



# **Fire Training Simulator Capital Lease Overview**

Cash, Risk, & Capital Funding  
Denver Fire Department and Public Works

- Overview
- Equipment Detail
- Financing Terms
- Timetable

- The Denver Fire Department and Public Works are seeking to purchase a new **Fire Training Simulator** for \$1,572,726, consisting of:

a) **\$1,142,016** of “moveable equipment,” being financed under a 5-year capital lease financing transaction with Santander Bank

b) \$430,710 related to the site work and foundations required to support the equipment – not eligible for capital lease financing, funded with existing capital improvement program funds appropriated for the project in the 2014 budget.

- The new Fire Training Simulator will be designed and constructed by MW Golden Constructors, replacing an existing Fire Training Simulator that is well beyond its useful life.
- This is considered essential training equipment for the DFD

## Purpose of the Fire Simulator Training Equipment

- The Fire Simulator is considered mission critical to the Denver Fire Department
- Training in a safe and controlled live fire environment is essential for the health and safety of Denver Firefighters and the Community, for which there is no substitute for.
- The equipment will simulate Class A and Class B fires.
  - Class A fires are generated inside the Simulator by burning wood pallets that produce real smoke that would be encountered in a live fire. Class A fires are appropriate for training younger fire fighters and trainees who lack experience with live fires.
  - Class B fires are generated inside the Simulator using propane to create a controlled flame that does not produce smoke. This type of training is ideal for veteran firefighters who need continuing training, but do not need to be continuously exposed to harmful smoke and carcinogens produced by a Class A fire.
- Live Fire Training will:
  - Reduce the number of injuries and deaths of firefighters and civilians
  - Reduce property damage
  - Increase fire department efficiency

- Design-Build Team Selection Process:
  - March 27, 2014 Request for Qualifications Issued
  - April 16, 2014 7 Proposals Received by the City
  - May 9, 2014 Selection committee Short listed 3 teams for interviews
  - May 16, 2014 Request for Proposals Issued to short listed teams
  - June 13, 2014 Proposals responses from short listed teams due
  - June 18, 2014 Design-Build Team Interviews
  - June 23, 2014 MW Golden selected as Design-Build Contractor for the project

- Division of Small Business Opportunity
  - 4% M/WBE Goal was recommended for the project
  - MW Golden has submitted a compliance plan showing how the project will meet the 4% Goal.
  - Compliance Plan has been reviewed and approved by DSBO

# Equipment Detail

- The new Fire Training Simulator building will consist of a five-story tower, and a two-story residential / industrial component.
  - The building is a prefabricated kit of parts that ships to the site as one complete “package”
  - The components of the building are modular and predrilled for easy assembly & disassembly, allowing for future relocation
  - The Fire Training Simulator has a Useful life of 20 years
  - The building will be located on the City’s Roslyn Campus (5440 Roslyn Street)



Photograph of similar facility located in Arlington, VA



# Equipment Detail, continued

Proposed location of new  
Fire Training Simulator



Aerial image of the DFD Training & Drill Grounds at the City's Roslyn Campus



Financing Terms	
Lessee	City and County of Denver
Lessor	Santander Leasing LLC
Amount Financed (Principal)	\$1,142,016
Interest Rate	1.46% per annum <ul style="list-style-type: none"> <li>Total Interest Cost of \$46,226</li> </ul>
Total Principal & Interest	\$1,188,242
Annual Payments (P&I)	\$237,650 <ul style="list-style-type: none"> <li>Repaid from CIP Fund and Rocky Mountain Fire Academy Special Revenue Fund</li> <li>Subject to annual appropriation by Council</li> <li>First payment in 2015</li> </ul>
Financing Term	5 Years <ul style="list-style-type: none"> <li>Can prepay without penalty on any payment date</li> </ul>



# Tentative Financing Timetable

Sep 23	Finance Committee (consent agenda)
Sep 30	Mayor Council (consent agenda)
Oct 2	Filing of Documents
Oct 6	1 <sup>st</sup> Reading
Oct 13	2 <sup>nd</sup> Reading
Oct 16	Publication
Oct 24	Closing/funding
Q2 2015	Final Delivery of Fire Training Simulator

Please do not hesitate to contact the people listed below if you have any questions or concerns about the project. The people listed below will set up briefings with anyone interested in discussing the project prior to first reading.

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