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APPROVED AS TO FORM:

  
AGENCY COUNSEL

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

2009 - 0043

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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### RESOLUTION AUTHORIZING AGENCY ADMINISTRATOR TO PURCHASE A ZAMBONI ICE RESURFACING MACHINE FOR THE OAKLAND ICE CENTER IN AN AMOUNT NOT-TO-EXCEED \$90,000

**WHEREAS**, on May 2, 1997, the Agency acquired ownership of the twin-rink ice skating facility located at 519 – 18<sup>th</sup> Street known as the Oakland Ice Center ( OIC) following the default by the original owner of the OIC on an Agency loan to construct the OIC; and

**WHEREAS**, pursuant to Agency Resolution No. 2007-0074 C.M.S., the Redevelopment Agency entered into an agreement with San Jose Arena Management LLC (SJAM) on October 23, 2007 for management and operation of the OIC (the "Agreement"); and

**WHEREAS**, the terms of the Agreement require SJAM to pay for all normal operating expenses in exchange for a share of net profits from the OIC, but obligate the Agency to pay for all capital improvements and repairs; and

**WHEREAS**, the ice resurfacing machines at the OIC are approximately 9 and 10 years old respectively and at least one machine has probably exceeded its useful life due to daily year round use and substandard maintenance by the previous management of the OIC; and

**WHEREAS**, properly functioning ice resurfacing machines are critical to the maintenance of a safe and usable ice skating surfacing, and at least one of the ice resurfacing machines is in need of immediate replacement; and

**WHEREAS**, SJAM solicited quotations for the purchase of comparably featured Olympia and Zamboni ice resurfacing machines, which are industry standard ice resurfacing machines, in the amounts of \$108,338 and \$85,238 respectively, including delivery and tax; and

**WHEREAS**, the large discrepancy between the approximate 2 percent interest that the Agency is earning on its cash reserves and the approximate 8.5 percent interest the Agency would have to pay on a lease of a new ice resurfacing machine make it more cost effective to purchase than lease this machine; and

**WHEREAS**, the Zamboni ice resurfacing machine is the preferred model for a number of technical reasons and SJAM was able to obtain a substantial discount on the Agency's purchase of a Zamboni ice resurfacing machine directly from the manufacturer; and

**WHEREAS**, there are sufficient funds in the Agency's capital improvement accounts for the OIC to pay up to \$90,000 for a Zamboni ice resurfacing machine and most other scheduled capital improvements and repairs; and

**WHEREAS**, the Agency expects to receive over \$100,000 of net profit from the OIC during the fiscal year ending June 30, 2009, no later than mid-September to pay for additional capital improvements and repairs; and

**WHEREAS**, an ice resurfacing machine is a specialized piece of equipment that is not readily available through local suppliers or distributors; now, therefore, be it

**RESOLVED:** That the Agency Administrator is hereby authorized to enter into a contract with Frank J. Zamboni & Co., Inc. for the purchase of a Zamboni ice resurfacing machine in an amount not-to-exceed ninety thousand dollars and no cents (\$90,000.00); and be it

**FURTHER RESOVLED:** That funding for the purchase of the Zamboni ice resurfacing machine will be paid from City Center Land Sale Proceeds Fund (9511), Capital Improvement Projects – Economic Development Organization (94800), Vehicles: Replacements (57612), Oakland Ice Center Project (P131220); and if needed Unrestricted Land Sale Proceeds Fund (9553), Capital Improvement Projects – Economic Development Organization (94800), Buildings: Additions Account (57612), Oakland Ice Center Project (P131210); and be it

**FURTHER RESOLVED:** That the Agency Administrator is authorized to take whatever action is necessary with respect to this purchase consistent with this Resolution and its basic purposes; and be it

**FURTHER RESOLVED:** That any agreements authorized hereunder, including amendments, modifications, or extensions, shall be approved as to form by the Office of the Agency Counsel and filed with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, MAR 31 2009, 2009

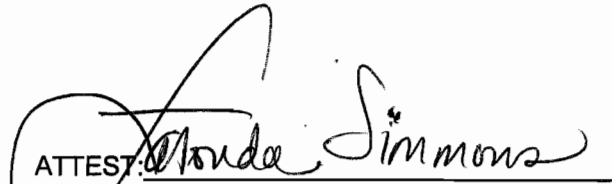
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND  
CHAIRPERSON BRUNNER - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST:   
LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland