

BILL/ RESOLUTION REQUEST

- 1. Title:** Approves an ordinance to authorize the Manager of Finance to provide financing through a capital lease purchase transaction on behalf of Public Works to acquire 908 parking meters and associated equipment totaling \$580,116. Contract control number CE06020.

- 2. Requesting Agency:** Department of Finance

- 3. Contact Person *with actual knowledge of proposed ordinance***
Name:Guadalupe Gutierrez
Phone:720-913-9370
Email:lupe.gutierrez@denvergov.org

- 4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary***
Name:Guadalupe Gutierrez
Phone:720-913-9370
Email:lupe.gutierrez@denvergov.org

- 5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**
 - a. Scope of Work**

This ordinance request seeks approval to finance the acquisition of 908 IPS Flexi-Pay Single Space Parking Meters and associated equipment through a capital lease purchase transaction on behalf of the Department of Public Works.

The total cost of the equipment to be financed is \$580,116. The equipment will be provided by ISP Group Incorporated and Chase Equipment Finance, Inc. will serve as the financing agency. The proposed financing structure will consist of a five-year lease purchase transaction with annual lease payments of approximately \$125,000. If the City makes all annual lease payments, the total amount paid to lease and finally acquire the improvements will be approximately \$626,000. The lease purchase transaction is subject to the annual appropriation by the City Council.

This lease financing ordinance request is being submitted in conjunction with an equipment ordinance request submitted by the Department of Public Works. Approval of the equipment ordinance request will allow for the procurement of the equipment while the financing ordinance request seeks authorization to finance the equipment through a lease purchase transaction.

This ordinance request is being submitted to comply with the City's Charter which requires Council approval of any agreement in excess of \$500,000.

b. Duration

5 years

c. Location

531 Meters will be located in the Cherry Creek North Business Improvement District and remainder will be deployed in other higher use areas not covered In the initial deployment done in summer 2009.

d. Affected Council District

Council District 10

e. Benefits

Smart meters will have the capability of accepting credit/debt cards and smart cards in addition to coins. The new meters will also allow for enhanced reporting on parking meter statistics.

f. Costs

Interest expense associated with the lease will total approximately \$46,000.

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.

Bill Request Number: BR10-0767

Date: 8/30/2010