Minute Record – Board of Directors – Clifton Fire Protection District

Regular Meeting

September 23, 2026

## Call to Order, Roll Call, Pledge of Allegiance

The Board of Directors of the Clifton Fire Protection District met in regular session on Wednesday, September 23, 2026, at 3254 F Road, Clifton, Colorado. A Certification of Posting verifying that notice of the meeting had been posted in accordance with District requirements was executed on Friday, September 18, 2026, at 5:10 p.m. Board President Brian Woods called the meeting to order at 6:04 p.m. Roll call was taken, and attendees recited the Pledge of Allegiance.

## Roll Call:

Kent Brumback – Vice President - Present

Shannon Perez – Secretary/Treasurer - Present

Brian Woods – President - Present

Robert Thomason – Director - Present

David Combs – Director - Present

**Others present:** Jennifer Woods, Administrative Specialist, and Fire Chief Brian Cherveny.

A list of attendees shall be included as part of the meeting minutes. It was recognized that a quorum was present.

## Guests

Tim Kaufman – Holman Capital.

Riar Geer, Kristen Wood, and Jim Pederson – Timberline Bank.

Brian Bray – Participated virtually beginning at the start of Executive Session for the discussion regarding real property. Mr. Bray exited the Executive Session at approximately 7:19 p.m. at the conclusion of that discussion.

## Public Comment

No public comments were received.

## Approval of the Agenda Action

A motion was made by Director Robert Thomason and seconded by Director David Combs to approve the agenda as presented. Motion carried unanimously.

## Approval of Minutes Action

Regular Meeting Minutes from August 19, 2026

A motion was made by Director Robert Thomason and seconded by Director David Combs to approve the meeting minutes as presented. Motion carried unanimously.

In accordance with District By-Laws, recorded meeting minutes kept at the District office, and any executive recorded meeting minutes greater than 90 days are to be removed from the District's records after approval of the minutes.

## Facility Financing Presentations

### Holman Capital

Tim Kaufman presented Holman Capital's financing proposal for the District's fire station project. Mr. Kaufman explained that Holman Capital lends exclusively to governmental and public agencies and could finance up to 100% of the project. Holman could close the financing by the end of October if the District was ready to proceed, with the financed proceeds placed into an escrow account and construction vendors paid from that account as project costs are incurred.

Mr. Kaufman explained that the financing could be paid off or refinanced on a scheduled payment date, allowing the District to take advantage of lower interest rates in the future if market conditions improve. Holman's financing fee would be $20,000. If the District later refinanced through Holman, a new $20,000 financing fee would apply. Mr. Kaufman noted that Holman's rates generally follow the financial markets and that the District could refinance through Holman or another lender.

Mr. Kaufman clarified that Holman's updated rates were 6.49% for a 20-year term and 6.60% for a 25-year term, with those rates available through the end of October. The Board discussed repayment flexibility, refinancing options, financing costs, and the ability to refinance if interest rates decline in the future.

### Timberline Bank

Riar Geer, Kristen Wood, and Jim Pederson presented Timberline Bank's updated financing proposal. Timberline presented illustrative loan estimates of $17,287,610 and $13,500,000, with the final financed amount to be determined based upon the completed construction budget and underwriting. The proposal required $1.5 million of District cash, grant funds, or other sources to be contributed to the project before construction draws from the loan. The proposed structure included an 18-month construction draw period with monthly interest-only payments on funds actually drawn, followed by a fully amortized loan after construction. Semiannual payments were used in the financing examples presented to the Board.

Timberline proposed establishing the loan rate at origination at a 2% margin above the selected deposit rate. The examples presented included a 3.25% deposit rate paired with a 5.25% fixed loan rate, or a 4.00% deposit rate paired with a 6.00% fixed loan rate. Timberline clarified that the loan rate would remain fixed for the life of the loan, while the District's deposit rate would float and adjust monthly based on the Federal Reserve target range. The rates presented were financing examples and remained subject to final loan approval, the selected deposit-rate structure, tax-exempt financing eligibility, and market conditions prior to closing.

The proposal required the District to maintain its full banking relationship and deposits with Timberline. District funds would be held through a money-market account with an IntraFi/ICS sweep structure to provide FDIC coverage while keeping operating funds liquid. Timberline advised that funds could be moved between the money-market and checking accounts without a delay under the proposed sweep arrangement.

The proposal retained a 1% loan-origination fee and a $500 processing fee, with legal, appraisal, and other costs not to exceed $100,000. A ten-year declining prepayment penalty would begin at 5% in year one and decline to 1% in year ten. Timberline indicated that future refinancing or financing for the second station could be discussed if circumstances warranted, but no future waiver or restructuring terms were committed to at the meeting.

In response to the Board's prior concerns, Timberline removed the existing fire station as proposed collateral and substituted a cash-collateral requirement. Based on the illustrative loan amounts, approximately $2.7 million would be held as cash collateral for the higher financing amount and approximately $1.75 million for the lower amount during construction. Upon completion of the new station and issuance of a certificate of occupancy, Timberline proposed reducing the cash-collateral requirement to approximately $1.75 million for the higher loan amount and $1.0 million for the lower loan amount, resulting in releases of approximately $950,000 and $750,000, respectively. The Board discussed the effect of restricted cash on the District's operating flexibility and long-range capital plan.

Timberline further advised that the proposed 35-year ground lease with Clifton Sanitation District and the associated assignment/sublease structure were acceptable for the financing. Timberline indicated that Clifton Sanitation District would not be liable for the financing but would be expected to cooperate in executing documentation necessary to appropriately collateralize the property and improvements.

Timberline also provided updated amortization information for 25- and 30-year repayment scenarios, with the 25-year structure identified as the primary proposed term, along with projections of interest-only payments during construction. The anticipated financing process was estimated at approximately two to four months, with the tax-related portion of the financing identified as a primary factor in the timeline. Timberline clarified that its request for a final budget referred to the final construction budget rather than the District's 2027 operating budget.

The Board thanked both firms for their presentations and deferred final financing direction until later in the meeting.

## Executive Session

At 6:52 p.m., Director Robert Thomason made a motion that the Board convene into Executive Session pursuant to the following provisions of Colorado Revised Statutes:

> To discuss the potential purchase, acquisition, lease, transfer, or sale of real property for the purpose of acquiring additional real property on which to construct new District facilities, pursuant to C.R.S. § 24-6-402(4)(a).
>
> To discuss financing negotiations for the District's fire station capital projects, including determining negotiation positions, developing negotiation strategy, instructing negotiators, and discussing potential financing structure, interest rates, repayment terms, fees, and other financing terms with prospective financial institutions and financing partners, pursuant to C.R.S. § 24-6-402(4)(e).
>
> To discuss a personnel matter concerning Fire Chief Brian Cherveny, specifically including consideration of FPPA Deferred Retirement Option Plan (DROP) participation and related future employment and contract considerations, pursuant to C.R.S. § 24-6-402(4)(f)(I) and § 24-6-402(4)(e)(I).

The motion was seconded by Secretary/Treasurer Shannon Perez and approved unanimously. The Board entered Executive Session at 6:52 p.m.

Upon entering Executive Session, a roll call was conducted with Brian Woods, President; Kent Brumback, Vice President; Shannon Perez, Secretary/Treasurer; Robert Thomason, Director; and David Combs, Director, present. Also present were Fire Chief Brian Cherveny and Jennifer Woods, Administrative Specialist.

Brian Bray joined the Executive Session virtually at the beginning of the session for the discussion regarding real property and exited at approximately 7:19 p.m. at the conclusion of that discussion.

The Board then proceeded to the discussion regarding fire station financing negotiations at approximately 7:19 p.m. That discussion concluded at approximately 7:51 p.m.

The Board then proceeded to the personnel discussion concerning Chief Cherveny's FPPA DROP participation and related employment and contract considerations. The personnel discussion concluded at approximately 7:53 p.m.

The Executive Session was audio recorded in accordance with C.R.S. § 24-6-402(2)(d.5).

At 7:53 p.m., Director Robert Thomason made a motion to exit Executive Session. The motion was seconded by Secretary/Treasurer Shannon Perez and approved unanimously. The Board exited Executive Session at 7:53 p.m.

Following a recess, the Board reconvened in Regular Session at 8:06 p.m.

## Chief's Report

A copy of the Fire Chief's Report was included in the Board packet for review. Chief Cherveny reviewed and discussed selected items contained within the report, including the following:

## Paramedic Education Action

Chief Cherveny reported that Zach Lovelady is attending paramedic school and has approximately $5,200 in grant funding available toward the program. The District paid the initial tuition expense of approximately $4,300 to satisfy the District's grant-match obligation and cover the first portion of the program. Future coursework will require additional payments, and District policy requires Board authorization for advance payment rather than employee reimbursement.

Chief Cherveny reported that Lovelady was progressing well and had strong support from District personnel. He advised the Board that continued advance payments would be contingent upon satisfactory progress and that updates would be provided as Lovelady moves through the program.

A motion was made by Director Robert Thomason and seconded by Director David Combs to authorize the Chief to make advance payments for Zach Lovelady's paramedic education, with progress reports to be provided to the Board. Motion carried unanimously.

## Grants

Chief Cherveny reported that the DFPC firefighter PPE grant had been completed and closed. All bunker gear associated with the grant had been received, and the grant provided $20,000 toward the purchase.

The District's $175,000 DOLA facility-planning grant remains active, with the next required report due October 15.

Chief Cherveny reported that he and President Woods presented the District's $500,000 Mesa County Federal Mineral Lease District grant request on September 16. He advised that the presentation addressed the project areas and information requested by the grant board and characterized the District's application and presentation as strong. President Woods also commented favorably on the presentation. Other requests considered during the grant cycle included approximately $500,000 from the City of Grand Junction and a request from Palisade in the approximate range of $49,000 to $79,000. The Mineral Lease District Board is scheduled to meet again on October 21, with a decision on the awards anticipated in late October.

**Personnel and Staffing**

Chief Cherveny reported that the part-time academy had been completed and that the part-time staffing program was functioning as intended. Use of part-time personnel was helping reduce overtime expenses. For 2027, the District intends to move toward a more structured scheduling process in which part-time employees provide their availability and shifts are assigned based upon District staffing needs rather than relying primarily upon employees to select open shifts.

Chief Cherveny also reported that the EMS/QA position continues to provide operational benefits. Improvements included changes in EMS supply vendors resulting in cost savings, better control and organization of ambulance inventory, removal of outdated or unnecessary inventory, and the ability to provide more immediate review and feedback regarding calls and patient-care documentation.

**Operations and Deployment**

Chief Cherveny reported that Ambulance 23 accounted for approximately 35% of ambulance utilization during August, demonstrating continued need for the additional staffed ambulance. He noted several high-volume operational periods. On August 11, CFPD handled 14 calls while providing five mutual-aid responses and receiving no mutual aid. On August 15, the District handled 17 calls while providing two mutual-aid responses and receiving no mutual aid.

Chief Cherveny also reported that following termination of the former 8C/8D automatic-aid arrangement, CFPD responded to only seven calls in those areas during August, a substantial reduction from prior months. Those responses occurred as mutual aid when Grand Junction resources were committed.

**Apparatus, Facilities and Equipment**

Chief Cherveny reported that repairs resulting from the early-September water leak at Station 21 had been completed. Photographs and supporting documentation had been submitted to the District's insurance carrier, and the insurance process remained underway.

**Call Report / Mutual Aid**

Chief Cherveny reported that Palisade's call volume increased from 94 calls in July to 107 calls in August. CFPD mutual-aid responses to Palisade increased from eight to thirteen during the same period.

Board discussion followed regarding whether the increased mutual-aid activity was primarily associated with ALS service needs. Chief Cherveny advised that many of the responses appeared

to involve ALS support and noted that some Palisade ALS personnel were still completing required onboarding and protocol processes.

The Board requested that staff determine, if reasonably possible from available data, the number or percentage of Palisade EMS calls requiring CFPD ALS mutual aid. Chief Cherveny advised that CFPD can track its own responses but does not have full access to Palisade's patient-care reporting data, which may limit the analysis.

Board discussion also addressed broader changes occurring among area agencies involving automatic aid, mutual aid, and EMS service arrangements, and the potential for CFPD's current work to serve as a framework for future interagency agreements.

A motion was made by Director Robert Thomason and seconded by Secretary/Treasurer Shannon Perez to accept the Fire Chief's Report as presented. Motion carried unanimously.

**District Financial Report**

Chief Cherveny reviewed the District's financial statements and billing report for the period ending August 31, 2026.

Chief Cherveny reported that interest income remained favorable because planned capital expenditures had not yet occurred. District investment funds were earning approximately 3.8% at the time of the meeting.

Chief Cherveny explained that the large accounts-uncollectible/bad-debt variance resulted from a period in which ambulance accounts had not been forwarded to collections, creating a backlog that was subsequently identified and submitted. The issue has been corrected, and the District is now beginning to receive revenue from those collection efforts.

Wages were reported to be tracking favorably overall, particularly part-time and overtime expenditures. Fire apparatus fuel was running higher than anticipated and would be considered during development of the next budget.

Board discussion addressed capital expenditures that had been planned for the ladder truck and an additional ambulance. Chief Cherveny stated that the ambulance purchase had been purposefully deferred while the MCFA service arrangement is developed. CFPD currently operates three front-line ambulances and does not have a reserve ambulance. The planned purchase would have provided a fourth ambulance, allowing the District to maintain three front-line units and one reserve. If the developing MCFA arrangement provides CFPD access to an additional ambulance, the planned fourth ambulance may not be necessary. Deferring the purchase also preserves those capital funds for other current needs.

Chief Cherveny reported that the July sales-tax tracking amount was $191,693.13, with additional vehicle-sales revenue also received.

A motion was made by Secretary/Treasurer Shannon Perez to accept the financial and billing report for August 1 through August 31, 2026; approve accounts payable in the amount of $474,613.86 and outgoing checks in the amount of $61,457.25, for total disbursements of $536,071.11; and accept outgoing checks for September 1 through September 23, 2026, in the amount of $58,221.00. The motion was seconded by Director Robert Thomason and carried unanimously.

## Old Business

### Capital Facilities Planning / Station Development Action

### CSD Site

Chief Cherveny reported that the CSD/CFPD lease agreement had been finalized and signed. Completion of the lease was also important to the District's Federal Mineral Lease grant application because the District was required to demonstrate control of the property as part of the grant process. No additional Board action was required on the lease.

Schematic design of the CSD site continues with Chamberlin Architects. Chief Cherveny reported that design had progressed to the point where the CM/GC RFP was expected to be released near the end of September or beginning of October. The Planning Commission hearing was scheduled for October 15, with the Board of County Commissioners hearing anticipated in November for the rezoning and property-line matters.

Chief Cherveny also reported that a proposed contractor list had been prepared and reviewed, with minor revisions made, and was substantially finalized for the upcoming solicitation.

### 3254 F Road Site

Chief Cherveny reported that the District continues to evaluate property options that may support future use of the 3254 F Road site. He noted that no final property decision had been made and that additional information from Brian Bray was still pending.

Following Executive Session, the Board returned to the matter in Regular Session to provide direction regarding continued negotiations. Director Robert Thomason moved to authorize the Facilities and Financial Committee to continue negotiations regarding potential property acquisition associated with the 3254 F Road site, consistent with the direction discussed in Executive Session. Secretary/Treasurer Shannon Perez seconded the motion. Motion carried unanimously.

### Facility Financing Direction

Following the Executive Session discussion, the Board returned to the two financing proposals presented earlier in the meeting.

The Board discussed that Timberline offered a more favorable interest rate, while Holman offered greater governmental financing experience and a less restrictive financing structure. Vice President Kent Brumback moved to identify Timberline as the preferred financing institution while authorizing the Facilities and Financial Committee to continue evaluating and negotiating both options, including rates, costs, restrictions, collateral requirements, and overall flexibility, and to return a final recommendation to the Board. Director David Combs seconded the motion. Motion carried unanimously.

### Service Plan – Palisade Update

Chief Cherveny reported that there had been no major change in the Palisade service issue. CFPD will continue tracking mutual-aid activity and keep the matter on the agenda for continued review and discussion.

President Woods asked that the record reflect whether CFPD had received any recent communication or staffing updates from the Town of Palisade. Chief Cherveny stated that no discussions or updates had occurred at the chief level or above.

**MCFA Service Plan Action/Update**

Chief Cherveny reported that the second meeting with the MCFA committee had been completed, with MissionCIT presenting the cost-of-service analysis developed to date. The study had progressed substantially toward identifying the actual cost of CFPD providing service, although additional refinement was still needed.

President Woods reported that the MCFA Board had approved moving forward with additional analysis based on the service model currently under consideration. The first-year model includes a 12-hour, seven-day-per-week rotating crew serving the participating areas. The transition to the second-year model is tied to the opening of CFPD's new station, which would allow the deployment model to place greater emphasis on the Lands End area. MissionCIT will develop separate cost analyses for each district because their service costs differ.

The remaining analysis will include CFPD's fixed costs associated with providing service, projected revenue sources, potential ambulance revenue, and the participating districts' available capital and reserves. The intent is to develop a structure in which each district contributes toward both ongoing service costs and future capital needs associated with its service area.

President Woods explained that, once the financial analysis is completed, the information could be incorporated into separate service agreements for the participating districts and forwarded through legal review. The concept currently under consideration anticipates direct service relationships between CFPD and the individual districts rather than continuing through MCFA, subject to completion of the financial analysis, legal review and approval of the necessary agreements by the respective Boards.

The Board also discussed the Lands End station. If CFPD personnel are assigned to operate from that facility under a future agreement, CFPD would require operational control of the station and the facility would need to be safe, secure, and code-compliant. Chamberlin Architects was proposed to perform a building assessment so needed improvements could be identified and incorporated into the overall service and capital plan.

The Board discussed the need for additional financial review of the participating districts, including their budgets, reserves, and ability to support the proposed service model. Staff will continue gathering the necessary financial information as the MissionCIT analysis and legal work proceed.

No formal Board action was taken.

**Annexations and Exclusions Update**

Chief Cherveny reported that there were no new annexations or exclusions to report. Response activity in the former automatic-aid areas had already been addressed earlier in the meeting, and the District will continue monitoring for any annexation activity that may occur later in the year.

The Board also discussed the City of Grand Junction's notice to Grand Junction Rural regarding termination of its current service agreement. Chief Cherveny noted that the agreement provides

an approximately two-year period for Grand Junction Rural to address its future service and financial arrangements.

**Bylaw Review – Board Member Conduct Discussion**

President Woods reported that the bylaw review remains in development, with recent attention focused primarily on the MCFA project. He requested that the item remain on the agenda for continued discussion.

President Woods anticipated providing a draft Board Member Code of Conduct policy to the Board in November or December, with review of potential changes and possible adoption occurring in January or February. President Woods also reported separately that he was developing a more systematic process and calendar for future policy reviews, including clearer Board and staff roles and responsibilities.

No formal Board action was taken.

**New Business**

**Letter from Palisade Rural Fire Protection District Action**

Chief Cherveny reported that the District had received a formal letter from the Palisade Rural Fire Protection District requesting discussion with CFPD regarding potential service options. Chief Cherveny had acknowledged receipt of the letter and advised Palisade Rural that the matter would be brought before the CFPD Board for direction.

The Board reviewed a draft response expressing CFPD's willingness to continue discussions. Board discussion supported maintaining an open dialogue while Palisade Rural's fall funding question is resolved and CFPD continues development of its current service-agreement model. Any future service arrangement would require additional review of financial feasibility, service-area logistics, and the level of service to be provided, including ALS service.

A motion was made by Director Robert Thomason to authorize sending the correspondence to the Palisade Rural Fire Protection District Board. The motion was seconded by Director David Combs and carried unanimously.

**2027 Budget Presentation / Market Survey Analysis Update**

Chief Cherveny presented the preliminary 2027 budget and emphasized that it remained a working draft. The presentation was intended to begin the budget process in advance of the October budget hearing, with substantial refinement expected before final adoption in December. The developing MCFA service arrangement, construction financing, project schedules, grants, and other capital activity will require additional revisions as more information becomes available.

Preliminary assumptions included approximately $2.2 million in sales-tax revenue. The budget also carried approximately $3.4 million in estimated ambulance billing, pending updated projections from the District's billing provider. Actual ambulance revenue will be lower than gross billing due to Medicare, Medicaid, contractual disallowances, and other collection adjustments.

The current draft uses the District's existing pay plan and does not include any compensation changes resulting from the market survey. Chief Cherveny advised that the survey remains under

review and that any need for future adjustments will be determined after the comparisons are completed. Healthcare costs were projected to increase approximately 16% to 17%.

Capital planning included carrying the $1.5 million aerial apparatus expenditure into 2027. The previously planned ambulance replacement also remained in the draft because the need for an additional ambulance may be affected by the outcome of the MCFA service arrangement. Other capital items were carried forward from the District's capital improvement plan and remain subject to change.

The Board discussed expanding the budget structure to provide clearer tracking of major projects and new service activities. Construction-related expenditures will be separated into identifiable line items so individual project costs can be readily tracked. Any future MCFA service arrangement will likewise require its revenues and expenses to be tracked separately from normal District operations. The budget structure will also allow the District to separately identify legal expenses, potential land costs, construction expenditures, grant-funded expenses, and the sources of grant revenues associated with the District's capital projects. Both facility projects will continue to be tracked even where construction has not yet begun because planning, legal, and potential property costs may already be occurring. The Board also discussed developing the budget on a multi-year basis, including planning for both 2027 and 2028, so these major financial transitions can be incorporated into the District's long-range capital plan.

**Market Survey Analysis**

Chief Cherveny reported that the compensation market survey remains in progress. Preliminary comparisons indicate that CFPD is generally competitive within the regional market, although certain classifications warrant additional review. The District's step structure, promotional opportunities, and differences in how neighboring agencies structure compensation make direct comparisons difficult. Operations Chief and administrative positions will require additional analysis because comparable positions and responsibilities vary substantially among agencies.

No compensation changes were included in the preliminary 2027 budget at this stage. The completed analysis will be considered as the 2027 budget is further developed.

The Board acknowledged receipt of the preliminary budget presentation. The budget hearing was anticipated for October 21, with additional revisions expected before final adoption. No formal Board action was taken.

**Proposed Changes to Mesa County EMS Resolution Update**

Chief Cherveny updated the Board on proposed revisions to the Mesa County EMS Resolution following recent discussions with the County. He explained that the resolution establishes the operating framework for ambulance service areas and historically did not provide a clear mechanism for addressing excessive reliance on mutual aid.

The proposed revisions would create clearer authority to address situations involving excessive or uncompensated aid between agencies. The Board discussed earlier consideration of using a fixed percentage, including the previously discussed 6% threshold, but noted that approach had received resistance. Discussion instead focused on language addressing situations where an agency is operating without adequate ALS resources or is excessively relying on another agency for service.

Chief Cherveny reported that the proposed language was scheduled for further discussion at the Mesa County Fire Chiefs Association meeting the following morning. He noted that the Fire Chiefs Association could provide input, but the County ultimately controls adoption of the EMS Resolution.

No formal Board action was taken.

**Personnel Policy Manual Holiday Revision Action**

Chief Cherveny reviewed the District's current holiday schedule and proposed replacing Cabrini Day with Christmas Eve as a recognized District holiday. The change is a substitution of one holiday for another and does not add an additional holiday.

A motion was made by Director Robert Thomason to replace Cabrini Day with Christmas Eve, effective in 2026. The motion was seconded by Director David Combs and carried unanimously.

**Fire Prevention Week Proclamation Action**

Chief Cherveny presented the Fire Prevention Week Proclamation for October 4-10, 2026, noting that this year's emphasis was on lithium-ion battery charging safety and the fire hazards associated with lithium-ion batteries.

A motion was made by Director Robert Thomason to adopt the Fire Prevention Week Proclamation. The motion was seconded by Director David Combs and carried unanimously.

**Adjournment**

A motion was made and seconded to adjourn the meeting. The motion carried unanimously.

The meeting was adjourned at 9:25 p.m.

Approved by: _____
Brian Woods, Board Chairperson

Approved by: _____
Shannon Perez, Board Secretary/Treasurer

Approved by: _____
Kent Brumback, Board Vice Chairperson

Approved by: _____
Robert Thomason, Board Director

Approved by: _____
David Combs, Board Director