



## Legislation Details (With Text)

**File #:** 21-1394      **Version:** 1

**Type:** Resolution      **Status:** Adopted

**File created:** 11/8/2021      **In control:** Finance & Governance Committee

**On agenda:** 12/6/2021      **Final action:** 12/6/2021

**Title:** A resolution approving a proposed Equipment Lease Purchase Agreement between the City and County of Denver and JPMorgan Chase Bank, N.A., to purchase Energy Conservation Measure Equipment.  
 Authorizes the Manager of Finance to enter into a capital lease purchase agreement, on behalf of the Department of General Services, to purchase Energy Conservation Measure Equipment via Energy Performance Contracting in a principal amount not to exceed \$15 million. The last regularly scheduled Council meeting within the 30-day review period is on 12-20-21. The Committee approved filing this item at its meeting on 11-16-21.

**Sponsors:**

**Indexes:** Zach Rothmier

**Code sections:**

**Attachments:** 1. RR21 1394 DOF ESCO - Lease Purchase Request, 2. RR21 1394 DOF ESCO - Lease Purchase Exhibit, 3. 21-1394 Filed Resolution\_JPMorgan Chase Bank NA 202161239-00, 4. 21-1394 Equipment Lease Purchase Agreement JPMorgan Chase Bank, N.A., 202161239-00, 5. 21-1394 Filed Resolution\_JPMorgan Chase Bank NA, 6. 21-1394 - signed

Date	Ver.	Action By	Action	Result
12/6/2021	1	Council President	signed	
12/6/2021	1	City Council	adopted	Pass
11/16/2021	1	Finance & Governance Committee	approved for filing	Pass

### Finance Item/Grant Request Template

**Date Submitted:** 11-8-21

**Requesting Agency:** Finance  
**Division:**

**Subject Matter Expert Name:**

Name: Kiki Turner; Hannah Stewart
Email: Kiki.Turner@denvergov.org; Hannah.Stewart@denvergov.org

**Item Title & Description:**

*(Do not delete the following instructions)*  
 These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).

Both the title and description must be entered between the red "title" and "body" below. Do **not** at any

*time delete the red "title" or "body" markers from this template.*

**A resolution approving a proposed Equipment Lease Purchase Agreement between the City and County of Denver and JPMorgan Chase Bank, N.A., to purchase Energy Conservation Measure Equipment.**

Authorizes the Manager of Finance to enter into a capital lease purchase agreement, on behalf of the Department of General Services, to purchase Energy Conservation Measure Equipment via Energy Performance Contracting in a principal amount not to exceed \$15 million. The last regularly scheduled Council meeting within the 30-day review period is on 12-20-21. The Committee approved filing this item at its meeting on 11-16-21.

**Affected Council District(s) or citywide?** Citywide

**Executive Summary with Rationale and Impact:**

*Detailed description of the item and why we are doing it. This can be a separate attachment.*

This resolution seeks approval to finance the purchase of energy conservation measure implementation equipment ("Equipment") via a capital equipment lease agreement on behalf of Department of General Services ("GS"). The Equipment provides for improvements that will result in energy conservation throughout various City facilities.

The amount of the Equipment to be purchased via the capital lease purchase transaction is \$14,811,869.22. JP Morgan Chase Bank, N.A. ("JPM"), selected via a competitive bid process, will serve as the lessor. The proposed leasing structure will consist of two components: a 5-year component consisting of equipment with a designated 5-year useful life and annual lease payments of approximately \$740,875.93 and a 15-year component of equipment with a designated 15-year useful life with annual lease payments of approximately \$854,031.94. The lease payments will be supported by the energy savings created by the equipment improvements and will be repaid from the Annual Capital Improvement Program, Utility Savings and Climate Protection Fund, subject to annual appropriation by City Council. The interest rate will be locked at 1.60% which translates to total interest cost of approximately \$1,702,990. If Council approves this resolution, the City targets closing the week of December 13, 2021.

This capital equipment lease purchase resolution request is being submitted in conjunction with the two equipment and services procurement contract requests submitted by General Services for delivery and installation of the Equipment by McKinstry Essention LLC and Ameresco, Inc. Approval of the equipment and services resolution requests will allow for the procurement of the Equipment and Services, while the lease purchase resolution request will allow for the lease purchase of the Equipment through a transaction with JPM.

**Type (choose one: Grant; Supplemental; Fund Creation; Fund Rescission; Fund Transfer; Appropriation; Other):**

**Amount:**

**Budget Year:**

**Fund and Funding Source (Fund/Org/Grant Number, if applicable):**

**Grantor (if applicable):**

**Fund Matching Requirements (if applicable):**

**Fiscal Impact:**