

DATE SUBMITTED 07/30/2025

SUBMITTED BY ADMIN SERVICES

DATE ACTION REQUIRED 08/06/2025

COUNCIL ACTION (X)  
 PUBLIC HEARING ( )  
 REQUIRED  
 RESOLUTION (X)  
 ORDINANCE 1<sup>ST</sup> READING ( )  
 ORDINANCE 2<sup>ND</sup> READING ( )  
 CITY CLERK'S INITIALS ( )

**IMPERIAL CITY COUNCIL  
AGENDA ITEM**

<p>SUBJECT: Fire Engine Truck</p> <ol style="list-style-type: none"> <li>Approval to purchase a new 2024 Pierce Enforcer Fire Engine, which will expand the City of Imperial fleet through the Imperial County Fire Department.</li> <li>Approval of <b>Resolution 2025-46</b>, for a 10-year finance agreement with PNC Bank to acquire the Fire Engine described in Attachment in the amount of \$937,355.52</li> </ol>	
<p>DEPARTMENT INVOLVED: ADMINISTRATION SERVICES</p>	
<p>BACKGROUND/SUMMARY:</p> <p>Due to the continued expansion of the city's residential population, there has been a corresponding increase in demand for emergency services. The current fleet of fire engines, while historically reliable, includes apparatus that have exceeded their recommended service life according to national standards and manufacturer guidelines. This aging equipment is increasingly costly to maintain and less reliable in responding to modern emergency demands.</p> <p>To ensure the safety of both residents and firefighters, the city must invest in a new fire engine that meets current performance, safety, and emission standards. The new apparatus will enhance the fire department's ability to respond effectively to emergencies across a growing service area. The existing engine, while no longer suitable for front-line service, will be retained and repurposed as a reserve unit. This will provide additional support during major incidents or when primary vehicles are out of service for maintenance.</p> <p>The recommendation by the County of Imperial Fire Department is to purchase Fire Engine Apparatus from South Coast Fire Equipment, as described in the Attachment.</p>	
<p>FISCAL IMPACT:</p> <p>The <b>\$937,355.52</b> will be financed through a 10-year 5.01% lease agreement with PNC Bank. The yearly lease payments of \$121,450.79 will be covered through Fire Impact fees and General Fund monies.</p>	<p>ADMIN SERVICES SIGN INITIALS <u>VMS</u></p>
<p>STAFF RECOMMENDATION:</p> <p>Staff recommends that the City Council approve authorization to purchase Pierce Enforcer Fire Engine, and adopt <b>Resolution 2025-46</b> for fire engine purchase lease agreement.</p>	<p>DEPT. INITIALS <u>VMS</u></p>

CITY MANAGER'S RECOMMENDATION:

*approve*

CITY  
MANAGER'S  
INITIALS

*OTM*

MOTION:

SECONDED:

AYES:

NAYES:

ABSENT:

APPROVED ( )

DISAPPROVED ( )

REFERRED TO:

REJECTED ( )

DEFERRED ( )

**RESOLUTION NO. 2025-46**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL, CALIFORNIA APPROVING FINANCING FOR A NEW FIRE ENGINE DURING FISCAL YEAR ENDING JUNE 30, 2026**

**BE IT AND IT IS HEREBY RESOLVED** by the City Council of the City of Imperial, California, as follows:

**WHEREAS** the Municipality is a political subdivision of the State, in which the Municipality known as the City of Imperial is located in California and is duly organized and existing pursuant to the Constitution and laws of the State; and

**WHEREAS**, pursuant to applicable law, the governing body of the Municipality of Imperial is authorized to acquire, dispose of, and encumber real and personal property, including, without limitation, rights and interests in property, leases, and easements necessary to the functions or operations of the Municipality; and

**WHEREAS**, the Governing Body hereby finds and determines that the execution of one or more Master Lease-Purchase Agreements of \$937,355.52 in the principal amount not exceeding the amount stated for the purpose of acquiring the property 2024 Pierce Fire Engine Truck to be described in the Leases is appropriate and necessary to the functions and operations of the City of Imperial; and

**WHEREAS**, PNC Bank, National Association shall act as Lessor under said Leases; and

**NOW, THEREFORE**, Be It Ordained by the Governing Body of the City of Imperial:

*Section 1.* The city manager acting on behalf of the municipality is hereby authorized to negotiate, enter into, execute, and deliver one or more Leases in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Municipality.

*Section 2.* By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Municipality to execute and deliver agreements and documents relating to the Leases on behalf of the Municipality.

*Section 3.* The aggregate original principal amount of the Leases shall not exceed the amount stated above and shall bear interest as set forth in the Leases, and the Leases shall contain such options to purchase by the Municipality as set forth therein.

*Section 4.* The Municipality's obligations under the Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Lease, and the Municipality's obligations under the Leases shall not constitute general obligations of the Municipality or indebtedness under the Constitution or laws of the State.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Imperial  
on the 6<sup>th</sup> day of August, 2025

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JAMES TUCKER,  
Mayor

ATTEST:

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KRISTINA SHIELDS,  
City Clerk

I, Kristina Shields, City Clerk of the City of Imperial, California, hereby certify that the foregoing Resolution No. 2025-46 was duly adopted at a meeting of the Imperial City Council at its meeting held on the 6<sup>th</sup> day of August, 2025, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Imperial, California, on August 6, 2025.

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KRISTINA SHIELDS,  
City Clerk



# Pierce Financing Options

**SOUTH & COAST**  
FIRE EQUIPMENT

Adrian Beyer

Pierce  
Saber Engine



Imperial County  
Fire Department





# The Pierce Program Advantage



- 🐾 Financing from PNC Bank (4th largest bank-owned leasing company in U.S.)
- 🐾 Flexible payment structures to meet your budget requirements
- 🐾 Deferred payment option to simplify budgeting
- 🐾 Industry's most extensive lines of lease plans for fleet replacement
- 🐾 Prepay program to lower payments and eliminate interest rate risk
- 🐾 100% Financing with no documentation fees
- 🐾 Highly Competitive tax-exempt interest rates
- 🐾 Dedicated Account Executive to assist you through the entire financing process



# Finance Program Options

## Lease Purchase Plan

With a lease purchase plan, you can purchase the apparatus gradually over time. This allows you to use available capital for operations or other needs. At the end of the lease, you can purchase the apparatus for just \$1. Terms for this plan range from 2 to 15 years (10 years for apparatus with commercial chassis).

- \$** Choose a lease purchase if:  
You prefer ownership of the apparatus and need to spread capital costs over time.

## Turn-In Lease Plan

The turn-in lease plan contains a "balloon payment" for the estimated resale value of the apparatus at the end of the lease. A department has two options at lease term:

1. Purchase the apparatus by paying off or refinancing the "balloon payment."
2. Return the apparatus to Pierce and lease a new Pierce apparatus (Pierce pays off the balloon payment).

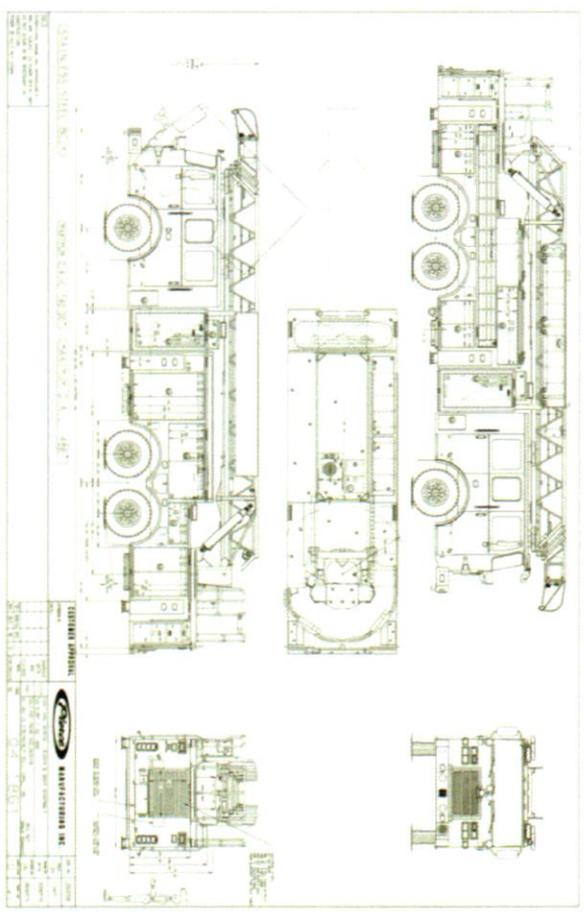
*Terms for this plan range from 2 to 10 years of use. This lease contains mileage and apparatus condition provisions, with 10,000 and 15,000 annual mileage options available.*

- \$** Choose a turn-in lease if:  
You want to pay for the use of the apparatus over the lease term and need a flexible, cost-effective fleet management program.

# Lease Start Options

Imperial County Fire can start the financing at any time from the date of order to the date of delivery

Imperial County Fire will receive all remaining Pierce prepay discounts from the financing start date to the date of delivery.





# Making Lease Payments Prior To Delivery

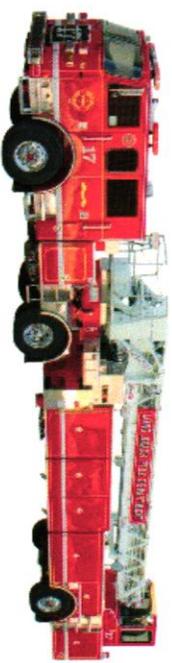
Lease payments made prior to delivery have two layers of protection:

## 1. Pierce Performance Bond

*Ensures that the customer will receive the apparatus in accordance with the terms of the contract agreement. Guarantees one year warranty will be performed.*

## 2. PNC “Four Party Agreement” in lease contract

*If Pierce fails to deliver Equipment, then Pierce shall pay to Lessee the Lessee’s payments and the amount owed to PNC (the lease is refunded).*





# Program Contacts



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Kim Simon  
Vice President – Account Executive  
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FINANCIAL SOLUTIONS



### Tax Exempt Lease Purchase

6/26/2025

SALES ORGANIZATION: **South Coast - Adrian**  
 LESSEE: City of Imperial  
 TYPE OF EQUIPMENT: One (1) Pierce Saber pumper  
 EQUIPMENT COST: \$937,355.52 after discounts  
 CUSTOMER DOWNPAYMENT: \$0.00  
 TRADE-IN: \$0.00  
 DELIVERY TIME: Per Contract  
 PAYMENT MODE: Annual In Arrears  
 FIRST PAYMENT DUE DATE: 1 year after lease commencement  
 LEASE COMMENCEMENT DATE: Upon contract signing with Pierce

Contact information:  
 Kim Simon  
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 Columbus, OH 43215  
 Ph: 614-670-3994  
 Fax (866) 852-3101  
[Kim.simon@pnc.com](mailto:Kim.simon@pnc.com)

Term	5 years	7 years	10 years
Number of Payments	5 Annual	7 Annual	10 Annual
Payment Amount	\$212,748.83	\$159,769.87	\$121,450.79
Interest rate:	4.37%	4.62%	5.01%

**NOTE:** All lease documents must be fully executed within 7 days of the date of this proposal. Failure to receive completed documents may alter the final payment schedule due to changes in rates and/or discounts.

**PERFORMANCE BOND:** To utilize the prepay program, a performance bond is required. Said performance bond shall be paid for directly to Pierce Manufacturing or financed by PNC Equipment Finance as part of the transaction

**ESCROW FUNDING OPTION:** At lease closing, if all of the equipment has not yet been delivered, Lessor will fund an escrow account from which disbursements will be made to the equipment provider(s) upon receipt of a Requisition Request and Certificate of Acceptance from Lessee. Escrow agent will either be Lessor or third-party provider selected by Lessor and approved by Lessee. All escrow earnings will be for the benefit of Lessee. The escrow agent will assess a \$250.00 account set up fee payable at closing.

**TYPE OF FINANCING:** Tax-exempt Lease Purchase Agreement with a \$1.00 buy out option at end of lease term. Said agreement shall be a net lease arrangement whereby lessee is responsible for all costs of operation, maintenance, insurance, and taxes.

**BANK QUALIFICATION:** This proposal assumes that the lessee will not be issuing more than \$10 million in tax-exempt debt this calendar year. Furthermore, it is assumed that the lessee will designate this issue as a qualified tax-exempt obligation per the tax act of 1986.

**LEGAL TITLE:** Legal title to the equipment during the lease term shall vest in the lessee, with PNC Equipment Finance perfecting a first security interest

**AUTHORIZED SIGNORS:** The lessee's governing board shall provide PNC Equipment Finance with its resolution or ordinance authorizing this agreement and shall designate the individual(s) to execute all necessary documents used therein.

**LEGAL OPINION:** The lessee's counsel shall furnish PNC Equipment Finance with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to PNC Equipment Finance.

**VOLUNTEER FIRE DEPARTMENTS:** If Lessee is a Volunteer Fire Department, a public hearing under the requirements of Section 147(f) of the Internal Revenue Code of 1986 shall be conducted to authorize this transaction. It is recommended that a notice of the public hearing be published 10 to 14 days in advance of the public hearing.

This proposal will be valid for **Seven Days (7)** from the above date and is subject to final credit approval by PNC Equipment Finance and approval of the lease documents in PNC Equipment Finance's sole discretion. To render a credit decision, lessee shall provide PNC Equipment Finance with their most recent three years' audited financial statements, copy of their most recent interim financial statement, and current budget.

Accepted by: \_\_\_\_\_ Proposal submitted by Kim Simon