



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Maria Öberg

SUBJECT: Actions Related to the
Purchase Order for Fire
Apparatuses

DATE: October 6, 2025

Approved

Date:

10/14/25

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Adopt a resolution authorizing the City Manager, or her designee, to:

- (a) Amend purchase order PO 83531 with Kalmikov Enterprises, Inc., dba Fire Apparatus Solutions (Rialto, CA), for the purchase of four additional tractor-drawn aerial fire apparatuses, to increase the total compensation by up to \$12,709,000, for a maximum compensation not-to-exceed \$15,614,848, for the period ending June 30, 2028, subject to the appropriation of funds; and
- (b) Execute further amendments to PO 83531, and any additional purchase orders as necessary, for the purchase of tractor-drawn aerial fire apparatuses and related items based on the needs of the Fire Department, pursuant to pricing obtained under the Sourcewell cooperative agreement #113021-RVG, subject to the appropriation of funds.

SUMMARY AND OUTCOME

The Public Works Department Fleet Management Division is responsible for overseeing the City of San José's (City) vehicle fleet, including various apparatuses used by the Fire Department to respond to fire emergencies and other public safety issues. Fire apparatuses are critical resources that the Fire Department utilizes to deliver personnel, water, ladders, rescue equipment, and medical resources to emergencies. Without properly equipped and reliable apparatuses, the Fire Department cannot effectively perform fire suppression and rescue, nor can it effectively deliver emergency medical services. San José residents and businesses expect rapid and capable emergency response to fires, medical emergencies, and disasters. Fire apparatuses allow

firefighters to arrive quickly with the right tools and equipment to help mitigate these emergencies.

Fire apparatuses ultimately have finite service lives that are indicative of replacement at 20 years. As these apparatus age, they become less reliable and more expensive to maintain. Investing in apparatus replacements helps to ensure that City firefighters can respond to emergencies without delay due to mechanical failures. Modern fire apparatuses also provide Fire Department personnel with the latest equipment and technology for emergency service delivery and firefighter safety. Working fire apparatuses help protect lives, safeguard property, support economic stability, and ensure the City meets its public safety obligations. Without working fire apparatuses, firefighters simply cannot do their job. Authorizing the City Manager, or her designee, to take this action will allow the City to purchase new fire apparatuses to replace and modernize the Fire Department's existing fleet.

BACKGROUND

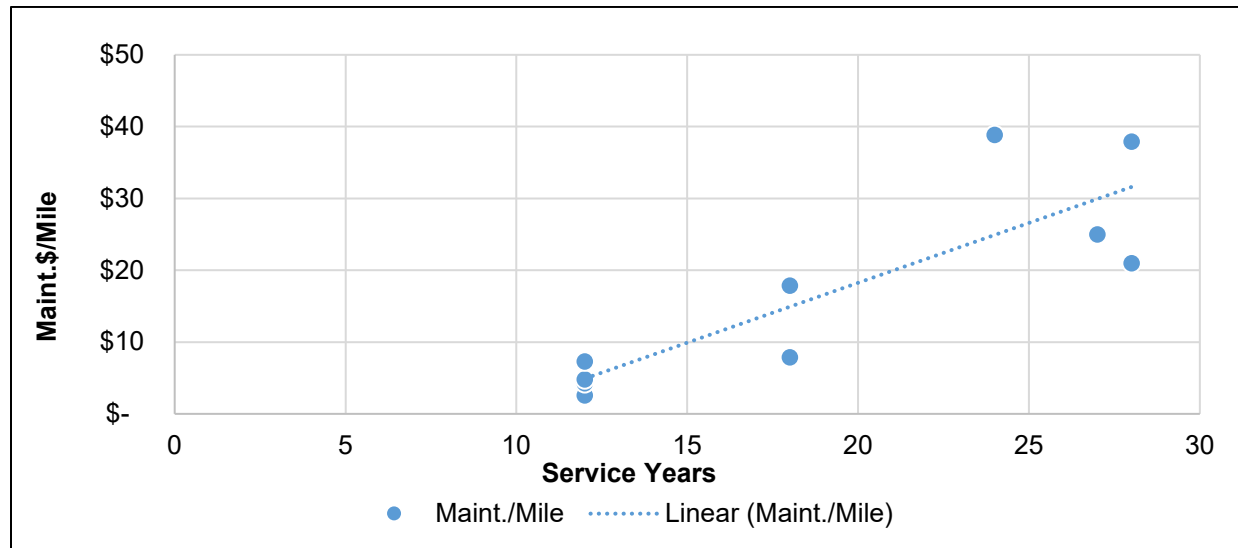
During a recent review of current fire apparatus inventory with the Fire Department and Public Works Department, both departments agree that aging fire apparatuses are not capable of providing reliable service to the community. Under the current fire apparatus replacement policy, emergency response vehicle reliability is diminished due to degradation from increased demand and lengthy fire apparatus delivery times. Extensive manufacturing timelines have placed delivery of new fire apparatuses at roughly four years after the time of order in some instances. While the Fire Department waits for new fire apparatuses to be delivered, the aging fleet has been difficult to maintain and keep in-service due to reoccurring mechanical failures, antiquated parts being difficult to source, and limited City staff not able to keep up with the volume of service orders for repair.

The Fire Department currently staffs nine front-line truck companies which are operating with aerial ladder trucks that can utilize a heavy-duty ladder to quickly perform rescue operations above-grade (up to 100 if necessary). These aerial ladder trucks are also used to deliver personnel and equipment to rooftops to perform vertical ventilation thereby releasing smoke and heat from a compartmentalized fire to improve survivability and visibility. Over the last three calendar years, the Fire Department has utilized non-operational aerial ladder trucks or engines without an aerial ladder for 110 cumulative days due to a lack of available reserve trucks and/or multiple front-line trucks being inoperable. Table 1 lists the 10 oldest ladder trucks in the Fire Department's fleet and maintenance/repair expenditures in Calendar Year 2024. Further, the Fire Department regularly experiences greater than 50% of the reserve fleet out-of-service for mechanical repairs. The average reserve fire apparatus age is currently around 20 years.

Table 1: 10 Oldest Aerial Ladder Trucks/Miles Driven versus Maintenance Cost

EQ ID	Assignment	Year	Service Years	2024 Maintenance Cost	Miles (2024)	Maintenance Cost (\$/Mile)
53329	Reserve	1997	28	\$39,570	1,887	\$20.97
53330	Reserve	1997	28	\$33,930	895	\$37.91
53336	Reserve	1998	27	\$69,999	2,792	\$25.07
53370	T16	2001	24	\$47,831	1,231	\$38.85
53414	Reserve	2007	18	\$76,681	4,288	\$17.88
53415	T13	2007	18	\$45,943	5,814	\$7.90
53444	T9	2013	12	\$20,321	5,351	\$2.59
53445	T2	2013	12	\$33,210	7,856	\$4.27
53446	T14	2013	12	\$32,190	7,391	\$4.79
53447	T29	2013	12	\$26,715	3,646	\$7.33

Chart 1 below suggests a correlation between service years and maintenance cost per mile driven. All data was gathered utilizing the Public Works Department Fleet Division's PowerBI platform.

Chart 1: Correlation Between Service Years and Maintenance Cost (\$/Mile)

During the review, it was also noted that as fire apparatuses extend beyond 15 years of service, they become significantly more costly to maintain and operate; sometimes surpassing the actual value of the fire apparatus in accumulated maintenance and operational cost. The National Fire Protection Association recommends only a 15-year frontline service life and significant refurbishment (i.e., LED lighting upgrades, rear-view

camera installation, reflective markings, etc.) at the time a fire apparatus transitions from frontline service to reserve status.

ANALYSIS

Due to multi-year build timelines and an aging fleet, the City has explored various solutions for fire apparatus procurements to meet both immediate and long-term needs, including City facilitated competitive solicitations and leveraging other public agency cooperative agreements. The City also has multiple existing purchase orders with various vendors for fire apparatuses, including the following:

- Hi-Tech Emergency Vehicle Service, Inc. provides Type 1 Engines. The Fire Department currently has six units in production, expected to be delivered in Fiscal Year 2025-2026. The estimated build time for a Type 1 Engine through this vendor is 24 months from the order being submitted at a cost of roughly \$1.3 million per fire apparatus. This procurement does not include tractor-drawn aerial ladder trucks. These purchase order(s) were awarded via City facilitated competitive solicitation.
- Golden State Fire Apparatus provides tractor-drawn aerial ladder trucks. The Fire Department currently has two units that were ordered in June of 2023, expected to be delivered in Fiscal Year 2027-2028. The estimated build time for a Tractor-Drawn Aerial Ladder Truck through this vendor is around four years from the order being submitted at a cost of roughly \$2.4 million per fire apparatus. These purchase order(s) were awarded via City facilitated competitive solicitation.
- Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions provides tractor-drawn aerial ladder trucks. The Fire Department currently has one unit that was ordered in June 2025, expected to be delivered in Fiscal Year 2027-2028. The estimated build time for a tractor-drawn aerial ladder truck through this vendor is around two years from the order being submitted at a cost of roughly \$2.5 million per fire apparatus.

The current purchase order (PO 83531) with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions was procured via a cooperative agreement between Sourcewell, a State of Minnesota local government unit, and Rev Group, Inc. (contract number 113021-RVG-4), under which Kalmikov Enterprises, Inc. is an authorized dealer. As an authorized dealer, Kalmikov Enterprises, Inc. agreed to honor the pricing terms under the cooperative agreement. The Sourcewell cooperative agreement was competitively solicited, and the City's use of the agreement is consistent with San José Municipal Code Section 4.12.225.B.3, Public Agencies Purchases.

There is an urgent need to seek immediate fire apparatus replacements to prevent the Fire Department from having to utilize non-functional aerial trucks for emergencies. For this action, the City seeks to continue leveraging pricing from the Sourcewell cooperative agreement and amend the existing purchase order with Kalmikov Enterprises, Inc. to purchase up to four additional tractor-drawn aerial fire apparatuses. Although the cost per fire apparatus through the purchase order with Kalmikov Enterprises, Inc. is currently quoted at over \$50,000 more than through the purchase order with Golden State Fire Apparatus, the lead time for new fire apparatuses is reduced significantly with the former. The City also reviewed other vendors awarded under the Sourcewell cooperative agreement as potential sources of new fire apparatuses, including The Sutphen Corporation and P.L. Custom Body and Equipment Co., Inc. Neither Sutphen Corporation or P.L. Custom Body and Equipment Co., Inc. provide tractor-drawn aerial ladder trucks meeting City required specifications.

In short, approval of this recommendation will enable the City to receive critically needed fire apparatuses on an expedited timeline, help reduce ongoing maintenance costs for legacy fire apparatuses and modernize the Fire Department's existing fleet.

EVALUATION AND FOLLOW-UP

This memorandum will not require any follow-up from staff.

COST SUMMARY/IMPLICATIONS

The total recommended amended purchase order is \$15.6 million. The purchase order will be funded by the General Fund and the Construction Tax and Property Conveyance Tax Fund: Fire Protection Purposes. The table below identifies the total amount of the purchase orders for the three-year initial term. If additional purchases are needed, City staff will return to City Council with the recommended amendments. Under the current terms of the purchase order, the City will not pay for new fire apparatuses until the fire apparatuses are delivered and accepted by the City. Based upon manufacturing timelines, the new units should be delivered in FY 2027-2028 and sufficient funding is expected to have accumulated to pay for the apparatuses. The ongoing maintenance and operations cost for the new vehicles are evaluated as part of the budget process and included in the Five-Year Forecast and Revenue Projections for the General Fund and Capital Improvement Program.

Contributions toward the annual replacement of fire apparatuses are evaluated each year. The level of funding is based on an annual review of the Fire Apparatus Replacement Policy conducted by the Administration to maintain sufficient funding for emergency fire apparatus replacement through the Five-Year Capital Improvement Program. Key considerations include the number of vehicles scheduled for replacement, their current condition, and the prevailing financial environment—among other factors.

1. AMOUNT OF RECOMMENDATION \$12,709,000

2. COST ELEMENTS

- Existing Purchase Order with Kalmikov Enterprises, Inc. dba \$ 2,905,848
Fire Apparatus Solutions for a single tractor-drawn aerial fire
apparatus and related equipment
- Amendment to the Existing Purchase Order for four \$12,709,000
additional tractor-drawn aerial fire apparatuses and related
components

TOTAL NOT TO EXCEED \$15,614,848

3. FUNDING SOURCE

- General Fund and the Construction Tax and Property Conveyance Tax Fund:
Fire Protection Purposes. The cost of the purchase is already factored into the
Five-Year Forecast and is sufficient to pay for the replacement of the four
apparatuses.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office, Public Works Department, and Fire Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the October 28, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no changes to the physical environment.

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PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

Maria Öberg

Director, Finance Department

For questions, please contact Albie Udom, Deputy Director of Finance Department, Purchasing and Risk Management, at Albie.Udom@sanjoseca.gov.