

RESOLUTION NO. 1837

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
 AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH
 SOLEDAD-MISSION RURAL FIRE DISTRICT FOR THE
 LEASE PURCHASE OF AN FMC FIRE APPARATUS

BE IT RESOLVED by the City Council of the City of Soledad that the Mayor and the City Clerk be, and they are hereby, authorized and directed for and in behalf of said City to execute and deliver an Agreement with SOLEDAD-MISSION RURAL FIRE DISTRICT for the lease purchase of fire apparatus in the form of the document hereunto attached, marked 'Exhibit A', and by reference made a part hereof.


PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 24th day of February, 1988, by the following vote:

AYES, and in favor thereof, Councilmembers: Campos,
 Ledesma, Untalon, Mayor Pro Tem Slagle, and Mayor
 Ortiz

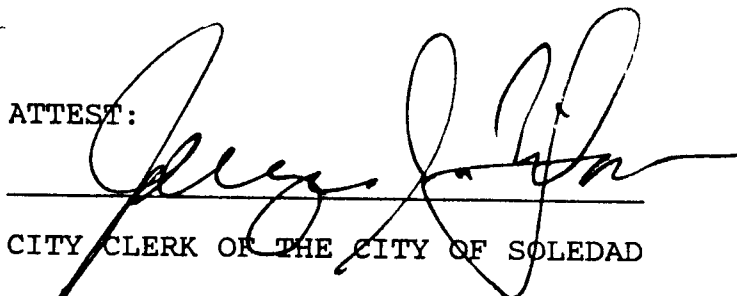
NOES, Councilmembers: None

ABSENT, Councilmembers: None

ABSTAINING, Councilmembers: None


 MAYOR OF THE CITY OF SOLEDAD

ATTEST:


 CITY CLERK OF THE CITY OF SOLEDAD

AGREEMENT

THIS AGREEMENT is made by and between the CITY OF SOLEDAD, a California municipal corporation, hereinafter called CITY, and SOLEDAD-MISSION RURAL FIRE DISTRICT, a political subdivision of the State of California, hereinafter called DISTRICT.

RECITALS:

A. CITY has an established fire department, which operates fire apparatus and equipment owned jointly by CITY and DISTRICT within both jurisdictions, pursuant to a written agreement entered into by the said parties, to which reference is hereby made for further particulars.

B. CITY now proposes to acquire a new fire truck and appurtenant equipment from FMC-Fire Apparatus Operations under a lease-purchase agreement calling for payments totaling \$145,899.28, of which an initial payment of \$11,327.59 will be paid upon the execution of said agreement and the balance of which will be paid as rental in annual installments over a term of seven (7) years, as set forth in the schedule of payments contained in said lease-purchase agreement. A copy of said schedule of payments is attached hereto, marked "Exhibit No. 1," and is incorporated herein by reference.

C. By this agreement the parties hereto are providing for the acquisition of said fire truck and equipment by

.. "A"

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CITY for their mutual use and benefit, and for the sharing of the cost thereof.

AGREEMENT:

It is therefore mutually agreed by and between the said parties, as follows:

1. CITY is hereby authorized to enter into said lease-purchase agreement with FMC-Fire Apparatus Operations, to take delivery of said fire truck and equipment pursuant thereto, and to have the same registered in the name of CITY and DISTRICT. Said fire truck and equipment shall be kept, maintained and operated by CITY for the mutual benefit of the parties hereto in accordance with the agreement between them referred to in Recital A above.

2. It is intended and hereby agreed that all costs associated with the acquisition of said fire truck and equipment by CITY shall be borne and paid by CITY and DISTRICT in equal shares. At the time each payment from CITY to the Lessor becomes due under said lease-purchase agreement (including the initial ten percent (10%) payment and all subsequent rental or other payments and charges for which CITY may become liable under the terms of said agreement), DISTRICT shall pay to CITY on demand an amount equal to one-half ($\frac{1}{2}$) of the payment then due to said Lessor; any such payment from DISTRICT to CITY which is not paid when due shall bear interest at the rate of eight percent (8%) per annum from its due date until the same is paid.

3. CITY agrees that it will make all payments required of it as Lessee under said lease-purchase agreement promptly when due and will otherwise keep and perform all of its obligations under said agreement according to its terms.

4. In accordance with the provisions of said lease-purchase agreement, CITY will purchase and acquire full legal title to said fire truck and equipment when all payments required of it under the lease-purchase agreement have been made. Provided that DISTRICT is not then in default hereunder, CITY agrees that at that time it will cause the DMV registration of said vehicle to be changed to show both CITY and DISTRICT as registered and legal owners of the same.

5. Notwithstanding the provisions of Paragraph 2 above, if at the time an annual payment under the lease-purchase agreement becomes due the DISTRICT does not have the financial means to pay to CITY its one-half (½) share thereof, it shall have the right to defer said payment for a period of up to but not exceeding one (1) year from the payment due date, subject to the following conditions:

(a) Said right of deferral may be exercised only once and shall apply to only one payment; all other payments shall be made as specified in Paragraph 2 above;

(b) Interest on the amount so deferred shall accrue during the period of deferral at the rate of eight percent (8%) per annum and shall be added to

and paid with the deferred payment;

(c) DISTRICT shall take all measures legally available to it, including but not limited to the imposition of additional user fees, to obtain the funds necessary to meet its obligations under this agreement as they become due.

Any payment so deferred shall be due and payable at the expiration of the one-year deferral period, with interest as aforesaid. All other payments required under the provisions of Paragraph 2 shall be due and payable as provided in that paragraph.

6. DISTRICT shall have the right, at any time or from time to time, to prepay any amount of the principal balance due to CITY under the terms of Paragraph 2 of this agreement, in which event DISTRICT shall be relieved of all interest charges attributable to the amount of the prepayment under the terms of the lease-purchase agreement.

7. Time and specific performance are of the essence of this agreement, and of every provision hereof.

8. This agreement, and all of the provisions hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

9. In the event either party shall commence legal action to enforce any of the provisions of this agreement, the prevailing party shall be entitled to reasonable attorney's

fees, to be fixed by the Court and made a part of any judgment entered therein.

IN WITNESS WHEREOF, the said parties have executed this agreement this 25th day of February, 1988.

CITY OF SOLEDAD, a California municipal corporation,

By *Richard C. [Signature]*
Mayor

ATTEST:

[Signature]
City Clerk

SOLEDAD-MISSION RURAL FIRE DISTRICT, a political subdivision of the State of California,

By *John Bruseth [Signature]*
President of the Board

ATTEST:

David S. Anderson [Signature]
Secretary

FMC CORPORATION
LEASE-PURCHASE AGREEMENT

February 10, 1988

Customer: Soledad, CA.

TOTALS

Total Contract	\$113,275.84		
10% Down Payment	11,327.58	Lease Purchase Paid	\$145,899.28
Amount Financed	101,948.26	Less Total Interest	32,623.44
Years Financed	7	Net Cash Price	113,275.84
Months per Pay Period	12		
Annual Percentage Rate	8.0%		
Annual Principal Payment	14,564.04		

Pay No.	Addit'n Payment	Balance	Interest	Principal Payment	Total Pmt.	Ending Balance	Purchase Option
0	0	\$113,275.84	\$	\$11,327.58	\$11,327.58	\$101,948.26	\$
1	0	101,948.26	8,155.86	14,564.04	22,719.90	87,384.22	110,104.12
2	0	87,384.22	6,990.74	14,564.04	21,554.77	72,820.18	94,374.96
3	0	72,820.18	5,825.61	14,564.04	20,389.65	58,256.15	78,645.80
4	0	58,256.15	4,660.49	14,564.04	19,224.53	43,692.11	62,916.64
5	0	43,692.11	3,495.37	14,564.04	18,059.41	29,128.07	47,187.48
6	0	29,128.07	2,330.25	14,564.04	16,894.28	14,564.04	31,458.32
7	0	14,564.04	1,165.12	14,564.04	15,729.16	0	15,729.16

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EXHIBIT #1