCTOBER 15, 2021.

HEADWATERS METROPOLITAN DISTRICT

By: DocuSigned by:  
Scot Johnson  
80070890A8BF4D0...  
\_\_\_\_\_  
President

ATTEST:

DocuSigned by:  
Sue Blair  
2FEA9ED8300D4EC  
\_\_\_\_\_  
Sue Blair, Secretary

STATE OF COLORADO  
COUNTY OF GRAND  
HEADWATERS METROPOLITAN DISTRICT

I, Sue Blair, hereby certify that I am a qualified Secretary of Headwaters Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 8:00 AM on Friday, October 15, 2021, via a virtual Zoom meeting, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2021; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on October 15, 2021.

DocuSigned by:  
*Sue Blair*  
2EE89ED6300D4EC...

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Sue Blair, Secretary

**EXHIBIT A**  
**2021 BUDGET DOCUMENT & BUDGET MESSAGE FOR**  
**HEADWATERS METROPOLITAN DISTRICT**

**HEADWATERS METROPOLITAN DISTRICT  
GENERAL FUND  
2021 ADOPTED BUDGET - MODIFIED ACCRUAL BASIS  
WITH 2019 & 2020 ACTUAL AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Adopted</u>
<b>REVENUES</b>			
Amenities rental fee	\$ 16,466	\$ 7,239	\$ -
IGA revenues	18,000	24,769	-
Developer contributions	-	-	260,000
Interest	407	123	25
Allocation from road maintenance fund	520	284	1,000
Miscellaneous	-	25	-
<b>Total revenues</b>	<u>35,393</u>	<u>32,440</u>	<u>261,025</u>
<b>EXPENDITURES</b>			
Audit	-	5,200	-
District management and accounting	26,103	44,874	60,000
Election	7,959	13,068	-
Insurance and SDA dues	6,223	5,050	6,500
Legal	27,517	64,928	225,000
Miscellaneous	870	2,061	2,500
Emergency reserve (3%)	-	-	7,800
<b>Total expenditures</b>	<u>68,672</u>	<u>135,181</u>	<u>301,800</u>
<b>EXCESS OF EXPENDITURES OVER REVENUES</b>	<u>(33,279)</u>	<u>(102,741)</u>	<u>(40,775)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer advances	33,408	142,609	-
Transfer to golf course fund	-	-	(536)
Transfer from lease purchase fund	-	-	1,082
<b>Total other financing sources (uses)</b>	<u>33,408</u>	<u>142,609</u>	<u>546</u>
<b>NET CHANGE IN FUND BALANCE</b>	129	39,868	(40,229)
<b>BEGINNING FUND BALANCE</b>	<u>9,881</u>	<u>10,010</u>	<u>49,878</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 10,010</u>	<u>\$ 49,878</u>	<u>\$ 9,649</u>

**HEADWATERS METROPOLITAN DISTRICT  
GOLF COURSE OPERATIONS FUND  
2021 ADOPTED BUDGET - MODIFIED ACCRUAL BASIS  
WITH 2019 & 2020 ACTUAL AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Adopted</u>
<b>REVENUES</b>			
Golf course revenue	\$ -	\$ 341,713	\$ -
Miscellaneous	-	-	2,973
<b>Total revenues</b>	<u>-</u>	<u>341,713</u>	<u>2,973</u>
<b>EXPENDITURES</b>			
Golf course operations	-	338,490	-
Miscellaneous	-	-	6,732
<b>Total expenditures</b>	<u>-</u>	<u>338,490</u>	<u>6,732</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>3,223</u>	<u>(3,759)</u>
<b>OTHER FINANCING USES</b>			
Transfer from general fund	-	-	536
<b>Total other financing uses</b>	<u>-</u>	<u>-</u>	<u>536</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>3,223</u>	<u>(3,223)</u>
<b>BEGINNING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>3,223</u>
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 3,223</u>	<u>\$ -</u>

**HEADWATERS METROPOLITAN DISTRICT  
CAPITAL IMPROVEMENTS FUND  
2021 ADOPTED BUDGET - MODIFIED ACCRUAL BASIS  
WITH 2019 & 2020 ACTUAL AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2019 Actual	2020 Actual	2021 Adopted
<b>REVENUES</b>			
Interest	\$ 1	\$ 11	\$ -
<b>Total revenues</b>	<u>1</u>	<u>11</u>	<u>-</u>
<b>EXPENDITURES</b>			
Capitalized legal	4,800	-	-
F10 - Cumulus Rd - Ph1A	648,507	-	-
Road repairs - escrow/engineering contingency	218,853	-	-
<b>Total expenditures</b>	<u>872,160</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(872,159)</u>	<u>11</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>			
Developer advances	413,014	-	-
Road escrow fund releases	459,159	-	-
<b>Total other financing sources</b>	<u>872,173</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	14	11	-
<b>BEGINNING FUND BALANCE</b>	<u>1,036</u>	<u>1,050</u>	<u>1,061</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,050</u>	<u>\$ 1,061</u>	<u>\$ 1,061</u>

**HEADWATERS METROPOLITAN DISTRICT  
LEASE PURCHASE AGREEMENT (LPA) SPECIAL REVENUE FUND  
2021 ADOPTED BUDGET - MODIFIED ACCRUAL BASIS  
WITH 2019 & 2020 ACTUAL AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Adopted</u>
<b>REVENUES</b>			
Amenity fee	\$ 120,000	\$ 10,000	\$ -
Interest	5	2	-
<b>Total revenues</b>	<u>120,005</u>	<u>10,002</u>	<u>-</u>
<b>EXPENDITURES</b>			
Lease-purchase payments	120,000	10,000	-
<b>Total expenditures</b>	<u>120,000</u>	<u>10,000</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>5</u>	<u>2</u>	<u>-</u>
<b>Other financing uses</b>			
Transfer to general fund	-	-	(1,082)
<b>Total other financing usus</b>	<u>-</u>	<u>-</u>	<u>(1,082)</u>
<b>NET CHANGE IN FUND BALANCE</b>	5	2	(1,082)
<b>BEGINNING FUND BALANCE</b>	<u>1,075</u>	<u>1,080</u>	<u>1,082</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,080</u>	<u>\$ 1,082</u>	<u>\$ -</u>

**HEADWATERS METROPOLITAN DISTRICT  
ROAD MAINTENANCE FUND  
2021 ADOPTED BUDGET - MODIFIED ACCRUAL BASIS  
WITH 2019 & 2020 ACTUAL AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Adopted</u>
<b>REVENUES</b>			
KMHD	\$ 5,475	\$ 5,969	\$ 11,000
<b>Total revenues</b>	<u>5,475</u>	<u>5,969</u>	<u>11,000</u>
<b>EXPENDITURES</b>			
KMHD snow removal	4,955	5,685	10,000
Facilities management fee	260	-	500
Allocated overhead	260	284	500
<b>Total expenditures</b>	<u>5,475</u>	<u>5,969</u>	<u>11,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>BEGINNING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEADWATERS METROPOLITAN DISTRICT  
 ASSESSED VALUATION - GRAND COUNTY**

	<b>2019</b>	<b>2020</b>	<b>Final 2021</b>
<b>Assessed Valuation</b>	\$ 78,290	\$ 58,210	\$ 58,210
<b>MILL LEVY</b>			
General Fund	0.000	0.000	0.000
Capital Expenditures	0.000	0.000	0.000
<b>Total Mill Levy</b>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>PROPERTY TAXES</b>			
General Fund	\$ -	\$ -	\$ -
Capital Expenditures	-	-	-
<b>Total Property Taxes</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEADWATERS METROPOLITAN DISTRICT  
2021 BUDGET**

**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**2021 BUDGET MESSAGE**

Headwaters Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, streets, parks & recreation, safety protection, sanitary sewer, and mosquito control.

The District has no employees and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**2021 BUDGET STRATEGY**

The District's strategy is to strive to provide the type of public-purpose facilities desired by the property owners of the District in the most economic manner possible.

The General Fund is responsible for maintaining the general operations. The transportation and road operations and maintenance responsibilities have been transferred to Granby Ranch Conservancy therefore the District will have no expenses related to these functions other than minor revenues and expenses for plowing of an adjacent property. The District anticipates receiving contributions from GRCO LLC to fund the operation costs budgeted for 2020.



## RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, CERTIFYING A ZERO MILL LEVY AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HEADWATERS METROPOLITAN DISTRICT, TOWN OF GRANBY, GRAND COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022 AND ENDING ON THE LAST DAY OF DECEMBER, 2022.

WHEREAS, the Board of Directors (the "Board") of the Headwaters Metropolitan District (the "District") has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2021; and

WHEREAS, the proposed 2022 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on December 2, 2021, in the Middle Park Times, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 8:00 AM on Thursday, December 9, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEADWATERS METROPOLITAN DISTRICT, GRAND COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2022 Revenues and 2022 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2022.

Section 3. 2022 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$-0-, and that the 2021 valuation for assessment, as certified by the Grand County Assessor, is \$ 64,210. That for the purposes of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of zero mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 4. Certification to Board of County Commissioners. No mill levies were certified to the Grand County Board of County Commissioners

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

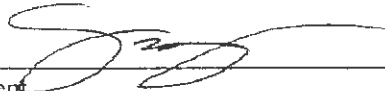
Section 6. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Susanne Johnson.

THIS RESOLUTION WAS APPROVED AND ADOPTED ON DECEMBER 9, 2021.

HEADWATERS METROPOLITAN DISTRICT

By:

  
\_\_\_\_\_  
President

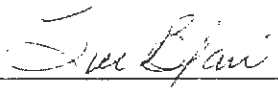
ATTEST:

  
\_\_\_\_\_  
Secretary

STATE OF COLORADO  
COUNTY OF GRAND  
HEADWATERS METROPOLITAN DISTRICT

I, Sue Blair, hereby certify that I am a qualified Secretary of Headwaters Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 8:00 AM on Thursday, December 9, 2021, via a virtual Zoom meeting, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on December 9, 2021.

  
\_\_\_\_\_  
Secretary

**EXHIBIT A**  
**2022 BUDGET DOCUMENT & BUDGET MESSAGE FOR**  
**HEADWATERS METROPOLITAN DISTRICT**

**HEADWATERS METROPOLITAN DISTRICT  
GENERAL FUND  
2022 ADOPTED BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<b>2020 Actual</b>	<b>2021 Estimated</b>	<b>2022 Adopted</b>
<b>REVENUES</b>			
Amenities rental fee	\$ 7,239	\$ -	\$ -
Interest	123	25	25
Allocation from road maintenance fund	284	1,000	1,000
Developer contributions	-	260,000	160,000
Miscellaneous	25	-	-
<b>Total revenues</b>	<u>7,671</u>	<u>261,025</u>	<u>161,025</u>
<b>EXPENDITURES</b>			
Audit	5,200	-	-
District management and accounting	44,874	60,000	50,000
Election	13,068	-	5,000
Insurance and SDA dues	5,050	6,500	6,500
Legal	64,928	225,000	100,000
Miscellaneous	2,061	2,500	2,500
Emergency reserve contribution (3%)	-	7,800	4,800
<b>Total expenditures</b>	<u>135,181</u>	<u>301,800</u>	<u>168,800</u>
<b>EXCESS OF EXPENDITURES OVER REVENUES</b>	<u>(127,510)</u>	<u>(40,775)</u>	<u>(7,775)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer advances	167,378	-	-
Transfer to golf course fund	-	(536)	-
Transfer from lease purchase fund	-	1,082	-
<b>Total other financing sources (uses)</b>	<u>167,378</u>	<u>546</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	39,868	(40,229)	(7,775)
<b>BEGINNING FUND BALANCE</b>	<u>10,010</u>	<u>49,878</u>	<u>9,649</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 49,878</u>	<u>\$ 9,649</u>	<u>\$ 1,874</u>

**HEADWATERS METROPOLITAN DISTRICT  
GOLF COURSE OPERATIONS FUND  
2022 ADOPTED BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2020 Actual</u>	<u>2021 Estimated</u>	<u>2022 Adopted</u>
<b>REVENUES</b>			
Golf course revenue	\$ 341,713	\$ -	\$ -
Miscellaneous	-	2,973	-
<b>Total revenues</b>	<u>341,713</u>	<u>2,973</u>	<u>-</u>
<b>EXPENDITURES</b>			
Golf course operations	338,490	-	-
Miscellaneous	-	6,732	-
<b>Total expenditures</b>	<u>338,490</u>	<u>6,732</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>3,223</u>	<u>(3,759)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer from general fund	-	536	-
<b>Total other financing sources</b>	<u>-</u>	<u>536</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	3,223	(3,223)	-
<b>BEGINNING FUND BALANCE</b>	<u>-</u>	<u>3,223</u>	<u>-</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 3,223</u>	<u>\$ -</u>	<u>\$ -</u>

**HEADWATERS METROPOLITAN DISTRICT  
 CAPITAL IMPROVEMENTS FUND  
 2022 ADOPTED BUDGET  
 WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS  
 FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2020 Actual	2021 Estimated	2022 Adopted
<b>REVENUES</b>			
Interest	\$ 11	\$ -	\$ -
<b>Total revenues</b>	<u>11</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	11	-	-
<b>BEGINNING FUND BALANCE</b>	<u>1,050</u>	<u>1,061</u>	<u>1,061</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,061</u>	<u>\$ 1,061</u>	<u>\$ 1,061</u>

**HEADWATERS METROPOLITAN DISTRICT  
LEASE PURCHASE AGREEMENT (LPA) SPECIAL REVENUE FUND  
2022 ADOPTED BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2020 Actual</u>	<u>2021 Estimated</u>	<u>2022 Adopted</u>
<b>REVENUES</b>			
Amenity fee	\$ 10,000	\$ -	\$ -
Interest	2	-	-
<b>Total revenues</b>	<u>10,002</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Lease-purchase payments	10,000	-	-
<b>Total expenditures</b>	<u>10,000</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>2</u>	<u>-</u>	<u>-</u>
<b>Other financing uses</b>			
Transfer to general fund	-	(1,082)	-
<b>Total other financing uses</b>	<u>-</u>	<u>(1,082)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	2	(1,082)	-
<b>BEGINNING FUND BALANCE</b>	<u>1,080</u>	<u>1,082</u>	<u>-</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,082</u>	<u>\$ -</u>	<u>\$ -</u>

**HEADWATERS METROPOLITAN DISTRICT  
ROAD MAINTENANCE FUND  
2022 ADOPTED BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<b>2020 Actual</b>	<b>2021 Estimated</b>	<b>2022 Adopted</b>
<b>REVENUES</b>			
KMHD	\$ 5,969	\$ 11,000	\$ 11,000
<b>Total revenues</b>	<u>5,969</u>	<u>11,000</u>	<u>11,000</u>
<b>EXPENDITURES</b>			
KMHD snow removal	5,685	10,000	10,000
Facilities management fee	-	500	500
Allocated overhead	284	500	500
<b>Total expenditures</b>	<u>5,969</u>	<u>11,000</u>	<u>11,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>BEGINNING FUND BALANCE</b>	-	-	-
<b>ENDING FUND BALANCE</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

TO: County Commissioners<sup>1</sup> of GRAND COUNTY, Colorado.

On behalf of the HEADWATERS METROPOLITAN DISTRICT

(taxing entity)<sup>A</sup>

the BOARD OF DIRECTORS

(governing body)<sup>B</sup>

of the HEADWATERS METROPOLITAN DISTRICT

(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 64,210 assessed valuation of:

(GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10


Submitted: 12/11/2021 for budget/fiscal year 2022  
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

**PURPOSE** (see end notes for definitions and examples)

**LEVY<sup>2</sup>**

**REVENUE<sup>2</sup>**

1. General Operating Expenses <sup>H</sup>	<u>0</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< <u>        </u> > mills	\$ < <u>        </u> >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>0</u> mills</b>	<b>\$ <u>0</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>        </u> mills	\$ <u>        </u>
4. Contractual Obligations <sup>K</sup>	<u>        </u> mills	\$ <u>        </u>
5. Capital Expenditures <sup>L</sup>	<u>        </u> mills	\$ <u>        </u>
6. Refunds/Abatements <sup>M</sup>	<u>        </u> mills	\$ <u>        </u>
7. Other <sup>N</sup> (specify): <u>        </u>	<u>        </u> mills	\$ <u>        </u>
	<u>        </u> mills	\$ <u>        </u>
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>0</u> mills</b>	<b>\$ <u>0</u></b>

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4960  
Signed:  Title: District Manager

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

## **HEADWATERS METROPOLITAN DISTRICT**

### **2022 BUDGET MESSAGE**

Headwaters Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, streets, parks & recreation, safety protection, sanitary sewer, and mosquito control.

The District has no employees and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

### **2022 BUDGET STRATEGY**

The District's strategy is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the District in the most economic manner possible.

The General Fund is responsible for maintaining the general operations. The transportation and road operations and maintenance responsibilities have been transferred to Granby Ranch Conservancy; therefore, the District will have no expenses related to these functions other than minor revenues and expenses for plowing of an adjacent property. The District anticipates receiving contributions from GRCO LLC to fund the operation costs budgeted for 2022.

**From:** "Draper, Mylea" <[mdraper@titlecorockies.com](mailto:mdraper@titlecorockies.com)>  
**Date:** March 4, 2022 at 11:24:34 AM MST  
**To:** [goflaherty@comcast.net](mailto:goflaherty@comcast.net)  
**Subject:** FW: Headwaters Metro District

DATE FILED: March 15, 2022 2:44 PM  
FILING ID: 21BA33DAB619B  
CASE NUMBER: 2021CV30008

Good afternoon,

As briefly discussed.. below is the email I received from Clint Waldron the attorney for the Metro district, confirming that the amenity fee *is* in fact still to be collected, with payment remitted to Diane at the management company.

Hope this helps!

**From:** Clint C. Waldron <[cwaldron@wbapc.com](mailto:cwaldron@wbapc.com)>  
**Sent:** Tuesday, January 25, 2022 11:18 AM  
**To:** Diane Rodriguez <[drodriguez@crsofcolorado.com](mailto:droduiguez@crsofcolorado.com)>; Draper, Mylea <[mdraper@titlecorockies.com](mailto:mdraper@titlecorockies.com)>  
**Cc:** Sue Blair <[sblair@crsofcolorado.com](mailto:sblair@crsofcolorado.com)>  
**Subject:** RE: BC Townhomes - Headwaters Metro District

That is correct. The fee is still being collected.

**Clint C. Waldron**  
**Shareholder**

White Bear Ankele Tanaka & Waldron  
303.858.1800  
[www.whitebearankele.com](http://www.whitebearankele.com)

CONFIDENTIALITY AND PRIVILEGE NOTICE: The information contained in this email message, and any files transmitted with it, may be privileged, confidential, and exempt from disclosure under applicable law. This email message is intended only for the use of the individual(s) or entity(ies) to whom it is addressed. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this email is strictly prohibited. If you have received this email in error, please notify us immediately by telephone or by reply email and delete the message and any copies from your computer.

**From:** Diane Rodriguez [<mailto:drodriguez@crsofcolorado.com>]  
**Sent:** Tuesday, January 25, 2022 9:00 AM  
**To:** Draper, Mylea <[mdraper@titlecorockies.com](mailto:mdraper@titlecorockies.com)>; Clint C. Waldron <[cwaldron@wbapc.com](mailto:cwaldron@wbapc.com)>  
**Cc:** Sue Blair <[sblair@crsofcolorado.com](mailto:sblair@crsofcolorado.com)>  
**Subject:** RE: BC Townhomes - Headwaters Metro District

Hello, Yes I can help point you in the right direction. I have copied our legal counsel for the district as well. My understanding is that the \$10,000 amenity fee is due for each sale.

Diane Rodriguez  
Accounting Manager  
Community Resource Services of Colorado  
7995 E Prentice Ave, Suite 103 E  
Greenwood Village, CO 80111-2710  
303-381-4969 *direct*  
[drodriguez@crsofcolorado.com](mailto:drodriguez@crsofcolorado.com)

GRMD\_10130

Thank you,

*Mylea Draper*

**Escrow Officer**

<image001.jpg>

Agency License 668372 ~ Personal License 627015

78491 US Hwy 40, P.O. Box 415, Winter Park, CO 80482

**OFFICE:** (970) 726-8077 **FAX:** (877) 239-2981

[mdraper@titlecorockies.com](mailto:mdraper@titlecorockies.com) [www.titlecorockies.com](http://www.titlecorockies.com)

*Office Locations: Avon/Beaver Creek ~ Breckenridge ~ Craig  
(NWT) Eagle ~ Edwards ~ Frisco ~ Glenwood Springs ~ Grand  
Lake ~ Leadville ~ Rifle ~ Steamboat Springs ~ Vail ~ Willits ~ Winter Park*

<image002.png>

To reply securely or send encrypted email, click on this button

<image003.png>

For additional information, please see this [ALTA video](#)

***WARNING – NEVER WIRE FUNDS WITHOUT VERBAL VERIFICATION  
BEFORE SENDING***

*If you receive an email containing new or revised WIRE TRANSFER  
INSTRUCTIONS immediately call your escrow officer to verify the  
information prior to sending funds or other information.*

First email transmission:

It is the District's position that the Amenity Fee (a local government imposed fee) was not wiped out by the private foreclosure action. In addition, Section 8 does not require the Amenity Fee be used solely for "issuance of bonds or reimbursement by Headwaters to GRH". Section 8 specifically says the Amenity Fee will be used to finance the acquisition, construction and installation of Amenities, *which may include* the issuance of bonds or reimbursement to GRH or other parties. To say Headwaters can no longer use the fee to finance the acquisition, construction and installation of Amenities is incorrect.

**CLINT C. WALDRON**

**SHAREHOLDER**

WHITE BEAR ANKELE TANAKA & WALDRON

303.858.1800

GRMD\_10131

**Granby Ranch Metro District**  
**Headwaters Metro District (HMD) - Amenity Fees Paid to Granby Realty Holdings,**  
**LLC (GRH)**

Year	Total Amenity Fees Paid by HMD to GRH	Information Source
2005	\$ -	
2006	\$ 760,000	Per Headwaters MD spreadsheet provided to Matt Girard on 01/06/2
2007	\$ 1,495,000	Per Headwaters MD spreadsheet provided to Matt Girard on 01/06/2
2008	\$ 415,000	Per HMD audited annual financial statements
2009	\$ 220,000	Per HMD audited annual financial statements
2010	\$ 1,140,000	Per HMD audited annual financial statements
2011	\$ 410,000	Per HMD audited annual financial statements
2012	\$ 290,000	Per HMD audited annual financial statements
2013	\$ 450,000	Per HMD audited annual financial statements
2014	\$ 260,000	Per HMD audited annual financial statements
2015	\$ 150,000	Per HMD audited annual financial statements
2016	\$ 50,000	Per HMD audit exemption report
2017	\$ 230,000	Per HMD audit exemption report
2018	\$ 110,000	Per HMD audit exemption report
2019	\$ 120,000	Per HMD audited annual financial statements
2020	\$ 10,000	Per HMD audit exemption report
	<b>\$ 6,110,000</b>	<b>Total Amenity Fees</b>
	<b>611.00</b>	<b># of home lots that have paid the \$10k amenity fee</b>

DATE FILED: March 15, 2022 2:44 PM  
FILING ID: 21BA33DAB619B  
CASE NUMBER: 2021CV30008

After Recordation Please Return To:  
Robertson & Marchetti, P.C.  
28 Second Street, Suite 213  
Post Office Box 600  
Edwards Colorado 81632

AMENDED AND RESTATED JOINT RESOLUTION  
OF THE BOARDS OF DIRECTORS OF  
HEADWATERS METROPOLITAN DISTRICT  
AND GRANBY RANCH METROPOLITAN DISTRICT

AND JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF  
GRANBY RANCH METROPOLITAN DISTRICT NO. 2  
AND GRANBY RANCH METROPOLITAN DISTRICT NO. 8

TO ESTABLISH AN AMENITY FEE

---

WHEREAS, the Headwaters Metropolitan District (“Headwaters”), Granby Ranch Metropolitan District (“Granby Ranch”), Granby Ranch Metropolitan District No. 2 (“Granby Ranch No. 2”), and Granby Ranch Metropolitan District No. 8 (“Granby Ranch No. 8”) (collectively, the “Districts”) were organized to provide services, programs and facilities, including the acquisition, construction, and installation of public infrastructure, within and without the boundaries of the Districts, in accordance with the “Service Plans” of the Districts; and

WHEREAS, consistent with the purpose of the Districts’ organizations and the Service Plans, the Boards of Directors of the Districts (the “Boards”) determine it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to acquire, construct, and install certain recreational amenities benefiting the property within the Districts, which amenities include a golf course, ski area, and related improvements, trails, and other recreational improvements, facilities, appurtenances, rights-of-way and other amenities as shall from time to time be acquired, constructed and installed by Headwaters (collectively, the “Amenities”); and

WHEREAS, on May 26, 2005, the Boards of Directors of Headwaters and Granby Ranch adopted a “Joint Resolution of Headwaters Metropolitan District and Granby Ranch Metropolitan District to Establish an Amenity Fee” (as amended September 6, 2006, the “Original Amenity Fee Resolution”) establishing a fair and equitable amenity fee (the “Amenity Fee”) to provide a source of funding to pay for costs incurred by Headwaters for the acquisition, construction, and installation of the Amenities; and

WHEREAS, after reviewing, evaluating, and discussing current economic conditions and payment deadlines associated with the Amenity Fee, and the operating history, capacity, and other facts and circumstances associated with the use of the Amenities, the Boards have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to amend and restate the Original Amenity Fee Resolution, and adopt this “Resolution;” and

WHEREAS, the Districts have and will continue to incur significant expenses for the financing, acquisition, construction, and installation of the Amenities; and

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the Districts are authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the Districts which, until such fees, rates, tolls, charges and penalties are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the establishment and continuation of a fair and equitable Amenity Fee will provide a source of funding to pay for costs incurred by the Districts for the acquisition, construction, and installation of the Amenities, which costs are generally attributable to the persons subject to such charges, and such fees and charges are necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants and for the orderly and uniform administration of the Districts' affairs with regards to the Amenities; and

WHEREAS, Headwaters will be charged with collecting the Amenity Fee on behalf of the Districts; and

WHEREAS, the Boards find that the Amenity Fee is reasonably related to the services and facilities to be provided and that imposition thereof is necessary and appropriate; and

WHEREAS, Headwaters entered into an "Amenity Fee Agreement" with Granby Realty Holdings LLC on June 1, 2005, and Headwaters subsequently entered into an "Amenity Fee Agreement" with Aspen Meadows Condominiums, LLC on July 5, 2005 (collectively, and as may be amended from time to time, the "Amenity Fee Agreements"); and

WHEREAS, pursuant to the Original Amenity Fee Resolution and the Amenity Fee Agreements, each "Eligible Property" was provided with certain "Priority Access" to the Amenities; and

WHEREAS, the Boards have determined that each property constituting an Eligible Property prior to the adoption of this Resolution, any property that has been Transferred to a Qualified Builder prior to the adoption of this Resolution, and certain property owned and platted by GRH prior to the adoption of this Resolution (all as defined below) as such properties are shown and described in Exhibit A, attached hereto and incorporated herein by this reference ("collectively, the "Exempt Parcels") shall be entitled to the Priority Access as set forth in the Original Amenity Fee Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Boards of Directors of the Headwaters Metropolitan District, Granby Ranch Metropolitan District, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 hereby adopt and establish an Amenity Fee as follows:

1. Definitions. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

(a) “*Affordable Housing Unit*” means a Residential Unit to which a deed restriction has been affixed, providing that the housing can only be owned and occupied in perpetuity by persons residing full-time within Grand County, or as otherwise defined by the Board of Trustees of the Town of Granby.

(b) “*Apartment Unit*” means a unit within an apartment building which unit is held for lease or rent for residential occupancy.

(c) “*Eligible Property*” means each Apartment Unit, Residential Unit and Lot for which the Amenity Fee has been paid.

(d) “*End User*” means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit, or a person or entity purchasing a Lot for the purpose of constructing a Residential Unit for private use and not-for-resale. A Qualified Builder shall not be considered an End User.

(e) “*Lot*” means each parcel of land within the Districts established by a recorded final subdivision plat.

(f) “*Qualified Builder*” means any entity approved by Headwaters, in its sole and absolute discretion, whose principal business, or the principal business of its parent or its subsidiaries, consists of constructing Apartment Units or Residential Units. By way of example, an entity purchasing Lots for resale to other entities or individuals shall not be considered to be a Qualified Builder under this definition. Notwithstanding the foregoing, Granby Realty Holdings, LLC, (“GRH”) the master-developer of the Granby Ranch project, its affiliates and assigns, and any successor or other master-developer designated by GRH, in its sole and absolute discretion, shall be deemed Qualified Builders for purposes of this definition.

(g) “*Residential Unit*” means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit, and detached single family dwelling units) located within the boundaries of the Districts, but specifically excluding an Apartment Unit.

(h) “*Transfer*” or “*Transferred*” shall include a sale, conveyance, or transfer by deed, instrument, writing, lease, or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers. Notwithstanding the foregoing, the following shall not be considered a “Transfer” or “Transferred” for purposes of this definition: (i) a conveyance to secure a debt or obligation (or a release, reconveyance, or foreclosure of any such security); or (ii) any conveyance that Headwaters, in its sole and absolute discretion, determines should not trigger the payment of the Amenity Fee.

2. Amenity Fee. A one-time Amenity Fee, initially imposed at the rate of \$10,000, is hereby established to be collected as provided in this Resolution, for each Apartment Unit, Residential Unit, and Lot, located within the boundaries of the Districts, for which an Amenity Fee

has not already been paid. The Boards find that the Amenity Fee as set forth in this Resolution is fair and equitable, and approximates a pro rata calculation of not more than the cost of the acquisition, construction and installation of the Amenities.

3. Priority Access. Each Eligible Property shall be entitled to priority access to certain of the Amenities as determined by the Board of Directors of Headwaters from time to time, in its sole and absolute discretion, and shall be set forth in a "Priority Access Schedule," which shall constitute the priority access in effect until such schedule is amended or repealed by Headwaters. The initial Priority Access Schedule is set forth in Exhibit B, attached hereto and incorporated herein by this reference. The owner(s) of each Eligible Property shall, no more frequently than once per year, designate a person (an "Eligible Purchaser") who shall be eligible to receive the priority access to the Amenities, as set forth in the Priority Access Schedule. In order to be an Eligible Purchaser, such individual must either (i) own a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in an Eligible Property, or (ii) own a leasehold interest in an Eligible Property for a term of at least six months.

4. Payment of Amenity Fee. The Amenity Fee shall become due and owing to Headwaters not later than the date of: (i) the issuance of a certificate of occupancy for an Apartment Unit, (ii) the Transfer of a Residential Unit to an End User, (iii) the Transfer of a Lot to an End User, (iv) the Transfer of a Lot to any person or entity other than a Qualified Builder, or (v) to the extent a certificate of occupancy has been issued for a Residential Unit and said Residential Unit has not otherwise been Transferred to an End User, immediately upon the presentation of a lease to and application for membership benefits from "The Club at Granby Ranch," for which payment of the Amenity Fee is a prerequisite. The Amenity Fee is not established for, and shall not be collected from, any property within the Districts that is to be developed for non-residential purposes, such as the streets and roadways, golf course, clubhouse, and similar non-residential property.

5. Responsible Party. If payment of the Amenity Fee is pursuant to subsection 4(ii), (iii) or (iv) above, the Amenity Fee is payable by the transferor of such Lot or Residential Unit. If payment of the Amenity Fee is pursuant to subsection 4(i) or (v) above, the Amenity Fee is payable by the owner of the Apartment Unit, Lot or Residential Unit at the time the Amenity Fee becomes due and payable.

6. Out-of-District Users. Headwaters may determine from time to time, in its sole and absolute discretion, to allow those who reside outside of the Districts' boundaries to receive priority access to the amenities. In order to receive priority access, such individuals must pay (i) a fee, which Headwaters may establish by resolution, but which shall not be less than the Amenity Fee, and, (ii) an annual amount, which Headwaters may establish by resolution, payable on January 1 of each year. This Resolution does not cap the fee or annual amount that Headwaters may impose on individuals who reside outside of the Districts' boundaries to receive priority access.

7. Fee Increases. The Amenity Fee may be increased as adjusted on an annual basis by the change in the Denver/Boulder/Greeley Cost of Living Index, as produced by the U.S. Department of Labor Statistics, and may otherwise be increased in such amounts as are determined from time to time by Headwaters in its sole and absolute discretion.

8. Use of Amenity Fee. The revenues generated by the Amenity Fee shall be used solely for the purpose of financing the acquisition, construction, and installation of Amenities, which may include, without limitation: (1) the issuance of bonds or (2) reimbursement of amounts advanced by GRH or other parties. This restriction on the use of Amenity Fee revenues shall be absolute and without qualification.

9. Late Fees and Penalty Interest. Any Amenity Fee not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee of the greater of Fifteen Dollars (\$15.00) or up to five percent per month, or fraction thereof, not to exceed a total of twenty-five percent of the amount due, pursuant to § 29-1-1102(3), C.R.S. Interest will also accrue on any outstanding Amenity Fee, exclusive of assessed late fees and interest, at the rate of 12% per annum, pursuant to § 29-1-1102(7), C.R.S. Headwaters shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law including but not limited to foreclosure of its perpetual lien. The defaulting property owner shall pay all costs and expenses, including attorneys' fees, incurred by Headwaters in connection with the foregoing and such costs and expenses incurred by Headwaters shall be secured by its lien against the property to which such costs and expenses are allocable.

10. Payment. Payment for all fees, interest and delinquent charges shall be by wire or equivalent form acceptable to Headwaters, and sent on or before the due date to an account designated by Headwaters. Headwaters may change the payment instructions and account information from time to time and such change shall not require an amendment to this Resolution.

11. Amenity Fee Constitutes Lien. The Amenity Fee imposed hereunder is imposed by the Districts pursuant to Section 32-1-1001(1)(j), C.R.S., for the purpose of furnishing public facilities serving properties within the Districts and is deemed by the Districts to be necessary in order to fulfill its governmental purposes. As a result, the Amenity Fee, together with any late fees or penalty interest due thereon, constitutes a valid, perpetual lien on and against the property, such lien securing the payment of such Amenity Fee until paid in full. All such liens shall be in a senior position as against all other liens, whether or not of record, affecting the property. Such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S., such lien being a charge imposed for the provision of services and facilities to the property. Said lien may be foreclosed at such times as Headwaters in its sole and absolute discretion may determine.

12. Collection Procedures. Headwaters shall process all delinquent accounts in accordance with any applicable collections resolution or other rules and regulations of Headwaters, as may be adopted and amended from time to time by the Board of Directors of Headwaters, it being acknowledged that Headwaters, as the administrative agent for the Districts, and as set forth in this Resolution, is charged with the implementation, collection and enforcement of the Amenity Fee.

13. Severability. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining

portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

14. The Property. This Resolution shall apply to all property within the Districts' boundaries, including but not limited to the property set forth in Exhibit C, attached hereto and incorporated herein by this reference, and any additional property included into the Districts after the date of this Resolution.

15. Affordable Housing Units. Notwithstanding any provision in the Amenity Fee Agreements or this Resolution to the contrary, the Districts shall not impose the Amenity Fee upon any Affordable Housing Unit, and owners and residents of an Affordable Housing Unit shall not be entitled to priority access. Notwithstanding the foregoing, an individual living in an Affordable Housing Unit shall be eligible to purchase priority access on the same terms as set forth in Section 6 hereof for individuals residing outside of the Districts, as determined by Headwaters from time to time, so long as such individual owns a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in said Affordable Housing Unit.

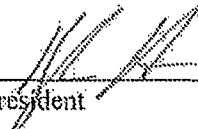
16. Prepayment of Fees. Headwaters may enter into agreements for the prepayment of Amenity Fees in order to permit property owners to avoid future increases in the Amenity Fee rate. The rate for such prepaid fees shall be the rate of the then-current Amenity Fee at the time of prepayment rather than the rate in effect at the time the Amenity Fee would otherwise be due and owing.

17. Effective Date. This Resolution was duly adopted by the Boards of Directors of the Headwaters Metropolitan District, Granby Ranch Metropolitan District, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 at meetings held on July 17, 2013, and shall become effective immediately upon execution by both Boards, and shall supersede the Original Amenity Fee Resolution in its entirety


APPROVED and ADOPTED this 17th day of July, 2013

*Signature pages follow.*

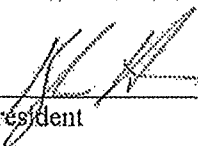
GRANBY RANCH METROPOLITAN DISTRICT  
NO. 2, a quasi-municipal corporation and political  
subdivision of the State of Colorado.

By  \_\_\_\_\_  
President

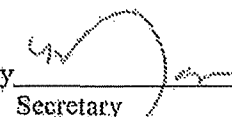
ATTEST:

By  \_\_\_\_\_  
Secretary

GRANBY RANCH METROPOLITAN DISTRICT  
NO. 8, a quasi-municipal corporation and political  
subdivision of the State of Colorado.

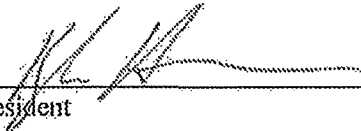
By  \_\_\_\_\_  
President

ATTEST:

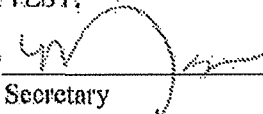
By  \_\_\_\_\_  
Secretary

*Signature page 2 of 2 to Joint Resolution to Establish an Amenity Fee*

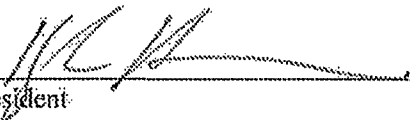
**HEADWATERS METROPOLITAN DISTRICT,**  
a quasi-municipal corporation and political  
subdivision of the State of Colorado

By   
\_\_\_\_\_  
President

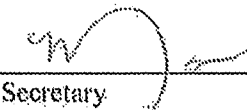
ATTEST:

By   
\_\_\_\_\_  
Secretary

**GRANBY RANCH METROPOLITAN DISTRICT,**  
a quasi-municipal corporation and political subdivision  
of the State of Colorado

By   
\_\_\_\_\_  
President

ATTEST:

By   
\_\_\_\_\_  
Secretary

*Signature page 1 of 2 to Joint Resolution to Establish an Amenity Fee*

## CERTIFICATE OF SERVICE

I certify that on the 12<sup>th</sup> day of August, 2022, a true and correct copy of the foregoing **RESPONSE TO GR TERRA'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION** was served electronically and/or sent via U.S. Mail, postage prepaid to the following:

Mark Champoux, # 40480  
Kyler Burgi, # 46479  
DAVIS GRAHAM & STUBBS LLP  
1550 17th Street, Suite 500  
Denver, Colorado 80202  
Telephone: 303.892.9400  
[mark.champoux@dgsllaw.com](mailto:mark.champoux@dgsllaw.com)  
[kyler.burgi@dgsllaw.com](mailto:kyler.burgi@dgsllaw.com)  
*Counsel for Defendant GP Granby Holdings,  
LLC, Gray Jay Ventures, CCL and Granby  
Prentice, LLC.*

Jamie H. Steiner, #49304  
JoAnn T. Sandifer (*Admitted Pro Hac Vice*)  
HUSCH BLACKWELL LLP  
1801 Wewatta St., Suite 1000  
Denver, CO 80202  
Phone: 303-749-7200  
Fax: 303-749-7272  
E-mail: [jamie.steiner@huschblackwell.com](mailto:jamie.steiner@huschblackwell.com)  
*Counsel for Defendant Headwaters Metro.  
District and GR Terra, LLC*

*s/Alicia M. Garcia*  
NORTON & SMITH, P.C.

EXHIBIT A  
EXEMPT PARCELS

All of the following described lands are within Township 1 North, Range 76 West of the Sixth Principle Meridian, Grand County, Colorado.

Granby Ranch Filing No. 1:

All lots included in Granby Ranch Filing No. 1 First Administrative Plat Amendment recorded September 1, 2005 at reception #2005009514.

Granby Ranch Filing No. 1B:

All lots included in Granby Ranch Filing No. 1B recorded June 15, 2006 at reception #2006005921.

Granby Ranch Filing No. 2:

All lots included in Granby Ranch Filing No. 2 recorded May 27, 2005 at reception #2005005488.

Granby Ranch Filing No. 2B:

Lots 36 through 65 included in Granby Ranch Filing No. 2B recorded June 15, 2006 at reception #2006005927.

Granby Ranch Filing No. 3:

All lots included in Granby Ranch Filing No. 3 recorded March 15, 2005 at reception #2005002634.

Granby Ranch Filing No. 4:

All condominium units included in Aspen Meadows – As Built Condominium Map recorded July 11, 2007 at reception #2007007445;

All condominium units included in Aspen Meadows – As Built Condominium Map First Supplement recorded July 19, 2007 at reception #2007007718;

All condominium units included in Aspen Meadows – As Built Condominium Map Second Supplement recorded July 19, 2007 at reception #2007007719;

All condominium units included in Aspen Meadows – As Built Condominium Map Third Supplement recorded July 25, 2008 at reception #2008007262;

Building Lots G and H included in First Administrative Plat Amendment to Aspen Meadows Condominiums Granby Ranch Filing No. 4. recorded June 30, 2006 at reception #2006006561.

Granby Ranch Filing No. 5:

All lots included in First Administrative Plat Amendment Granby Ranch Filing No. 5 recorded December 9, 2005 at reception #2005013944.

Granby Ranch Filing No. 6:

All lots included in Granby Ranch Filing No. 6 recorded July 8, 2005 at reception #2005007220.

Granby Ranch Filing No. 8:

Lots 1 through 37, lot 65, lot 66 and lot 67 included in Granby Ranch Filing No. 8 recorded May 3, 2006 at reception #2006004206.

Granby Ranch Filing No. 9:

All condominium units included in As Built Condominium Map of Base Camp One Condominiums recorded March 27, 2009 at reception #2009002677;

Development Unit A and Development Unit B of the Final Plat of Base Camp One Condominiums recorded March 27, 2009 at reception #2009002672;

Lot 2, Granby Ranch Filing No. 9 recorded July 10, 2007 at reception #2007007428.

Granby Ranch Filing No. 10:

All lots included in Granby Ranch Filing No. 10 recorded May 10, 2007 at reception #2007005105.

Granby Ranch Filing No. 11:

Lots 1 through 17 and lot 21, lot 22 and lot 23 included in Granby Ranch Filing No. 11 recorded May 10, 2007 at reception #2007005113;

Lots 18, lot 19 and lot 20 included in Administrative Plat Amendment First Amendment Granby Ranch Filing No. 11 recorded October 22, 2008 at reception #2008010123.

Kicking Horse Lodges:

Units 1-101, 1-102, 1-103, 1-104, 1-201, 1-204, 1-301, 1-302, 1-303, 1-305, 2-104, 2-201, 2-203, 2-204, 2-301, 2-302, 2-304, 2-305, 3-101, 3-102, 3-103, 3-104, 3-203, 3-205, 3-302, 3-304, 4-102, 4-202, 4-205, 4-302, 4-304 and 4-305 included in the As Built Plat and Condominium map for Kicking Horse Lodges recorded May 15, 2001 reception #2001004370;

Units 5-102, 5-103, 5-104, 5-202, 5-204, 5-205, 5-301, 5-302, 5-303, 5-304, 5-305, 6-102, 6-201, 6-203, 6-205, 6-303, 6-305, 7-101, 7-103, 7-104, 7-105, 7-201, 7-202, 7-203, 7-204, 7-205, 7-302, 7-303, 7-304, 8-101, 8-102, 8-103, 8-104, 8-105, 8-202, 8-203, 8-205, 8-301, 8-302, 8-303, 8-304 and 8-305 included in the Administrative Plat Amendment to the Amended As Built Plat and Condominium Map for Kicking Horse Lodges Phase 2 recorded November 14, 2005 at reception #2005012874.

Silverstar Townhomes:

South Pt Lot 1, Silverstar Townhomes Subdivision recorded July 8, 2005 at reception #2005007214.

EXHIBIT B

2013 PRIORITY ACCESS SCHEDULE

Effective July 17, 2013

Each Eligible Purchaser shall be entitled to the following priority access until this schedule is amended or repealed by the Board of Directors of Headwaters Metropolitan District.

Please note that unless otherwise specified, priority access is only available to the Eligible Purchaser, the Eligible Purchaser's spouse, and the Eligible Purchaser's immediate family members under the age of 24.

**Golf**

- 20% discount on daily greens fees (excluding cart fees or caddie fees) off the rate charged from time to time by Headwaters (or its administrative agent or any manager retained by Headwaters, as applicable) for members of the general public residing outside of the Town of Granby (applies only to daily greens fees and not to season passes or any products)
- Tee time reservations in advance of the general public

**Ski**

- 20% discount on individual, single-day lift tickets, off the rate charged from time to time by Headwaters (or its administrative agent or any manager retained by Headwaters, as applicable) for members of the general public residing outside of the Town of Granby. The 20% discount is not available for season passes.

EXHIBIT C

THE PROPERTY

## LEGAL DESCRIPTION

PAGE 1 OF 12

PARTS OF SECTIONS 4, 5, 7, 8, 9, 15, 16, 17, 20, 21, AND 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 1 AS RECORDED AT RECEPTION NO. 2005-009514 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 8.397 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 1B AS RECORDED AT RECEPTION NO. 2006-005921 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 23.790 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 2 AS RECORDED AT RECEPTION NO. 2005-005488 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 53.643 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 2B AS RECORDED AT RECEPTION NO. 2006-005927 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 44.386 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 3 AS RECORDED AT RECEPTION NO. 2005-002634 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 237.39 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO ASPEN MEADOWS CONDOMINIUMS GRANBY RANCH FILING NO. 4 AS RECORDED AT RECEPTION NO. 2006-006561 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 22.930 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 5 AS RECORDED AT RECEPTION NO. 2005-013944 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 26.278 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 1 - 56, INCLUSIVE, AND TRACTS A - E, INCLUSIVE, OF GRANBY RANCH FILING NO. 5B AS RECORDED AT RECEPTION NO. 2006-012421 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 20.044 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 6 AS RECORDED AT RECEPTION NO. 2005-007220 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 34.066 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 7 AS RECORDED AT RECEPTION NO. 2006-006560 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 8.380 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 8 AS RECORDED AT RECEPTION NO. 2006-004206 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 47.638 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 9 AS RECORDED AT RECEPTION NO. 2006-013472 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 5.980 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 10 AS RECORDED AT RECEPTION NO. 2007-005105 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 76.035 ACRES, MORE OR LESS;

## LEGAL DESCRIPTION

PAGE 2 OF 12

TOGETHER WITH GRANBY RANCH FILING NO. 11 AS RECORDED AT RECEPTION NO. 2007-005113 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 104.729 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 1 AND 2 OF GRANBY RANCH FILING NO. 12 AS RECORDED AT RECEPTION NO. 2008-008905 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 4.987 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 2 AND 5, TRACTS B, C AND D, AND OPEN SPACE PARCEL 2, WRANGLERS CROSSING AS RECORDED AT RECEPTION NO. 2003-007994 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 29.676 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 2, 3, 4 AND 5 OF LAKEVIEW SUBDIVISION AS RECORDED AT RECEPTION NO. 203722 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;

TOGETHER WITH THE SOUTHERLY PORTION OF LOT 1, SILVERSTAR TOWNHOMES SUBDIVISION AS RECORDED AT RECEPTION NO. 2005-006360 AND 2005-007214 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
SAID PARCEL CONTAINS AN AREA OF 2.566 ACRES, MORE OR LESS;

TOGETHER WITH THAT PART OF THE EIGHTY (80) FOOT WIDE ROAD RIGHT-OF-WAY DESCRIBED AT REC. NO. 2003-007989 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN SAID SECTION 16;  
SAID PARCEL CONTAINS AN AREA OF 6.857 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 1:

A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 5 AND CONSIDERING THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 5 TO BEAR NORTH 10°34'46" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 10°34'46" EAST, ALONG SAID WEST LINE, A DISTANCE OF 2002.01 FEET;  
THENCE NORTH 90°00'00" EAST, A DISTANCE OF 1148.73 FEET TO THE POINT OF BEGINNING;  
THENCE NORTH 45°51'27" EAST, A DISTANCE OF 323.05 FEET;  
THENCE SOUTH 13°05'00" EAST, A DISTANCE OF 573.76 FEET;  
THENCE NORTH 47°17'28" WEST, A DISTANCE OF 492.25 FEET TO THE POINT OF BEGINNING;  
SAID PARCEL 1 CONTAINS AN AREA OF 1.82 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 2:

THAT PART OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THAT PART OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GRAND, STATE OF COLORADO, LYING NORTHERLY OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;  
SAID PARCEL 2 CONTAINS A CALCULATED AREA OF 31.00 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 3:

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 24°07'19" EAST, A DISTANCE OF 5292.12 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 78°47'25" WEST, A DISTANCE OF 163.25 FEET;  
THENCE SOUTH 35°19'21" WEST, A DISTANCE OF 132.49 FEET;  
THENCE SOUTH 51°31'58" WEST, A DISTANCE OF 66.16 FEET;  
THENCE SOUTH 83°14'12" WEST, A DISTANCE OF 60.79 FEET;

**LEGAL DESCRIPTION**

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PARCEL 3 CONTINUED:

THENCE NORTH 68°06'15" WEST, A DISTANCE OF 21.21 FEET;  
THENCE SOUTH 60°38'26" WEST, A DISTANCE OF 368.49 FEET;  
THENCE SOUTH 68°38'33" WEST, A DISTANCE OF 53.15 FEET;  
THENCE SOUTH 80°51'55" WEST, A DISTANCE OF 47.32 FEET;  
THENCE NORTH 72°12'48" WEST, A DISTANCE OF 94.40 FEET;  
THENCE NORTH 61°57'12" WEST, A DISTANCE OF 93.32 FEET;  
THENCE NORTH 82°07'24" WEST, A DISTANCE OF 87.35 FEET;  
THENCE NORTH 46°25'18" WEST, A DISTANCE OF 154.87 FEET;  
THENCE NORTH 51°57'32" WEST, A DISTANCE OF 185.44 FEET;  
THENCE NORTH 48°24'52" WEST, A DISTANCE OF 328.84 FEET;  
THENCE NORTH 31°30'02" WEST, A DISTANCE OF 75.47 FEET;  
THENCE NORTH 15°27'13" WEST, A DISTANCE OF 160.03 FEET;  
THENCE NORTH 07°52'52" WEST, A DISTANCE OF 166.48 FEET;  
THENCE NORTH 21°22'23" WEST, A DISTANCE OF 150.38 FEET;  
THENCE NORTH 03°34'44" EAST, A DISTANCE OF 97.67 FEET;  
THENCE NORTH 06°59'38" WEST, A DISTANCE OF 171.36 FEET;  
THENCE NORTH 23°20'48" EAST, A DISTANCE OF 91.96 FEET;  
THENCE NORTH 11°13'40" WEST, A DISTANCE OF 68.56 FEET;  
THENCE NORTH 87°51'51" WEST, A DISTANCE OF 94.29 FEET;  
THENCE NORTH 53°30'47" WEST, A DISTANCE OF 48.62 FEET;  
THENCE NORTH 68°08'50" WEST, A DISTANCE OF 110.80 FEET;  
THENCE NORTH 56°44'29" WEST, A DISTANCE OF 120.36 FEET;  
THENCE NORTH 80°58'26" WEST, A DISTANCE OF 111.84 FEET;  
THENCE NORTH 64°44'06" WEST, A DISTANCE OF 155.45 FEET;  
THENCE NORTH 22°53'02" WEST, A DISTANCE OF 127.41 FEET;  
THENCE NORTH 77°51'20" WEST, A DISTANCE OF 94.54 FEET;  
THENCE NORTH 45°39'52" WEST, A DISTANCE OF 111.50 FEET;  
THENCE NORTH 24°18'34" WEST, A DISTANCE OF 142.31 FEET;  
THENCE SOUTH 72°51'35" WEST, A DISTANCE OF 47.42 FEET;  
THENCE NORTH 42°05'34" WEST, A DISTANCE OF 95.69 FEET;  
THENCE NORTH 34°41'33" WEST, A DISTANCE OF 133.02 FEET;  
THENCE NORTH 29°21'22" WEST, A DISTANCE OF 99.21 FEET;  
THENCE NORTH 73°48'33" EAST, A DISTANCE OF 65.16 FEET;  
THENCE SOUTH 79°13'24" EAST, A DISTANCE OF 71.29 FEET;  
THENCE SOUTH 39°13'10" EAST, A DISTANCE OF 274.27 FEET;  
THENCE SOUTH 46°58'23" WEST, A DISTANCE OF 57.64 FEET;  
THENCE SOUTH 14°19'09" EAST, A DISTANCE OF 80.36 FEET;  
THENCE NORTH 70°21'39" EAST, A DISTANCE OF 51.23 FEET;  
THENCE SOUTH 51°56'34" EAST, A DISTANCE OF 30.29 FEET;  
THENCE SOUTH 08°37'05" WEST, A DISTANCE OF 39.78 FEET;  
THENCE SOUTH 28°14'50" EAST, A DISTANCE OF 67.19 FEET;  
THENCE SOUTH 83°51'03" EAST, A DISTANCE OF 59.79 FEET;  
THENCE NORTH 25°27'50" EAST, A DISTANCE OF 62.15 FEET;  
THENCE NORTH 65°27'49" EAST, A DISTANCE OF 157.00 FEET;  
THENCE SOUTH 64°12'58" EAST, A DISTANCE OF 52.97 FEET;  
THENCE SOUTH 84°40'45" EAST, A DISTANCE OF 106.79 FEET;  
THENCE NORTH 13°32'50" EAST, A DISTANCE OF 68.01 FEET;  
THENCE NORTH 38°43'32" EAST, A DISTANCE OF 71.32 FEET;  
THENCE NORTH 87°55'13" EAST, A DISTANCE OF 230.16 FEET;  
THENCE NORTH 53°24'51" EAST, A DISTANCE OF 87.28 FEET;  
THENCE NORTH 89°21'10" EAST, A DISTANCE OF 174.38 FEET;  
THENCE NORTH 56°08'18" EAST, A DISTANCE OF 96.7.3 FEET;  
THENCE SOUTH 68°32'34" EAST, A DISTANCE OF 112.66 FEET;  
THENCE SOUTH 84°45'59" EAST, A DISTANCE OF 127.39 FEET;  
THENCE SOUTH 41°13'30" EAST, A DISTANCE OF 92.74 FEET;  
THENCE NORTH 22°52'01" EAST, A DISTANCE OF 42.81 FEET;  
THENCE NORTH 46°13'17" EAST, A DISTANCE OF 109.61 FEET;  
THENCE NORTH 82°04'23" EAST, A DISTANCE OF 57.35 FEET;  
THENCE SOUTH 41°46'28" EAST, A DISTANCE OF 98.06 FEET;  
THENCE NORTH 40°23'14" EAST, A DISTANCE OF 55.60 FEET;  
THENCE SOUTH 73°39'23" EAST, A DISTANCE OF 125.66 FEET;

## LEGAL DESCRIPTION

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### PARCEL 3 CONTINUED:

THENCE SOUTH 66°06'13" EAST, A DISTANCE OF 1.31.12 FEET;  
THENCE SOUTH 82°07'57" EAST, A DISTANCE OF 477.61 FEET;  
THENCE NORTH 88°01'42" EAST, A DISTANCE OF 204.65 FEET;  
THENCE SOUTH 81°22'37" EAST, A DISTANCE OF 79.32 FEET;  
THENCE SOUTH 16°33'23" EAST, A DISTANCE OF 67.68 FEET;  
THENCE SOUTH 84°20'44" EAST, A DISTANCE OF 140.37 FEET;  
THENCE SOUTH 67°12'01" EAST, A DISTANCE OF 240.45 FEET;  
THENCE SOUTH 79°00'59" EAST, A DISTANCE OF 85.94 FEET;  
THENCE SOUTH 77°54'11" EAST, A DISTANCE OF 166.58 FEET;  
THENCE SOUTH 56°31'21" EAST, A DISTANCE OF 246.30 FEET;  
THENCE SOUTH 24°28'40" EAST, A DISTANCE OF 71.45 FEET;  
THENCE SOUTH 26°24'33" WEST, A DISTANCE OF 104.32 FEET;  
THENCE SOUTH 09°53'10" WEST, A DISTANCE OF 86.84 FEET;  
THENCE SOUTH 02°17'26" EAST, A DISTANCE OF 77.68 FEET;  
THENCE SOUTH 30°50'13" EAST, A DISTANCE OF 79.32 FEET;  
THENCE SOUTH 04°21'28" EAST, A DISTANCE OF 51.55 FEET;  
THENCE SOUTH 21°40'55" EAST, A DISTANCE OF 87.25 FEET;  
THENCE SOUTH 47°33'38" EAST, A DISTANCE OF 75.80 FEET;  
THENCE SOUTH 43°58'16" EAST, A DISTANCE OF 81.48 FEET;  
THENCE SOUTH 08°55'30" EAST, A DISTANCE OF 89.85 FEET;  
THENCE SOUTH 00°52'53" WEST, A DISTANCE OF 69.81 FEET;  
THENCE SOUTH 07°26'20" EAST, A DISTANCE OF 96.04 FEET;  
THENCE SOUTH 39°04'15" EAST, A DISTANCE OF 105.67 FEET;  
THENCE SOUTH 06°37'32" WEST, A DISTANCE OF 55.88 FEET;  
THENCE SOUTH 77°12'11" WEST, A DISTANCE OF 218.29 FEET;  
THENCE SOUTH 79°15'40" WEST, A DISTANCE OF 252.78 FEET;  
THENCE NORTH 83°52'38" WEST, A DISTANCE OF 70.32 FEET;  
THENCE SOUTH 75°32'07" WEST, A DISTANCE OF 61.38 FEET;  
THENCE SOUTH 82°10'21" WEST, A DISTANCE OF 67.60 FEET;  
THENCE SOUTH 69°19'31" WEST, A DISTANCE OF 104.46 FEET;  
THENCE SOUTH 84°49'41" WEST, A DISTANCE OF 151.45 FEET;  
THENCE NORTH 65°49'42" WEST, A DISTANCE OF 83.24 FEET;  
THENCE SOUTH 48°21'20" WEST, A DISTANCE OF 62.07 FEET;  
THENCE SOUTH 86°56'46" WEST, A DISTANCE OF 71.17 FEET;  
THENCE SOUTH 63°33'48" WEST, A DISTANCE OF 112.87 FEET TO THE POINT OF BEGINNING,  
SAID PARCEL 3 CONTAINS A GROSS AREA OF 111.31 ACRES, MORE OR LESS;

### EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9,  
TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY  
OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP  
1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF  
THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS  
CONTAINED HEREIN RELATIVE THERETO;  
THENCE NORTH 20°01'49" EAST, A DISTANCE OF 5108.17 FEET TO THE POINT OF BEGINNING;  
THENCE NORTH 86°38'35" WEST, A DISTANCE OF 58.98 FEET;  
THENCE SOUTH 72°46'32" WEST, A DISTANCE OF 43.49 FEET;  
THENCE SOUTH 46°10'36" WEST, A DISTANCE OF 37.60 FEET;  
THENCE SOUTH 67°08'56" WEST, A DISTANCE OF 42.49 FEET;  
THENCE SOUTH 75°05'11" WEST, A DISTANCE OF 21.02 FEET;  
THENCE SOUTH 57°54'37" WEST, A DISTANCE OF 26.49 FEET;  
THENCE SOUTH 33°40'26" WEST, A DISTANCE OF 33.91 FEET;  
THENCE SOUTH 22°12'44" WEST, A DISTANCE OF 43.97 FEET;  
THENCE SOUTH 33°49'06" WEST, A DISTANCE OF 100.58 FEET;  
THENCE SOUTH 71°03'11" WEST, A DISTANCE OF 141.99 FEET;  
THENCE NORTH 67°22'21" WEST, A DISTANCE OF 29.91 FEET;  
THENCE NORTH 76°23'53" WEST, A DISTANCE OF 65.61 FEET;  
THENCE NORTH 64°07'32" WEST, A DISTANCE OF 47.27 FEET;  
THENCE NORTH 40°20'20" WEST, A DISTANCE OF 25.42 FEET;  
THENCE NORTH 18°23'18" WEST, A DISTANCE OF 45.29 FEET;

**LEGAL DESCRIPTION**

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PARCEL 3 EXCEPTION CONTINUED:

THENCE NORTH 38'58'59" WEST, A DISTANCE OF 29.01 FEET;  
THENCE NORTH 64'53'42" WEST, A DISTANCE OF 102.28 FEET;  
THENCE NORTH 28'36'31" WEST, A DISTANCE OF 31.73 FEET;  
THENCE NORTH 06'02'51" WEST, A DISTANCE OF 43.13 FEET;  
THENCE NORTH 14'34'12" WEST, A DISTANCE OF 28.26 FEET;  
THENCE NORTH 28'32'18" WEST, A DISTANCE OF 23.62 FEET;  
THENCE NORTH 64'58'42" WEST, A DISTANCE OF 25.39 FEET;  
THENCE SOUTH 70'41'17" WEST, A DISTANCE OF 31.29 FEET;  
THENCE NORTH 72'46'04" WEST, A DISTANCE OF 26.87 FEET;  
THENCE NORTH 22'36'35" WEST, A DISTANCE OF 40.17 FEET;  
THENCE NORTH 19'52'45" WEST, A DISTANCE OF 29.06 FEET;  
THENCE NORTH 32'33'41" WEST, A DISTANCE OF 46.08 FEET;  
THENCE NORTH 17'20'50" WEST, A DISTANCE OF 63.64 FEET;  
THENCE NORTH 10'04'53" WEST, A DISTANCE OF 44.86 FEET;  
THENCE NORTH 00'07'52" WEST, A DISTANCE OF 58.85 FEET;  
THENCE NORTH 14'38'27" WEST, A DISTANCE OF 23.58 FEET;  
THENCE NORTH 30'14'12" WEST, A DISTANCE OF 56.79 FEET;  
THENCE NORTH 21'45'07" WEST, A DISTANCE OF 32.76 FEET;  
THENCE NORTH 30'19'22" WEST, A DISTANCE OF 90.99 FEET;  
THENCE NORTH 28'04'59" WEST, A DISTANCE OF 63.70 FEET;  
THENCE NORTH 08'56'26" WEST, A DISTANCE OF 45.60 FEET;  
THENCE NORTH 00'33'56" WEST, A DISTANCE OF 65.20 FEET;  
THENCE NORTH 00'08'07" WEST, A DISTANCE OF 55.27 FEET;  
THENCE NORTH 00'44'36" WEST, A DISTANCE OF 29.16 FEET;  
THENCE NORTH 17'01'54" WEST, A DISTANCE OF 28.62 FEET;  
THENCE NORTH 21'48'52" WEST, A DISTANCE OF 36.06 FEET;  
THENCE NORTH 01'20'59" WEST, A DISTANCE OF 53.53 FEET;  
THENCE NORTH 12'18'25" EAST, A DISTANCE OF 83.18 FEET;  
THENCE NORTH 16'30'13" EAST, A DISTANCE OF 34.31 FEET;  
THENCE NORTH 02'51'41" EAST, A DISTANCE OF 63.32 FEET;  
THENCE NORTH 11'00'02" WEST, A DISTANCE OF 46.57 FEET;  
THENCE NORTH 25'44'16" WEST, A DISTANCE OF 98.47 FEET;  
THENCE NORTH 05'36'56" WEST, A DISTANCE OF 30.39 FEET;  
THENCE NORTH 36'24'16" WEST, A DISTANCE OF 52.00 FEET;  
THENCE NORTH 36'32'26" WEST, A DISTANCE OF 26.84 FEET;  
THENCE NORTH 11'53'56" WEST, A DISTANCE OF 183.27 FEET;  
THENCE NORTH 14'25'52" EAST, A DISTANCE OF 52.02 FEET;  
THENCE NORTH 29'20'26" EAST, A DISTANCE OF 62.68 FEET;  
THENCE NORTH 69'27'19" EAST, A DISTANCE OF 39.30 FEET;  
THENCE NORTH 62'30'26" EAST, A DISTANCE OF 59.69 FEET;  
THENCE NORTH 80'28'14" EAST, A DISTANCE OF 45.30 FEET;  
THENCE NORTH 88'49'59" EAST, A DISTANCE OF 49.02 FEET;  
THENCE SOUTH 76'19'15" EAST, A DISTANCE OF 95.86 FEET;  
THENCE SOUTH 50'44'24" EAST, A DISTANCE OF 34.79 FEET;  
THENCE SOUTH 24'59'26" EAST, A DISTANCE OF 37.55 FEET;  
THENCE SOUTH 37'11'45" EAST, A DISTANCE OF 106.64 FEET;  
THENCE SOUTH 72'24'45" EAST, A DISTANCE OF 41.23 FEET;  
THENCE SOUTH 82'42'20" EAST, A DISTANCE OF 55.66 FEET;  
THENCE SOUTH 72'07'20" EAST, A DISTANCE OF 98.19 FEET;  
THENCE SOUTH 61'53'35" EAST, A DISTANCE OF 66.69 FEET;  
THENCE SOUTH 53'49'55" EAST, A DISTANCE OF 50.01 FEET;  
THENCE SOUTH 42'34'36" EAST, A DISTANCE OF 37.86 FEET;  
THENCE SOUTH 34'30'47" EAST, A DISTANCE OF 28.33 FEET;  
THENCE SOUTH 47'23'55" EAST, A DISTANCE OF 147.93 FEET;  
THENCE SOUTH 45'48'22" EAST, A DISTANCE OF 48.35 FEET;  
THENCE SOUTH 32'09'35" EAST, A DISTANCE OF 76.73 FEET;  
THENCE SOUTH 41'26'43" EAST, A DISTANCE OF 48.00 FEET;  
THENCE SOUTH 45'12'35" EAST, A DISTANCE OF 61.63 FEET;  
THENCE SOUTH 36'20'51" EAST, A DISTANCE OF 70.53 FEET;  
THENCE SOUTH 46'15'19" EAST, A DISTANCE OF 61.48 FEET;  
THENCE SOUTH 53'40'48" EAST, A DISTANCE OF 62.84 FEET;

## LEGAL DESCRIPTION

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### PARCEL 3 EXCEPTION CONTINUED:

THENCE SOUTH 02'31'08" EAST, A DISTANCE OF 54.11 FEET;  
THENCE SOUTH 15'16'49" EAST, A DISTANCE OF 78.97 FEET;  
THENCE SOUTH 18'12'50" EAST, A DISTANCE OF 112.80 FEET;  
THENCE SOUTH 12'10'47" EAST, A DISTANCE OF 100.50 FEET;  
THENCE SOUTH 06'29'41" EAST, A DISTANCE OF 129.73 FEET;  
THENCE SOUTH 16'49'46" WEST, A DISTANCE OF 87.50 FEET;  
THENCE SOUTH 01'11'55" WEST, A DISTANCE OF 154.65 FEET;  
THENCE SOUTH 18'35'11" WEST, A DISTANCE OF 43.36 FEET;  
THENCE SOUTH 09'35'21" WEST, A DISTANCE OF 85.95 FEET;  
THENCE SOUTH 55'07'08" WEST, A DISTANCE OF 29.42 FEET TO THE POINT OF BEGINNING,  
SAID EXCEPTED PARCEL CONTAINS A CALCULATED AREA OF 33.38 ACRES, MORE OR LESS;  
THE NET AREA OF PARCEL 3 AFTER EXCEPTION IS 77.928 ACRES, MORE OR LESS.

### TOGETHER WITH PARCEL 4:

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 23'23'47" EAST, A DISTANCE OF 4054.03 FEET TO THE POINT OF BEGINNING;  
THENCE NORTH 22'32'13" WEST, A DISTANCE OF 67.33 FEET;  
THENCE NORTH 41'45'40" WEST, A DISTANCE OF 65.72 FEET;  
THENCE NORTH 36'12'35" WEST, A DISTANCE OF 70.46 FEET;  
THENCE NORTH 09'47'35" WEST, A DISTANCE OF 83.86 FEET;  
THENCE NORTH 57'14'35" EAST, A DISTANCE OF 142.17 FEET;  
THENCE NORTH 28'15'10" EAST, A DISTANCE OF 79.96 FEET;  
THENCE NORTH 42'41'22" EAST, A DISTANCE OF 66.46 FEET;  
THENCE NORTH 22'46'58" EAST, A DISTANCE OF 58.81 FEET;  
THENCE NORTH 05'42'12" WEST, A DISTANCE OF 135.05 FEET;  
THENCE NORTH 41'20'11" WEST, A DISTANCE OF 36.09 FEET;  
THENCE SOUTH 83'42'01" WEST, A DISTANCE OF 51.56 FEET;  
THENCE NORTH 35'04'28" WEST, A DISTANCE OF 61.74 FEET;  
THENCE SOUTH 86'15'56" WEST, A DISTANCE OF 74.59 FEET;  
THENCE NORTH 05'59'49" WEST, A DISTANCE OF 18.59 FEET;  
THENCE NORTH 80'55'02" EAST, A DISTANCE OF 277.05 FEET;  
THENCE SOUTH 13'11'14" EAST, A DISTANCE OF 28.80 FEET;  
THENCE SOUTH 27'32'14" WEST, A DISTANCE OF 43.04 FEET;  
THENCE SOUTH 17'59'41" EAST, A DISTANCE OF 57.88 FEET;  
THENCE SOUTH 00'00'42" EAST, A DISTANCE OF 115.67 FEET;  
THENCE SOUTH 05'21'27" EAST, A DISTANCE OF 109.22 FEET;  
THENCE SOUTH 37'30'03" WEST, A DISTANCE OF 103.69 FEET;  
THENCE SOUTH 05'33'23" WEST, A DISTANCE OF 183.33 FEET;  
THENCE SOUTH 37'55'57" EAST, A DISTANCE OF 77.94 FEET;  
THENCE SOUTH 18'18'43" WEST, A DISTANCE OF 59.33 FEET;  
THENCE SOUTH 56'19'33" WEST, A DISTANCE OF 82.46 FEET;  
THENCE NORTH 82'20'58" WEST, A DISTANCE OF 68.14 FEET TO THE POINT OF BEGINNING,  
SAID PARCEL 4 CONTAINS A CALCULATED AREA OF 2.672 ACRES, MORE OR LESS;

### TOGETHER WITH PARCEL 5:

A PARCEL OF LAND LOCATED IN THE WEST HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 48'58'10" WEST, A DISTANCE OF 949.01 FEET TO THE POINT OF BEGINNING;

## LEGAL DESCRIPTION

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PARCEL 5 CONTINUED:

THENCE SOUTH 27'39'05" WEST, A DISTANCE OF 149.56 FEET;  
THENCE NORTH 21'49'51" WEST, A DISTANCE OF 85.31 FEET;  
THENCE NORTH 02'16'58" EAST, A DISTANCE OF 95.73 FEET;  
THENCE NORTH 19'40'54" WEST, A DISTANCE OF 122.30 FEET;  
THENCE NORTH 02'50'12" WEST, A DISTANCE OF 91.94 FEET;  
THENCE NORTH 18'59'59" WEST, A DISTANCE OF 114.67 FEET;  
THENCE SOUTH 90'00'00" WEST, A DISTANCE OF 31.02 FEET;  
THENCE SOUTH 31'07'32" WEST, A DISTANCE OF 78.31 FEET;  
THENCE SOUTH 05'20'45" WEST, A DISTANCE OF 120.20 FEET;  
THENCE SOUTH 02'26'45" WEST, A DISTANCE OF 100.38 FEET;  
THENCE SOUTH 04'02'51" WEST, A DISTANCE OF 204.18 FEET;  
THENCE SOUTH 14'20'29" WEST, A DISTANCE OF 164.88 FEET;  
THENCE SOUTH 21'12'57" WEST, A DISTANCE OF 70.29 FEET;  
THENCE SOUTH 60'57'36" WEST, A DISTANCE OF 110.15 FEET;  
THENCE NORTH 87'13'39" WEST, A DISTANCE OF 90.06 FEET;  
THENCE NORTH 15'02'55" WEST, A DISTANCE OF 141.96 FEET;  
THENCE NORTH 04'12'38" EAST, A DISTANCE OF 152.32 FEET;  
THENCE NORTH 06'26'21" EAST, A DISTANCE OF 190.62 FEET;  
THENCE NORTH 17'54'52" WEST, A DISTANCE OF 121.68 FEET;  
THENCE NORTH 06'21'04" EAST, A DISTANCE OF 102.49 FEET;  
THENCE NORTH 15'56'21" EAST, A DISTANCE OF 313.13 FEET;  
THENCE NORTH 12'24'16" EAST, A DISTANCE OF 262.38 FEET;  
THENCE NORTH 04'53'46" EAST, A DISTANCE OF 264.05 FEET;  
THENCE NORTH 39'38'10" EAST, A DISTANCE OF 35.47 FEET;  
THENCE NORTH 78'38'27" EAST, A DISTANCE OF 108.22 FEET;  
THENCE NORTH 12'11'54" EAST, A DISTANCE OF 144.88 FEET;  
THENCE NORTH 57'01'32" EAST, A DISTANCE OF 81.13 FEET;  
THENCE NORTH 35'24'11" EAST, A DISTANCE OF 58.37 FEET;  
THENCE NORTH 39'59'50" EAST, A DISTANCE OF 125.13 FEET;  
THENCE NORTH 25'56'46" EAST, A DISTANCE OF 148.00 FEET;  
THENCE NORTH 34'59'42" EAST, A DISTANCE OF 89.86 FEET;  
THENCE NORTH 18'57'13" EAST, A DISTANCE OF 120.37 FEET;  
THENCE NORTH 28'31'37" EAST, A DISTANCE OF 79.61 FEET;  
THENCE NORTH 04'37'14" EAST, A DISTANCE OF 66.36 FEET;  
THENCE NORTH 20'45'26" EAST, A DISTANCE OF 119.34 FEET;  
THENCE NORTH 34'01'38" EAST, A DISTANCE OF 57.73 FEET;  
THENCE NORTH 51'45'22" EAST, A DISTANCE OF 75.61 FEET;  
THENCE NORTH 61'34'35" EAST, A DISTANCE OF 222.24 FEET;  
THENCE SOUTH 63'32'41" EAST, A DISTANCE OF 106.62 FEET;  
THENCE SOUTH 77'22'29" EAST, A DISTANCE OF 81.80 FEET;  
THENCE NORTH 78'50'24" EAST, A DISTANCE OF 160.26 FEET;  
THENCE SOUTH 86'01'42" EAST, A DISTANCE OF 96.95 FEET;  
THENCE NORTH 67'15'54" EAST, A DISTANCE OF 60.50 FEET;  
THENCE NORTH 82'24'59" EAST, A DISTANCE OF 39.98 FEET;  
THENCE SOUTH 39'09'53" EAST, A DISTANCE OF 36.16 FEET;  
THENCE SOUTH 05'49'59" WEST, A DISTANCE OF 88.47 FEET;  
THENCE SOUTH 35'11'24" EAST, A DISTANCE OF 49.09 FEET;  
THENCE NORTH 62'06'13" EAST, A DISTANCE OF 68.56 FEET;  
THENCE SOUTH 18'17'35" EAST, A DISTANCE OF 86.80 FEET;  
THENCE SOUTH 16'56'59" EAST, A DISTANCE OF 73.19 FEET;  
THENCE NORTH 66'29'56" WEST, A DISTANCE OF 70.79 FEET;  
THENCE SOUTH 81'00'13" WEST, A DISTANCE OF 89.18 FEET;  
THENCE SOUTH 44'58'52" WEST, A DISTANCE OF 45.06 FEET;  
THENCE SOUTH 12'28'45" EAST, A DISTANCE OF 51.01 FEET;  
THENCE NORTH 76'57'53" EAST, A DISTANCE OF 52.93 FEET;  
THENCE SOUTH 79'49'58" EAST, A DISTANCE OF 49.58 FEET;  
THENCE SOUTH 07'39'34" WEST, A DISTANCE OF 86.53 FEET;  
THENCE SOUTH 24'56'04" EAST, A DISTANCE OF 104.72 FEET;  
THENCE SOUTH 23'49'54" WEST, A DISTANCE OF 57.42 FEET;  
THENCE SOUTH 50'21'02" WEST, A DISTANCE OF 249.87 FEET;  
THENCE SOUTH 64'05'45" WEST, A DISTANCE OF 307.77 FEET;

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PARCEL 5 CONTINUED:

THENCE SOUTH 45°21'15" WEST, A DISTANCE OF 217.70 FEET;  
THENCE SOUTH 17°45'31" EAST, A DISTANCE OF 94.51 FEET;  
THENCE SOUTH 41°28'07" WEST, A DISTANCE OF 218.66 FEET;  
THENCE SOUTH 24°48'52" WEST, A DISTANCE OF 98.87 FEET;  
THENCE SOUTH 18°35'35" EAST, A DISTANCE OF 144.24 FEET;  
THENCE SOUTH 09°37'22" EAST, A DISTANCE OF 102.50 FEET;  
THENCE SOUTH 12°47'12" WEST, A DISTANCE OF 140.40 FEET;  
THENCE NORTH 89°19'22" EAST, A DISTANCE OF 57.18 FEET;  
THENCE SOUTH 65°15'57" EAST, A DISTANCE OF 43.57 FEET;  
THENCE SOUTH 04°34'27" WEST, A DISTANCE OF 90.43 FEET;  
THENCE SOUTH 16°53'14" WEST, A DISTANCE OF 120.22 FEET;  
THENCE NORTH 89°17'49" WEST, A DISTANCE OF 102.69 FEET;  
THENCE SOUTH 71°44'29" WEST, A DISTANCE OF 214.86 FEET;  
THENCE SOUTH 25°49'26" WEST, A DISTANCE OF 86.57 FEET;  
THENCE SOUTH 17°12'32" WEST, A DISTANCE OF 143.89 FEET TO THE POINT OF BEGINNING,  
SAID PARCEL 5 CONTAINS A CALCULATED AREA OF 43.614 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 6:

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 16 AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 26°44'12" WEST, A DISTANCE OF 571.88 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 10°49'06" EAST, A DISTANCE OF 171.78 FEET;  
THENCE SOUTH 31°11'51" WEST, A DISTANCE OF 69.43 FEET;  
THENCE SOUTH 30°16'00" EAST, A DISTANCE OF 215.08 FEET;  
THENCE SOUTH 04°11'05" EAST, A DISTANCE OF 200.36 FEET;  
THENCE SOUTH 22°03'30" WEST, A DISTANCE OF 190.31 FEET;  
THENCE SOUTH 23°39'38" WEST, A DISTANCE OF 264.41 FEET;  
THENCE SOUTH 24°58'22" WEST, A DISTANCE OF 115.00 FEET;  
THENCE SOUTH 10°51'59" WEST, A DISTANCE OF 86.25 FEET;  
THENCE SOUTH 30°43'41" WEST, A DISTANCE OF 238.89 FEET;  
THENCE SOUTH 41°30'36" WEST, A DISTANCE OF 87.33 FEET;  
THENCE SOUTH 18°22'17" WEST, A DISTANCE OF 99.73 FEET;  
THENCE SOUTH 39°28'33" WEST, A DISTANCE OF 65.32 FEET;  
THENCE SOUTH 11°27'17" WEST, A DISTANCE OF 75.79 FEET;  
THENCE SOUTH 55°40'15" WEST, A DISTANCE OF 123.34 FEET;  
THENCE SOUTH 13°38'01" WEST, A DISTANCE OF 64.58 FEET;  
THENCE SOUTH 47°16'02" WEST, A DISTANCE OF 87.81 FEET;  
THENCE NORTH 86°35'47" WEST, A DISTANCE OF 65.54 FEET;  
THENCE SOUTH 78°18'36" WEST, A DISTANCE OF 131.94 FEET;  
THENCE SOUTH 51°51'24" WEST, A DISTANCE OF 67.58 FEET;  
THENCE SOUTH 67°51'37" WEST, A DISTANCE OF 109.15 FEET;  
THENCE SOUTH 11°11'42" WEST, A DISTANCE OF 122.16 FEET;  
THENCE SOUTH 69°13'13" WEST, A DISTANCE OF 188.52 FEET;  
THENCE SOUTH 54°18'35" WEST, A DISTANCE OF 134.87 FEET;  
THENCE NORTH 52°47'23" WEST, A DISTANCE OF 52.62 FEET;  
THENCE SOUTH 78°05'00" WEST, A DISTANCE OF 71.47 FEET;  
THENCE SOUTH 41°40'33" WEST, A DISTANCE OF 32.64 FEET;  
THENCE SOUTH 00°36'21" WEST, A DISTANCE OF 49.50 FEET;  
THENCE SOUTH 36°08'18" WEST, A DISTANCE OF 71.00 FEET;  
THENCE SOUTH 51°14'10" WEST, A DISTANCE OF 68.71 FEET;  
THENCE NORTH 76°12'40" WEST, A DISTANCE OF 75.76 FEET;  
THENCE NORTH 36°58'35" WEST, A DISTANCE OF 49.72 FEET;  
THENCE NORTH 10°19'49" WEST, A DISTANCE OF 114.91 FEET;  
THENCE NORTH 24°05'05" EAST, A DISTANCE OF 63.10 FEET;  
THENCE NORTH 15°11'40" WEST, A DISTANCE OF 155.34 FEET;

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PARCEL 6 CONTINUED;

THENCE NORTH 87°04'56" WEST, A DISTANCE OF 83.10 FEET;  
THENCE NORTH 65°31'18" WEST, A DISTANCE OF 60.38 FEET;  
THENCE NORTH 11°40'03" EAST, A DISTANCE OF 65.27 FEET;  
THENCE SOUTH 85°25'56" EAST, A DISTANCE OF 85.07 FEET;  
THENCE SOUTH 72°57'12" EAST, A DISTANCE OF 111.59 FEET;  
THENCE NORTH 59°41'08" EAST, A DISTANCE OF 67.87 FEET;  
THENCE NORTH 87°25'31" EAST, A DISTANCE OF 96.77 FEET;  
THENCE NORTH 35°17'22" EAST, A DISTANCE OF 85.17 FEET;  
THENCE NORTH 42°20'14" EAST, A DISTANCE OF 173.28 FEET;  
THENCE NORTH 67°27'08" EAST, A DISTANCE OF 187.78 FEET;  
THENCE NORTH 53°50'25" EAST, A DISTANCE OF 183.67 FEET;  
THENCE NORTH 42°27'46" EAST, A DISTANCE OF 122.32 FEET;  
THENCE NORTH 64°40'04" EAST, A DISTANCE OF 60.50 FEET;  
THENCE NORTH 28°59'59" EAST, A DISTANCE OF 74.31 FEET;  
THENCE NORTH 01°00'12" WEST, A DISTANCE OF 170.85 FEET;  
THENCE NORTH 41°17'24" EAST, A DISTANCE OF 74.77 FEET;  
THENCE NORTH 15°21'08" EAST, A DISTANCE OF 57.99 FEET;  
THENCE NORTH 31°53'32" EAST, A DISTANCE OF 133.53 FEET;  
THENCE SOUTH 86°38'08" EAST, A DISTANCE OF 65.21 FEET;  
THENCE NORTH 06°10'55" EAST, A DISTANCE OF 64.88 FEET;  
THENCE NORTH 46°20'47" EAST, A DISTANCE OF 106.06 FEET;  
THENCE NORTH 44°41'02" EAST, A DISTANCE OF 67.03 FEET;  
THENCE NORTH 02°52'47" EAST, A DISTANCE OF 203.27 FEET;  
THENCE NORTH 10°49'47" EAST, A DISTANCE OF 141.19 FEET;  
THENCE NORTH 25°50'54" EAST, A DISTANCE OF 204.17 FEET;  
THENCE NORTH 33°56'56" EAST, A DISTANCE OF 113.87 FEET;  
THENCE NORTH 11°18'19" EAST, A DISTANCE OF 161.91 FEET;  
THENCE NORTH 59°56'47" EAST, A DISTANCE OF 145.06 FEET;  
THENCE SOUTH 56°47'03" EAST, A DISTANCE OF 49.98 FEET TO THE POINT OF BEGINNING,  
SAID PARCEL 6 CONTAINS A CALCULATED AREA OF 26.548 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 7:

PART OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 9 AND CONSIDERING THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9 TO BEAR SOUTH 85°13'21" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE SOUTH 85°13'21" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 51.08 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 01°41'58" WEST, A DISTANCE OF 42.18 FEET;

THENCE NORTH 88°18'02" EAST, A DISTANCE OF 32.00 FEET;

THENCE NORTH 01°41'58" WEST, A DISTANCE OF 29.00 FEET;

THENCE NORTH 88°18'02" EAST, A DISTANCE OF 60.00 FEET;

THENCE SOUTH 79°32'16" EAST, A DISTANCE OF 92.73 FEET;

THENCE SOUTH 27°37'15" EAST, A DISTANCE OF 55.08 FEET;

THENCE SOUTH 28°35'17" EAST, A DISTANCE OF 30.42 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9;

THENCE NORTH 85°13'21" WEST, ALONG SAID LINE, A DISTANCE OF 221.90 FEET TO THE POINT OF BEGINNING;

SAID PARCEL 7 CONTAINS A CALCULATED AREA OF 0.331 ACRE, MORE OR LESS;

TOGETHER WITH PARCEL 8:

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17 AND THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF

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PARCEL 8 CONTINUED:

SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;  
THENCE SOUTH 78°20'20" WEST, A DISTANCE OF 6915.33 FEET TO THE POINT OF BEGINNING;  
THENCE NORTH 29°40'56" WEST, A DISTANCE OF 348.56 FEET;  
THENCE NORTH 39°20'38" WEST, A DISTANCE OF 356.52 FEET;  
THENCE NORTH 36°59'58" EAST, A DISTANCE OF 336.92 FEET;  
THENCE NORTH 28°32'00" WEST, A DISTANCE OF 243.37 FEET;  
THENCE NORTH 19°06'15" EAST, A DISTANCE OF 274.21 FEET;  
THENCE NORTH 19°20'21" WEST, A DISTANCE OF 180.51 FEET;  
THENCE NORTH 04°42'05" EAST, A DISTANCE OF 120.69 FEET TO A POINT ON A CURVE;  
THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 87°23'52", A RADIUS OF 210.00 FEET, AN ARC LENGTH OF 320.33 FEET, AND A CHORD THAT BEARS SOUTH 65°51'24" EAST;  
THENCE SOUTH 22°09'28" EAST, A DISTANCE OF 416.94 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 51°27'15", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 188.59 FEET;  
THENCE SOUTH 29°17'47" WEST, A DISTANCE OF 258.29 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 30°24'36", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 100.84 FEET;  
THENCE SOUTH 01°06'49" EAST, A DISTANCE OF 588.47 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 04°15'11", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 14.10 FEET TO THE POINT OF BEGINNING;  
SAID PARCEL 8 CONTAINS AN AREA OF 10.299 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 9:

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 16, THE SOUTHEAST QUARTER OF SECTION 17, THE NORTHEAST QUARTER OF SECTION 20, THE NORTH HALF OF SECTION 21, AND THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;  
THENCE SOUTH 05°26'12" WEST, A DISTANCE OF 462.06 FEET;  
THENCE SOUTH 40°07'39" EAST, A DISTANCE OF 469.61 FEET;  
THENCE SOUTH 04°18'25" EAST, A DISTANCE OF 462.16 FEET;  
THENCE SOUTH 33°32'02" WEST, A DISTANCE OF 915.51 FEET;  
THENCE SOUTH 81°08'12" WEST, A DISTANCE OF 1873.21 FEET;  
THENCE NORTH 70°30'00" WEST, A DISTANCE OF 668.03 FEET;  
THENCE NORTH 23°18'26" WEST, A DISTANCE OF 776.98 FEET;  
THENCE NORTH 30°49'51" WEST, A DISTANCE OF 328.94 FEET;  
THENCE NORTH 09°04'28" EAST, A DISTANCE OF 313.33 FEET;  
THENCE NORTH 07°43'55" WEST, A DISTANCE OF 706.28 FEET;  
THENCE SOUTH 83°39'49" WEST, A DISTANCE OF 179.60 FEET;  
THENCE NORTH 18°13'07" WEST, A DISTANCE OF 396.49 FEET;  
THENCE SOUTH 76°42'33" WEST, A DISTANCE OF 157.49 FEET TO A POINT ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;  
THENCE SOUTH 06°26'26" WEST, ALONG SAID EAST LINE, A DISTANCE OF 93.33 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;  
THENCE NORTH 88°04'12" WEST, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, A DISTANCE OF 92.88 FEET;  
THENCE SOUTH 14°43'51" EAST, A DISTANCE OF 507.37 FEET;  
THENCE SOUTH 77°24'42" WEST, A DISTANCE OF 81.46 FEET;  
THENCE NORTH 46°17'56" WEST, A DISTANCE OF 145.16 FEET;  
THENCE SOUTH 83°40'40" WEST, A DISTANCE OF 588.82 FEET;  
THENCE NORTH 81°31'51" WEST, A DISTANCE OF 451.13 FEET;  
THENCE SOUTH 52°15'23" WEST, A DISTANCE OF 243.82 FEET;  
THENCE SOUTH 45°27'54" WEST, A DISTANCE OF 446.51 FEET;  
THENCE SOUTH 08°47'03" WEST, A DISTANCE OF 161.42 FEET TO A POINT ON THE WESTERLY BOUNDARY OF THE 7.80 ACRE OPEN SPACE PARCEL DEDICATED BY WESTRIDGE SUBDIVISION, THE PLAT OF WHICH

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PARCEL 9 CONTINUED;  
IS RECORDED AT RECEPTION NO. 203775 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
THENCE SOUTH 16°16'51" WEST, ALONG SAID WESTERLY BOUNDARY, A DISTANCE OF 502.04 FEET;  
THENCE SOUTH 72°02'29" WEST, A DISTANCE OF 283.80 FEET;  
THENCE SOUTH 46°48'58" WEST, A DISTANCE OF 229.29 FEET;  
THENCE SOUTH 86°25'33" WEST, A DISTANCE OF 322.14 FEET;  
THENCE NORTH 03°33'35" WEST, A DISTANCE OF 698.83 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 62°49'37", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 230.27 FEET;  
THENCE NORTH 59°16'01" EAST, A DISTANCE OF 245.18 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 64°03'40", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 212.43 FEET;  
THENCE NORTH 04°47'39" WEST, A DISTANCE OF 164.28 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 74°06'19", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 245.74 FEET;  
THENCE NORTH 78°53'58" WEST, A DISTANCE OF 129.25 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 91°01'52", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 333.65 FEET;  
THENCE NORTH 12°07'54" EAST, A DISTANCE OF 159.45 FEET;  
THENCE SOUTH 47°40'17" EAST, A DISTANCE OF 55.96 FEET;  
THENCE NORTH 72°23'16" EAST, A DISTANCE OF 889.28 FEET;  
THENCE SOUTH 55°44'06" EAST, A DISTANCE OF 525.10 FEET;  
THENCE NORTH 70°01'41" EAST, A DISTANCE OF 156.93 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;  
THENCE NORTH 08°12'10" EAST, ALONG SAID WEST LINE, A DISTANCE OF 1203.61 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;  
THENCE SOUTH 87°50'43" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, A DISTANCE OF 775.92 FEET;  
THENCE NORTH 19°35'43" EAST, A DISTANCE OF 96.30 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF VILLAGE DRIVE AS DEDICATED BY THE PLAT OF SILVERGATE SUBDIVISION RECORDED AT RECEPTION NO. 203772 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
THENCE SOUTH 12°13'04" EAST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 35.85 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF THAT EIGHTY (80) FOOT WIDE RIGHT-OF-WAY DESCRIBED AT RECEPTION NO. 2003-007992 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES  
1) THENCE SOUTH 12°13'04" EAST, A DISTANCE OF 51.14 FEET TO A POINT OF CURVATURE;  
2) THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 01°43'26", A RADIUS OF 262.00 FEET, AND AN ARC LENGTH OF 7.88 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;  
THENCE SOUTH 87°50'43" EAST, ALONG SAID NORTH LINE, A DISTANCE OF 84.27 FEET TO A POINT ON A CURVE ON THE SOUTHERLY BOUNDARY OF TRACT B, WRANGLERS CROSSING AS RECORDED AT RECEPTION NO. 2003-007994 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
THENCE ALONG SAID SOUTHERLY BOUNDARY, ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 99°55'34", A RADIUS OF 182.00 FEET, AN ARC LENGTH OF 317.41 FEET, AND A CHORD THAT BEARS SOUTH 71°26'25" EAST TO A POINT ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;  
THENCE SOUTH 06°26'26" WEST, ALONG SAID EAST LINE, A DISTANCE OF 93.90 FEET TO A POINT ON A CURVE ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID EIGHTY (80) FOOT WIDE RIGHT-OF-WAY DESCRIBED AT RECEPTION NO. 2003-007992;  
THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES:  
1) THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 16°06'47", A RADIUS OF 262.00 FEET, AN ARC LENGTH OF 73.68 FEET, AND A CHORD THAT BEARS NORTH 63°20'20" EAST;  
2) THENCE NORTH 55°16'56" EAST, A DISTANCE OF 103.13 FEET TO THE NORTHWEST CORNER OF THE AMENDED FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II AS RECORDED AT RECEPTION NO. 2000-005640 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;

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PARCEL 9 CONTINUED;

THENCE SOUTH 13'16'56" WEST, ALONG THE WESTERLY BOUNDARY OF SAID AMENDED FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II AND ITS SOUTHERLY EXTENSION, A DISTANCE OF 624.73 FEET;

THENCE SOUTH 85'51'25" EAST, A DISTANCE OF 462.12 FEET;

THENCE SOUTH 04'47'55" WEST, A DISTANCE OF 36.68 FEET;

THENCE SOUTH 65'56'43" EAST, A DISTANCE OF 627.82 FEET;

THENCE NORTH 88'45'26" EAST, A DISTANCE OF 178.77 FEET;

THENCE NORTH 44'10'34" EAST, A DISTANCE OF 929.57 FEET;

THENCE SOUTH 56'43'40" EAST, A DISTANCE OF 2016.36 FEET TO THE POINT OF BEGINNING,

SAID PARCEL 9 CONTAINS A GROSS AREA OF 303.723 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

THE 2.40 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE I SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 203319 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER, TOGETHER WITH THE 0.22 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 222486 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, SUBORDINATELY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 73'01'23" EAST, A DISTANCE OF 1364.97 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 28'16'56" WEST, A DISTANCE OF 114.25 FEET;

THENCE NORTH 61'43'04" WEST, A DISTANCE OF 520.40 FEET;

THENCE NORTH 28'16'56" EAST, A DISTANCE OF 324.51 FEET;

THENCE SOUTH 39'43'04" EAST, A DISTANCE OF 561.27 FEET TO THE POINT OF BEGINNING;

SAID EXCEPTED PARCEL CONTAINS A CALCULATED AREA OF 2.621 ACRES, MORE OR LESS;

THE NET AREA OF SAID PARCEL 9 AFTER EXCEPTION IS 301.102 ACRES, MORE OR LESS;

Headwaters Metropolitan District  
 Summary of LPA Payments to GRH  
 As of December 31, 2019

	<u>Type</u>	<u>Date</u>	<u>Balance</u>
LPA Payments to GRH			
		<b>2006</b>	<b>760,000.00</b>
		<b>2007</b>	<b>1,495,000.00</b>
		<b>2008</b>	<b>415,000.00</b>
		<b>2009</b>	<b>220,000.00</b>
		<b>2010</b>	<b>1,140,000.00</b>
		<b>2011</b>	<b>410,000.00</b>
	Closing Entry	12/31/2012	290,000.00
	Closing Entry	12/31/2013	450,000.00
	Closing Entry	12/31/2014	260,000.00
	Closing Entry	12/31/2015	150,000.00
	Closing Entry	12/31/2016	50,000.00
	Closing Entry	12/31/2017	230,000.00
	Closing Entry	12/31/2018	110,000.00
	Closing Entry	12/31/2019	<b>110,000.00</b>
<b>TOTAL</b>			<b><u>6,090,000.00</u></b>