**EVANS FIRE PROTECTION DISTRICT**
**2100 37th Street**
**Evans, Colorado 80620**
**(970) 339-3920**

NOTICE OF REGULAR MEETING AND AGENDA

*Agenda is preliminary and subject to change by majority vote of the Board at the meeting.*

*Individuals requiring special accommodation to attend and/or participate in this meeting please advise the ADA Compliance Officer (970- 339-3920) of their specific need(s) 48 before the meeting.*

DATE: August 24, 2026 TIME: 6:30 p.m.
PLACE: Evans Fire Station 2, 2100 37th Street, Evans, Colorado 80620
By phone: 301-715-8592; Meeting ID: 292 753 9756; Passcode: 6599178

**Opening of Meeting**

- Call to order
- Pledge of Allegiance
- Roll Call
- Amendments to Agenda

**Meeting Items**

1. Swearing In
2. Public Comment
    a. If you wish to address the Board of Directors, this is the time set on the agenda for you to do so. When you are recognized please state your name and address. Your comments will be limited to three (3) minutes. The Board may not respond to your comments this evening, rather they may take your comments and suggestions under advisement, and your questions may be directed to the appropriate staff person for follow-up. Thank you!
3. Consent Agenda
    a. Financial Report
    b. Minutes of previous meeting
4. Public Hearing: Budget Revision
5. Review and Consider: Resolution 2026-07 Tower Financing Package
6. Discussion: 115 Trust
7. Review and Consider: Change to September Meeting Date
8. Discussion: 2027 Budget Planning
9. Fire Prevention Bureau Report
10. Administration Report
11. Legal Counsel Update
12. Director's Reports
13. New Business
14. Executive session
    a. pursuant to C.R.S. 24-6-402(b) & (e) to discuss matters subject to negotiations regarding potential City development
15. Possible action on any matter discussed in executive session
16. Adjournment

Next regular meeting is scheduled for September 28, 2026 at 6:30 p.m.

# 2026 Year-to-Date Financial Report

*unaudited expenses and revenues through July 31, 2026*

## REVENUES

### General Revenue

| Budget | Revenue Collected YTD | To Be Collected |
|---|---|---|
| $ 4,526,642 | $ 4,240,746 | $ 285,896 |
| **does not include Impact Fees, Sales Tax, or Interest* | | 6% |

### Impact Fees

| Budget | Fees Collected YTD | To Be Collected |
|---|---|---|
| $ 35,000 | $ 51,349 | $ (16,349) |
| *YTD Interest Earned* | *$ 4,332* | -47% |

### Sales Tax

| Budget | Revenue Collected YTD | To Be Collected |
|---|---|---|
| $ 3,500,000 | $ 1,424,924 | $ 2,075,076 |
| | | 59% |

## INVESTMENTS

### COLOTRUST

| | Account Balance | YTD Income Earned |
|---|---|---|
| | $ 6,384,615 | $ 138,558 |
| | | *July average monthly yield 3.7658%* |

### Sweep Account

| | YTD Fees Paid | YTD Income Earned |
|---|---|---|
| | $ 2,471 | $ 22,920 |
| | | *interest rate 1.8%* |

## EXPENDITURES

### Administration

| Budget | Expense YTD | Remaining Budget |
|---|---|---|
| $ 375,603 | $ 343,496 | $ 32,107 |
| | | 8.55% |

### Operations

| Budget | Expense YTD | Remaining Budget |
|---|---|---|
| $ 414,609 | $ 259,946 | $ 154,663 |
| | | 37.30% |

### Personnel

| Budget | Expense YTD | Remaining Budget |
|---|---|---|
| $ 5,746,760 | $ 2,300,493 | $ 3,446,267 |
| | | 40.03% |

### Equipment Maint

| Budget | Expense YTD | Remaining Budget |
|---|---|---|
| $ 104,706 | $ 71,238 | $ 33,467 |
| | | 31.96% |

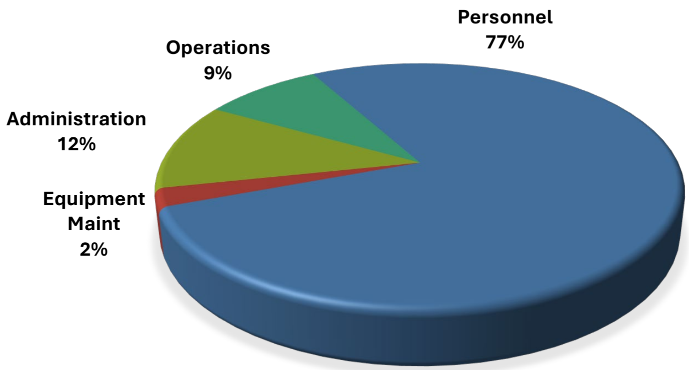
| TOTAL AVAILABLE FUNDS | COLOTRUST | FNBO Operating | FNBO Impact Fees | |
|---|---|---|---|---|
| Unappropriated* | $ 3,042,648 | | | |
| AMP | | $ 222,384 | | |
| Capital | $ 3,331,127 | $ - | $ 708,457 | |
| Operating Fund | | $ 3,397,599 | | |
| TOTALS | $ 6,373,776 | $ 3,619,984 | $ 708,457 | **$ 10,702,216** |

*Includes Board required Operating Reserve per financial policies, which exceeds TABOR reserve requirement.

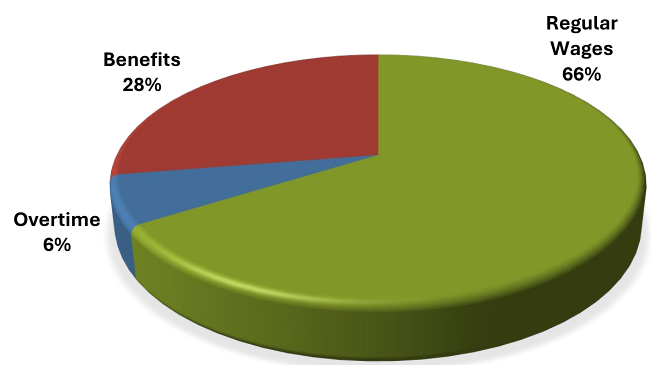
Sales Tax Collections

| Filing Period | Collections |
|---|---|
| 1/31/2026 | $ 179,168 |
| 2/28/2026 | $ 254,518 |
| 3/31/2026 | $ 265,584 |
| 4/30/2026 | $ 241,718 |
| 5/31/2026 | $ 230,877 |
| 6/30/2026 | $ 253,058 |
| | **$ 1,424,924** |

**YTD Expenses**




**YTD Personnel**



**EVANS FIRE PROTECTION DISTRICT**
**BOARD OF DIRECTORS - REGULAR MEETING**
**July 27, 2026**

A regular meeting of the Board of Directors of the Evans Fire Protection District was called to order by Chairperson Achziger at 6:30 p.m. on July 27, 2026, at Evans Fire Station 2, 2100 37th Street, Evans, Colorado, 80620.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

Directors Present:
Mary Achziger, President
Marty Schanwolf, Secretary
Tim Naylor, Director
Tricia Watson, Treasurer

Also Present:
Joe DeSalvo, Fire Chief
Sharon Bowles, Administrative Director
Heather Covalt, Operations and Finance Asst
Emily Powell, Attorney
John Miller, Attorney

Directors Absent:
David James, Vice President

**AMENDMENTS TO AGENDA**

No amendments requested. Director Naylor moved to approve the agenda as presented. Director Watson seconded. Motion passed unanimously.

**PUBLIC COMMENT**

No public in attendance.

**CONSENT AGENDA**

Director Schanwolf moved to approve the consent agenda. Director Naylor seconded. Motion passed unanimously.

**DISCUSSION: 2027 BUDGET PLANNING**

Ms. Bowles reviewed the revenue accounts and expected sources of income for the District for the upcoming year. She also reviewed the expenses related to those accounts. No action was needed from the Board at this time.

**FIRE PREVENTION BUREAU REPORT**

Chief DeSalvo reviewed items of note that the FPB has been working on.

**ADMINISTRATION REPORT**

- Dispatch
- EMS
- ALS
- ESO
- Mtn Cement Annexation: Completion

- Current Staffing
- Around the Firehouse
- Sales Tax Revenue Update

**LEGAL COUNSEL UPDATE**

Attorney Powell discussed matters legal counsel assisted on during the previous month and provided updates on items of note in the 2026 legislative session.

**DIRECTOR'S REPORTS**

Director Schanwolf reported positive comments from a resident in Evans, stating our firefighters are all very responsive and professional.

**NEW BUSINESS**

Firefighters Calabro and Martinez addressed the Board and introduced themselves.

**EXECUTIVE SESSION**

Director Schanwolf moved to enter executive session pursuant to C.R.S. 24-6-402(b) & (e) to discuss matters subject to negotiations regarding potential City development.

Board entered executive session with Chief DeSalvo and Attorney Powell at 7:07p.m.

Director Watson moved to close executive session. Director Schanwolf seconded. Motion passed unanimously.

Board returned to open session at 7:44 p.m.

**POSSIBLE ACTION ON ANY ITEM DISCUSSED IN EXECUTIVE SESSION**

No action taken.

**ADJOURNMENT**

Director Naylor moved to adjourn. Director Schanwolf seconded. Motion passed unanimously. Meeting adjourned at 7:45 p.m.

These are the true and correct minutes of the meeting held on the date above; they were approved by the Board on this 24th day of August, 2026.

______________________________
Mary Achziger, President

______________________________
Martin Schanwolf, Secretary

CERTIFIED RECORD

OF

PROCEEDINGS RELATING TO

**EVANS FIRE PROTECTION DISTRICT**
WELD COUNTY, COLORADO

THE HEARING ON THE SUPPLEMENTAL BUDGET REGARDING THE EXPENDITURE OF MONEYS FROM THE GENERAL FUND; THE EXPENDITURE OF MONEYS FROM THE ASSET MANAGEMENT PLAN; AND THE EXPENDITURE OF MONEYS FROM THE CAPITAL IMPROVEMENT PLAN

FOR FISCAL YEAR

2026

STATE OF COLORADO )
) ss.
COUNTY OF WELD )

The Board of Directors ("***Board***") of the Evans Fire Protection District ("***District***"), Weld County, Colorado, held a regular meeting and public hearing at Evans Fire Station 2, 2100 37th Street, Evans, Colorado 80620, on Monday, August 24, 2026 at the hour of 6:30 p.m. concerning a proposed 2026 Supplemental Budget.

The following members of the Board of Directors were present:

| | |
|---|---|
| President: | Mary Achziger |
| Vice President: | David James |
| Treasurer: | Tricia Watson |
| Secretary: | Marty Schanwolf |
| Director: | Tim Naylor |

Also present was District legal counsel, Emily Powell.

President Achziger reported that, prior to the meeting and public hearing, each Director was notified of the date, time, and place of the meeting and the purpose for which it was called. She further reported that a Notice of the public hearing on the proposed 2026 Supplemental Budget was published in the Greeley Tribune on Wednesday , August 19, 2026. Notice of the public hearing also was duly posted. Thereupon, Director **______________** introduced and moved for the adoption of the following Resolution:

**RESOLUTION 2026-06**

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET REGARDING THE EXPENDITURE OF MONEYS FROM THE GENERAL FUND; THE EXPENDITURE OF MONEYS FROM THE ASSET MANAGEMENT PLAN; AND THE EXPENDITURE OF MONEYS FROM THE CAPITAL IMPROVEMENT PLAN FOR THE EVANS FIRE PROTECTION DISTRICT, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2026 AND ENDING ON THE LAST DAY OF DECEMBER 2026.

WHEREAS, the Board, after complying with notice and other statutory requirements, duly adopted a budget for fiscal year 2026;

WHEREAS, after adopting the 2026 budget and making appropriations thereunder;

- Additional Personal Protective Equipment was needed due to unplanned staffing changes and damaged gear;
- A damaged pump was deemed in need of replacement;
- SCBA equipment was found to be in need of repairs;
- Vendor billing inconsistencies resulted in delayed billing for small equipment;
- The addition of a Deputy Chief resulted in the need for an additional staff vehicle;
- The need for updated HR management and crew scheduling software was recognized;
- Additional expenses were incurred for hiring processes beyond planned positions.

WHEREAS, the District Board authorized administrative staff to prepare and submit a proposed 2026 Supplemental Budget reflecting the additional expenditures from the General Fund, as set forth above;

WHEREAS, a proposed 2026 Supplemental Budget has been submitted to the District Board for its consideration. A copy of the 2026 Supplemental Budget is attached to this Record of Proceedings;

WHEREAS, due and proper notice, published and posted in accordance with the law, advised the public that (1) the proposed 2026 Supplemental Budget was available for inspection by the public at a designated public office; (2) a public hearing would be held on Monday, August 24, 2026; and (3) interested electors could comment on or file or register objections to the proposed 2026 Supplemental Budget any time before the public hearing; and

WHEREAS, a public hearing was held on Monday, August 24, 2026, and interested electors were given the opportunity to comment on, or file or register any objections to, the attached proposed 2026 Supplemental Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EVANS FIRE PROTECTION DISTRICT, WELD COUNTY, COLORADO:

Section 1. **Asset Management.** Expenditure of Moneys from the Asset Management Fund. The Board hereby authorizes and approves the expenditure of moneys from the Asset Management Fund, in the amount of $25,000 for purchase of Personal Protective Equipment; $2,000 for SCBA repairs; and $5,100 for small tool replacement.

Section 2. **Capital Improvement.** Expenditure of Moneys from the Capital Improvement Fund. The Board hereby authorized and approves the expenditure of moneys from the Capital Improvement Fund, in the amount of $30,000 to replace the pump on Engine 3; $2,500 for apparatus repairs; and $70,000 for the purchase of an additional light vehicle for the new Deputy Chief position.

Section 3. **General Fund.** Expenditure of Moneys from the General Fund. The Board hereby authorizes and approves the expenditures of moneys from the 2026 Professional Services budget, in the amount of $3,600 for Payroll/HR software; and expenditures of moneys from the HR budget, in the amount of $5,000 for additional hiring expenses.

Section 4. **Purposes of 2026 Supplemental Budget Could Not Have Been Reasonably Foreseen**. At the time the Board adopted the 2026 Budget in the fall of 2025, it could not have reasonably foreseen the expenses set forth in Sections 1 through 4 above.

Section 5. **Adoption of Supplemental Budget for 2026.** The Board hereby adopts the 2026 Supplemental Budget in the form attached to this Record of Proceedings.

The foregoing Resolution was seconded by Director____________.

ADOPTED AND APPROVED this 24th day of August 2026.

____________________________________
Mary Achziger, President

ATTEST:

____________________________________
Martin Schanwolf, Secretary

STATE OF COLORADO )
) ss.
COUNTY OF WELD )

I, Martin Schanwolf, Secretary of the Evans Fire Protection District, Weld County, Colorado, do hereby certify that the foregoing pages numbered 1 through 3, inclusive, constitute a true and accurate copy of the record of proceedings of the District Board, adopted at a regular meeting of the Board at Evans Fire Station 2, 2100 37th Street, Evans, Colorado 80620, on Monday, the 24th day of August 2026, at the hour of 6:30 p.m., as recorded in the official record of proceedings, insofar as said proceedings relate to the 2026 Supplemental Budget; 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 this 24th day of August 2026.

______________________________
Martin Schanwolf, Secretary

**Evans Fire Protection District**

**General Fund Long Range Financial Plan**

| | 2025 *Audited actuals* | 2026 BUDGET *rev2 - Aug26* | 2027 Projected | 2028 Projected | 2029 Projected | 2030 Projected | 2031 Projected |
|---|---|---|---|---|---|---|---|
| Beginning Fund Balance | 8,457,850 | 8,680,442 | 10,556,276 | 11,994,231 | 13,442,570 | 14,750,359 | 15,913,904 |
| **Revenues:** | | | | | | | |
| Property Tax | | | | | | | |
| Residential Properties | 2,260,691 | 2,606,643 | 2,632,709 | 2,764,345 | 2,791,988 | 2,819,908 | 2,848,107 |
| Oil & Gas | 348,771 | 160,723 | 120,542 | 90,407 | 67,805 | 50,854 | 38,140 |
| Other Property types | 1,165,825 | 1,328,464 | 1,341,749 | 1,408,836 | 1,422,924 | 1,437,154 | 1,451,525 |
| Specific Ownership Tax | 153,068 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 |
| Sales Tax | | 3,500,000 | 3,640,000 | 3,785,600 | 3,937,024 | 4,094,505 | 4,258,285 |
| City of Evans IGA | 200,000 | 200,000 | - | - | - | - | - |
| LaSalle IGA | 9,815 | 10,012 | 10,212 | 10,416 | 10,624 | 10,837 | 11,054 |
| Fire Marshal IGA | 105,586 | 80,000 | - | - | - | - | - |
| Interest Earned | 274,882 | 255,537 | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 |
| Grants | 1,770 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Fees Fire Impact | 240,133 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Fees Fire Prevention | 12,640 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Miscellaneous | 20,787 | 23,093 | - | - | - | - | - |
| Transfer from Reserves | 461,500 | 441,891 | | | | | |
| **Total revenues** | 5,255,469 | 8,782,162 | 8,137,012 | 8,451,404 | 8,622,166 | 8,805,058 | 8,998,912 |
| **Expenditures:** | | | | | | | |
| Personnel | 3,900,203 | 5,716,438 | 5,748,725 | 6,010,361 | 6,285,079 | 6,573,533 | 7,099,416 |
| Supplies & Services | | | | | | | |
| Administration | 484,915 | 394,203 | 413,913 | 434,609 | 456,339 | 479,156 | 503,114 |
| Equipment Maintenance | 64,809 | 104,537 | 109,763 | 115,251 | 121,014 | 127,065 | 133,418 |
| Operations | 147,767 | 419,609 | 155,156 | 162,914 | 171,059 | 179,612 | 188,593 |
| Asset Management | 227,312 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Capital Fund | *207,871* | *246,542* | *246,500* | *254,929* | *255,886* | *257,146* | *258,639* |
| **Total Expenditures** | 5,032,877 | 6,906,328 | 6,699,057 | 7,003,064 | 7,314,378 | 7,641,512 | 8,208,179 |
| ***Excess Revenue Over Expenditures*** | ***222,592*** | ***1,875,834*** | ***1,437,955*** | ***1,448,339*** | ***1,307,789*** | ***1,163,545*** | ***790,732*** |
| **Unappropriated Funds** | **8,680,442** | **10,556,276** | **11,994,231** | **13,442,570** | **14,750,359** | **15,913,904** | **16,704,636** |

**Evans Fire Protection District**
Capital Replacement Fund

| | 2024 Actual | 2025 Actual | 2026 BUDGET rev2 - Aug26 | 2027 Projected | 2028 Projected | 2029 Projected | 2030 Projected |
|---|---|---|---|---|---|---|---|
| *Beginning Fund Balance* | *865,187* | *2,633,722* | *2,755,582* | *(164,126)* | *382,538* | *426,967* | *463,924* |
| **Appropriations:** | | | | | | | |
| Annual Contribution from Revenue | 180,445 | 240,133 | 246,522 | 246,500 | 254,929 | 255,886 | 257,146 |
| Held in COLOTRUST Investment Funds | 2,387,794 | 2,293,526 | 2,623,200 | - | - | - | - |
| Held as Impact Fees | 573,357 | 530,314 | 632,038 | 171,038 | 207,038 | 243,038 | 279,038 |
| **Total Available Capital Funds** | 3,141,596 | 3,063,973 | 3,501,760 | 417,538 | 461,967 | 498,924 | 536,184 |
| **Expenditures:** | | | | | | | |
| *Contracted Apparatus Reserve - Engine* | - | - | *1,285,886* | - | - | - | 1,500,000 |
| *Contracted Apparatus Reserve - Aerial delivery expected in 2026* | - | - | *1,800,000* | - | - | - | - |
| Appratus | - | 207,871 | - | - | - | - | - |
| Light Vehicle | - | - | 140,000 | - | - | - | - |
| SCBA | - | - | 350,000 | - | - | - | - |
| Training Facility | 425,000 | - | - | - | - | - | - |
| Apparatus Maintenance | 33,575 | 39,986 | 60,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Station Maintenance | 49,299 | 60,534 | 30,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| **Total Expenditures & Funds Held** | 507,874 | 308,391 | 3,665,886 | 35,000 | 35,000 | 35,000 | 1,535,000 |
| ***Available Funds*** | ***2,633,722*** | ***2,755,582*** | ***(164,126)*** | ***382,538*** | ***426,967*** | ***463,924*** | ***(998,816)*** |

**Evans Fire Protection District**

Asset Management Plan

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|---|---|---|---|---|---|---|---|
| | | *rev2 - Aug26* | | | | | |
| Beginning Balance | 187,761 | 322,784 | 157,757 | 157,757 | 157,757 | 157,757 | 157,757 |
| **Revenues** | | | | | | | |
| Transfer In | - | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Transfer In from Reserves | 250,000 | - | - | - | - | - | - |
| Grant reimbursement | - | - | - | - | - | - | - |
| **Balance** | **437,761** | **347,784** | **182,757** | **182,757** | **182,757** | **182,757** | **182,757** |
| PPE | 11,825 | 80,000 | 25,000 | 25,000 | 25,000 | 25,000 | - |
| Communications | 47,694 | 42,860 | - | - | - | - | - |
| Equipment | 24,702 | 40,750 | - | - | - | - | 6,000 |
| Hose & Appliances | - | 19,250 | - | - | - | - | - |
| Station 2 | 3,882 | - | - | - | - | - | - |
| Training Grounds | 21,104 | 7,167 | - | - | - | - | - |
| Knox Boxes | 5,771 | - | - | - | - | - | - |
| **Expenditures** | **114,977** | **190,027** | **25,000** | **25,000** | **25,000** | **25,000** | **6,000** |
| **Ending Balance** | **322,784** | **157,757** | **157,757** | **157,757** | **157,757** | **157,757** | **176,757** |

# *Evans Fire Protection District*
# *Staff Report*

**DATE:** August 24, 2026

**SUBJECT:** Review & Consider: Resolution 2026-07 Lease-Purchase Financing with FNBO

**PRESENTED BY:** Sharon Bowles, Administrative Director

**AGENDA ITEM DESCRIPTION:**

The following documents outline the lease-purchase agreement for the Pierce Aerial 110’ apparatus that will be delivered in late September.

1. Resolution 2026-07 Lease Purchase Financing with FNBO
2. Equipment Lease – Purchase Agreement
3. Omnibus Certificate
4. Disbursement Agreement

Items of note:

- Lease-purchase in the amount of $650,000; total interest of $109,942
- Annual payments to be made each year in July
- Prepayment in-full at any time without penalty

These documents have been reviewed by District legal counsel.

**STAFF RECOMMENDATION:**

Staff recommends approval of the financing package documents as presented.

**Resolution 2026-07**

**RESOLUTION**
**BOARD OF DIRECTORS**
**EVANS FIRE PROTECTION DISTRICT**

A RESOLUTION AUTHORIZING A LEASE-PURCHASE FINANCING FOR THE PURPOSE OF FINANCING THE ACQUISITION OF FIRE APPARATUS; APPROVING AN EQUIPMENT LEASE/PURCHASE AGREEMENT, AND ANY ADDITIONAL TRANSACTION DOCUMENTS NEEDED TO COMPLETE THE FINANCING; AND PROVIDING PARAMETERS IN CONNECTION WITH THE FINANCING.

**WHEREAS,** Evans Fire Protection District, Weld County, Colorado (the "District"), is a fire protection district and special district duly organized and validly existing pursuant to the provisions of the Special District Act, Article 1 of Title 32 of the Colorado Revised Statutes ("C.R.S."); and

**WHEREAS**, the Board of Directors of the District (the "Board") has the power, pursuant to Section 32-1-1001(1)(f), C.R.S., to acquire, dispose of, and encumber real and personal property, including, without limitation, any interest in property, water rights, water and sewer systems, and any equipment necessary or convenient for the exercise of its powers and the provision of fire protection, rescue, and emergency medical services within its jurisdiction; and

**WHEREAS,** the Board has determined it is in the best interests of the District and its residents that the District finance the acquisition of one (1) new 2026 Pierce Enforcer Tandem 110' Quint fire apparatus and associated equipment (the "Equipment") by means of a lease-purchase financing; and

**WHEREAS,** following staff and advisor review of the lease-purchase financing proposals received, District officials have informed the Board with respect to the proposals received and made a recommendation to the Board of the best proposal to meet the needs of the District; and

**WHEREAS**, the District has determined that the best proposal was submitted by First National Bank of Omaha (the "Lender") and hereby accepts the terms of the Lender's proposal; and

**WHEREAS,** in connection with the lease-purchase financing, the Lender shall acquire title to the Equipment and shall then lease the same back to the District (which shall have an option to purchase the Equipment) pursuant to an Equipment Lease/Purchase Agreement (the "Agreement") between the District, as lessee, and the Lender, as lessor, for a term of five (5) years; and

**WHEREAS,** the District has determined that entering into the Agreement is in the best interests of the District and its residents; and

**WHEREAS,** the Rental Payments (as defined in the Agreement) payable by the District under the Agreement, and all other direct and indirect financial obligations under the Agreement, shall constitute currently appropriated expenditures of the District and shall not constitute a debt or multiple fiscal year direct or indirect obligation whatsoever of the District or a mandatory charge or requirement against the District in any fiscal year beyond the fiscal year for which such payments have been appropriated; and

**WHEREAS,** no provision of the Agreement shall be construed or interpreted (a) to directly or indirectly obligate the District to make any payment in any fiscal year in excess of amounts appropriated for such fiscal year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the District; (d) as a loan or pledge of the credit or faith of the District or as creating any responsibility by the District for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the District to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution; and

**WHEREAS,** the Board has been presented with the form of the Agreement; and

**WHEREAS,** the Board desires to authorize and otherwise proceed with the lease-purchase financing described herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EVANS FIRE PROTECTION DISTRICT, WELD COUNTY, COLORADO:**

**Section 1: Lease-Purchase Agreement Authorization**. The Agreement, in substantially the form and with substantially the content presented to the Board at this meeting, is in all respects approved, authorized and confirmed, and the President is authorized and directed to execute the Agreement in substantially the form and with substantially the same content as the form thereof presented to this meeting of the Board, for and on behalf of the District but with such changes therein as the President or Fire Chief may deem necessary or appropriate, as evidenced by the execution thereof, including incorporation of the terms to be determined by the Fire Chief in accordance with the provisions hereof. The Board hereby approves the leasing of the Equipment (as defined in the Agreement) by the District from the Lender for the dollar amounts set forth in the Agreement.

**Section 2: Execution and Delivery of Documents**. The Secretary of the Board (the "Secretary") is hereby authorized and directed to attest all signatures and acts of any official of the Board or the District in connection with the matters authorized by this Resolution, and to place the seal of the District on the Agreement, any documentation required for the acquisition of the Equipment and all other additional certificates, documents and other papers associated with the transactions and other matters authorized by this Resolution. The President, Fire Chief and other officials, employees and agents of the Board or the District are hereby authorized to execute and deliver for and on behalf of the District any and all additional agreements, certificates, documents and other papers and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized or contemplated by this Resolution.

**Section 3: Obligations of the District**. No provision of this Resolution or the Agreement shall be construed as creating or constituting a general obligation or multiple-fiscal year direct or indirect indebtedness or other financial obligation whatsoever of the District nor a mandatory payment obligation of the District in any fiscal year beyond the fiscal year in which the Agreement is executed. The term of the Agreement shall not extend beyond one year, subject to annual renewal as provided therein, and the District shall have no obligation to make any payment in any subsequent year, except in connection with the payment of the Rental Payments in accordance with the provisions of the Agreement.

**Section 4: Declarations and Findings**. The Board hereby determines and declares that the Rental Payments represent the fair value of the use of the Equipment, and that the Option Price (as defined in the Agreement) represents the fair purchase price of the Equipment. The Board hereby determines and declares that the Rental Payments will not exceed a reasonable amount so as to place the District under an economic or practical compulsion to appropriate moneys to make payments under the Agreement or to exercise its option to purchase the Equipment pursuant to the Agreement. In making such determinations, the Board has given consideration to the current market value of the Equipment, the cost of acquiring or equipping property similar to the Equipment, the uses and purposes for which the Equipment is being and will be employed by the District, the benefit to the citizens and residents of the District by reason of the use of the Equipment pursuant to the terms and provisions of the Agreement, the option of the District to purchase the Equipment, and the expected eventual vesting of full title to the Equipment in the District. The Board hereby determines and declares that the leasing of the Equipment pursuant to the Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition of the Equipment were performed by the District other than pursuant to the Agreement. The Board hereby determines and declares that the duration of the Agreement authorized under this Resolution, will not exceed the weighted average useful life of the Equipment.

**Section 5: Ratification of Prior Actions**. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or by the officers and employees of the District directed toward the acquisition of the Equipment and the satisfaction of the District's obligations under the Agreement are hereby ratified, approved and confirmed.

**Section 6: Severability**. It is hereby expressly declared that all provisions hereof and their application are intended to be and are severable. In order to implement such intent, if any provision hereof or the application thereof is determined by a court or administrative body to be invalid or unenforceable, in whole or in part, such determination shall not affect, impair or invalidate any other provision hereof or the application of the provision in question to any other situation; and if any provision hereof or the application thereof is determined by a court or administrative body to be valid or enforceable only if its application is limited, its application shall be limited as required to most fully implement its purpose.

**Section 7: Repealer**. All resolutions, or parts thereof, in conflict with this Resolution are hereby repealed, provided that this repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

**Effective Date**. This Resolution shall be in full force and effect immediately upon adoption by the Board.

ADOPTED AND APPROVED effective August 24, 2026.

[DISTRICT SEAL]

By ______________________________

Mary Achziger, President, Board of Directors

Attest:

By ______________________________

Martin Schanwolf, Secretary, Board of Directors

# EQUIPMENT LEASE/PURCHASE AGREEMENT

This Equipment Lease/Purchase Agreement ("Agreement") is entered into between First National Bank of Omaha ("Lessor") and Evans Fire Protection District ("Lessee") as of August 24, 2026.

W I T N E S S E T H:

WHEREAS, authority exists in the law, and funds have been budgeted, appropriated and otherwise made available, for the expenditures and obligations contained herein; and

WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee and Lessee desires to lease the Equipment from Lessor subject to the terms and conditions of and for the purposes set forth in this Agreement; and

NOW THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

## Article I. Definitions

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

Section 1.01 Code.

"Code" means the Internal Revenue Code of 1986, as amended.

Section 1.02 Commencement Date.

"Commencement Date" means, with respect to the Lease Transaction, the date when Lessee's obligation to make Rental Payments accrues and the Lease Transaction is closed, which shall be the date on which Lessee accepts the Equipment in accordance with this Agreement; provided that in no event will the Commencement Date be later than the date upon which Lessor disburses funds for the acquisition of the Equipment, regardless of whether such disbursement is made into escrow or otherwise.

Section 1.03 Equipment.

"Equipment" means the property described in Schedule A attached hereto.

Section 1.04 Event of Non-appropriation.

"Event of Non-appropriation" means a termination of the Lease Transaction by Lessee for any reason by Non-appropriation. , Section 1.05 Fiscal Year.

"Fiscal Year" means Lessee's fiscal year, which begins on January 1 and ends on December 31 of the same year.

Section 1.06 Full Insurable Value.

"Full Insurable Value" means, as of the date of determination, the greater of (a) the replacement cost of the Equipment and (b) the sum of all of the Amounts Attributable to Principal remaining to be paid by Lessee under the Lease Transaction, assuming renewal for all Renewal Terms, as set forth in the Schedule of Payments" the form of which is attached hereto as Schedule C.

Section 1.07 Lease Transaction.

"Lease Transaction" means the lease by Lessee of the Equipment, with option to purchase, pursuant to the provisions of this Agreement.

Section 1.08 Lease Term.

"Lease Term" means the time during which Lessee leases the Equipment hereunder (from the Commencement Date until payoff) as provided in Section 4.01 hereof; subject to the other provisions hereof.

Section 1.09 Lessee.

"Lessee" means Evans Fire Protection District, a fire protection district, quasi-municipal corporation and political subdivision of the State of Colorado, having its office at 2100 37th Street, Evans, Colorado 80620.

Section 1.10 Lessor.

"Lessor" means First National Bank of Omaha, with its principal place of business at 1620 Dodge Street, Omaha, Nebraska 68197, Attention: Stop Code 3280, acting as Lessor hereunder, or any successors, transferees, or assignees of Lessor.

Section 1.11 Net Proceeds.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including reasonable attorney's fees) incurred in connection with the collection of such claim or award.

Section 1.12 Non-appropriation.

"Non-appropriation" means the failure of Lessee's Board of Directors, for any reason, on or before December 31 of each Fiscal Year, to include by specific reference in its annual budget for the ensuing Fiscal Year amounts authorized and directed to be used to pay all Rental Payments and any other direct or indirect financial obligations of Lessee under this Agreement, as provided in Section 6.08 of this Agreement.

Section 1.13 Option Price.

"Option Price" means, as of the date of determination, the amount set forth under the caption "Option Price" in Schedule C hereto, which Lessee may, at its discretion, pay Lessor in order to obtain the full right, title, and interest of Lessor in the Equipment.

Section 1.14 Rental Payments.

"Rental Payments" means, with respect to the Lease Transaction, the total amounts payable by Lessee pursuant to the provisions of this Agreement in consideration of the right of Lessee to lease and use the Equipment during the Lease Term. Rental Payments shall be payable by Lessee to Lessor or its assignee in the amounts set forth under the caption "Total Rental Payment" and at the time during the Lease Term set forth in Schedule C.

Section 1.15 Vendor.

"Vendor" means the manufacturer of the Equipment, its agents or dealers, or any other person from whom Lessor purchased or is purchasing the Equipment; provided, however, that Lessee shall not be deemed to be a "vendor" of the Equipment for the purposes of this Agreement.

## Article II. Covenants Of Lessee

Section 2.01 Representations, Covenants. and Warranties of Lessee. Lessee represents, covenants, and warrants for the benefit of Lessor as follows:

(a) Lessee is a duly organized and existing fire protection district, quasi-municipal corporation and political subdivision of the State of Colorado.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a fire protection district, quasi-municipal corporation and political subdivision of the State of Colorado.

(c) Lessee is authorized under the constitution and laws of its applicable jurisdiction to enter into this Agreement and the Lease Transaction contemplated hereby and to perform all of its obligations thereunder.

(d) Lessee has been duly authorized to execute and deliver this Agreement and the Lease Transaction hereunder pursuant to the terms and provisions of a resolution and subsequent delegation of authority, a copy of which is attached hereto as Schedule D, or by other appropriate official approval, and further represents, covenants, and warrants that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Agreement and underlying Lease Transaction in accordance with the terms and conditions set forth herein and in the documents in connection with the Lease Transaction. Further, Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment pursuant hereto.

(e) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions, or provisions of any restriction or any agreement or instrument to which Lessee is a party or by which Lessee is bound or constitutes a default under any of the foregoing or results in the creation or imposition of any lien or encumbrance whatsoever upon the Equipment.

(f) To the knowledge of Lessee, there is no litigation or proceeding pending or threatened against Lessee or any other person affecting the ability of Lessee to lease property pursuant to this Agreement, make the payments required hereunder and otherwise to comply with the obligations contained herein and in connection with the Lease Transaction.

(g) Lessee has never failed to appropriate monies to pay lease payment agreements or any similar agreements requiring annual appropriations. Lessee currently intends to seek to annually appropriate the funds necessary to pay and perform its obligations pursuant to this Agreement and in connection with the Lease Transaction. To the extent that a change in applicable law permits Lessee to appropriate monies to pay lease payment agreements for longer than an annual period, Lessee agrees to seek to appropriate such amounts for such longer periods.

(h) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority.

(i) During the Lease Term, the Lessee will provide its annual budget to the Lessor, annually, within 30 days of the Lessee's board of directors' adoption of such annual budget. Additionally, the Lessee shall provide its audited financial statements to the Lessor, annually, within 120 days after the conclusion of the Fiscal Year; provided, however, if the audited financial statements are not yet available at the expiration of the 120 days period, the Lessee shall provide the unaudited statements for the applicable Fiscal Year and shall provide the audited financial statements for the applicable Fiscal Year within 30 days of their acceptance by the Lessee's board of directors.

(j) Lessee is and, during the Lease Term, will remain a political subdivision of the State of Colorado.

(k) Lessee's obligations under this Agreement constitute an obligation on behalf of a political subdivision of the State of Colorado.

(l) The obligations and indebtedness of Lessee pursuant to this Agreement and the Lease Transaction is not an arbitrage bond within the meaning of the Code.

(m) This Agreement and the Lease Transaction pursuant hereto do not constitute private activity bonds within the meaning of Section 141 of the Code.

## Article III. Lease Of Equipment

Section 3.01 Demise of Equipment. Lessor hereby demises, leases, and lets to Lessee, and Lessee rents, leases, and hires from Lessor, the Equipment in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

Section 3.02 Lessor's Warranty of Title. Lessor represents and warrants for the benefit of Lessee that upon acquisition of each item of the Equipment, Lessor is or will be the owner thereof free and clear of any encumbrance or lien created by Lessor (other than the lien of taxes and assessments not yet due and payable); provided that the foregoing shall not be deemed a representation or warranty by Lessor of ownership by any Person from whom Lessor acquired Equipment or any other prior owners. If requested, Lessor agrees to furnish to Lessee proof of Lessor's payment to the equipment Vendor prior to the Commencement Date.

## Article IV. Lease Term

Section 4.01 Duration of Lease Term. The Lease Term shall run for sixty (60) months from the Commencement Date unless terminated earlier pursuant to Section 4.02 hereof. In the event that Lessee shall determine, for any reason, to exercise its annual right to terminate the Lease Transaction, effective on December 31 of any Fiscal Year as the result of an Event of Non-appropriation, Lessee shall give written notice to such effect to Lessor not later than December 24 of such Fiscal Year; provided, however, that a failure to give such notice shall not constitute a default, nor prevent Lessee from terminating the Lease Transaction as the result of an Event of Non-appropriation, nor result in any liability on the part of Lessee. Absent such written notice, the exercise of Lessee's annual option to terminate the Lease Transaction as the result of an Event of Non-appropriation shall be conclusively determined by Lessee's failure for any reason, on or before December 31 of each Fiscal Year, to include by specific reference in Lessee's annual budget for the ensuing Fiscal Year amounts authorized and directed to be used to pay all the Rental Payments for the ensuing Fiscal Year, all as further provided in Section 6.08 of this Agreement.

Section 4.02 Termination of Lease Term. The Lease Term will terminate upon the earliest of the following events:

(a) December 31 of any Fiscal Year during which there has occurred an Event of Non-appropriation (provided that the Lease Term shall not be deemed to have been terminated in the event that the Event of Non-appropriation is cured as provided in Section 6.08 hereof);

(b) The exercise by Lessee of the option to purchase the Equipment granted under the provisions of Article XI of this Agreement;

(c) The termination of the Lease Transaction by reason of damage to or the destruction or condemnation of the Equipment as provided in Section 9.01 hereof;

(d) An event of default by Lessee and Lessor's election to terminate the Lease Transaction under Article XIII; or

(e) The conveyance of the Equipment to Lessee upon payment by Lessee of all Rental Payments required to be paid by Lessee under the Lease Transaction for the entire maximum Lease Term.

## Article V. Enjoyment Of Equipment

Section 5.01 Covenant of Quiet Enjoyment. Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment under the Lease Transaction undertaken pursuant to this Agreement, and Lessee shall, during the Lease Term, peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble, or hindrance from Lessor, except as expressly set forth in this Agreement.

Section 5.02 Inspection of Equipment. Lessor shall have the right, at reasonable times during business hours and following reasonable notice to Lessee, to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

## Article VI. Rental Payments

Section 6.01 Payment of Rental Payments; Amount.

(a) Lessee shall pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America, to Lessor, at its principal office (subject to change upon notification from Lessor), during the Lease Term as hereinafter provided. The Rental Payments during the Lease Term shall be the amounts in the "Total Rental Payment" column as set forth in Schedule C attached hereto.

(b) Lessee shall have the option, on any date on which a Rental Payment is due, to make (in addition to the Rental Payment then due) an advance Rental Payment. Advance Rental Payments may be made in any amount. The Remaining Principal Balance, shown in Schedule C, shall be decreased by any such advance Rental Payments. After each such advance Rental Payment, each subsequent Rental Payment, including the amounts attributed to principal and interest, and the Option Price, shall be decreased proportionately. Schedule C shall be amended as necessary to reflect such decreased Rental Payments and Option Price. Notwithstanding the foregoing, Lessor shall not have the obligation to adjust Schedule C more than one time in each calendar year, regardless of the number of advanced Rental Payments made.

Section 6.02 Interest Component. A portion of each Rental Payment is paid as, and represents payment of, interest, and Schedule C shall set forth the interest component of each Rental Payment during the Lease Term. Interest will be assessed at a fixed rate equal to the 5-year U.S. Treasury rate plus 1.70% per annum, to be fixed at closing (assumed to be 5.89% for purposes of Schedule C), and will be computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

Section 6.03 Rental Payments to be Unconditional. Notwithstanding any dispute between Lessee and Lessor, any Vendor, or any other person, but subject to Section 6.08 hereof, Lessee's obligation to make Rental Payments shall be absolute and unconditional and Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments required under the Lease Transaction. Lessee's obligation to make Rental Payments during the Lease Term shall not be abated through accident or unforeseen circumstances or any other reason. Notwithstanding the foregoing, if a Court of competent jurisdiction determines that Lessee was not required to make all or a portion of the Rental Payments prior or during the period of any dispute, Lessee shall be entitled to recover such Rental Payments from Lessor.

Section 6.04 Late Payments. If Lessor receives any payment from Lessee later than thirty (30) days from the due date, Lessee shall pay Lessor on demand a late charge of 5.000% of the regularly scheduled payment or $25.00, whichever is greater.

Section 6.05 Manner of Payment. All Rental Payments shall be due and payable by Lessee to Lessor in immediately available funds at such address or in such manner as Lessor may specify from time to time.

Section 6.06 Net Rent. This Agreement and the Lease Transaction shall be deemed and construed to be a "net lease" and Lessee hereby agrees that the Rental Payments will be an absolute net return to Lessor, free and clear of any expenses, charges or set-off whatsoever, except as expressly provided herein.

Section 6.07 Continuation of Lease by Lessee. The Lessee hereby declares its current need for the Equipment, and further determines and declares its expectation that the Equipment will (so long as it is subject to the terms hereof) adequately serve the needs for which it is being acquired throughout the maximum Lease Term. Lessee presently intends, subject to the provisions of Article VI and Article XII hereof, to continue this Agreement through the maximum Lease Term and to pay the Rental Payments hereunder. Based on the information currently available to it, Lessee reasonably believes that legally available funds of any amount sufficient to make all Rental Payments during the maximum Lease Term can be obtained. Lessee hereby agrees and determines, based on Lessee's good faith estimate as of the date hereof, that the Rental Payments hereunder during the maximum Lease Term represent the fair value of the use of the Equipment; and that the Option Price represents the fair purchase price of the Equipment at the time of exercise of the purchase option. Lessee hereby determines that, to the best of its knowledge, based on Lessee's good faith estimate as of the date hereof, the Rental Payments do not exceed a reasonable amount so as to place Lessee under an economic compulsion not to terminate this Agreement or to exercise its option to purchase the Equipment hereunder.

Section 6.08 Non-appropriation of Funds. The parties acknowledge and agree that all Rental Payments of Lessee under this Agreement, or any other direct or indirect financial obligation of Lessee arising from or relating to this Agreement, during the Lease Term shall constitute currently budgeted expenditures and shall not constitute or give rise to a general obligation debt, an indebtedness, or multiple-fiscal year direct or indirect debt or other financial obligations whatsoever within the meaning of any constitutional or statutory provisions or limitations. Lessee's obligations to make Rental Payments or to pay any other direct or indirection financial obligations of Lessee under this Agreement shall be subject to Lessee's annual right to renew this Agreement and shall not constitute a mandatory charge against or requirement, liability or obligation of Lessee in any ensuing fiscal year beyond the then current fiscal year of Lessee. Lessee shall be under no obligation to exercise any option to renew this Agreement or its option to purchase the Equipment. Notwithstanding any other provision hereof to the contrary, this Agreement and Lessee's obligations hereunder are expressly subject to and contingent upon funds for that purpose being budgeted, appropriated and otherwise made available by Lessee. In the event that Lessee shall not, on or before December 31 of each Fiscal Year, include by specific reference in Lessee's annual budget for its ensuing Fiscal Year amounts authorized and directed to be used to pay all Rental Payments and any other direct or indirect financial obligations coming due for the ensuing Fiscal Year, an Event of Non-appropriation shall be deemed to have occurred; subject, however, to each of the following provisos:

(a) The Lessor may, in its discretion and subject to the provisions of paragraph (b) below, waive any Event of Non-appropriation which is cured by Lessee, in its sole discretion, within a reasonable time.

(b) The Lessor shall waive any Event of Non-appropriation which is cured by Lessee, in its sole discretion, by February 1 of the ensuing Fiscal Year, by specific inclusion in its current budget of sufficient moneys authorized and directed to be used to pay all Rental Payments or other direct or indirect financial obligation of Lessee coming due for such Fiscal Year.

(c) If an Event of Non-appropriation occurs, Lessee shall not be obligated to make payment of the Rental Payments or any other direct or indirect financial obligations provided for herein which accrue after December 31 of the Fiscal Year during which such Event of Non-appropriation occurs.

(d) Lessor shall, upon the occurrence of such Event of Non-appropriation, and subject to the right to cure set forth herein, have all rights and remedies to take possession of the Equipment, and to recover any unpaid Rental Payments budgeted by Lessee and owing with respect to any preceding Fiscal Year during which this Agreement was in effect. Without limiting the foregoing, unless otherwise instructed by Lessor, Lessee shall upon an Event of Non-appropriation, return to Lessor (or otherwise deliver as reasonably instructed by Lessor) all, but not less than all, of the Equipment covered by the Lease Transaction, at Lessee's sole expense in accordance with Section 11.02 hereof, to the extent such expense is available from funds Lessee appropriated to meet its financial obligations under this Agreement during the fiscal year in which the Non-appropriation occurred. Subject to Lessee's right of Non-appropriation, failure of Lessee to so return the Equipment shall be an Event of Default and Lessor shall be immediately entitled to exercise its rights and remedies to retake possession of the Equipment and sell, lease or otherwise dispose of the Equipment pursuant to Section 13.02(a)(v).

Section 6.09 Lessor's Right to Perform for Lessee.

(a) If Lessee fails to make any payments required hereunder, other than Rental Payments or any other direct or indirect financial obligation, or fails to perform or comply with any of its covenants or obligations herein contained, Lessor or its assignee may at its election ( and without any obligation to do so) make such payment or perform or comply with such covenant or obligation and the amount of such payment; provided, however, that Lessor shall have first given written notice to Lessee of its intent to do so, and Lessee shall have not less than ten (10) days from receipt of such notice in which to cure the failure and avoid the exercise of such election by Lessor, without penalty. Subject to Lessee's right of Non-appropriation, Lessor or its assignee performing or complying with such covenants or obligations, as the case may be, shall be entitled to reimbursement by Lessee for all expenses incurred in connection therewith, together with interest thereon at the rate applicable to the Lease Transaction plus 4% per annum.

(b) Subject to Lessee's right of Non-appropriation, in the event of the return of any of the Equipment, in addition to preparing the Equipment for shipping and paying the delivery cost, Lessee will also return to Lessor the maintenance records and other documents relating to the Equipment.

## Article VII. Title To Equipment; Personal Property; Landlord's Waiver

Section 7.01 Title to the Equipment. The Equipment has been acquired pursuant to an invoice issued by Vendor to Lessee; provided, however, that during the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall be in Lessor; provided further, however, that in the event this Agreement is terminated by reason of the occurrence of an event described in subsections 4.02(b) or (e) hereof, title to the Equipment will be transferred to Lessee. In the event that the provisions of Section 13.02 are availed of by Lessor, or in the case of an Event of Non-appropriation as set forth in Section 6.08 hereof, Lessee will surrender its interest in and possession of the Equipment to Lessor.

Section 7.02 Personal Property. The Equipment is, and shall at all times be and remain, personal property notwithstanding that the Equipment or any part thereof may be, or may hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any buildings thereon or any fixtures, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise. Notwithstanding the foregoing, Lessee shall not affix Equipment to real property or any buildings thereon in a manner that constitutes such Equipment as a "fixture" under applicable law, unless Lessee has first notified Lessor of such affixation, Lessor has approved such affixation, and Lessor has filed and recorded such fixture filings and other documents and instruments as Lessor may reasonably require in order to maintain perfection and priority of all security interests in favor of Lessor.

Section 7.03 Security Interest. The parties intend that the Lease Transaction described herein constitutes a lease of the Equipment in accordance with the terms hereof. Without limiting the rights and obligations of the parties as lessor and lessee, if any transaction pursuant to this Agreement is deemed or determined to be the creation of a security interest then, as collateral security for all of the obligations of Lessee pursuant to this Agreement and all other documents and instruments in connection with the Lease Transaction, Lessee hereby grants to Lessor a first priority security interest in the Equipment and any and all proceeds thereof. Lessee hereby irrevocably authorizes Lessor at any time and from time to time to file in any filing office at any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (a) indicate the collateral as the Equipment subject to Lease Transactions pursuant to this Agreement (either by general description or specific indication of each item of equipment) and (b) provide any other information required by the Uniform Commercial Code of the State of Colorado for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Debtor is an organization, the type of organization and any organizational identification number issued to the Debtor and (ii) in the case of a financing statement filed as a fixture filing, a sufficient description of real property to which the collateral relates. Lessee agrees to furnish any such information to Lessor promptly upon Lessor's request. To further the attachment, perfection and first priority of, and ability of Lessor to enforce, Lessor's security interest in the Equipment, and without limitation of Lessee's other obligations in this Agreement, Lessee agrees, in each case at Lessee's expense (subject to Lessee's appropriation of such funds), to take such other action with respect to the Equipment in order to maintain the perfection and priority of Lessor's security interest therein as Lessor may reasonably request from time to time. If and to the extent any Equipment is subject to another statute that expressly governs the creation, perfection, priority or enforcement of a security interest (for example, if any of the Equipment consists of motor vehicles subject to a certificate of title), Lessee agrees to take such other actions and make such other filings as Lessor may require to perfect Lessor's security interest in the Equipment.

## Article VIII. Maintenance; Modification; Taxes; Insurance and Other Charges

Section 8.01 Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve, and keep the Equipment or cause the Equipment to be maintained, preserved, and kept with the appurtenances and every part and parcel thereof, in good repair, working order, and condition, subject to normal wear and tear, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals. Lessor shall have no responsibility in any of these matters or for the making of improvements or additions to the Equipment.

Section 8.02 Modification or Alteration of Equipment. Lessee shall have the privilege at its own cost and expense of remodeling or making substitutions, additions, modifications, or improvements to the Equipment, and the same shall be property of Lessor and included under the terms of this Agreement as part of the Equipment and shall be deemed to be part of the Equipment described in the applicable Schedule A hereto; provided, however, that:

(a) Such remodeling, substitutions, additions, modifications, or improvements shall not in any way materially damage the Equipment, nor cause it to be used for purposes other than those authorized under this Agreement and the constitutional provisions and laws applicable to Lessee; and

(b) The Equipment, upon completion of remodeling, substitutions, additions, modifications, or improvements made pursuant to this Article VIII shall have a value not less than the value of the Equipment immediately prior to such remodeling, substitutions, additions, modifications, or improvements.

(c) Lessee will not permit any mechanic's or other lien to remain against the Equipment for labor or materials furnished in connection with any remodeling, substitutions, additions, modifications, improvements, repairs, renewals, or replacements so made by Lessee.

Section 8.03 Taxes. Lessee represents that it is a governmental entity exempt from federal, state, property and/or local tax assessment, and therefore, taxes (including, without limitation, sales, use, gross receipts, excise, ad valorem, transfer or other similar taxes, charges, and fees) shall not be charged to Lessor or Lessee or be required to be paid by Lessor or Lessee with respect to the Equipment. Lessee agrees to cooperate with Lessor with respect to such tax exemptions and to provide any exemption certificates or other documents reasonably required to evidence and support such exemption. If, notwithstanding the foregoing, any such taxes become due and payable with respect to the Equipment, then to the extent permitted by law, Lessee shall pay such taxes and defend, indemnify and hold harmless Lessor for, from and against any and all liabilities with respect to such taxes that arise through no fault of Lessor. In addition, the portion of the Rental Payments representing interest are intended to be exempt from state and federal income taxes payable by Lessor and in connection therewith, Lessee further covenants and agrees that:

(a) Lessee shall comply with applicable provisions of the Code so that the interest portion of any Rental Payments will be exempt from income tax under Section 103(a) thereof which includes, but is not limited to, complying with all of the requirements of Section 149(a) (to the extent applicable) and Section 149(e) of the Code, and such compliance shall further include, but not be limited to, keeping a complete and accurate record of any assignments of the Lease and executing and timely filing Internal Revenue Form 8038G or 8038GC, as the case may be, and any other information statements reasonably requested by Lessor.

(b) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, this Agreement or the Lease Transaction to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or this Agreement or the Lease Transaction to be a "private activity bond" within the meaning of Section 141(a) of the Code. Lessee agrees that neither this Agreement nor the Lease Transaction shall be treated as a Registration Required Bond pursuant to Section 149(a) of the Code.

(c) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, the interest portion of any Rental Payments to be or become includable in gross income for Federal income taxation purposes under the Internal Revenue Code.

Section 8.04 Insurance.

(a) At its own expense, Lessee shall cause property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided, with respect to the Equipment, in amounts sufficient to protect the Full Insurable Value of the Equipment and to satisfy the requirements within Section 24-10-101 et seq., C.R.S. All property insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Upon the execution and completion of this Lease Transaction, Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment, but other properties. In addition, any self-insurance program shall be established by Lessee pursuant to its statutory authority or by Lessee and other political subdivisions of the State of Colorado pursuant to applicable state law specifically authorizing such program and which is funded in a sound manner similar to commercial insurance or in a manner specified in applicable law.

(b) Lessee shall carry Worker's Compensation insurance covering all of Lessee's employees working on, in, near, or about the Equipment, or demonstrate to the satisfaction of Lessor that adequate self-insurance is provided, and will furnish Lessor certificates evidencing such coverage throughout the Lease Term.

(c) Lessee at its sole expense shall also at all times carry public liability and property damage insurance in amounts reasonably satisfactory to Lessor protecting Lessee and Lessor from liabilities for injuries to persons and damage to property of others relating in any way to the Equipment. Proceeds of any such public liability or property insurance shall be payable first to Lessor as additional insured to the extent of its liability then to Lessee.

(d) All insurers shall be reasonably satisfactory to Lessor. Lessee shall promptly deliver to Lessor satisfactory evidence of required insurance coverage and all renewals and replacements thereof.

(e) The proceeds of any property insurance policy carried pursuant to this Section 8.04 shall be payable to Lessee and Lessor, as their respective interests in the Equipment may be. The Net Proceeds of the property insurance required in this Section 8.04 shall be applied as provided in Section 9.01 hereof. Each insurance policy provided for in this Section 8.04 shall contain a provision to the effect that the insurance company shall endeavor to give written notice to Lessee and Lessor at least thirty (30) days in advance of any cancellation or material modification of the policy adverse to the interests of Lessor.

## Article IX. Damage, Destruction and Condemnation; Application of Net Proceeds

Section 9.01 Damage, Destruction, and Condemnation. Lessee shall bear the risk of loss of the Equipment as provided in this Article IX. No loss, damage or destruction of the Equipment shall relieve Lessee from its obligations to make Rental Payments and its other obligations pursuant to this Agreement. Unless Lessee shall have exercised its option to purchase the Equipment by making payment of the Option Price as provided in Article XI hereof, and if prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority, the Net Proceeds of any insurance claim or condemnation award shall be applied, at Lessee's option, to the prompt replacement, repair, restoration, modification, or improvement of the Equipment, with any balance of the Net Proceeds remaining after such work has been completed to be paid to Lessee, or the Net Proceeds shall be paid to Lessor together with such additional amounts as may be necessary to fully pay to Lessor the then applicable Option Price, to the extent such additional amounts have been budgeted by Lessee and are legally available for such payment, and upon such payment of the Option Price, the Lease Term shall terminate and title to the Equipment shall then be conveyed by Lessor to Lessee as provided in Article XI of this Agreement. The excess of the Net Proceeds over the then applicable Option Price, if any, shall be retained by Lessee.

Section 9.02 Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification, or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the work and pay any cost in excess of the amount of the Net Proceeds, to the extent such additional amounts have been budgeted by Lessee and are legally available for such payment, and Lessee agrees that if by reason of any such insufficiency of the Net Proceeds, Lessee shall make any payments pursuant to the provisions of this Section 9.02, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof, or (b) Lessee shall pay to Lessor the amount of the then applicable Option Price, to the extent such additional amount has been budgeted by Lessee and is legally available for such payment, and, upon such payment, the Lease Term shall terminate and title to the Equipment shall then be conveyed by Lessor to Lessee as provided in Article XI of this Agreement. The excess of the Net Proceeds over the then applicable Option Price, if any, shall be retained by Lessee. If, by December 31 of the Fiscal Year in which an event specified in Section 9.01 hereof occurs (or December 31 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to replace, repair, restore, modify or improve the Equipment becomes apparent) the Lessee has not budgeted amounts sufficient to proceed under either clause (a) or (b) of this Section 9.02, an Event of Non-appropriation shall be deemed to have occurred.

Section 9.03 Indemnification. To the extent permitted by law, Lessee shall defend, indemnify and hold Lessor harmless from any and all claims, damages, loss, liability, costs and expenses (including reasonable attorneys' fees), damages or losses arising from or related to the Equipment not caused by the act or omission of Lessor or its employees or agents, including, but not limited to, the possession, ownership, lease, use or operation thereof. The foregoing obligation of Lessee shall survive any expiration or termination of this Agreement and the Lease Transaction.

## Article X. Disclaimer Of Warranties; Vendor's Warranties; Use of the Equipment

Section 10.01 Disclaimer of Warranties. THE EQUIPMENT IS TRANSFERRED TO LESSEE "AS IS" AND LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO. In no event shall Lessor be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of the Lease Transaction or the Lessee's storage, maintenance, or use of the Equipment.

Section 10.02 Vendor's Warranties. Lessor hereby irrevocably assigns to Lessee during the Lease Term all warranty rights that Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of any warranty shall be against the Vendor of the Equipment, and not against Lessor, nor shall any such claim have any effect whatsoever on the rights and obligations of Lessee or Lessor with respect to this Agreement. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of any such warranties of the Vendor of the Equipment.

Section 10.03 Use of the Equipment. Lessee will not install, use, operate or maintain Equipment improperly, carelessly, in violation of any applicable law, or in a manner contrary to that contemplated by the Lease Transaction. Lessee shall obtain all permits and licenses, if any, necessary for the installation and operation of the Equipment, except to the extent that the failure to obtain such permits or licenses will not have a material adverse effect on the operation of the Equipment. In addition, Lessee agrees to comply in all material respects (including, without limitation, with respect to the use, maintenance, and operation of the Equipment) with all laws of the State of Colorado and any other jurisdictions in which its operations involving any item of Equipment may extend, and with any legislative, executive, administrative, or judicial body exercising any power or jurisdiction over the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the Equipment or its interest or rights under this Agreement. Lessor will have no responsibility for the use, operation or maintenance of the Equipment.

## Article XI. Option To Purchase

Section 11.01 Option to Purchase. Lessor's interest in the Equipment leased pursuant to the terms of this Agreement will be transferred, conveyed, and assigned to Lessee free and clear of any liens, claims, or encumbrances created by Lessor, and the applicable Lease Transaction shall terminate:

(a) On any payment date set forth in Schedule C upon payment by Lessee of the payment then due plus the then applicable Option Price; or

(b) If the Lease Term is terminated pursuant to Article IX of this Agreement and if Lessee is not on such date in default pursuant to any term of this Agreement or the Lease Transaction and upon payment to Lessor of the then applicable Option Price plus the next annual payment.

Section 11.02 Return of Equipment. Upon the expiration or termination of the Lease Transaction, other than pursuant to Section11.01 hereof or to subsection 4.02(b) or 4.02(e) of Article IV hereof, the Equipment shall be returned to Lessor in good working order and repair, subject to normal wear and tear, at a place designated by Lessor within the State of Colorado. Subject to Lessee's right Non-appropriation, the reasonable cost of delivering the Equipment to Lessor shall be borne by Lessee.

## Article XII. Assignment, Subleasing, Indemnification, Mortgaging and Selling

Section 12.01 Assignment by Lessor.

(a) Except as provided in paragraph (b) of this Section 12.01, the Lease Transaction hereunder, and the right to receive payments from Lessee hereunder, may be assigned in whole or in part to one or more assignees by Lessor at any time subsequent to its execution without the necessity of obtaining the consent of Lessee, provided that Lessor shall give notice of such assignment to Lessee, and Lessor's assignee shall be required to notify Lessee of any subsequent assignments. Upon receipt of such notice Lessee agrees to make all subsequent payments to the assignee designated in the assignment, notwithstanding any claim, defense, setoff, or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor or the assignee. No assignment by Lessor, in whole or in part, shall in any manner adversely affect Lessee's rights and privileges under this Agreement, including but not limited to, Lessee's right of Non-appropriation.

(b) Notwithstanding paragraph (a) of this Section 12.01, the parties do not contemplate that this Agreement or the Lease Transaction will be assigned by Lessor, or any subsequent assignee of Lessor, for the purpose of obtaining financing by the issuance of any securities or other obligations. If Lessor, or any subsequent assignee of Lessor proposes to assign its interest in this Agreement for the purpose of obtaining financing by the issuance of any securities or other obligations, then notwithstanding the provisions of paragraph (a) of this Section 12.01, Lessor or its assignee shall first obtain the permission of Lessee, which permission may be withheld at Lessee's sole discretion, and Lessor or its assignee shall be responsible for compliance with all applicable Federal and State securities laws and regulations.

Section 12.02 Assignment and Subleasing by Lessee. The Lease Transaction and the interest of Lessee hereunder in the Equipment may not be assigned or encumbered by Lessee except with the consent of Lessor, which consent shall not be unreasonably withheld. The Equipment, or an interest therein, may be subleased without the consent of Lessor but subject to the satisfaction of each of the following conditions.

(a) The Lease Transaction, and the obligations of Lessee to make Rental Payments thereunder, shall, at all times during the Lease Term, remain obligations of Lessee;

(b) Lessee shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to Lessor, a true and complete copy of each sublease;

(c) No sublease by Lessee shall cause the Equipment to be used for a purpose other than the performance of one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority, and will not be used in any trade or business of any person or entity other than Lessee;

(d) Lessee must give notice of the location of the Equipment following the sublease and execute or obtain any additional financing statements required as a result of the relocation of the Equipment.

Section 12.03 Indemnification by Lessor. Lessor shall promptly remit any and all payments to Lessee's Vendor on Lessee's behalf as required under the contract or invoice issued to Lessee by such Vendor. Lessor shall, at its own expense, indemnify, defend and hold harmless Lessee, its officers, directors, governing board, employees and agents, from any and all claims, actions, damages, losses, expenses and court costs arising from any failure, refusal or delay by Lessor to make such payments as and when required.

## Article XIII. Events Of Default and Remedies

Section 13.01 Events of Default Defined. The following shall be "events of default" under this Agreement and the Lease Transaction hereunder, and the terms "events of default" and "default" shall mean, whenever they are used in this Agreement and Lease Transaction hereunder, any one or more of the following events:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein for a period of ten (10) days after written notice specifying such failure and requesting that it be remedied is given by Lessor to Lessee.

(b) The breach of any representation or warranty by Lessee or the failure by Lessee to observe and perform any covenant, condition, or agreement on its part to be observed or performed, other than non-payment referred to in paragraph (a) of Section 13.01 above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to any extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the failure is corrected; provided, however, that in no event will such cure period exceed ninety (90) days after such written notice.

(c) The filing by or against Lessee of a bankruptcy, receivership or similar action or the subjection of any right or interest of Lessee under this Agreement or the Lease Transaction to any execution, garnishment or attachment, or the assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors or any receiver, trustee, or similar person shall be appointed by any governmental authority with respect to the business and operations of Lessee.

(d) The foregoing provisions of this Section 13.01 are subject to the following limitations: (i) the obligations of Lessee to pay the Rental Payments provided in Section 6.01 hereof shall be subject to the provisions of Section 6.08 hereof with respect to an Event of Non-appropriation; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State of Colorado or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; pandemic or epidemic; or any other cause or event not reasonably within the control of Lessee.

(e) Failure by Lessor to make any payment due to Lessee's Vendor for the acquisition, use, or transfer of title to the Equipment, or to secure funding for the purposes of making such payments on or before the date that such payment is due constitutes a default.

Section 13.02 Remedies on Default.

(a) Whenever any event of default by Lessee referred to in Section 13.01 hereof shall have happened and be continuing, Lessor shall have the right, at its option without any further demand or notice, to take one or any combination of the following remedial steps:

(i) With or without terminating this Agreement, retake possession of such Equipment and sell, lease or sublease such Equipment for the account of Lessee, holding Lessee liable for the unpaid Rental Payments through the end of the then current Fiscal Year, which Rental Payments Lessee agrees to immediately pay on demand and unless such amounts are paid in full upon such demand, such unpaid Rental Payments shall bear interest at a rate equal to the interest rate applicable to the Lease Transaction plus 4% per annum; and

(ii) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment;

(iii) Collect all costs incurred by Lessor in enforcing its rights hereunder, including court costs and reasonable attorneys' fees;

(iv) A judgment requiring a payment of money may be entered against Lessee by reason of an event of default only as to Lessee's obligations arising through the end of the then current Fiscal Year and not for any obligations arising thereafter; and

(v) Sell, lease or otherwise dispose of any Equipment, in whole or in part, in one or more public or private transactions, and if Lessor so disposes of any Equipment, then Lessor shall apply the proceeds of any disposition to pay the following items in the following order: (A) all costs and expenses (including, but not limited to attorneys' fees) incurred in securing possession of the Equipment and/or in completing the disposition; (B) all costs and expenses described in clause (b) below of this Section 13.02; (C) any sales or transfer taxes; (D) the applicable termination value of the Equipment; and (E) the balance of rent payment owed by Lessee during the fiscal year then in effect; provided that any surplus disposition proceeds remaining after payment of all such amounts shall be paid to Lessee.

(b) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all out-of-pocket costs and expenses incurred by Lessor as a result (directly or indirectly) of the Event of Default and/or Lessor's actions under this Section 13.02, including, without limitation, any attorneys' fee and expenses and any costs related to the repossession, safe-keeping, storage, repair, reconditioning or disposition of any Equipment.

(c) Whenever any event of default by Lessor referred to in Section 13.01 hereof shall occur, and has not been cured by Lessor within ten (10) days after receipt of written notice by Lessee, Lessee shall have the right, at its option without any further demand or notice, to take one or any combination of the following remedial steps:

(i) Make such payment or take such other action as is required, in Lessee's sole discretion, to cure Lessor's breach of any obligation to Lessee's Vendor;

(ii) Terminate the Lease Transaction, secure alternative funding and/or enter into a new lease transaction with another Lessor, in order to acquire, perfect title, or otherwise arrange for the delivery to, or retention of, the Equipment by Lessee; and

(iii) Take any other action permitted by law, or in equity, to mitigate or recover damages from Lessor, or obtain any other available remedy, and to recover, in addition to such damages, all costs incurred by Lessee in enforcing its rights hereunder, including court costs and reasonable attorneys' fees.

Section 13.03 No Remedy Exclusive. Subject to the provisions of Section 13.02 hereof, no remedy herein conferred upon or reserved to Lessor or the Lessee is intended to be exclusive, and every such remedy under this Agreement for now or hereafter existing at law or in equity shall be available to Lessor and Lessee, as applicable. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor and Lessee to exercise any remedy reserved to it in this Article XIII, it shall not be necessary to give any notice, other than such notice as may be required in this Article XIII.

Section 13.04 Governmental Immunity. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, defenses, limitation on damages, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended, or any other federal or state law.

## Article XIV. Miscellaneous

Section 14.01 Notices. All notices, certificates or other communications hereunder shall be given by hand delivery or mailed by certified mail, postage prepaid, to the parties at their respective principal places of business. For purposes of this Agreement, Lessee's principal place of business is: 2100 37th Street, Evans, Colorado 80620. For purposes of this Agreement, Lessor's principal place of business is: 1620 Dodge Street, Omaha, Nebraska 68197, Attention: Stop Code 3280.

Section 14.02 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 14.03 Severability. In the event any provision of this Agreement, other than the provisions of Article VI regarding the payment of Rental Payments and the provisions of this Agreement requiring transfer of title to the Equipment to Lessee as described in Sections 4.02 and 11.01, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.04 Execution in Counterpart. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.05 Applicable Law; Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Exclusive jurisdiction and venue for any civil action or proceeding shall lie in the District Court for Weld County or, with respect to federal claims, in the United States District Court for the District of Colorado.

Section 14.06 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

Section 14.07 General. This Agreement is intended as the complete integration of all understandings between the parties related to the Equipment. No prior or contemporaneous addition, deletion or other amendment hereto shall have any force or effect whatsoever, unless embodied herein in writing. No subsequent novation, renewal, addition, deletion or other amendment hereto shall have any force or effect unless embodied in a written contract executed by the parties.

Section 14.08 Jury Waiver. Each of Lessor and Lessee hereby waives any right to trial by jury it may have of any issues arising in any action or proceeding in any way connected with this Agreement.

Section 14.09 Closing; Conditions. Notwithstanding any other provision hereof, Lessor will have no obligation to deposit funds or otherwise pay any purchase price for the Equipment unless all reasonable conditions established by Lessor ("Funding Conditions") have been satisfied for the Lease Transaction, which conditions shall include, without limitation, the following: (a) Lessee has signed and delivered Schedule A, Schedule B, and Schedule C with respect to such Equipment; (b) no Event of Default shall have occurred and be continuing; (c) no material adverse change shall have occurred in the financial condition of Lessee or the Vendor of the Equipment; (d) the Equipment shall be free and clear of all liens and encumbrances (except those in favor of Lessor pursuant to this Agreement); (e) all representations of Lessee in this Agreement shall be true, accurate and complete in all material respects as of the date of closing; and (f) Lessor shall have received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (i) evidence of insurance coverage required by this Agreement, (ii) reasonably detailed invoices for the Equipment, (iii) Uniform Commercial Code financing statements for the Equipment, (iv) resolution authorizing Lessee's entry into this Agreement and the Lease Transaction substantially in the form attached as Schedule D hereto, (v) incumbency certificates for the person(s) who will sign the documents with respect to the Lease Transaction, (vi) such documents and certificates relating to tax exempt interest payable with respect to the Lease Transaction (including, without limitation, I.R.S. Form 8038G or 8038GC) as Lessor may request, (vii) the original motor vehicle certificate of title for any titled Equipment has been endorsed and delivered to Lessor; and (viii) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

Section 14.10 Independent Contractor. Lessee shall perform its duties hereunder as an independent contractor and not as an employee, agent or partner of Lessor. Neither Lessor nor any agent or employee of Lessor shall be deemed to be an agent or employee of Lessee. Lessor and its employees and agents are not entitled to unemployment insurance benefits through Lessee and Lessee shall not pay for or otherwise provide such coverage for Lessor or any of its agents or employees. Unemployment insurance benefits will be available to Lessor and its employees and agents only if such coverage is made available by Lessor or a third party. Lessor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Lessor shall not have authorization, express or implied, to bind Lessee to any agreement, liability or understanding, except as expressly set forth herein. Lessor shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by Lessee, and (c) be solely responsible for its acts and those of its employees and agents.

Section 14.11 Employee Financial Interest/Conflict of Interest. The signatories aver that, to their knowledge, no employee of Lessee has any personal or beneficial interest whatsoever in the Equipment or the Lease Transaction. Lessor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Lessor's obligations under this Agreement and Lessor shall not employ any person having such known interests.

Section 14.12 Electronic Copy. The Parties acknowledge and agree that a fully executed electronic copy of this Agreement may be substituted for the original and an electronic copy shall be enforceable against the Parties notwithstanding the destruction of, or failure to retain the original.

Section 14.13 Attorneys' Fees, Costs and Expenses. In any civil action or proceeding arising from or relating to this Agreement, the prevailing party shall be awarded its reasonable attorneys' fees, costs, and expenses, including the reasonable attorneys' fees, costs, and expenses incurred in collecting or executing on any judgment, order, or award.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, Lessor has executed this Equipment Lease/Purchase Agreement effective as of the date first set forth above.

LESSOR:

**FIRST NATIONAL BANK OF OMAHA**

________________________________

By: Erica Herman
Its: Director, Commercial Banking

IN WITNESS WHEREOF, Lessee has executed this Equipment Lease/Purchase Agreement effective as of the date first set forth above.

LESSEE:

**EVANS FIRE PROTECTION DISTRICT,**
**WELD COUNTY, A POLITICAL SUBDIVISION**
**OF THE STATE OF COLORADO**

______________________________
By: Mary Achziger
Its: President

Attest:

______________________________
By: Martin Schanwolf
Its: Secretary

## SCHEDULE A

## DESCRIPTION OF EQUIPMENT

Vendor:
Front Range Fire Apparatus
7600 Miller Ct.
Frederick, CO 80504

The following one (1) new 2026 Pierce Enforcer Tandem 110' Quint fire apparatus, together with associated equipment (Bid #1237; Job #40326):

1. One (1) new 2026 Pierce Enforcer Tandem 110' Quint, VIN: ____________________.

See attached for a detailed description.

Evans Fire Protection District, Weld County, Colorado, Lessee, hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment," as defined in the Agreement.

**EVANS FIRE PROTECTION DISTRICT,**
**WELD COUNTY, A POLITICAL SUBDIVISION**
**OF THE STATE OF COLORADO**

______________________________
By: Mary Achziger
Its: President

Front Range Fire Apparatus

7600 MILLER CT.
FREDERICK, CO 80504
303-449-9911 • FAX 303-449-1203
www.frontrangefire.com.com

02/09/2023

Chief Joe DeSalvo
Evans Fire Protection District
2100 37th Street
Evans, CO 80620

Re: New Fire Apparatus – Job #40326

Dear Chief DeSalvo:

Thank you for your recent purchase of **ONE (1) ENFORCER TANDEM 110' QUINT.**

Also, pursuant to your request, please find enclosed a copy of the Invoice, Payment Instructions and Signed Contract.

Your truck order is now in queue for an engineering review. Once completed, an initial approval packet will be sent to your Sale Representative for your review and signature approval. Please be advised any configuration changes after your "approval" must be in writing and could be subject to additional fees and schedule delays.

Any questions regarding your order should be directed to your authorized Sales Representative, Jason Byrne.

The opportunity to place this **PIERCE** apparatus in your fire department is greatly appreciated. Pierce Manufacturing Inc. and Front Range Fire Apparatus, thank you for your business.

Yours very truly,

**FRONT RANGE FIRE APPARATUS.**

Duane Doucette
President

FRONT RANGE FIRE APPARATUS

# Invoice

| DATE | Invoice # |
|---|---|
| 2/9/2023 | D1090 |

| BILL TO | SHIP TO |
|---|---|
| Evans Fire Protection District<br>2100 37th Street<br>Evans, CO 80620 | Evans Fire Protection District<br>2100 37th Street<br>Evans, CO 80620 |

| P.O Number | Terms | REP | SHIP | VIA | F.O.B | Job/Bid# |
|---|---|---|---|---|---|---|
| Contract | Upon Recpt | JB | Ground | | | 40326 |

| Quantity | Item Code | DESCRIPTION | Price Each | Amount |
|---|---|---|---|---|
| 1 | PRC-Trk | One (1) Pierce Enforcer Tandem 110' Quint (Bid #1237) | $ 1,626,063.00 | $ 1,626,063.00 |
| 1 | PRC-Trk | Discount - ordered before 1-31-23 | $ (27,147.00) | $ (27,147.00) |
| 1 | PRC-Trk | 100% Performance Bond | $ 3,984.00 | $ 3,984.00 |
| 1 | PRC-Trk | 100% Pre-Payment Discount | $ (84,993.00) | $ (84,993.00) |
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|---|---|---|
| 7600 Miller Ct | **Total** | $ 1,517,907.00 |
| Frederick, CO 80504 | **Payments/Discounts/Credits** | |
| **Phone:** 303-449-9911 or info@frontrangefire.com | **Balance Due** | $ 1,517,907.00 |

## Thank You For Your Business

PAYMENT METHOD INSTRUCTIONS

**Electronic Payment (Preferred Option):** In order to avoid delays in the receipt and/or application of your remittance, we recommend you forward all payments electronically as follows:

**Bank Name: BOK Financial**
**2025 Pearl St,**
**Boulder, Colorado 80302**
**303-413-6000**
**Account Owner: Front Range Fire Apparatus**
**7600 Miller Court**
**Frederick, Colorado 80504**
**303-449-9911**
**Routing # (9 digits) 102000607**
**Account #3020060**

**Payment by Check (Alternative Option):** In the event that you wish to forward your remittance via check, please select one method below:

***Please make checks payable to: Front Range Fire Apparatus***

**Mail to:**
Front Front Range Fire Apparatus
7600 Miller Ct
Frederick, CO 80504

Verbal confirmation contact if needed:

| Primary Contact | Secondary Contact |
|---|---|
| Rose Cain | Jennifer Doucette |
| Book Keeper | Vice President |
| Office: 303-449-9911 | Office: 303-449-9911 |
| | Cell: 303-749-3985 |

7600 Miller Court
Frederick West Business Park
Frederick, Colorado 80504
303-449-9911 800-334-9911 fax 303-532-2486
Frontrangefire.com

**Apparatus Purchase Agreement**

This Apparatus Purchase Agreement ("***Agreement***") is entered into by and between Front Range Fire Apparatus, a Colorado company ("***FRFA***") and Evans Fire Protection District, a political subdivision of the State of Colorado ("***Fire District***"), collectively referred to as the "***Parties***" or individually as a "***Party***".

1. **Apparatus and Purchase Price.** FRFA agrees to sell to the Fire District, and the Fire District agrees to purchase from FRFA, one (1) Pierce Enforcer Tandem 110' Quint and associated equipment ("***Apparatus***") for $1,602,900 ("***Purchase Price***"). The Purchase Price includes the 10% Bid Bond and Optional 100% Performance Bond, and reflects the discount for orders on or before 1-31-23, as set forth in the Bid (defined in paragraph 4 below). The Purchase Price includes a qualified representative to deliver the Apparatus to the Fire District as specified in paragraph 3 below, and remain for a sufficient length of time to train personnel in the proper operation, care, and maintenance of the Apparatus.

After execution and acceptance of this Agreement pursuant to paragraphs 2 and 8 below, the Purchase Price may be modified only by mutual written agreement of the Parties as a result of changes to the Apparatus required or requested by the Fire District during the construction process pursuant to paragraph 11 below. Any changes in the Purchase Price shall be stated in a Change Order signed by FRFA and the Fire District.

2. **Acceptance of Agreement**. This Agreement shall become a contract, and a binding obligation upon the Parties, only when executed by the Parties as provided in paragraph 8 below.

3. **Completion.** FRFA shall deliver the completed Apparatus in conformance with the Final Specifications F.O.B. to the Fire District's headquarters, located at 2100 37th Street, Evans, CO 80620, within **1,095 calendar days** from the date this Agreement is signed by both Parties ("***Delivery Date***"), subject to any delays resulting from causes beyond the FRFA's control, as set forth in paragraph 10 below. The Delivery Date may be modified by mutual written agreement of the Parties as a result of changes to the Apparatus required or requested by the Fire District during the construction process. Any change in the Delivery Date shall be stated in a Change Order signed by the Parties.

4. **Final Specifications.** The Final Specifications are set forth in the January 13, 2023 Proposal for Furnishing Fire Apparatus – Bid #1237 attached as **Exhibit A** ("***Bid***"). The Final Specifications shall control the construction of the Apparatus, and are binding on the Parties, notwithstanding any other written or oral representations or specifications.

5. **Warranties**. FRFA shall serve as the Warranty Administrator and shall coordinate and administer all warranty claims in connection with the Apparatus. The warranties applicable to the Apparatus are set forth in the Bid. At the time it delivers the Apparatus to the Fire District's headquarters pursuant to paragraph 13 below, FRFA also shall deliver to the Fire District certificates for each of the warranties set forth in the Bid.

6. **Payment Terms.** FRFA shall invoice the Fire District in the amount of the Purchase Price upon the Apparatus passing final inspection at the manufacturer's factory. The Fire District shall pay the invoice: (a) pursuant to the terms of any financing arrangement entered into by and between the Parties; or (b) if the Parties do not enter into a financing arrangement, then within fifteen (15) business days of receipt of the invoice, which payment may be received

directly from the District or from a third-party lender. If payment is made pursuant to subsection 6(a), then the terms applicable to any late payment or penalty shall be included in the financing arrangement entered into by and between the Parties. If payment is made pursuant to subsection 6(b), and the Fire District fails to pay the Purchase Price within the fifteen (15) business days, then the fire District shall pay a late fee of $250.00 per day until the Purchase Price is paid in full.

7. **Authority**. The Fire District represents that Fire Chief Joe DeSalvo is authorized to bind the Fire District to this Agreement. FRFA represents that Duane Doucette is authorized to bind FRFA to this Agreement.

8. **Execution of Agreement**. This Agreement shall be effective as of the date the last Party signs this Agreement ("***Effective Date***"). This Agreement may be signed in several counterparts and by facsimile or electronic PDF, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

9. **Complete Agreement**. This Agreement is the full and complete agreement of the Parties, and all earlier discussions, dialogue, and negotiations are merged into this Agreement. The Parties assert that there are no warranties, agreements, or understandings, written or oral, that in any manner alter, abridge, or conflict with the terms of this Agreement.

10. **Delays**. FRFA's completion and delivery of the Apparatus to the Fire District within the time set forth in paragraph 3 above is subject to delays resulting from strike, insurrection, war, accidents, fires, floods, commandeering of plant or other demands of governmental authority, delays in transportation, or any other cause beyond the control of FRFA. FRFA shall immediately notify the Fire District of a delay pursuant to this paragraph 10, including the specific reason for the delay, and the expected duration of the delay. In the event of a delay pursuant to this paragraph 10, the Delivery Date contained in paragraph 3 shall be extended by the same number of days as the delay. FRFA shall use its best efforts to avoid or minimize any delay under this paragraph 10.

11. **Change Orders.** This Agreement may only be modified by a Change Order that has been signed by the Fire District's authorized representative and FRFA's authorized representative, and which includes, at a minimum the following items: a) the type, nature, and reason for the change; b) any adjustment to the Delivery Date; and c) any adjustment to the Purchase Price.

12. **Guarantee of Materials and Workmanship.** FRFA guarantees that the materials and workmanship used in the construction of the Apparatus shall be of the best grade and FRFA, at its own expense, will repair or replace any parts that fail as a result of defective material or inferior workmanship within the terms of the warranty periods applicable to such parts as limited by the warranties set forth in the Bid.

13. **Delivery to District and Final Acceptance Inspections and Tests.** Upon delivering the Apparatus to the Fire District's headquarters, FRFA's representative shall conduct the final equipment testing of the Apparatus in accordance with the Final Specifications. The Fire District's representative(s) shall conduct all visual inspections of the Apparatus for the purposes of identifying patent defects and non-compliant items. The inspections and tests on the Apparatus shall be completed within fifteen (15) calendar days after FRFA's delivery of the Apparatus to the Fire District. The Fire District shall notify FRFA of the Fire District's rejection of the Apparatus as a result of failing one or more tests or inspections conducted by FRFA's representative, the Fire District or the Fire District's agent, within one (1) business day of the date the Apparatus fails a

test or inspection. Any notice of rejection by the Fire District shall include a written report of all tests that form all or a portion of the Fire District's grounds for rejecting the Apparatus. If the Fire District fails to deliver a notice of rejection to FRFA within the rejection period, the Apparatus shall be deemed fully accepted by the Fire District.

**14. Notice**. Any notice, correspondence, or other communication required or permitted by this Agreement shall be hand delivered or sent by certified or registered mail, return receipt requested, to the following addresses:

Attn: Fire Chief
Evans Fire Protection District
2100 37th St.
Evans, CO 80620

Attn: Duane Doucette
Front Range Fire Apparatus.
7600 Miller Ct.
Frederick, CO 80504

Either Party may change the foregoing address by sending written notice to the other Party in conformance with this paragraph 14.

**15. Title**. The Apparatus shall at all times be the property of FRFA until it is finally accepted by the Fire District pursuant to paragraph 13 above. FRFA shall bear the sole responsibility and risk for destruction, loss, or damage to the Apparatus, or any portion of the Apparatus, through the date and time of final acceptance by the Fire District. FRFA shall deliver good and merchantable title to the Apparatus promptly upon its final acceptance by the Fire District pursuant to paragraph 13 above.

**16. Governing Law, Jurisdiction, and Venue**. Notwithstanding any conflicts or choice of law provision to the contrary, Colorado law shall govern the interpretation and enforcement of any term or condition of this Agreement. Jurisdiction and venue shall lie exclusively in the District Court for Weld County, Colorado.

**17. Attorneys' Fees, Costs, and Expenses**. In any dispute arising from or relating to this Agreement, the prevailing Party shall be awarded its reasonable attorneys' fees, costs, and expenses, including the reasonable attorneys' fees, costs, and expenses incurred in executing or collecting upon any judgment, order, or award.

**18. Governmental Immunity**. This Agreement is not intended, and shall not be construed, as a waiver of the limitations on damages or any of the privileges, immunities, or defenses provided to, or enjoyed by, the Fire District and its past and present directors, officers, employees, and volunteers under federal or state constitutional, statutory, or common law, including but not limited to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*

**19. Miscellaneous.** If any provision of this Agreement is held invalid or unenforceable, all other provisions shall continue in full force and effect. Waiver of a breach of this Agreement shall not operate or be construed as a waiver of any subsequent breach of this Agreement. This Agreement shall inure to the benefit of and be binding upon the Parties and their successors. This Agreement is not assignable. This Agreement is not intended to, and shall not, confer rights on any person or entity not named as a party to this Agreement.

**[SIGNATURE PAGE IMMEDIATELY FOLLOWS]**

Accepted and agreed to:

| | |
|---|---|
| FRONT RANGE FIRE APPARATUS | EVANS FIRE PROTECTION DISTRICT, a political subdivision of the State of Colorado |
| By: Duane Doucette | By: Joe DeSalvo |
| Duane Doucette, President | Joe DeSalvo, Fire Chief |
| Date: 01-27-2023 | Date: 1-27-2023 |

## SCHEDULE B

## ACCEPTANCE CERTIFICATE

Evans Fire Protection District, Weld County, Colorado, as Lessee under the Equipment Lease/Purchase Agreement (the "Agreement") dated __________, 2026, acknowledges receipt in good condition of all of the Equipment described on Schedule A this _____ day of _______________, 2026 and certifies that it has fully and satisfactorily performed all of its covenants and obligations required under the Agreement.

Lessee confirms that the Commencement Date of the Lease Transaction, as defined in the Agreement, is __________, 2026 and that it will commence payments in accordance with Article VI of the Agreement.

Lessor acknowledges that the Equipment may from time-to-time be located at any fire station or other facility of Lessee and the Equipment will be primarily used within Lessee's jurisdictional boundaries; however, it may be used outside Lessee's jurisdictional boundaries in accordance with any mutual aid or automatic aid agreement with another governmental agency or when deployed to an emergency incident occurring in another part of Colorado or in another state to assist in the suppression of a fire or other natural or manmade disaster. .

**EVANS FIRE PROTECTION DISTRICT,**
**WELD COUNTY,**
**COLORADO**

______________________________
By: Mary Achziger
Its: President

NOTE: THIS CERTIFICATE OF ACCEPTANCE WILL BE FINALIZED UPON FULL RECEIPT OF AND SATISFACTORY ACCEPTANCE OF EQUIPMENT AND PERFORMANCE SPECIFICATIONS.

## SCHEDULE C

## SCHEDULE OF PAYMENTS

Date of Lease Transaction: August 24, 2026

Commencement Date: August 24, 2026

Principal Amount Due: $650,000.00

Fiscal Years: 2026 through 2031

| Payment Due Date | Total Rental Payment | Amount Attributable to Principal | Amount Attributable to Interest[1] | Option Price/ Remaining Balance |
|---|---|---|---|---|
| July 15, 2027 | $162,223.21 | $130,000.00 | $32,223.21 | $520,000.00 |
| July 15, 2028 | $161,138.47 | $130,000.00 | $31,138.47 | $390,000.00 |
| July 15, 2029 | $153,290.04 | $130,000.00 | $23,290.04 | $260,000.00 |
| July 15, 2030 | $145,526.69 | $130,000.00 | $15,526.69 | $130,000.00 |
| July 15, 2031 | $137,763.35 | $130,000.00 | $7,763.35 | $0.00 |
| Totals: | $759,941.76 | $650,000.00 | $109,941.76 | |

[1] Based on fixed rate equal to 5.89% (illustrative). The actual interest rate will be fixed at closing at a rate equal to the 5-year U.S. Treasury rate plus 1.70% per annum. Interest amounts shown assume a Commencement Date of September 15, 2026 and are subject to adjustment based on the actual interest rate and Commencement Date.

## SCHEDULE D

**[see attached]**

**OMNIBUS CERTIFICATE**

**$650,000.00**
**Annually Renewable Equipment Lease/Purchase Agreement**
**dated as of August 24, 2026**
**between First National Bank of Omaha, as lessor, and**
**Evans Fire Protection District, Weld County, Colorado, as lessee**

This certificate is being executed as of August 24, 2026 by the undersigned officials of Evans Fire Protection District, Weld County, Colorado (the "District"), in connection with the above captioned financing (the "Lease-Purchase Financing"). On the date hereof, the District is entering into an Equipment Lease/Purchase Agreement, dated as of August 24, 2026 (the "Lease"), between the First National Bank of Omaha (the "Lender"), as lessor, and the District, as lessee. The undersigned officials of the District hereby certify as follows (capitalized terms used herein and not defined shall have the meanings ascribed thereto by the Lease):

1. The District is a fire protection district and special district duly organized and validly existing pursuant to the provisions of the Special District Act, Article 1 of Title 32 of the Colorado Revised Statutes ("C.R.S.").

2. The District has full power and authority to consummate all transactions contemplated by (a) the resolution adopted on August 24, 2026 (the "Authorizing Resolution") by the Board of Directors of the District (the "Board") authorizing and approving the Lease-Purchase Financing; (b) the Lease; and (c) certain other documents executed and delivered by the District in connection with the execution and delivery of the Lease (such resolution and documents referred to in clauses (a) through (b) above, collectively, are referred to herein as the "Principal Documents"). The District has duly authorized and has taken all action necessary to be taken by it to carry out, give effect to and consummate the transactions contemplated by the Principal Documents.

3. From at least June 22, 2026 to and including the day hereof, the following were the duly elected, or appointed, qualified and acting members of the Board and administrative officers of the District:

| *Office:* | *Name:* |
|---|---|
| President | Mary Achziger |
| Vice President | David James |
| Secretary | Martin Schanwolf |
| Treasurer | Tricia Watson |
| Director | Tim Naylor |
| Fire Chief | Joe DeSalvo |

4. The Authorizing Resolution was duly adopted at a regular, public meeting of the Board and is valid and enforceable. No referendum petition concerning the Authorizing Resolution or any other resolutions or other proceedings of the Board concerning the Lease-Purchase Financing or the use of the proceeds thereof has been filed, and to the best of our knowledge, none is being circulated or is planned for circulation. Subsequent to the adoption of

the Authorizing Resolution, the District, acting by and through the Board, or otherwise, has not rescinded, repealed, amended, supplemented, or otherwise modified the provisions of the Authorizing Resolution or any other proceedings related to the Lease-Purchase Financing or the Project, and the Authorizing Resolution is in full force and effect.

5. The Principal Documents have been duly executed and delivered by the District and constitute valid, legal and binding obligations of the District, enforceable in accordance with their terms, subject only to bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and equitable principles, whether considered at law or in equity.

6. The execution, delivery, receipt and due performance of the Principal Documents and the consummation of the transactions contemplated by the Principal Documents do not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, in a manner which affects the validity or enforceability of the provisions of the Principal Documents or constitute a default under any of the foregoing.

7. There is no litigation or proceeding pending in any state or federal court or, to the best of our knowledge, threatened against the District or any other person affecting the right of the District to execute and deliver any of the Principal Documents, the ability of the District to make the Rental Payments required under the Lease or the ability of the District otherwise to comply with its obligations under the Principal Documents.

8. The execution and delivery of the Lease by the District will not directly, indirectly or contingently constitute a debt, indebtedness or multiple-fiscal year direct or indirect debt or other financial obligation of the District or obligate the District to levy any form of taxation therefor or to make any appropriation for their payment.

9. Each of the representations and warranties of the District contained in the Principal Documents to which the District is a party is true and correct as of the date hereof.

10. The District has not assigned or pledged any of its rights under or interest in the Lease.

11. To the best of our knowledge, none of the undersigned, or any other officer or employee of the District, is interested, directly or indirectly, in the profits of any contract or services to be performed in connection with the Lease Transaction (except in the performance of his or her official rights, privileges, powers and duties); nor have such persons solicited or received any payment, commission, money or anything of value or derived any benefit, profit or advantage directly or indirectly, from or by reason of any dealings with or service for the District in connection with the execution and delivery of the Lease by the District.

12. No circumstances exist as of the date of this Certificate which prevent the District from executing and delivering the Principal Documents.

[Remainder of page left intentionally blank]

WITNESS our hands as of the date first written above.

EVANS FIRE PROTECTION DISTRICT, WELD COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF COLORADO

[SEAL]

By ______________________________
Mary Achziger, President, Board of Directors

By ______________________________
Martin Schanwolf, Secretary, Board of Directors

By ______________________________
Tricia Watson, Treasurer, Board of Directors

By ______________________________
Joseph DeSalvo, Fire Chief

[Signature Page to Omnibus Certificate]

## DELIVERY CERTIFICATE AND CROSS-RECEIPT

**$650,000.00**
**Annually Renewable Lease Purchase Agreement**
**dated as of August 24, 2026**
**between First National Bank of Omaha, as lessor, and**
**Evans Fire Protection District, Weld County, Colorado, as lessee**

As of this August 24, 2026, the undersigned, as duly authorized officials of Evans Fire Protection District, Weld County, Colorado (the "District"), and First National Bank of Omaha (the "Lender"), in connection with the execution and delivery of the Equipment Lease/Purchase Agreement dated as of August 24, 2026 (the "Lease") between the Lender, as lessor, and the District, as lessee, hereby certify for the Lender as provided in paragraphs (1), (3) and (4), and for the District as provided in paragraphs (1), (2), (3) and (4), and represent as follows:

1. On the date hereof, the Lender makes available to the District a term loan of up to $650,000.00, in satisfaction of the Lender's payment requirements under the Lease.

2. On the date hereof, the District authorized the release and recording of the Lease, as provided in the Resolution of the Board of Directors of the District adopted on August 24, 2026.

3. On or before the date hereof, the Lender acknowledges receipt from the District of an executed copy of the Lease.

4. The undersigned, respectively, represent that they are duly authorized to make the representations contained herein.

[Remainder of page intentionally left blank]

Dated as of the date first written above.

EVANS FIRE PROTECTION DISTRICT,
WELD COUNTY, A POLITICAL
SUBDIVISION OF THE STATE OF
COLORADO

By ______________________________________
Mary Achziger
President, Board of Directors

FIRST NATIONAL BANK OF OMAHA

By:______________________________________
Erica Herman,
Director, Commercial Banking

[Signature Page to Delivery Certificate and Cross Receipt]

# DISBURSEMENT AGREEMENT

THIS DISBURSEMENT AGREEMENT (“Agreement”), dated as of August 24, 2026, by and between **EVANS FIRE PROTECTION DISTRICT**, Weld County, Colorado (the “District”), a duly organized and validly existing fire protection district, quasi-municipal corporation and political subdivision of the State of Colorado (the “State”), and **FIRST NATIONAL BANK OF OMAHA**, being a member of the Federal Deposit Insurance Corporation and an eligible public depository under the Colorado Public Deposit Protection Act, having an office and place of business in the State, as Lender (the “Lender”).

WHEREAS, the District and the Lender have entered into a Equipment Lease/Purchase Agreement dated as of the date hereof (the “Lease”);

WHEREAS, all capitalized terms not otherwise defined herein shall have the meanings set forth in the Lease;

WHEREAS, the Lease provides for the lease by the Lender to the District, as lessee, of certain Equipment; and

WHEREAS, to provide for the acquisition of the Equipment, the Lender shall furnish monies to the Vendor; and

WHEREAS, the Lender and the District now desire to provide for the disbursement of such monies by the Lender.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto agree as follows:

**Section 1.** The Lender, as of the date hereof, has made available the sum of $650,000.00 (the “Disbursement Amount”), representing the aggregate principal amount portion of the Rental Payments. A portion of such sum is hereby allocated, to the extent necessary, to the costs of issuance related to the Lease financing.

**Section 2.** The Lender shall disburse the Disbursement Amount to the Vendor within two (2) business days; provided, however, that the District agrees to submit to the Lender such other documents and certificates as the Lender may reasonably request to evidence the proper expenditure of the sum set forth above for the purposes of acquiring the Equipment; but provided further, however, that the Lender has no duty to ascertain the correctness of any such documents submitted to it by the District. The District hereby agrees, to the extent permitted by law, to hold harmless the Lender against any and all claims, losses, damages, liabilities, costs and expenses, including litigation, arising hereunder that might be imposed or incurred for any acts or omissions done in good faith, willful default or gross negligence excepted.

**Section 3.** The District shall pay the excess (if any) of the actual costs of the Equipment under the Lease over the Disbursement Amount.

**Section 4.** Subject to the District's right of Non-appropriation, the District shall from time to time, subject to any agreement then in effect with the Lender, pay the Lender compensation for its services and reimburse the Lender for all its reasonable expenditures hereunder, including but not limited to advances to and fees and expenses of accountants, agents, appraisers, consultants, legal counsel or other experts employed by it in the observance and performance of its rights and obligations hereunder.

**Section 5.** The parties hereto agree that the transactions described herein may be conducted, and related documents may be stored, by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 6.** All notices, instructions and other communications required or permitted to be given to or made hereunder, including requisitions of funds from the Lender, shall be in writing and shall be personally delivered or sent by certified mail (return receipt requested), postage prepaid, or by confirmed email, to the Lender at eherman@fnbo.com and to the District at the then-current email address of the Fire Chief (which, as of the date of this Agreement, is jdesalvo@evansfiredistrict.org).

**Section 7.** This Agreement may be amended only by a written document signed by the parties hereto.

**Section 8.** This Agreement shall terminate when all transfers required to be made by the Lender under the provisions hereof shall have been made. In the event that all amounts held by the Lender hereunder shall have not been expended as provided therein by the date that is three years from the date of this Agreement, this Agreement shall terminate and such unexpended amounts shall be remitted at the direction of the Lender.

**Section 9.** If any one or more of the covenants or agreements provided in this Agreement on the part of the Lender or the District to be performed shall be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

**Section 10.** This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado. Jurisdiction and venue shall lie exclusively in the District Court for Weld County, Colorado.

**Section 11.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

**Section 12.** In any civil action or proceeding arising from or relating to this Agreement, the prevailing party shall be awarded its reasonable attorneys' fees, costs, and expenses, including the reasonable attorneys' fees, costs, and expenses incurred in collecting or executing on any judgment, order, or award.

**Section 13.** Nothing in this Agreement is intended, and shall not be construed, as a limitation on or waiver of the rights, privileges, immunities, benefits, limitations on damages, and defenses provided to the District and its directors, officers, and employees under federal and state law, including but not limited to, the Colorado Governmental Immunity Act, C.R.S. §24-10-101, *et seq*.

[The balance of this page is intentionally blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of August 24, 2026.

**EVANS FIRE PROTECTION DISTRICT**
**Weld County, a political subdivision**
**of the State of Colorado**

By:____________________________________
Mary Achziger
President, Board of Directors

**FIRST NATIONAL BANK OF OMAHA**

By: ___________________________________
Erica Herman
Director, Commercial Banking

# *Evans Fire Protection District*
# *Staff Report*

**DATE:** August 24, 2026

**SUBJECT:** Discussion: Establishment of a 115 Trust

**PRESENTED BY:** Sharon Bowles, Administrative Director

**AGENDA ITEM DESCRIPTION:**

As an additional benefit to employees, staff is recommending the establishment of a 115 Trust to assist employees with retirement healthcare costs.

A 115 trust is a dedicated investment fund that allows the District and employees to set aside money today to help pay for each employee's eligible future healthcare costs after retirement.

The District and employee make contributions to the trust during the employees service. The money is invested just as other retirement accounts are. The 115 Trust can be used by the employee to pay premiums or other healthcare costs in the future.

The District may contribute funds in several ways:

- Sick Time
- Vacation
- Comp Time
- Bonus
- Annually or at Retirement

  Vacation or Sick Time hours accumulated above the established threshold could be converted to the hourly wage and contributed to the Trust; or all time accumulated as of the date of retirement is contributed to the Trust, not paid to the employee.

Employees have more restrictions on how they can contribute. Across the District, all employees must be placed into groups. Each group will determine how they contribute, all employees in a group must make the same contribution, the amount cannot be changed by the individual employee.

Resolution 2026-08 allows staff to move forward with establishing this plan and determining the appropriate way to fund this for employees.

**STAFF RECOMMENDATION:**

Staff recommends feedback on the establishment of a 115 Trust.

NPPFA BENEFITS

# Retirement Healthcare Funding Plan

## WHAT IS A RETIREMENT HEALTHCARE FUNDING PLAN?

A Retirement Healthcare Funding Plan (RHFP) is a health care savings plan that provides a source of tax-free funds to reimburse participants for the cost of health care expenses, including premiums for themselves, their spouses, and any other qualified tax-dependents.

## WHY ESTABLISH A RETIREMENT HEALTHCARE FUNDING PLAN?

Having funds to help cover health care costs during retirement is significant. The primary reason public employees delay retirement beyond pension eligibility is due to concerns of paying for the rising costs of health care expenses including premiums. RHFP allows employees to pre-fund the future of health care expenses and shelter earnings in a tax-exempt manner.

RHFPs are triple tax free – tax exempt contributions, tax-free growth, and tax-exempt distributions. Much like a Flexible Spending Account (FSA), the money in these plans is also not subject to Federal Income tax, State Income tax, Medicare tax, and Social Security tax. Funds can only come out of the plan for qualified medical expenses including premiums.

These plans are a rare win-win for the employer and the employee. When structured correctly, these plans will reduce overtime, reduce payroll taxes, reduce accumulated sick time, reduce OPEB, and allow the employer to pay out future benefits in today's dollars. These plans assist the employer in aligning benefits and compensation.

## HOW CAN WE MAKE CONTRIBUTIONS?

- Member contributions
- Unused vacation leave
- Unused sick pay
- Unused comp time
- Percentage of salary or flat dollar amount
- Any annual or end of career compensation (payout)
- Employer contributions

To learn how NPPFA Benefits can support your organization please email **educate@nppfabenefits.org**

## WHAT CAN MY FUNDS BE USED FOR?

Generally, funds can be used only for qualified medical expenses (e.g., health insurance premiums, deductibles, office visit co-pays, prescription medications, long-term care) as determined by IRC 213(d).

## WHEN CAN I ACCESS MY FUNDS?

When you separate from service from your present employer, you can access your funds by submitting proof of medical expenses incurred by you, your spouse, or other eligible dependents for which you request reimbursement.

## WHAT HAPPENS IN THE EVENT OF MY DEATH?

In the event of your death, if remaining funds exist, these funds may be used by your spouse or any qualified dependent (a person listed on your tax return). In the absence of a spouse or qualified dependents, assets in your account will be paid to a named beneficiary.

## CAN I CHOOSE MY OWN INVESTMENTS?

Yes. Similar to your 457 deferred compensation plan, you will have your own account and can choose from a list of investment options offered by the NPPFA Wise Choice for Public Employees® plan.

## WE ARE HERE TO HELP

If you have any questions regarding your retirement healthcare funding plan, our NPPFA Benefits service representatives are readily available to conduct meetings in person, via phone call, or virtual video conference at a time and place that works best for you. Please go to www.nppfabenefits.org and choose the Book an Appointment tab to schedule a meeting time with a service representative. Alternatively, you can reach our office staff below:


**educate@nppfabenefits.org**

**1701 E. Lake Avenue, Suite 400,
Glenview, IL 60025**

**866-994-6312**

NPPFA BENEFITS

# Retirement Healthcare Funding Plan (RHFP)

## How are these plans funded?

- Direct Employer Contributions
- Member Contributions
- Sick time, Vacation time, Comp time, and any other form of compensation either annually or at end of career

**All of the above work independently of each other. A group can implement any or all of the above funding methods.**

This chart is intended to demonstrate the versatility of options that are currently available. The primary concern with Retirement Healthcare Funding that should be addressed first is where will the money come from to fund the program. Once the funding source is agreed upon, the next step is to determine contribution amounts.

# Examples of how different versions of this program have been implemented:

## Fire Department

### Group 1: Fire Chief

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 2: Deputy Chief

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 3: Admin Assistant

- 3% of Base Pay - Per Pay Period
- 100% of Vacation Time Payout at End of Career

### Group 4: Battalion Chiefs

- 4% of Base Pay - Per Pay Period
- 100% of End of Career Payout

### Group 5: Lieutenants (Union)

- 5% of Base Pay - Per Pay Period
- Unused Sick Time Over 108 Hours - Per Annum
- 100% of End of Career Sick and Vacation Time

### Group 6: Firefighter/Paramedic (Union)

**Tier 1: Firefighter/Paramedic (Hired Prior to 01/01/2011)**

- 5% of Base Pay - Per Pay Period
- Unused Sick Time over 108 Hours - Per Annum
- 100% of End of Career Sick and Vacation Time

**Tier 2: Firefighter/Paramedic (Hired After 01/01/2011)**

- 3% of Base Pay - Per Pay Period
- Unused Sick Time over 108 Hours - Per Annum
- 100% of End of Career Sick and Vacation Time
- Employer contribution equivalent of 2% of base pay at current pay rate - per pay period
    - For First 3 Years of Employment
- Employer contribution of $500 - Per Annum (If no sick days taken in the calendar year)
    - For First 3 Years of Employment

**Recruitment and Retention Incentives**

## Police Department

### Group 1: Chief of Police

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 2: Asst. Chief of Police

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 3: Patrol Sergeants

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 4: Patrol Officers

**Tier 1: Patrol Officer (Hired Prior to 01/01/2011)**

- 5% of Base Pay - Per Pay Period
- Unused Sick time over 108 Hours - Per Annum
- 100% of End of Career Sick and Vacation Time

**Tier 2: Patrol Officer (Hired After 01/01/2011)**

- 3% of Base Pay - Per Pay Period
- Unused Sick Time over 108 Hours - Per Annum
- 100% of End of Career Sick and Vacation Time
- Employer contribution equivalent of 2% of base pay at current pay rate - Per Pay Period
    - For First 3 Years of Employment
- Employer contribution of $500 - Per Annum (If no sick days taken in calendar year)
    - For First 3 Years of Employment

**Recruitment and Retention Incentives**

### Group 5: Detective Lieutenant

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 6: Communications Director

- 5% of Base Salary - Per Pay Period
- 100% of End of Career Payout

### Group 7: Communications Officers

- Tier 1: Communications Officer (Hired Prior to 01/01/2011) Same as Group 4
- Tier 2: Communications Officer (Hired After 01/01/2011) Same as Group 4

### Group 8: Part-Time Communications Officers

- No Contributions
- Upon being hired full-time subject to the rules of Group 7.

# *Evans Fire Protection District*
# *Staff Report*

**DATE:** August 24, 2026

**SUBJECT:** Review & Consider: Amended September Meeting Date

**PRESENTED BY:** Sharon Bowles, Administrative Director

**AGENDA ITEM DESCRIPTION:**

Ms. Bowles and President Achziger will be out of town for the previously scheduled meeting date of September 28th.

**STAFF RECOMMENDATION:**

Move the September meeting date to September 21, 2026.

# *Evans Fire Protection District*
# *Staff Report*

**DATE:** August 24, 2026

**SUBJECT:** Discussion: 2027 Budget Planning

**PRESENTED BY:** Sharon Bowles, Administrative Director

**AGENDA ITEM DESCRIPTION:**

As the Board will recall, a primary goal for obtaining a sales tax revenue was to increase staffing and maintain competitive wages. Maintaining market-competitive compensation is essential to retaining our experienced personnel and ensuring we remain competitive in future recruitment efforts.

We made progress towards these goals with the addition of six new firefighter positions and the Operations & Finance Assistant position. We were also able to create positions to promote a Deputy Chief, Lieutenants, and Engineers. However, these new positions have highlighted the increasing compression of wages.

An analysis of the current EFPD pay scale reveals the following:

1. Wages at each Firefighter step are 10% higher than the previous step. This adjustment was made in 2024 to balance the Skill Based Pay table.
2. Lieutenant wages are 15% higher than top Firefighter step.
3. Captain wages are 15% higher than Lieutenant.
4. Battalion Chief is 9% higher than Captain.
5. Deputy Chief is 7% higher than Battalion Chief.
6. Fire Chief is 10% higher than Deputy Chief.

In cooperation with several other Weld County fire districts, a county-wide market-based pay analysis was completed. The key findings from the analysis are:

1. Generally, shift firefighter pay ranges cover four years. EFPD currently covers five years from entry level to top firefighter wages.
2. EFPD Firefighter Skill Based Pay tables are low based on the five-year system.
3. Engineers, Lieutenants, and Shift Captain wages are consistent with market.
4. Battalion Chief/Fire Marshal is aligned with market, however, is not adequately compensated above Captain. *It is important to note that many departments use BC and Captain in various ways. Many departments have Lieutenants and BC but not Captain. This makes a fair comparison at this rank tricky.*
5. As a new position, Deputy Chief was limited in wages due to the closeness of the Fire Marshal wages to Fire Chief.

6. Fire Chief has not been maintained at market rates. The low wages of the Fire Chief limit growth and opportunity for all positions.

Deputy Chief Lee and Ms. Bowles met on two occasions with Directors Achziger and Naylor to discuss the market pay analysis. The following conclusions were made:

1. Previous years adjustments, coupled with the increased promotional positions, have resulted in a wage compression issue that does not allow for adequate growth opportunities with appropriate pay increases for increased responsibilities.
2. Incentive pay is reducing or eliminating traditional rank differentials, weakening promotional incentives. It is possible for an employee at one rank to out-earn an employee at a higher rank due to incentive pay.
3. While it can be difficult to determine what is truly comparable to Evans, it is important to note that the EFPD Fire Chief manages a large budget, high call volume, and daily operations with fewer staff working under him than many of the comparison departments. Other positions in Evans manage a larger workload and responsibilities not generally assigned to the rank at other departments.
4. An adjustment for the BC, Deputy Chief, and Fire Chief positions would bring these positions into alignment with market wages and allow more growth opportunities for the lower ranked positions.

To correct the wage compression and fairly compensate all positions, the following suggestions were discussed:

1. Firefighters:
    a. For 2027, drop Step 0 then apply a cost-of-living adjustment to maintain position in market. Current wages on a four-step pay scale are fully aligned with market but must be adjusted appropriately each year.
2. Lieutenants & Captains:
    a. Currently aligned with market. No adjustments necessary. Apply cost-of-living adjustment for 2027 to maintain position.
3. BC/FM
    a. Adjust to 15% above Captain. While there are no currently authorized BC or Fire Marshal positions, this allows for future planning and growth.
4. Deputy Chief
    a. Adjust to 15% above BC/Fire Marshal. This adjustment compensates the rank at the appropriate level for the responsibilities of the position while also maintaining wages mid-market and creating distance from the BC position.
5. Fire Chief
    a. Adjust to 15% above Deputy Chief. This adjustment compensates the rank at the appropriate level for the responsibilities of the position while also maintaining wages mid-market and creating distance from the Deputy Chief position.
6. Incentive Pay
    a. Currently Program Manager and Bi-lingual Incentive Pay are a flat dollar amount. The recommendation is to set a flat dollar amount for Fire Prevention Bureau and Paramedic incentives as well. This maintains equity, as an example: a Lieutenant and Firefighter in the FPB are both assigned the same responsibilities and should be compensated accordingly.

Should the Board wish to make the decompression adjustments to the chief positions, several options are available:

1. Fully adjust the wages for these positions in 2026. Apply appropriate cost of living adjustment for 2027 to maintain mid-market status.
2. Make a moderate adjustment in 2026, with subsequent adjustments in January 2027, and again later in 2027 when more revenue data is available.
3. Adjust these positions in January 2027 to a level the Board feels comfortable with.

**Additional Budget Items of Note**

- FPPA employer pension contributions – increase to 11.5%; will increase by .5% each year until 2030, at which time the District's contributions will be capped at 13% of employee wages
- CEBT medical insurance premiums – anticipated increase of 18%;
    - Over the last 10 years, the annual rate increases for medical premiums has ranged from 2% to 17%, with an average of 6.6%, well below industry norms. Additionally, during that time, CEBT issued three dividends when premiums exceeded claims. However, over recent years, claims costs within CEBT and the SDA Health Pool have been higher than expected. Key drivers of the increase are higher inflation and increased utilization. Additional factors contributing to the increase include the growing prevalence of cancer, chronic and cardiac conditions, high-cost specialty medications, hospital cost recovery efforts, and ongoing clinical workforce shortages.
- Workers Compensation – Our projected worker's compensation experience rating modification factor for 2027 is substantially higher than previous years. This is due to the number and nature of recent claims. While this is only preliminary information, we estimate we may see an increase of as much as 34% in our premium for 2027.
- Weld County Communications – we are still working with the communications center and UCH on the cost sharing for dispatch services. At this time, we do not anticipate an increase for 2027 as the cost is based on call volume.
- Capital Improvement Plan – in previous years the Board has elected to contribute 5% of Property Tax & Specific Ownership Tax to the CIP, in addition to any Fire Impact Fees collected.
- Property Tax – staff has budgeted a 6% increase in Property Tax revenues for 2028 due to the reassessment cycle. However, the Board may wish to consider a smaller increase based on market value of homes and the predicted stagnation of new home growth in the District.

**STAFF RECOMMENDATION:**

Staff requests Board input on budgeting priorities.

Market Analysis – current wages

| Dist | Title | Max Wage |
|---|---|---|
| WSFR | Fire Marshal | 171,256 |
| HFPD | Deputy Fire Marshal | 168,000 |
| FLFD | Fire Marshal | 164,067 |
| HFPD | Battalion Chief Shift | 155,774 |
| EVFPD | Fire Marshal | 151,200 |
| PVFPD | Battalion Chief Training | 151,116 |
| PVFPD | Fire Marshal | 151,116 |
| FRFR | Deputy Fire Marshal | 145,559 |
| WSFR | Deputy Fire Marshal | 140,388 |
| PVFPD | Deputy Fire Marshal | 130,326 |

| Dist | Title | Max Wage |
|---|---|---|
| GBFPD | Admin/Support Chief | 231,147 |
| GBFPD | Asst Chief of Planning | 231,147 |
| GBFPD | Asst Chief of Operations | 231,147 |
| FFFD | Deputy Chief | 214,940 |
| GBFPD | Division Chief | 211,282 |
| GBFPD | EMS Chief | 211,282 |
| GFD | Deputy Chief | 206,500 |
| PGFPD | Asst Chief of Operations | 206,000 |
| WSFR | Asst Chief of Operations | 199,954 |
| FRFR | Deputy Chief | 197,065 |
| FFFD | Asst Chief of Planning | 188,640 |
| GFD | Asst Chief of Operations | 184,400 |
| HFPD | Asst Chief of Operations | 180,000 |
| FFFD | Asst Chief of Operations | 174,640 |
| WSFR | Division Chief | 171,942 |
| PGFPD | Division Chief | 169,000 |
| HFPD | Training Chief | 168,000 |
| HFPD | EMS Chief | 168,000 |
| FFFD | Division Chief | 164,885 |
| EVFPD | Deputy Chief | 162,000 |
| EFPD | Asst Chief of Operations | 150,000 |
| PGFPD | Asst Chief of Planning | 144,000 |

| Dist | Max Wage |
|---|---|
| GBFPD | 266,513 |
| PGFPD | 246,000 |
| FFFD | 240,000 |
| GFD | 234,800 |
| FRFR | 227,900 |
| WSFR | 221,000 |
| HFPD | 211,000 |
| FLFD | 205,000 |
| EFPD | 180,000 |
| EVFPD | 178,000 |
| PVFPD | 178,000 |
| APFD | 130,000 |

Market Analysis - proposed adjusted wages

| Dist | Title | Max Wage |
|---|---|---|
| WSFR | Fire Marshal | 171,256 |
| HFPD | Deputy Fire Marshal | 168,000 |
| FLFD | Fire Marshal | 164,067 |
| EVFPD | *Fire Marshal* | *160,140* |
| HFPD | Battalion Chief Shift | 155,774 |
| PVFPD | Battalion Chief Training | 151,116 |
| PVFPD | Fire Marshal | 151,116 |
| FRFR | Deputy Fire Marshal | 145,559 |
| WSFR | Deputy Fire Marshal | 140,388 |
| PVFPD | Deputy Fire Marshal | 130,326 |

| Dist | Title | Max Wage |
|---|---|---|
| GBFPD | Admin/Support Chief | 231,147 |
| GBFPD | Asst Chief of Planning | 231,147 |
| GBFPD | Asst Chief of Operations | 231,147 |
| FFFD | Deputy Chief | 214,940 |
| GBFPD | Division Chief | 211,282 |
| GBFPD | EMS Chief | 211,282 |
| GFD | Deputy Chief | 206,500 |
| PGFPD | Asst Chief of Operations | 206,000 |
| WSFR | Asst Chief of Operations | 199,954 |
| FRFR | Deputy Chief | 197,065 |
| FFFD | Asst Chief of Planning | 188,640 |
| GFD | Asst Chief of Operations | 184,400 |
| *EVFPD* | *Deputy Chief* | *184,161* |
| HFPD | Asst Chief of Operations | 180,000 |
| FFFD | Asst Chief of Operations | 174,640 |
| WSFR | Division Chief | 171,942 |
| PGFPD | Division Chief | 169,000 |
| HFPD | Training Chief | 168,000 |
| HFPD | EMS Chief | 168,000 |
| FFFD | Division Chief | 164,885 |
| EFPD | Asst Chief of Operations | 150,000 |
| PGFPD | Asst Chief of Planning | 144,000 |

| Dist | Max Wage |
|---|---|
| GBFPD | 266,513 |
| PGFPD | 246,000 |
| FFFD | 240,000 |
| GFD | 234,800 |
| FRFR | 227,900 |
| WSFR | 221,000 |
| *EVFPD* | *211,785* |
| HFPD | 211,000 |
| FLFD | 205,000 |
| EFPD | 180,000 |
| PVFPD | 178,000 |
| APFD | 130,000 |

**Evans Fire Protection District**

**General Fund Long Range Financial Plan**

5% increase FF to Capt
half market adjust BC to Chief

| | 2025 Audited Actuals | 2026 *Estimated Year-End* | 2027 BUDGET | 2028 Projected | 2029 Projected | 2030 Projected | 2031 Projected |
|---|---|---|---|---|---|---|---|
| Beginning Fund Balance | 8,457,850 | 8,680,442 | 10,123,329 | 10,508,857 | 10,906,844 | 11,115,358 | 11,332,932 |
| **Revenues:** | | | | | | | |
| Property Tax | 3,775,286 | 4,095,830 | 4,168,411 | 4,418,516 | 4,462,701 | 4,730,463 | 4,777,767 |
| Specific Ownership Tax | 153,068 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 |
| Sales Tax | - | 2,849,848 | 2,935,343 | 3,023,404 | 3,114,106 | 3,207,529 | 3,303,755 |
| City of Evans IGA | 200,000 | 200,000 | - | - | - | - | - |
| LaSalle IGA | 9,815 | - | - | - | - | - | - |
| Fire Marshal IGA | 105,586 | 69,666 | - | - | - | - | - |
| Interest Earned | 274,882 | 255,537 | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 |
| Grants | 1,770 | 4,054 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Fees Fire Impact | 240,133 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Fees Fire Prevention | 12,640 | 2,720 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Transfer from Reserves | 461,500 | 441,891 | - | - | - | - | - |
| Miscellaneous | 20,787 | 23,093 | - | - | - | - | - |
| **Total revenues** | 5,255,469 | 8,112,639 | 7,495,554 | 7,833,719 | 7,968,607 | 8,329,792 | 8,473,322 |
| | | | | | | | |
| **Expenditures:** | 74% | 70% | 80% | 80% | 83% | 83% | 85% |
| Personnel | 3,900,203 | 5,660,559 | *6,012,203* | 6,293,467 | 6,588,793 | 6,898,886 | 7,224,484 |
| Supplies & Services | | | | | | | |
| Administration | 484,915 | 371,847 | *397,876* | 417,770 | 438,659 | 460,592 | 483,621 |
| Equipment Maintenance | 64,809 | 99,470 | *104,443* | 109,665 | 115,149 | 120,906 | 126,951 |
| Operations | 147,767 | 266,335 | *158,111* | 166,016 | 174,317 | 183,033 | 192,185 |
| Tower Lease-Purchase | | | *162,223* | 161,138 | 153,290 | 145,527 | 137,763 |
| Asset Management | 227,312 | 25,000 | *25,000* | 25,000 | 25,000 | 25,000 | 25,000 |
| Capital Fund | 207,871 | 246,542 | *250,171* | *262,676* | *264,885* | *278,273* | *280,638* |
| **Total Expenditures** | 5,032,877 | 6,669,752 | 7,110,027 | 7,435,732 | 7,760,093 | 8,112,218 | 8,470,645 |
| | 77% | 85% | 85% | 85% | 85% | 85% | 85% |
| ***Excess Revenue Over Expenditures*** | ***222,592*** | ***1,442,887*** | ***385,527*** | ***397,987*** | ***208,514*** | ***217,574*** | ***2,678*** |
| | | | | | | | |
| **Unappropriated Funds** | **8,680,442** | **10,123,329** | **10,508,857** | **10,906,844** | **11,115,358** | **11,332,932** | **11,335,610** |

**Evans Fire Protection District**

**General Fund Long Range Financial Plan**

| 5% increase FF to Capt<br>full market adjust BC to Chief | **2025**<br>**Audited**<br>**Actuals** | **2026**<br>***Estimated***<br>***Year-End*** | **2027**<br>**BUDGET** | **2028**<br>**Projected** | **2029**<br>**Projected** | **2030**<br>**Projected** | **2031**<br>**Projected** |
|---|---|---|---|---|---|---|---|
| Beginning Fund Balance | 8,457,850 | 8,680,442 | 10,123,329 | 10,460,412 | 10,807,531 | 10,962,635 | 11,124,128 |
| **Revenues:** | | | | | | | |
| Property Tax | 3,775,286 | 4,095,830 | 4,168,411 | 4,418,516 | 4,462,701 | 4,730,463 | 4,777,767 |
| Specific Ownership Tax | 153,068 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 |
| Sales Tax | - | 2,849,848 | 2,935,343 | 3,023,404 | 3,114,106 | 3,207,529 | 3,303,755 |
| City of Evans IGA | 200,000 | 200,000 | - | - | - | - | - |
| LaSalle IGA | 9,815 | - | - | - | - | - | - |
| Fire Marshal IGA | 105,586 | 69,666 | - | - | - | - | - |
| Interest Earned | 274,882 | 255,537 | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 |
| Grants | 1,770 | 4,054 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Fees Fire Impact | 240,133 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Fees Fire Prevention | 12,640 | 2,720 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Transfer from Reserves | 461,500 | 441,891 | - | - | - | - | - |
| Miscellaneous | 20,787 | 23,093 | - | - | - | - | - |
| **Total revenues** | 5,255,469 | 8,112,639 | 7,495,554 | 7,833,719 | 7,968,607 | 8,329,792 | 8,473,322 |
| *does not inc Interest or trans* | | | | | | | |
| **Expenditures:** | 74% | 70% | 81% | 81% | 83% | 83% | 86% |
| Personnel | 3,900,203 | 5,660,559 | *6,060,648* | 6,344,334 | 6,642,204 | 6,954,967 | 7,283,369 |
| Supplies & Services | | | | | | | |
| Administration | 484,915 | 371,847 | 397,876 | 417,770 | 438,659 | 460,592 | 483,621 |
| Equipment Maintenance | 64,809 | 99,470 | 104,443 | 109,665 | 115,149 | 120,906 | 126,951 |
| Operations | 147,767 | 266,335 | 158,111 | 166,016 | 174,317 | 183,033 | 192,185 |
| Tower Lease-Purchase | | | 162,223 | 161,138 | 153,290 | 145,527 | 137,763 |
| Asset Management | 227,312 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Capital Fund | 207,871 | 246,542 | 250,171 | *262,676* | *264,885* | *278,273* | *280,638* |
| **Total Expenditures** | 5,032,877 | 6,669,752 | 7,158,472 | 7,486,600 | 7,813,503 | 8,168,299 | 8,529,530 |
| | 77% | 85% | 85% | | | | |
| ***Excess Revenue Over Expenditures*** | ***222,592*** | ***1,442,887*** | ***337,082*** | ***347,120*** | ***155,104*** | ***161,493*** | ***(56,207)*** |
| | | | | | | | |
| **Unappropriated Funds** | **8,680,442** | **10,123,329** | **10,460,412** | **10,807,531** | **10,962,635** | **11,124,128** | **11,067,921** |

**Evans Fire Protection District**

**General Fund Long Range Financial Plan**

| 5% increase FF to Capt<br>full market adjust + COLA BC to Chief | **2025 Audited Actuals** | **2026 *Estimated Year-End*** | **2027 BUDGET** | **2028 Projected** | **2029 Projected** | **2030 Projected** | **2031 Projected** |
|---|---|---|---|---|---|---|---|
| Beginning Fund Balance | 8,457,850 | 8,680,442 | 10,123,329 | 10,439,874 | 10,765,428 | 10,897,889 | 11,035,607 |
| **Revenues:** | | | | | | | |
| Property Tax | 3,775,286 | 4,095,830 | 4,168,411 | 4,418,516 | 4,462,701 | 4,730,463 | 4,777,767 |
| Specific Ownership Tax | 153,068 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 | 135,000 |
| Sales Tax | - | 2,849,848 | 2,935,343 | 3,023,404 | 3,114,106 | 3,207,529 | 3,303,755 |
| City of Evans IGA | 200,000 | 200,000 | - | - | - | - | - |
| LaSalle IGA | 9,815 | - | - | - | - | - | - |
| Fire Marshal IGA | 105,586 | 69,666 | - | - | - | - | - |
| Interest Earned | 274,882 | 255,537 | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 |
| Grants | 1,770 | 4,054 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Fees Fire Impact | 240,133 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Fees Fire Prevention | 12,640 | 2,720 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Transfer from Reserves | 461,500 | 441,891 | - | - | - | - | - |
| Miscellaneous | 20,787 | 23,093 | - | - | - | - | - |
| **Total revenues** | 5,255,469 | 8,112,639 | 7,495,554 | 7,833,719 | 7,968,607 | 8,329,792 | 8,473,322 |
| *does not inc Interest or trans* | | | | | | | |
| **Expenditures:** | 74% | 70% | 81% | 81% | 84% | 84% | 86% |
| Personnel | 3,900,203 | 5,660,559 | *6,081,186* | 6,365,899 | 6,664,847 | 6,978,743 | 7,308,333 |
| Supplies & Services | | | | | | | |
| Administration | 484,915 | 371,847 | *397,876* | 417,770 | 438,659 | 460,592 | 483,621 |
| Equipment Maintenance | 64,809 | 99,470 | *104,443* | 109,665 | 115,149 | 120,906 | 126,951 |
| Operations | 147,767 | 266,335 | *158,111* | 166,016 | 174,317 | 183,033 | 192,185 |
| Tower Lease-Purchase | | | *162,223* | 161,138 | 153,290 | 145,527 | 137,763 |
| Asset Management | 227,312 | 25,000 | *25,000* | 25,000 | 25,000 | 25,000 | 25,000 |
| Capital Fund | *207,871* | *246,542* | *250,171* | *262,676* | *264,885* | *278,273* | *280,638* |
| **Total Expenditures** | 5,032,877 | 6,669,752 | 7,179,010 | 7,508,165 | 7,836,146 | 8,192,074 | 8,554,494 |
| | 77% | 85% | 85% | | | | |
| ***Excess Revenue Over Expenditures*** | ***222,592*** | ***1,442,887*** | ***316,544*** | ***325,555*** | ***132,460*** | ***137,718*** | ***(81,171)*** |
| **Unappropriated Funds** | **8,680,442** | **10,123,329** | **10,439,874** | **10,765,428** | **10,897,889** | **11,035,607** | **10,954,435** |

# Fire Prevention Bureau Report

# Evans Fire Protection District

## Fire Prevention Bureau Report: August 2026

**Current ongoing Construction and Fire Protection System Projects in the EFPD are:**

1. City of Evans Police Department (3819 St. Vrain Street)
    - *Final Fire Acceptance Passing Inspection Completed and C/O has been issued.*
2. Liberty Draw Subdivision (Filing 3, Phases 3 & 4)
3. Mountain Cement Company (23273 47th Avenue)

    *Construction still on going, No inspections have been completed.*
    - *Fire Water Tank has been installed and Rough Inspection in Progress.*
4. Mosaic Church Remodel (3451 23rd Avenue)
    - *Completed*
5. Sunrise MFC - Immigrant Hope Remodel (2930 11th Avenue)
    - *Completed*
6. Oxford Oil Well Facility (16101 WCR 394)
    - *Facility Completed, and Operational.*

7. O' Reilly Auto Parts on 23rd Ave. Construction in progress.

~~8.~~ Centennial Elementary school on 37th Street. *Fire Alarm Replacement Completed Passing Fire Alarm Acceptance Completed.*

9. New restaurants moving into the old Palominos restaurant and the old Roma's restaurant.
    - *Pasteles Cisne Swan Cakes has moved in to the old Palominos restaurant and has completed a passing fire inspection.*

# Administration Report

# Incident Count YTD

Count of Incidents

Count of Incidents
1,744
Count of Exposures 2

Count of Medical Incidents (Primary ...

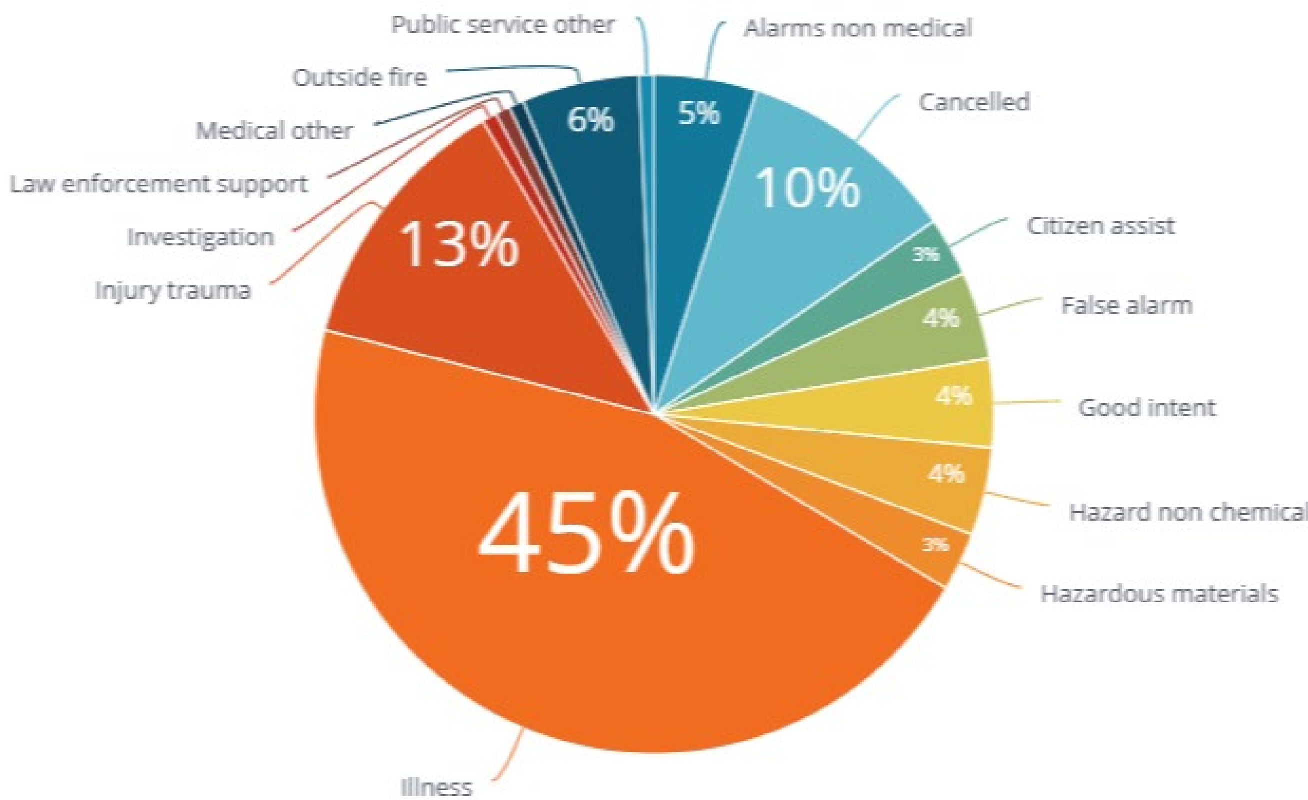
Count of EMS Calls
1,075
Percent of EMS Calls **61.64%**

Count of Fire Incidents (Primary Cor...

Count of Fire Calls
125
Percent of Fire Calls **7.17%**

# Current Month Incident Count

Primary Incident Types by Subcategory




Count of Incidents

Count of Fire Incidents (Primary Cor...

Count of Incidents
143

Count of Exposures **0**

Count of Fire Calls
8

Percent of Fire Calls **5.59%**

## EMS

- UC Health compliance reporting for July was 95.5% for emergent calls (less than 8:30) and 95.6% for non-emergent calls (less than 12:00). For comparison and to look at trends, the previous two months are as follows:
  - May – 91.3% & 100%
  - June – 97.2% & 94.6%

## Wildland IGA

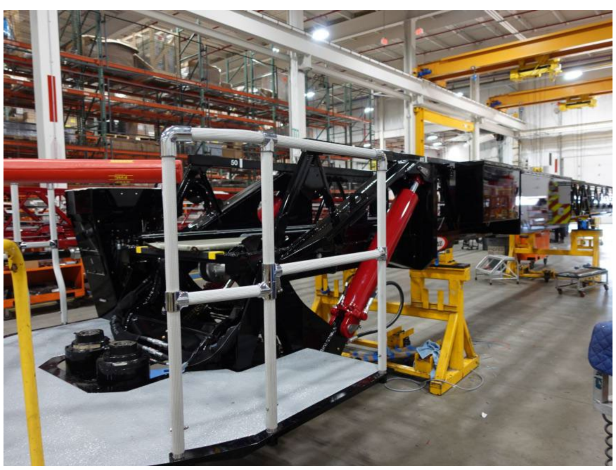
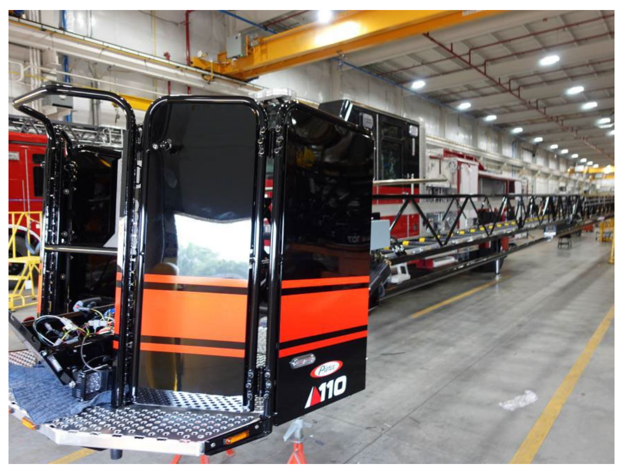
- The previously signed wildland IGA with many northern Colorado fire districts was amended for a third time adding one more agency. This new amendment does not need to be approved because there was no change to the agreement itself.

## National Night Out

- We participated in National Night Out on August 4th. Crews attended five parties throughout the city and interacted with many of our citizens.


## New Apparatus

- The new ladder truck is nearing completion. The aerial ladder was mounted to the cab and chassis, and it is beginning final testing. The apparatus committee is going out for the final inspection on August 31st and barring any issues, we should take delivery of the truck a few weeks later. We will have some sort of ceremony to officially put the apparatus in service.

## Current Staffing

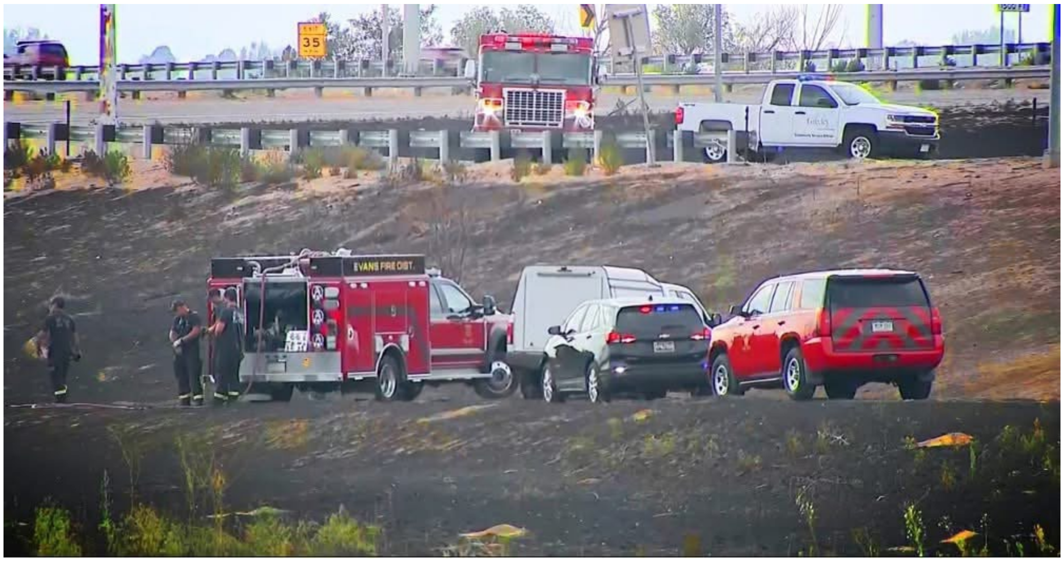
- 32 total staff members
  - 24 full-time firefighters
  - 3 part-time firefighters
  - 4 full-time administrative staff
  - 1 part-time administrative staff

## Around the Firehouse

- On 7/29 at approx. 1230hrs, C-Shift responded to the 1800 block of 28th street with Greeley Fire on a structure fire in an apartment building. The fire was located in the walls of one unit and was contained to that unit. Crews were on scene for approximately one hour assisting with extinguishment and overhaul.

- On 8/6, EFPD was visited by Congressman Gabe Evans. He spoke to our staff and even gave out some challenge coins, and he gladly accepted one of ours in return.

- On 8/8 at approx. 1340hrs, a microburst came through the east side of the Greeley/Evans area causing some extensive damage to trees and power poles. Powerlines that had fallen started a fire on the Evans/Greeley border that burned approx. 80 acres. The fire resulted in one fatality and severe burns to another individual. EFPD responded with an engine, brush truck and command officer.
  - The actual damage to areas in Evans was limited to several trees and there were a few roads that were closed for public safety. Crews surveyed the damage to ensure there were no houses damaged or any injuries which there were none.




- On 8/18 at approx. 0430hrs, A-Shift responded to the 17000 block of WCR 394 with LaSalle, Platte Valley & Platteville-Gilcrest FDs on a commercial fire. First arriving units encountered a large piece of industrial equipment that was on fire. The fire was contained to the equipment within 20 minutes. There were no injuries and the cause remains under investigation by Evans & LaSalle fire investigators.

- Diaper drive with United Way will run from August 22-30th, (it's PD vs Fire- so spread the word!) and the school supply drive will finish up August 31st.