

AB 6819

Ordinance No. 25-34

Fire Apparatus Acquisition & Financing

November 18, 2025



Agenda

1. Background
2. Enforcer Pumper
3. Joint Purchase Agreement
4. Lease Purchase Agreement
5. Budgetary Impacts

Background

- ❑ Since January 2024, Eastside Fire & Rescue provides fire and emergency medical services on Mercer Island.
 - ❑ Per the ILA, City owns its fleet. EF&R maintains and operates the fleet.
- ❑ In February 2025, Council approved Ordinance No. 25-04 authorizing the purchase and financing of two fire engines.
 - ❑ City unable to agree to manufacturer's open-ended price increases.
 - ❑ City Manager placed the purchase on hold.

Background

- ❑ EF&R and the City regrouped in September 2025.
- ❑ New specifications completed in November 2025 for a new type 1 apparatus to replace one of the City's reserves.
 - ❑ The City's planned purchase of a type 2 apparatus is on hold until it is made available by the manufacturer.
- ❑ EF&R Recommendation:
 - ❑ Pierce Enforcer Pumper (semi-custom).
 - ❑ Less expensive and faster delivery than fully custom.
 - ❑ Model and build meet industry standards, consistent with EF&R's fleet.

Fire Apparatus Replacement

Freightliner Pumper Type-2 Fire Engine



- ❑ Smaller, more fuel efficient compared to type-1 engines.
- ❑ Shorter wheelbase required to navigate narrow driveways, particularly hillside properties.
- ❑ Less common apparatus, requires a fully customized build.
- ❑ Engine component still under design, anticipated to be finalized in 2026.
- ❑ **Not part of current joint purchase.**

Fire Apparatus Replacement

Enforcer Pumper Type-1 Fire Engine



- ❑ Carries 3-4 firefighters.
- ❑ Supports structural firefighting & initial EMS response.
- ❑ Contains pump with a 750-gallon tank and 1,500 gallons/min minimum water transfer.
- ❑ New apparatus will replace the current primary engine at Fire Station 92. Current primary engine to become reserve engine.
- ❑ **Price:** \$1,267,470
- ❑ **Delivery Timeline:** 31-36 months

Acquisition

- ❑ The City proposed a joint purchase agreement to purchase four Enforcer Pumpers (one for City and three for EF&R).
- ❑ New starting point. Equitably shares risk of price increases.
 - ❑ Scaled escalator tied to Producer Price Index mitigates inflation/tariffs risk between the City and manufacturer.
 - ❑ Price changes tied to major third-party-built components capped at 10% of purchase price.
 - ❑ City retains right to review and approve price increases.



Financing

- ❑ Staff requested bids from investors specializing in Fire Apparatus financing.
- ❑ Lease purchase agreement is an installment contract with ownership accruing over time.
- ❑ Municipal Asset Management, Inc. proposed the most favorable terms.
- ❑ After the final lease payment, ownership transfers to the City to be maintained and operated by EF&R.

Final Terms	Amount
Principal	\$1,267,470
Interest Rate	4.76%
Term (years)	9
Annual Debt Service	\$171,566

Budgetary Impacts

- ❑ The Equipment Rental Fund will pay the debt service.
- ❑ Staff return to Council during the 2027-2028 biennial budget process with updated funding strategies related to the City's fleet to ensure resources keep pace with equipment replacement forecasts.

Ordinance No. 25-34

- ❑ Authorizes the purchase of one Pierce Enforcer Pumper and authorizes a joint purchase agreement between the City, EF&R, and Hughes Fire Equipment, Inc.; and
- ❑ Authorizes a Master Tax-Exempt Installment Purchase Agreement with Municipal Asset Management, Inc. to finance the City's apparatus.

Recommended Action

1. Suspend City Council Rules of Procedure Section 6.2 requiring a second reading of an ordinance.
2. Adopt Ordinance No. 25-34 authorizing the purchase of one Pierce Enforcer Pumper and authorizing a joint purchase agreement between the City, EF&R, and Hughes Fire Equipment, Inc. and a Master Tax Exempt Installment Purchase Agreement with Municipal Asset Management, Inc. to finance the City's apparatus, substantially in the form of the drafts attached as Exhibits A and B to Ordinance No. 25-34.

Questions

