



Fire Apparatus Acquisition & Financing

AB 6971

Ordinance No. 26-12, First Reading

September 1, 2026



Background

- ❑ Eastside Fire & Rescue is the City's provider of fire and emergency medical services.
- ❑ Per the ILA, the City owns its fire engines and EF&R maintains them.
- ❑ One of the City's type 2 fire apparatus (FL-403) is overdue for replacement in 2026. The apparatus was purchased in 2008 and has an estimated 16-year useful life.
- ❑ In Spring 2026, EF&R finalized design specifications for a replacement and provided a recommendation to purchase a Pierce manufactured engine.
- ❑ The proposed make and model meets requirements to serve Mercer Island's response area and aligns with EF&R's standardized fleet.



Pierce International Pumper

- ❑ Type 2 apparatus, also known as a “MIDI” pumper
- ❑ Smaller and more fuel efficient compared to a type 1 apparatus or “MAXI” pumper
- ❑ Shorter wheelbase for enhanced maneuverability on narrow streets and slopes
- ❑ Ideal for departments that combine fire, EMS, and rescue services to reduce operating costs
- ❑ **Price:** \$774,266.47
- ❑ **Manufacturing lead time:** 14 to 19 months



Purchase Agreement

- ❑ **Manufacturer:** Pierce Manufacturing, Inc.
- ❑ **Exclusive Dealer:** Hughes Fire Equipment, Inc.
- ❑ In May 2026, Hughes Fire Equipment provided a quote to the City for the type 2 apparatus
- ❑ The City and Hughes drafted a purchase agreement to mirror the terms of the type 1 apparatus purchased by the City in 2025
- ❑ Price increases on major components built by third parties (e.g., engine, transmission, and fire pump) may not exceed 10% of the original purchase price



Financing

- ❑ Staff received financing proposals from two banks and applied to the LOCAL Program administered by the WA State Treasurer's Office
- ❑ Municipal Asset Management, Inc. offered the most competitive terms to the City:
 - ❑ **Term:** 9 years
 - ❑ **Interest rate:** 4.97%
 - ❑ **Annual payment:** \$108,786
- ❑ After the final lease payment in 2035, ownership of the apparatus transfers to the City



Budgetary Impacts

- ❑ The City's Equipment Rental Fund (510) will pay the debt service for the new apparatus
- ❑ An updated fleet financing strategy is included in the 2027-2028 Preliminary Biennial Budget that will be presented to the City Council later this month

Recommended Action

Schedule Ordinance No. 26-12 for second reading and adoption on September 15, 2026

Questions