MINUTES OF THE MEETING OF
THE EQUIPMENT LEASING AUTHORITY
HELD ON JUNE 12TH, 2025

CALL TO ORDER

The board meeting of June 12th, 2025, was called to order at 2:03 p.m. The agenda and public notice were posted on the ELA website and displayed in the City County Building in Room 502 on June 11th, 2025.

ROLL CALL

Present –Lisa Frank, Lee Schmidt, Peter McDevitt, Chris Hornstein

Absent –Councilman Anthony Coghill

In attendance: Firmin Maurice, Jamie Jones, Jennifer Olzinger, Danny Cerrone, Patrick Cornell, Eric Shultz, Brendan Coticchia, David Hutchinson, Andrew Shull, Amanda Burkheart, Ralph Sicuro.

APPROVAL OF THE MINUTES

A motion was made to approve and accept the 2nd quarter meeting notes.

PUBLIC COMMENT

Ralph Sicuro, 1908 Shelley Drive, Pittsburgh, PA 15216 – Stated that fire vehicle requests should be weighted with priority as a result of the lead time on builds. The longer the wait on requests to purchase fire equipment and vehicles, the longer the City Fire Department will continue to go without new and relevant fire apparatuses. If purchasing years are skipped, items are not received promptly, which will lead to a critical and catastrophic situation for the fire fleet as a whole.

OPENING REMARKS & PURPOSE OF MEETING

Slide 2: Purpose and Context

Why we are here: Present a prioritized, data-driven fleet investment plan for 2026

- Securing service reliability for the departments on which the City depends
- Maximize value from constrained funds

What This Represents

- The foundation of a sustainable 5-year strategy

Slide 3: Why Now

- Nearly half the fleet (48%) has exceeded its recommended lifecycle
- Aging assets break down more, cost more, and stay down longer
- Delays compound risk — every year we wait, the problem grows

Slide 4: Top Priorities

Top candidates:

- Many are frontline units with no spares
- These vehicles drive up maintenance cost and service risk

Slide 5: 2025 Requested Vs. Delivered

Slide 6: Where We Stand

- 48% of fleet is past the recommended lifecycle.
- 52% at or within recommended lifecycle.
- The 7.6-year average masks reality — large groups of vehicles are aging out together, creating spikes in breakdowns and budget strain.

Slide 7: Why it Matters: The Cost of Waiting

- Aging Assets: Unpredictable, Higher downtime.
- Budget Drain: Emergency repairs quickly erode planned budgets.
- Procurement Lag: Stuck repairing the same unreliable units.

Slide 8: Where We Need to Be

- Average Fleet Age $\leq$ 6 years
- 80% of the fleet is operating within the lifecycle.
- Replacement initiated before high-risk status.
- Strategic planning must align with funding.

Slide 9: What Will It Take?

- 80% Path, 369 Units, $138M, Minimum to stop fleet decline.
- 90% Path, 468 Units, $161M, Moderate risk reduction.
- 100% Path, 647 units, $206M, Full risk elimination.

Slide 10: Prioritization Method

Slide 11: Phased Scenarios

Slide 12: What Happens If We Don’t

Slide 13: What Can We Do Right Now

Slide 14: What Happens If We Do?

- Mission-readiness improves: Departments regain operational reliability.
- Repair costs drop: Budget is stabilized by reducing emergency repair costs.
- Downtime decreases: Fewer breakdowns = more services delivered without interruption.
- Budget becomes predictable: Procurements become proactive, not reactionary.
- Fleet reliability becomes a strength, not a risk.

(Full presentation included at the end of notes)

DISCUSSION

Mr. McDevitt led the discussion by asking for the exact amount of funds needed per year to move the Fleet forward. Is $20,000,000.00 a rough estimate? This number is important to show the City Council and the Mayor what is needed to make this a sustainable fleet. City Council is quick to point out the lack of vehicles and the impacts of an unreliable fleet. However, they perhaps do not understand why that amount of funding is truly necessary. The $20 million will start the fleet down the path to correction, but it will need to continue to grow and will outgrow the current need. A plan to adjust to this growth is necessary.

Director Schmidt questioned if the presented models by the Fleet Managers take into account those vehicles that are going to be decommissioned. Such as the sixty (60) police vehicles that are currently planned for decommissioning in the coming year. Mr. Maurice determined that the cars currently in service were used for this proposal.

Director Schmidt questioned what would occur in 2031? Will the cost continue to escalate, or will it slow down after ten years? Mr. Shultz asked if a 100% replacement plan was implemented, would the yearly funding be reduced? Mr. Maurice stated, yes, in theory, the replacement plan would continue to grow through the next ten years. We don't know exactly where prices are going to go, so it's hard to determine this total amount. I imagine that with every 10% drop in vehicle sales, there will also be a reduction in the non-contract costs by the same 10%. I will try to include projections in the future.

Director Schmidt stated the Police vehicles are funded through Public Safety Operating funds, not Capital. Director Hornstein asked if the proposal is a representation of the total cost, instead of individual funding sources. The 100% path puts 100% of our fleet in its life cycle, not broken down by funding source? By reducing non-contract costs, purchases will be reduced since not as many vehicles will be aging out. Thank you for putting this material together. Director Hornstein interjected that the Parks Maintenance Department, since the implementation of the Parks Tax in 2022, is proof of this concept. The department has been able to greatly reduce maintenance and yearly purchasing as a result. We have been practicing this theory with a very small subset. Something else to consider is how we want to define right-sizing of the Fleet.

Director Schmidt commented that with any of these avenues, there will be a lot of decommissioning of vehicles. We need a more effective strategy for the decommissioning of vehicles. We will need to be timelier with these since we don't have the space to store these vehicles.

Mr. Schultz commented that the right sizing of the Fleet correlates directly to what is requested vs those that are budget approved. Mr. Maurice stated that he had overlooked a couple of departments when creating his materials, which one of his colleagues brought to his attention, but he deemed it as unnecessary to address before the current meeting due to time constraints. Director Schmidt interjected that EMS does currently have a considerable number of spare vehicles. However, through right-sizing of the fleet, we can reduce those spares and provide a more reliable fleet.

Jennifer Olzinger brought to the board's attention that the current fiscal budget for non-contract repairs has been 2/3 spent. Cosmetic repairs are no longer being considered at this time for approval. Cost Savings from the Transdev 2024 contract will be received and used for future non-contract repair costs through the end of the year. Operating is considering possibly using part of the fuel budget to help float non-contract repair costs. Ms. Turnage provided that the current non-contract cost totals have already reached $2,291,649.47. Mr. McDevitt stated that contract costs total $4,241,671.86.

Director Schmidt questioned if the Fleet Department can forecast non-contract costs. Through forecasting, can the fleet be brought up to a standardized level by the use of the phased approach? If forecasting this cost is available, then we can possibly present to the City Council what the cost savings will be by investing in the integrity of the fleet.

Mr. Shultz inquired into the “What can we do right now” slide presented by Mr. Maurice. He stated that this meeting was partially intended to discuss with the ELA what will be prioritized for the 2026 requests. What and where is this prioritization?

Mr. Maurice stated that this information will be shown on the “Column Score” section of the slide. The submission year would show the lead time and prioritization for vehicles. Mr. Maurice stated that there will be a high lead time score specifically for specialty items. For example, Trash Compactors would need to be ordered in 2026 since they have a high lead time. This only shows a small snippet of the actual vehicles to be requested. Ms. Olzinger also included that the items listed are only Capital funded and that there is the potential for other funding sources.

Director Schmidt asked where the first fire truck landed on the proposed scoring list. Mr. Maurice stated that based on the scoring model, it landed at number 26 on the list. The two fire pumpers did make the list. Fire came in with a score of 70 overall. However, order and lead times may impact this overall score.

Chief Frank inquired into how this score and scoring model would work. We can’t currently see that far down the list within your presentation. In order to have them delivered, they would need to be placed at the top of the lists, meaning they would need to have been ordered today to be received at a reasonable time. Are we clocking that in regard to what we want to submit for Capital requests? We might end up putting orders out for vehicles which are not at the top of the list in terms of their score, but should be instead weighted in terms of their lead or build time? Mr. Maurice indicated that vehicles could be bumped up the list as a result of their lead time.

Mr. Shultz commented again that part of this meeting was to gain ELA board prioritization on vehicle requests. This would be the best time to provide that feedback in terms of what should be prioritized by both Capital and the Fleet team by the leading Directors of the board.

Mr. Maurice inquired what additional data could be provided to help the board make informed decisions. Mr. McDevitt stated that some sort of projected curve for non-contract costs and how the

purchasing plan would impact those costs would be helpful data to have. Director Schmidt commented that he would like to implement the 100% fleet replacement plan proposed by Mr. Maurice. However, the 90% plan should be the minimum when approaching this project. He suggested that a full list of vehicles and replacements may be needed to better prioritize and make an informed decision. With both lead times and associated costs. Mr. McDevitt also suggested that materials for the decided approach to the City Council will need to be very clear and stated in black and white in regards to what is really needed in funding to move the Fleet forward to a sustainable condition. Mr. Shultz commented that depending on which model is used for this approach will then be used by the Capital Team for future capital requests.

Chief Frank stated that more Capital involvement is warranted to see how we can reach the 90% mark model, which Mr. Maurice proposed. Additional education work with the City Council will also be necessary in order to fully demonstrate how we can potentially move this project forward.

Director Hutchinson commented that there are currently three main Capital Project priorities: Traffic calming, Demolition, and Fleet. We will still need to have at least $40 million a year to come out of operating. How do we move this forward with limited revenue? Mr. McDevitt stated that its not a matter of how the projects are graded, the City simply doesn't have the necessary funding. A possible small tax increase could potentially bring in the revenue needed. Chief Frank clarified that this project cannot be funded by PAYGO funds alone and will potentially need to be supplemented with operating funds also. We will need to show City Council what could be potentially cut from operating expenses to make an informed decision.

Director Hornstein elaborated on the concept of Capital planning. Currently, Capital is on a six-year budget. Capital funding is already planned for specific programming because we are leveraging other projects against it. However, what would the replacement plan look like as far out as 2031, since this could potentially impact our currently held bonds? Mr. McDevitt mentioned that between 2026 -2030 PAYGO is scheduled to only have a total of $26 million in funding. The only way to increase this total is to increase the total revenue coming into the City. Ms. Olzinger suggests a Fleet Tax to be imposed on the city or to potentially use state or foundation money as an alternative. Chief Frank commented that these suggestions are useful if possible. However, a complete list with further out projections, repair costs, and purchasing needs is necessary to show that the investment will pay off. We need to move this data to real numbers. A complete assessment of six to seven years is necessary to provide a comprehensive overview of the numbers and assets correctly. A demonstrated clear understanding of the materials before we approach the possible State or foundation funding sources should be our focus.

Director Schmidt commented that although the City Council may not agree to fund the full 20 years, they may at least be open to providing an influx of cash to start the process. Chief Frank requested that, moving forward, a task force be assembled to discuss the next steps of the process. This task force will be responsible for formulating real funding totals with the data provided. This task force should be assembled and discuss next steps before the next quarterly meeting, so that materials align with the Capital Season. Director Hornstein interjected the need for Operating to be involved with this task force since all funding options need to be considered. A framework for right-sizing the fleet and lead times should also be discussed during these task force meetings, allowing for a prepared position when facing the council during the final budget season.

Chief Frank requested a meeting scheduled that would include representatives from Capital, Operating, Fleet, and Pete McDevitt. A meeting for the ELA Task Force was requested to be scheduled within the next two weeks from the current date.

MEETING SCHEDULE

The next meeting of the Equipment Leasing Authority is scheduled on July 10th, 2025, at 2:00 p.m.

ADJOURNMENT

A motion to adjourn was made and approved at 3:41 PM.

2026 ELA Fleet Capital Proposal

City of Pittsburgh
Office of Management & Budget

Firmin Maurice IV,
Senior Manager of Fleet Services
June 12, 2025

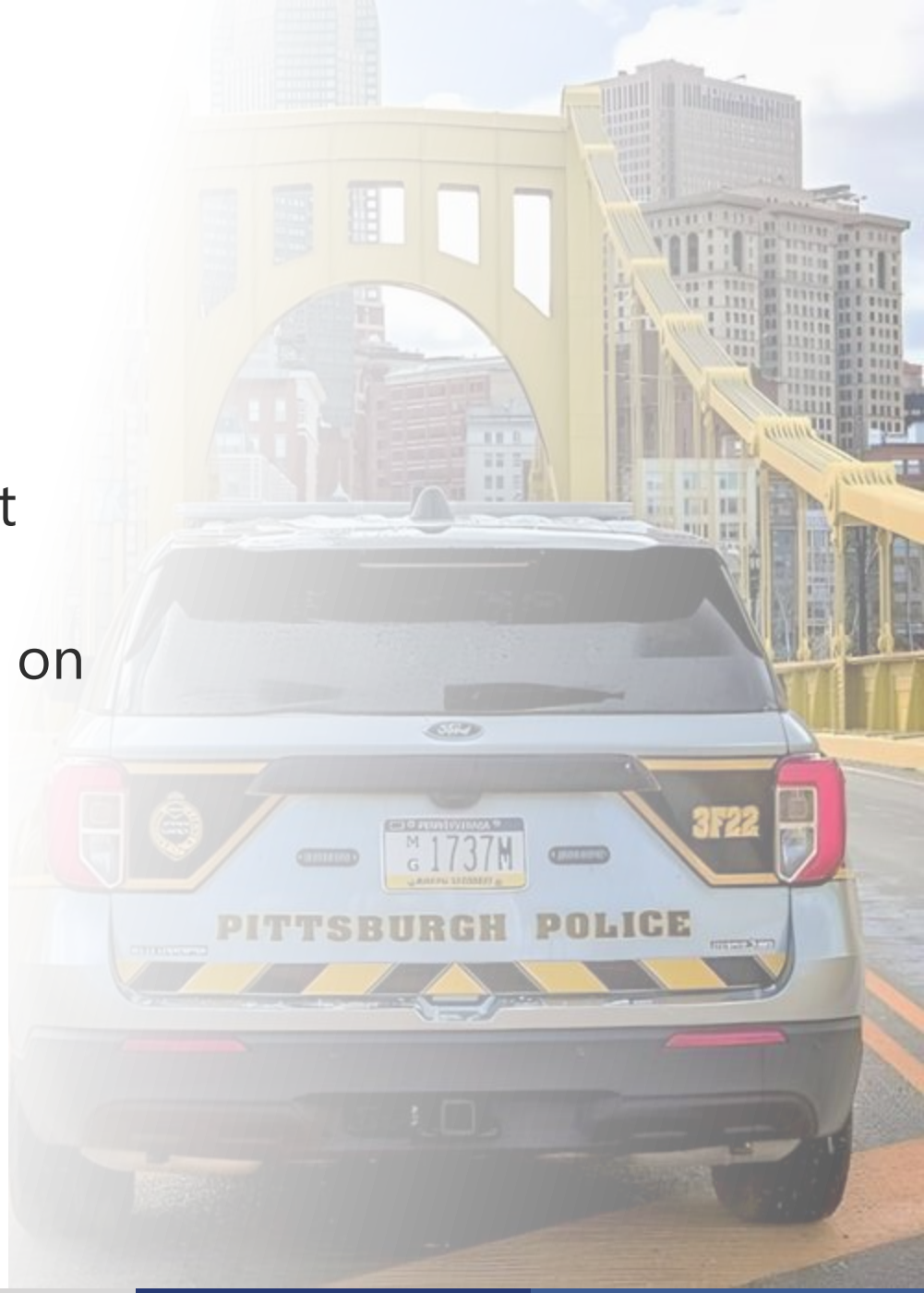
Purpose & Context

Why We're Here

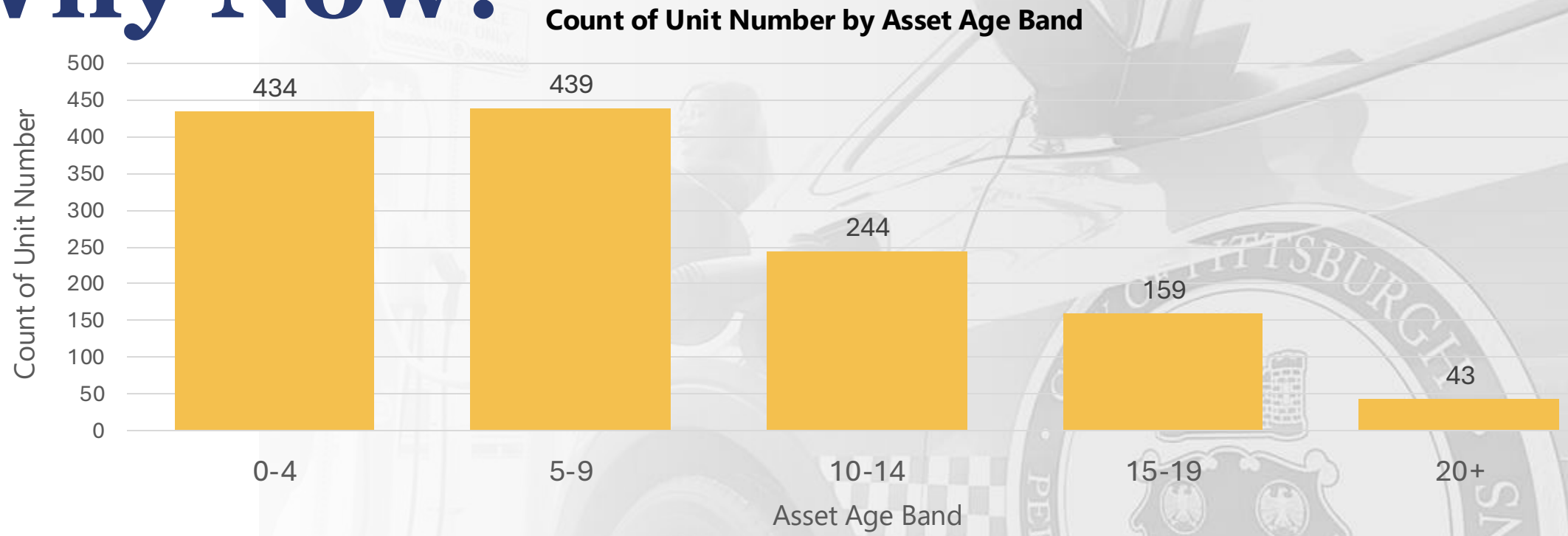
- Present a prioritized, data-driven fleet investment plan for 2026
- **Securing service reliability** for the departments on which the City depends
- **Maximize value** from constrained funds

What This Represents

- The foundation of a sustainable **5-year** strategy

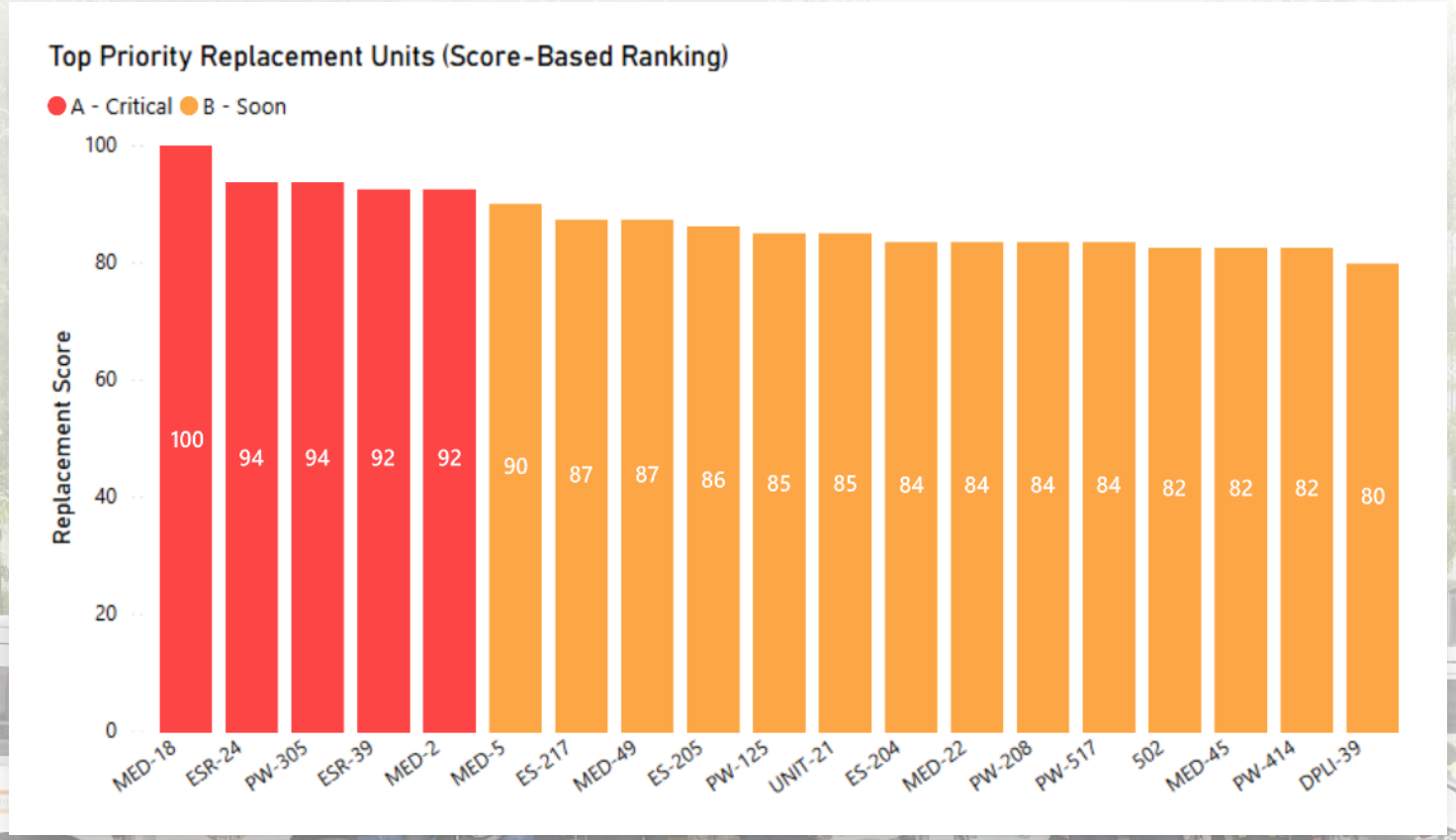


Why Now?



- Nearly **half the fleet (48%)** has exceeded its recommended lifecycle
- Aging assets **break more, cost more, and stay down** longer
- **Delays compound risk — every year we wait, the problem grows**

Top Priorities

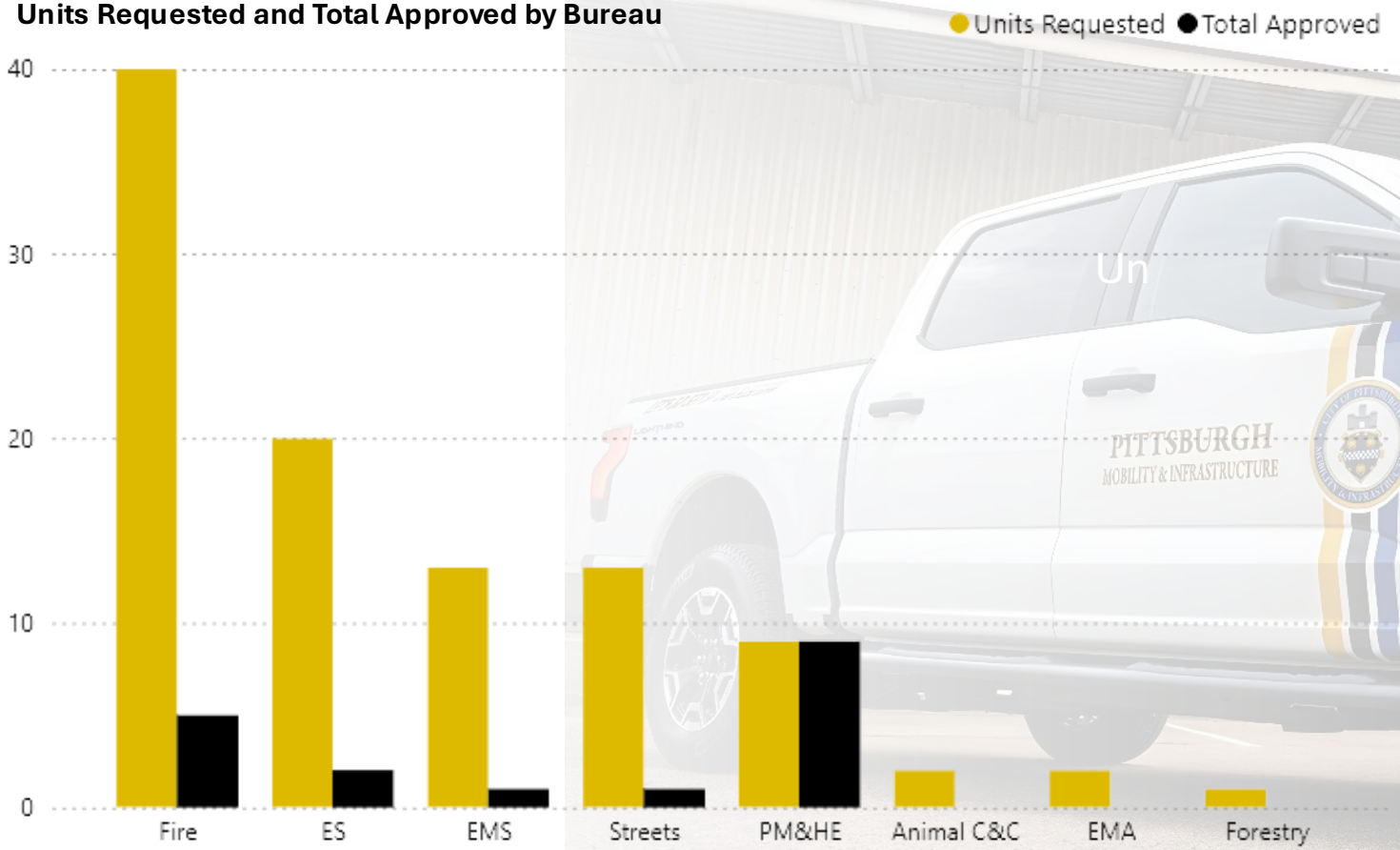


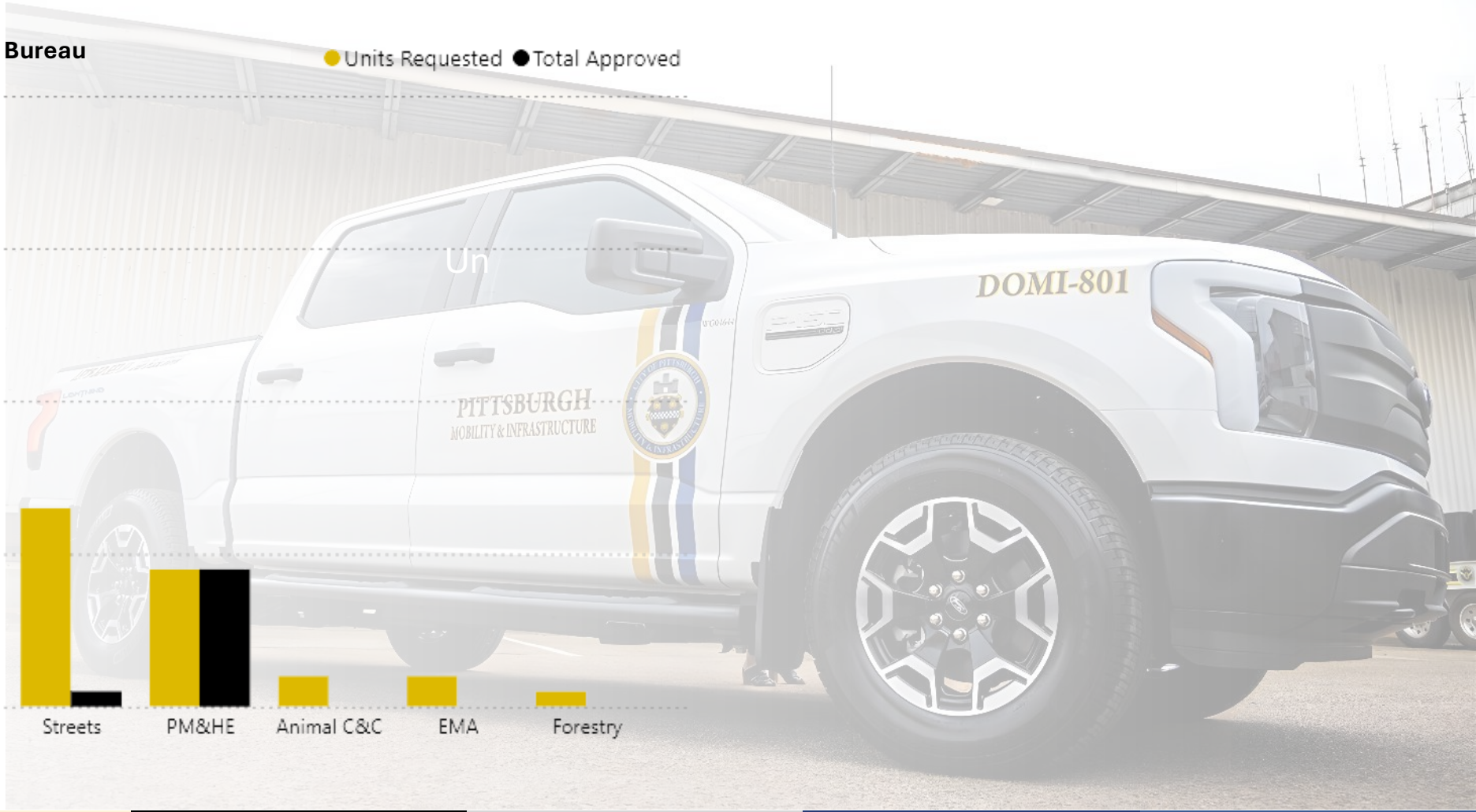
Top candidates:

- Many are **frontline units** with no spares
- These vehicles drive up **maintenance cost** and **service risk**

2025
Requested vs. Delivered

Units Requested and Total Approved by Bureau

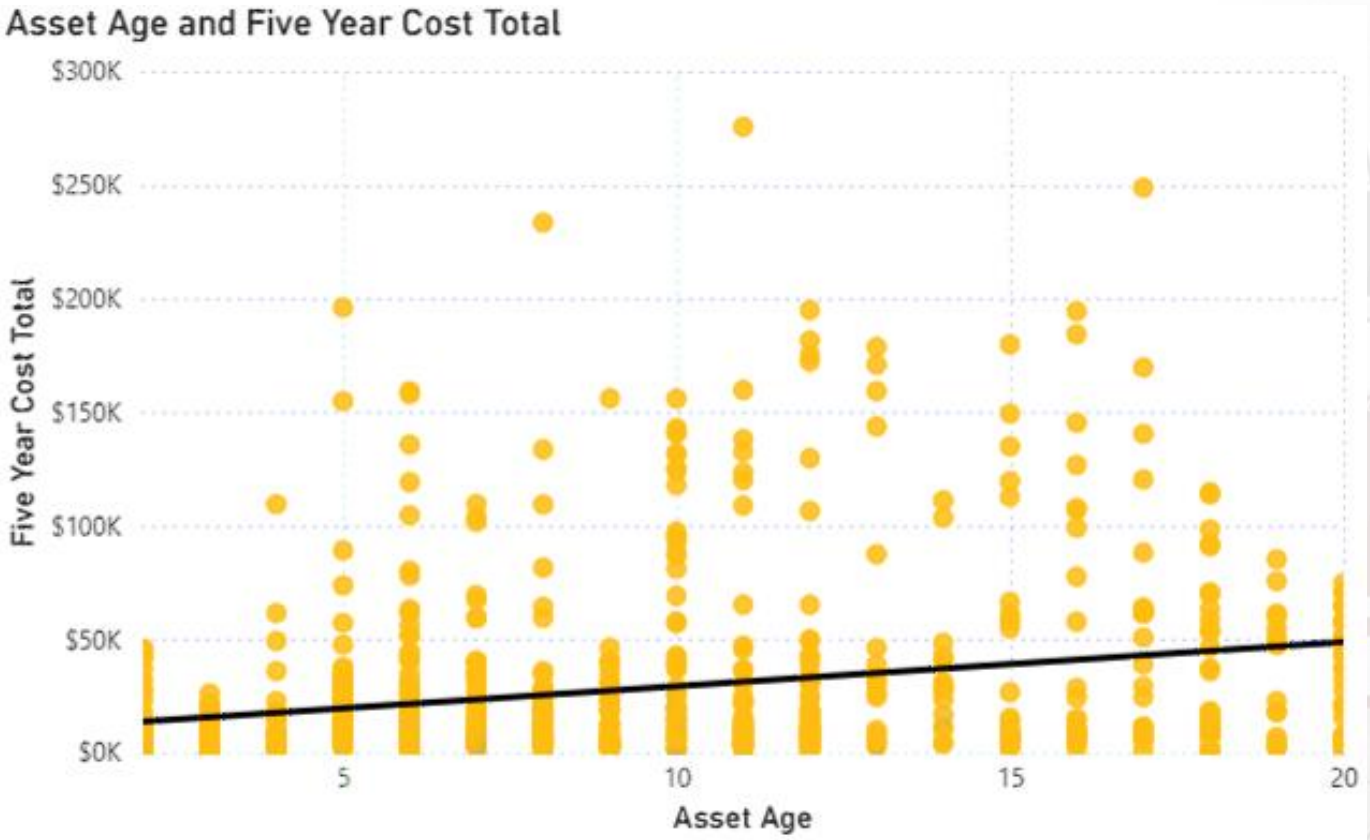




Where We Stand

- **48%** of fleet is **past the recommended lifecycle**
- **52%** at or **within recommended lifecycle**
- The **7.6-year average** masks reality — large groups of vehicles are aging out together, creating spikes in breakdowns and budget strain.

Why It Matters: The Cost of Waiting



Risk Type	Impact on Services
Aging Assets	Unpredictable, higher downtime
Budget Drain	Emergency repairs quickly erode planned budgets
Procurement Lag	Stuck repairing the same unreliable units

Where We Need to Be

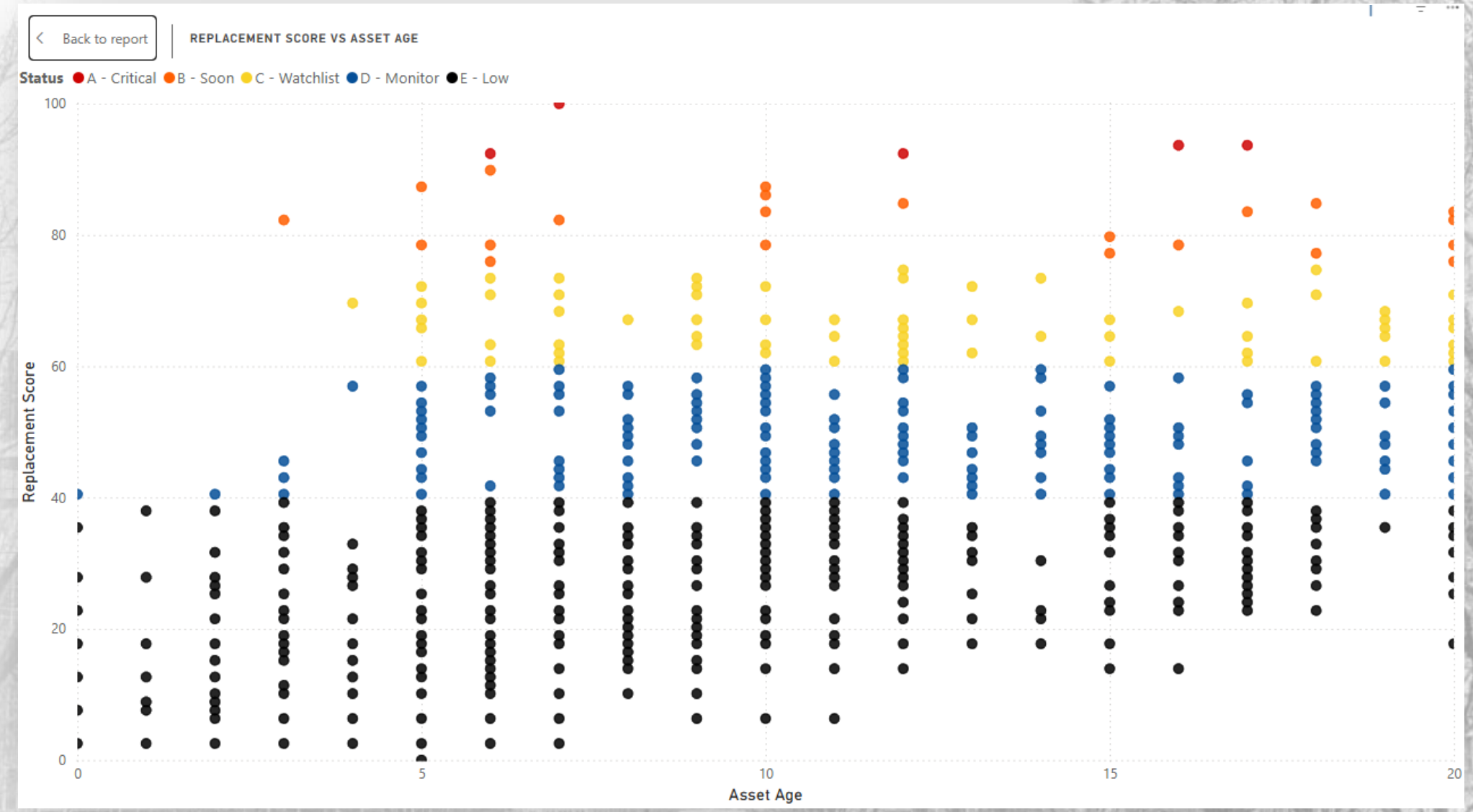
- Average Fleet Age ≤ 6 years
- 80% of fleet operating within lifecycle
- Replacements initiated *before* high-risk status
- Strategic planning must align with funding

Card	Label	Desired Value
Over Age	< 200	
Over Mileage	< 10	
Over Both	Minimal	
Within Life cycle	80%+ of fleet (~1,040)	
Average Age	≤ 6 years	

What Will It Take?

Option	Units Replaced	Estimated Cost	Risk Reduction
80% Path	369 units	$138M	**Minimum** to stop fleet decline
90% Path	468 units	$161M	**Moderate** risk reduction
100% Path	647 units	$206M	**Full** risk elimination

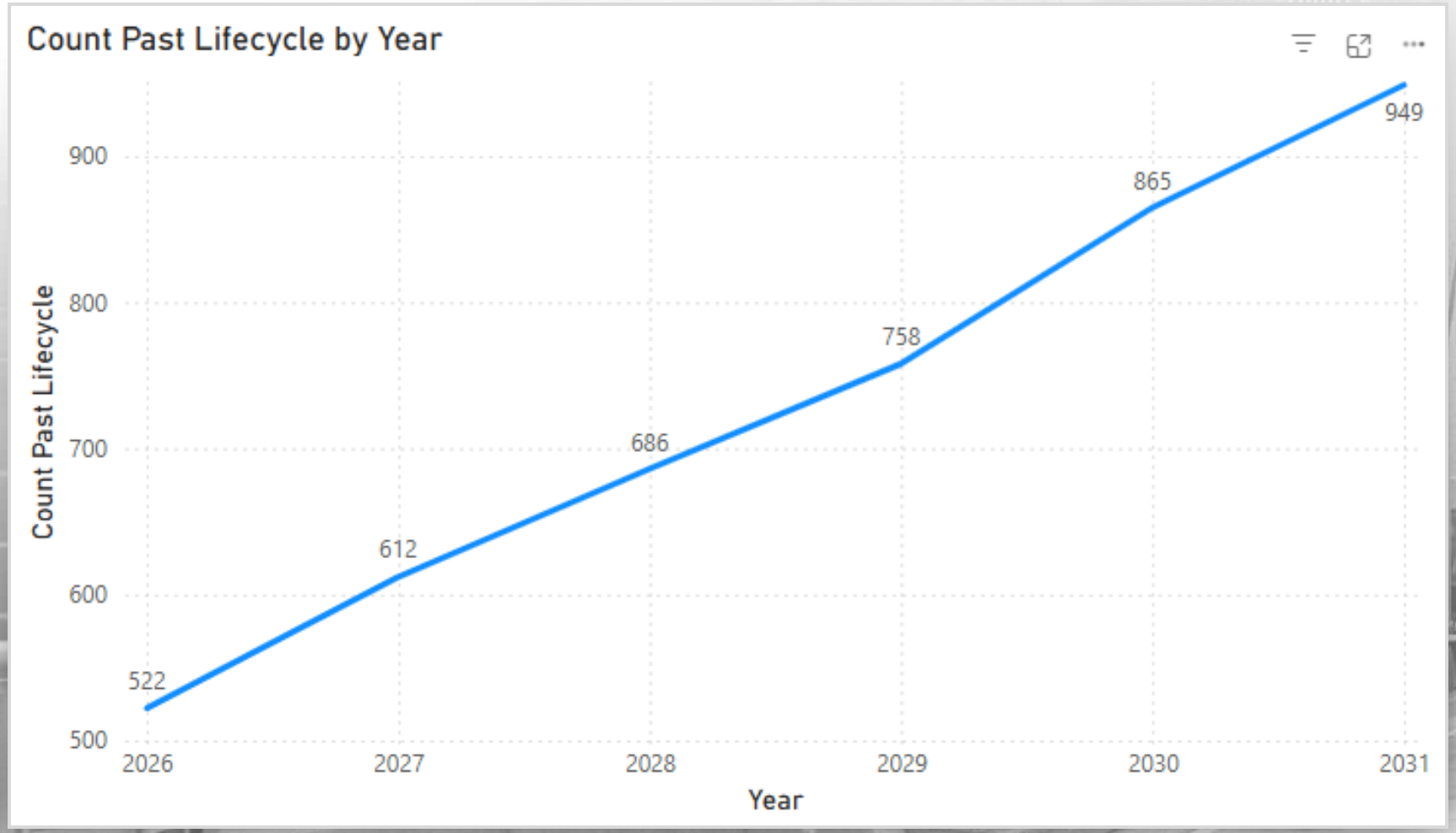
Prioritization Method



Phased Scenarios

	80% Path		90% Path		100% Path	
	Count of Units	Planned Cost	Count of Units	Planned Cost	Count of Units	Planned Cost
2026	5	$2,518,500.00	15	$6,392,940.00	33	$12,050,812.00
2027	24	$7,499,672.00	34	$11,300,999.00	60	$23,426,100.00
2028	84	$32,008,456.00	106	$43,192,729.00	82	$33,179,263.00
2029	101	$42,195,977.00	116	$43,165,365.00	117	$44,818,613.00
2030	155	$53,988,155.00	197	$57,284,994.00	355	$93,296,990.00
Total	**369**	**$138,210,760.00**	**468**	**$161,337,027.00**	**647**	**$206,771,778.00**

What Happens If We Don’t?



What Can We Do Right Now?

APWA Sub	Score	Dept.	Status	Rep. Year	Submit Year	Early Flag	Cost
AMBULANCE	100	EMS-D	A - Critical	2026	2026	Yes	$661,250.00
COMPACTOR	93.67	PWES-D	A - Critical	2026	2026	Yes	$483,000.00
TRUCK DUMP	93.67	DPW-D	A - Critical	2026	2026		$230,000.00
AMBULANCE	92.40	EMS-D	A - Critical	2026	2026	Yes	$661,250.00
COMPACTOR	92.40	PWES-D	A - Critical	2026	2026	Yes	$483,000.00
AMBULANCE	89.87	EMS-D	B - Soon	2027	2026	Yes	$661,250.00
AMBULANCE	87.34	EMS-D	B - Soon	2027	2026	Yes	$201,250.00
COMPACTOR	87.34	PWES-D	B - Soon	2027	2026	Yes	$483,000.00
COMPACTOR	86.07	PWES-D	B - Soon	2027	2026	Yes	$483,000.00
COMPACTOR	84.81	DPW-D	B - Soon	2027	2026	Yes	$483,000.00
PICKUP ¾ Ton	84.81	EMA-D	B - Soon	2027	2027		$115,864.00

What Happens If We Do?

- 🚒 ***Mission-readiness improves:*** Departments regain operational reliability

- 🔧 ***Repair costs drop:*** Budget is stabilized by reducing emergency repair costs

- 🛑 ***Downtime decreases:*** Fewer breakdowns = more services delivered without interruption.

- 🧮 ***Budget becomes predictable:*** Procurement becomes proactive, not reactionary

- 📈 ***Fleet reliability becomes a strength, not a risk.***

Questions?