

RESOLUTION NO. 4133

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING THE CITY MANAGER TO ENTER INTO A FIVE YEAR
LEASE/PURCHASE AGREEMENT WITH 3T EQUIPMENT COMPANY FOR THE
PURCHASE OF A NEW HYDRO-JETTER FOR AN AMOUNT NOT TO EXCEED
\$177,000 THROUGH THE CITY'S IN LIEU PURCHASING EXCEPTION AND TO
AUTHORIZE THE CITY MANAGER TO REALLOCATE \$35,224.25 FROM THE
WASTEWATER CIP FUND TO THE DEBT SERVICE LEASE PURCHASE ACCOUNT**

WHEREAS, the City currently owns one hydro-jetter which was purchased in 1988; and

WHEREAS, the City has experienced significant growth in recent years, placing additional wear on the Hydro-Jetter, with the end result being that the Jetter has required frequent and costly repairs; and

WHEREAS, in October of 2007, the Marina Coast Water District went through the bid process for a Sterling 1600 Hydro-Jetter and awarded the contract to 3T Equipment Company, Inc who was the lowest responsive bidder; and

WHEREAS, Staff has determined that a Sterling 1600 Hydro-Jetter will meet the growing needs of the City and feels it would be appropriate to utilize the Marina Coast Water District bid and award; and

WHEREAS, in accordance with the City of Soledad In-Lieu Purchase Exception, set forth in Municipal Code Section 3.24.040(C), the City may dispense with routine bidding procedures upon making a series of findings, and the City Manager and/or Staff have determined: 1) that the use of said exception for the proposed purchase of a Hydro-Jetter is appropriate; 2) that the bid for the purchase of the Jetter, in this case in the form of the Marina Coast Water District bid process, was made within the previous twelve months; 3) that there has been no significant change in the price of the requested equipment since the time of the Marina Coast Water District's purchase; 4) that regional variations in vendor sites will not have a significant impact on the identified purchased price; 5) that the bids provided by 3T Equipment Company, Inc as part of the Marina Coast Water District's bidding process were the lowest responsible bids or equivalent thereto for the purchase of the Jetter in question; and

WHEREAS, the purchase price of the Sterling 1600 is \$156,336.00 (including sales tax); and

WHEREAS, Staff has opined that a lease-purchase option is preferable as it will allow the City to have more cash available for reserves that can be used for emergency purposes; and

WHEREAS, 3T Equipment has provided a lease proposal for a five year lease/purchase at \$35,224.25 per year at an interest rate of 5.260% bringing the total purchase price, at the end of the lease, to \$176,121.20; and

WHEREAS, the FY 07-08 Budget and CIP Budget line item 10-91-4014 of the wastewater fund appropriated an amount not to exceed \$160,000 towards the purchase of a new Hydro-Jetter; and

WHEREAS, staff is recommending that the FY 2007-2008 budget line 10-91-4014 of the wastewater CIP fund be adjusted by the reallocation of the amount of \$35,224.25 to the Debt Service Lease Purchase Account for the lease purchase of the new Hydro-Jetter, account number 10-91-7020.

NOW THEREFORE, BE IT HEREBY RESOLVED, by the City Council of the City of Soledad as follows:

1. All of the recitals set forth above are true and correct to the best of its knowledge, and by this reference are incorporated herein as findings.
2. The Council hereby authorizes the City Manager to dispense with normal bidding procedures pursuant to Soledad Municipal Code Section 3.24.040.C based on the findings set forth above, and further authorizes the City Manager to enter into a five-year lease with 3T Equipment Company for the purchase of a Sterling 1600 Hydro-Jetter, in accordance with lease documents approved by the City Attorney and City Manager.
3. The City Council authorizes the City Manager to reallocate \$35,224.25 from the Wastewater CIP Fund to the Debt Service Lease Purchase Account.

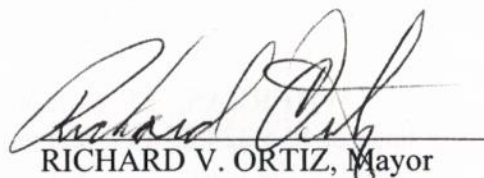
PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 2nd of January 2008 by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Juan Saavedra, Patricia Stephens, Mayor Pro Tem Christopher Bourke

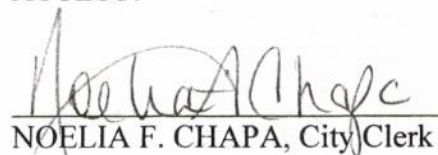
NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: Mayor Richard Ortiz


RICHARD V. ORTIZ, Mayor

ATTEST:


NOELIA F. CHAPA, City Clerk