ELDORADO SPRINGS PUBLIC IMPROVEMENT DISTRICT

RESOLUTION NO. 2026-003

A Resolution of the Board of the Eldorado Springs Public Improvement District of Boulder County referring to the electors of the District the question whether the District shall incur a debt payable from special assessments to be assessed within Eldorado Springs Local Improvement District No. 3, to be created by the District after the date hereof, and certifying a ballot title for the November 3, 2026, election to seek voter approval to incur such debt.

Recitals

A. The Eldorado Springs Public Improvement District (the "ESPID" or the "District") was formed in December 2024 to take over the operation and maintenance of the Eldorado Springs wastewater treatment facility ("WWTF") that provides wastewater treatment and sewerage services to residents of the ESPID.

B. In November 2025, the Colorado Department of Public Health and Environment issued Notice of Violation/Cease and Desist Order DO-250911-1 (the "NOV"), stemming from alleged violations of the Water Quality Control Division Permit ("WQCD") for the WWTF, Permit No. CO0047651 (the "Permit").

C. Preliminary work to make significant improvements at the WWTF in response to the NOV was begun in 2026 (the "Project"). The Project is governed by a timeline agreed upon by Boulder County and the WQCD to resolve the NOV. The scope of the Project is defined in the documentation between the WQCD and Boulder County related to the NOV.

D. In the May 19, 2026 Intergovernmental Agreement between the ESPID Board and the Boulder County Board of County Commissioners (the "BOCC"), the ESPID Board agreed to seek taxpayer authority to apply for a loan from the Colorado State Revolving Fund ("SRF") administered by the Colorado Water Resources and Power Development Authority ("CWRPDA") to fund the Project improvements.

E. The estimated Project costs support the ESPID Board seeking the SRF loan in an amount of no more than $1,000,000. In consultation with CWRPDA, a loan of this amount would be eligible for repayment at 3.25% interest over 20 years. Under these terms, the total payback amount for a $1,000,000 loan would not exceed $1,440,000.

F. Staff have informed the ESPID Advisory Committee and residents of the ESPID about the need for the SRF Loan and sought feedback in Advisory Committee and public meetings on the amount of the loan and method of repayment. The ESPID Advisory Committee discussed the SRF loan and repayment mechanisms in ESPID Advisory Committee meetings on November 20, 2025, January 15, 2026, February 19, 2026, March 19, 2026, April 16, 2026, May 21, 2026, July 16, 2026, and August 20, 2026. Also, public meetings with ESPID residents on this topic were held on August 11 and August 20, 2026.

G. Feedback from the ESPID Advisory Committee and residents uniformly supports the ESPID seeking the SRF loan in the lowest amount practicable to meet Project costs and repaying it via special assessments on properties in the District in a manner related to the equivalent residential units ("EQRs") system, as that is generally described in The Boulder County Eldorado Springs Wastewater and Electric Local Improvement District Rules and Regulations as adopted by the ESPID in Eldorado Springs Public Improvement District Resolution 2026-001. The ESPID anticipates establishing a local improvement district under C.R.S. § 30-20-512.5 in order to impose a special assessment to pay back the SRF loan.

H. Pursuant to C.R.S. § 30-20-512, a public improvement district may borrow money in furtherance of its authority to manage, control and supervise all the business and affairs of the district, including the construction, operation and maintenance of district improvements, subject to the requirements of Colo. Const. Art. X § 20 and Art. XI § 6.

I. Pursuant to C.R.S. § 30-20-512.5, a public improvement district may establish a local improvement district within the boundary of the public improvement district to defray costs of the improvements in the public improvement district and assess the costs thereof as provided in Part 6 of Article 20 of Title 30, C.R.S.

J. Pursuant to C.R.S. § 30-20-512 a public improvement district may incur debt payable from the special assessments assessed by such local improvement district, subject to the election requirements of C.RS. § 30-20-619.

K. The ESPID Board intends to establish such a local improvement district, to be named the "Eldorado Springs Local Improvement No. 3" (the "Local Improvement District").

L. Pursuant to §§ 30-11-103.5 and 31-11-111(3), C.R.S., as amended, the ESPID Board must fix a ballot title according to the following guidelines: consider the public confusion that might be caused by a misleading title; avoid a title for which the general understanding of the effect of a "yes" or "no" vote would be unclear; ensure no conflict with titles selected for any other measure that will appear on the County ballot in the same election; and create a title that shall correctly and fairly express the true intent and meaning of the measure.

M. Through this Resolution, the ESPID Board desires to refer to the electors of the District (being the same as the electors of the Local Improvement District), to be determined by a majority voting thereon, the question whether the District shall be authorized to incur a debt via the SRF loan in a principal amount not to exceed $1,000,000 with total repayment not to exceed $1,440,000.

N. Through this Resolution, the ESPID Board also desires to approve the ballot title for the debt question for placement on the ballot for the November 3, 2026 general election and to certify the ballot measure and title to the County Clerk for publication of the ballot title on the ballots for the voters for the November 3, 2026 general election, on or before September 4, 2026.

Therefore, the ESPID Board resolves:

1. The ESPID Board finds that seeking the SRF Loan fulfills the ESPID Board's obligations under the NOV and the IGA and will enable the ESPID Board to pay for the required work on the Project.

2. The ESPID Board finds that community input, both via the ESPID Advisory Committee and during public meetings, supports seeking the SRF Loan in an amount not to exceed $1,000,000, with a maximum net effective interest rate not to exceed 4.0% and a 20-year payback window, with a total payback amount not to exceed $ 1,440,000, and that the District will repay the SRF loan via special assessment on District residents and via any other sources of funding legally available to the District.

3. The ESPID Board desires to refer the question of incurring the debt represented by the SRF Loan to the electors in the District.

4. If the voters approve the debt obligation, the ESPID Board will establish a local improvement district to be known as the Eldorado Springs Local Improvement District No. 3 under C.R.S. § 30-20-512.5 and § 30-20-601 *et seq.* to assess the loan repayment costs on ESPID residents in a manner related to residents' EQRs.

5. The ESPID Board finds that the ballot title set forth in Exhibit A meets the statutory requirements of §§ 30-11-103.5 and 31-11-111(3), C.R.S., as amended.

6. Pursuant to C.R.S. § 30-20-508(4)(a), the Eldorado Springs Public Improvement District of Boulder County ballot measure (complete with submission clause) to incur the debt represented by the SRF Loan shall be placed upon the November 3, 2026 general election ballot, to appear as set forth in Exhibit A attached hereto.

7. Upon approval of this Resolution by the ESPID Board, the Designated Election Official, Natalie Springett, Commissioners' Deputy, shall forthwith, before the end of business on September 4 transmit this Resolution to the Boulder County Clerk and Recorder, in both .pdf and MS Word formats, for placement of the foregoing ballot issues by title on the November 3, 2026 general election ballot.

8. For purposes of C.R.S. §1-11-203.5, this Resolution shall serve to set the ballot titles and content for the ballot measure set forth in Exhibit A hereto. Exhibit A is hereby incorporated into this Resolution as if set forth in full herein.

9. Any authority to incur debt, if conferred by the results of the election, shall be deemed and considered a continuing authority to incur the debt so authorized at any one time, or from time to time, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

10. The officers and employees of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

11. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the ESPID Board and the officers and employees of the District and directed toward holding the election for the purposes stated herein are hereby ratified, approved and confirmed.

12. All prior acts, orders or resolutions, or parts thereof, by the District in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed to revive any act, order or resolution, or part thereof, heretofore repealed.

13. If any section, paragraph, clause or provision of this Resolution shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions of this Resolution, it being the intention that the various parts hereof are severable.

14. This Resolution shall take effect immediately upon its passage.

[Signature page follows.]

A motion to approve this Resolution 2026-003 was made by Stolzmann, seconded by Loachamin, and passed by a 3-0 vote of the Eldorado Springs PID Board.

ADOPTED this 25th day of August 2026.

ELDORADO SPRINGS PUBLIC IMPROVEMENT DISTRICT BOARD:

Claire Levy

Claire Levy, Chair

Ashley Stolzmann

Ashley Stolzmann, Board Member

Marta Loachamin

Marta Loachamin, Board Member

ATTEST:

Matthew Ramos

Clerk to the Board

Exhibit A

ELDORADO SPRINGS PUBLIC IMPROVEMENT DISTRICT OF BOULDER COUNTY ISSUE ______ (Eldorado Springs Public Improvement District of Boulder County Debt Authorization)

SHALL ELDORADO SPRINGS PUBLIC IMPROVEMENT DISTRICT OF BOULDER COUNTY DEBT (FOR ELDORADO SPRINGS LOCAL IMPROVEMENT DISTRICT NO. 3) BE INCREASED BY UP TO $1,000,000, WITH A MAXIMUM REPAYMENT COST OF UP TO $1,440,000 (SUCH AMOUNTS TO BE REDUCED TO THE EXTENT PROJECTED COSTS OR LOAN RATES HAVE BEEN OVER-ESTIMATED, OR TO THE EXTENT ADDITIONAL SOURCES OF FUNDING, IF ANY, ARE SECURED) FOR THE PURPOSE OF FINANCING THE COSTS OF IMPROVEMENTS TO THE ELDORADO SPRINGS WASTEWATER TREATMENT PLANT AND ANY COSTS NECESSARY OR INCIDENTAL THERETO, INCLUDING WITHOUT LIMITATION THE COST OF ESTABLISHING RESERVES TO SECURE THE PAYMENT OF SUCH DEBT; SHALL SUCH DEBT BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 4% AND BE PAYABLE FROM SPECIAL ASSESSMENTS IMPOSED AGAINST BENEFITED PROPERTIES WITHIN THE LOCAL IMPROVEMENT DISTRICT AND FROM OTHER FUNDS THAT MAY BE LAWFULLY PLEDGED TO THE PAYMENT OF SUCH DEBT; AND SHALL THE REVENUES FROM SUCH SPECIAL ASSESSMENTS AND ANY EARNINGS THEREON AND FROM THE INVESTMENT OF THE PROCEEDS OF SUCH DEBT CONSTITUTE A VOTER-APPROVED REVENUE CHANGE; ALL IN ACCORDANCE WITH RESOLUTION NO. 2026-003 OF THE BOARD OF DIRECTORS OF THE PUBLIC IMPROVEMENT DISTRICT?

____YES ____NO