



Legislation Text

File #: 22-1525, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 11-21-2022

**Requesting Agency: Finance
Division:**

Subject Matter Expert Name: Hannah Stewart

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Phone Number:

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 Amendatory Agreement between the City and County of Denver and JP Morgan Chase Bank, N.A. allowing payments to be processed to the fleet vendor via the escrow bank and to align fleet equipment specifications with Colorado vehicle width laws.

Amends a capital lease purchase agreement with JP Morgan Chase Bank, N.A. to modify the exhibits, allowing payments to be processed to the fleet vendor via the escrow bank and to align fleet equipment specifications with Colorado vehicle width laws. No change to agreement amount or duration (FINAN-202265653/202262871-01). The last regularly scheduled Council meeting within the 30-day review period is on 12-19-2022. The Committee approved filing this item at its meeting on 11-22-2022.

Affected Council District(s) or citywide? Citywide

Contract Control Number: (FINAN-202265653/202262871-01).

Vendor/Contractor Name (including any "DBA"): JP Morgan Chase Bank, N.A.

Type and Scope of services to be performed:

The City and the Lessor (JP Morgan Chase Bank, N.A.) previously entered into a capital equipment lease purchase agreement dated May 20, 2022, related to the purchase of fleet vehicles (“Equipment”) on behalf of the City’s Department of Transportation and Infrastructure (“DOTI”), from eight separate vendors, 1) Front Range Fire Apparatus, Limited, 2) Hardline Equipment LLC, 3) Kois Brothers Equipment Co., Inc, 4) Neverest Equipment Co., 5) O.J. Watson Company, Inc., 6) Trans-West, Inc., 7) Wagner Equipment Co., and 8) Amrep Manufacturing Company, LLC. The proposed changes to the agreement include:

modifications to the lease purchase agreement equipment list and acceptance certificates as a result of changes to the Hardline Equipment LLC Agreement specifications of equipment required to comply with Colorado vehicle width laws. These changes include replacing originally specified tires and steel wheels with narrower tires and swapping three CNG vehicles with diesel vehicles. The proposed modification will result in funds remaining in escrow after all payments have been made to the vendor.

The remaining funds will be applied to the rental payments, as directed in the lease purchase agreement.

These amendments to the lease purchase agreement are necessitated by fleet vehicle amendments originated by DOTI with Hardline Equipment LLC; therefore this resolution request should be read in conjunction with the resolution request being submitted by DOTI to amend the Hardline Equipment LLC (DOTI-202265112-02 [202262302-02]) contract.

The amendments to the lease agreement are administrative changes that will not change to the total contract amount or the contract duration.

Location (if applicable):

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts): N/A

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

Amendment

Was this contractor selected by competitive process or sole source?

Competitive

For New contracts

Term of initial contract:

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

Terms unrelated

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)

This administrative amendment is needed to process payments to the vendor, Hardline Equipment LLC, for build and delivery of the Equipment through USBank, the escrow bank.