

## ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team  
at [MileHighOrdinance@DenverGov.org](mailto:MileHighOrdinance@DenverGov.org) by **3:00pm on Monday**.

***\*All fields must be completed.\****

*Incomplete request forms will be returned to sender which may cause a delay in processing.*

Date of Request: 4/16/12

Please mark one: ☒ Bill Request or ☐ Resolution Request

**1. Has your agency submitted this request in the last 12 months?**

☐ Yes ☒ No

**If yes, please explain:**

**2. Title:** *(Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)*

This agreement with Sovereign Leasing LLC., allows the City to Lease Purchase an Emergency Siren System from Federal Signal Corporation with a 3 year Capital Lease Purchase Agreement.

**3. Requesting Agency:** Cash, Risk & Capital Funding (Dept of Finance)

**4. Contact Person:** *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Denver Maw
- **Phone:** 3-9353
- **Email:** Denver.Maw@denvergov.org

**5. Contact Person:** *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)*

- **Name:** Denver Maw
- **Phone:** 3-9353
- **Email:** denver.maw@denvergov.org

**6. General description of proposed ordinance including contract scope of work if applicable:** This contract will provide Capital Lease Purchase financing for an upgraded Emergency Siren Warning System. The financing will be subject to annual appropriation and extend through 2015 at a maximum interest amount of 2.5% and total interest cost of \$43,097. The financing contract is in conjunction with a zero dollar contract between the City and the Vendor (Federal Signal Corporation) for delivery the actual equipment. The zero dollar contract ordinance request was submitted along with this request.

***\*\*Please complete the following fields:*** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:**
- b. **Duration:** 3 years
- c. **Location:** Various locations throughout City
- d. **Affected Council District:** All Districts
- e. **Benefits:** Update Siren Warning System to Federal Standards (primarily used for tornados).
- f. **Costs:** The portion that will be financed is 986,428 at a maximum interest cost of \$43,097 (totaling . \$1,029,525)

**7. Is there any controversy surrounding this ordinance? (Groups or individuals who may have concerns about it?) Please explain.**

No

*To be completed by Mayor's Legislative Team:*

SIRE

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REVISED 08/16/10

April 16, 2012

## **Executive Summary**

The contract is between the City and Sovereign Leasing, LLC., to finance a new Emergency Siren Warning System. Sovereign Leasing submitted the low bid of 1.72% interest to finance a total principal amount of \$986,428. The actual ordinance will contain a “Not to Exceed” rate of 2.5% because the interest rate will not be locked in until 5 business days before closing. The maximum amount of interest that the City will pay through 2015 at the 2.5% rate is \$43,097. The lease payments are subject to annual appropriation by City Council. The City may prepay the lease with no penalty on any payment date.

This agreement is part of a package that will entail 3 ordinance requests and it is requested that they be presented as a single project.

The ordinances are:

- 1) The above agreement, which entails the Capital Lease Financing with Sovereign Leasing. Total Principal and maximum Interest is \$1,049,785.
- 2) A zero dollar agreement with the Federal Signal Corp. (Siren Vendor) for the equipment that is being financed;
- 3) A second agreement with Federal Signal Corp. for equipment that will be paid for out of this year’s budget. Total amount of this agreement is \$611,577.

The total amount of the project is \$1,661,362.

### The overall project is described below:

This project will upgrade the City’s outdoor warning siren system. The outdoor warning siren system is used to warn the general public to take shelter during a disaster, and is primarily used for tornadoes. Denver’s current siren system is composed primarily of Civil Defense era sirens more than 50 years old. The age of the current system causes reliability concerns, and repair parts are no longer manufactured. Most of the sirens do not have battery backup, making the system less reliable in a major disaster. Additionally, there are several significant coverage gaps in the current system.

The project will replace the 56 Cold War era sirens with modern electro-mechanical high power sirens activated by two-way radio control. The project will also upgrade 21 newer existing sirens and integrate them into the new system, ensuring consistent, overlapping coverage through the entire City and County of Denver. The new system will be battery-operated and solar charged, enhancing the system’s resiliency. Additionally, the project will include an indoor warning system, integrated into the siren activation system that will provide additional information at key City buildings whenever the sirens are sounded.

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*To be completed by Mayor’s Legislative Team:*