

**NOTICE OF INTENT TO UNDERTAKE CERTAIN ACTIONS**

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CASCADE METROPOLITAN DISTRICT NO. 1

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**PUBLIC NOTICE IS HEREBY GIVEN** that, pursuant to § 32-1-207(3)(b), C.R.S., the Board of Directors of Cascade Metropolitan District No. 1 (the “**District**”) intends to undertake certain actions pertaining to the refinancing of outstanding water enterprise revenue bonds of the District, as described herein.

On June 9, 2015, the District, acting by and through its Water Activity Enterprise, issued its Water Enterprise Revenue Refunding and Improvement Bonds, Series 2015A, in the aggregate principal amount of \$3,500,000 (the “**2015A Revenue Bonds**”) and its Water Enterprise Revenue Refunding and Improvement Bonds, Series 2015B in the aggregate principal amount of \$1,500,000 (the “**2015B Revenue Bonds**” and, collectively with the 2015A Revenue Bonds, the “**2015 Revenue Bonds**”), which are special, limited obligations payable solely from and secured by revenue of the Water Activity Enterprise. The 2015 Revenue Bonds do not constitute a debt, an indebtedness or a multiple fiscal year debt or other financial obligation of the District within the meaning of any constitutional or statutory provision or limitation and are not considered or held to be general obligations of the District or the Water Activity Enterprise. While the District conveyed its capital assets to Colorado Springs Utilities (“**CSU**”) with the year ended December 31, 2020, the District continues in existence in order to repay the obligations incurred for the required improvements to the infrastructure and will continue to do so until all obligations have been repaid in full.

The District now intends to fully refund the 2015 Revenue Bonds with the issuance of the Water Revenue Refunding Bonds, Series 2023 in a principal amount not to exceed \$5,000,000 (the “**2023 Revenue Bonds**”), in order to achieve long-term cost savings. The 2023 Revenue Bonds will be special, limited revenue obligations of the District, and will constitute a refinancing of debt at a lower interest rate for purposes of Article X, Section 20 of the Colorado Constitution (TABOR). The 2023 Revenue Bonds will not be considered or held to be general obligations of the District. The District will continue to exist for the purpose of discharging the 2023 Revenue Bonds.

Pursuant to Section C(3) of the First Amendment to the Consolidation Service Plan for the Cascade Metropolitan District Nos. 1 & 2 (as it relates to Cascade Metropolitan District No. 1 only) (the “**Service Plan**”), as approved by the El Paso County Board of County Commissioners (the “**County**”) by Resolution No. 15-99 on March 3, 2015, the District has a maximum authorized indebtedness of \$5,000,000. Although this Service Plan provision does not specifically exclude refunding debt from the \$5,000,000 limit, the District believes that the maximum authorized indebtedness does not apply to the refinancing of prior debt.

Consequently, the District has determined that issuance of the 2023 Revenue Bonds, conveyance of the capital assets to CSU, continuance as an enterprise, and the imposition of ongoing monthly debt service, administrative and other fees are consistent with the intent and purposes of the Service Plan and are in material compliance with the Service Plan.

**NOTICE IS FURTHER GIVEN** that, pursuant to and in accordance with § 32-1-207(3)(b), C.R.S., any action to enjoin such proposed activities as a material departure from the service plan must be brought within forty-five (45) days from publication of this Notice, which deadline is \_\_\_\_\_, 2023.

**IN WITNESS WHEREOF**, the Board of Directors of Cascade Metropolitan District No. 1, El Paso County, Colorado, have authorized this Notice to be given.

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

General Counsel to Cascade Metropolitan District No. 1

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