



Legislation Text

File #: 17-1420, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 12-05-17

Requesting Agency: Finance
Division:

- **Name:** Beth Strauss
- **Phone:** (720) 913-5208
- **Email:** beth.strauss@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 Banc of America Public Capital Corp for a five-year lease with option to purchase mobile radio equipment.

Approves a five-year, \$14,178,638 capital lease agreement with Banc of America Public Capital Corp on behalf of Technology Services to purchase a new citywide Project 25 Land Mobile Radio system to be procured from Motorola Solutions (FINAN-201738573-00). The last regularly scheduled Council meeting within the 30-day review period is on 1-8-18. The Committee approved filing this resolution by consent on 12-12-17.

Affected Council District(s) or citywide? Citywide

Contract Control Number: FINAN-201738573-00

Vendor/Contractor Name (including any "DBA"): Banc of America Public Capital Corp

Type and Scope of services to be performed: This resolution seeks approval to finance the acquisition of a new citywide (excluding Denver International Airport) radio system, which will replace the City's current radio system since it is at end of life with a new, standard-based Project 25 (P25) system to support all City radio users. The new system also includes

implementation services and new radios, which will also be financed through a capital lease purchase transaction on behalf of Technology Services in the principal amount not to exceed \$13,551,014. Banc of America Public Capital Corp, selected via a competitive bid process, will serve as the lessor. The proposed financing structure will consist of a 5-year lease purchase transaction with annual lease payments of approximately \$2,835,728, which will be repaid from the TS Radio Capital Budget, that are subject to annual appropriation by City Council. The interest rate will be locked at 1.8821% assuming closing prior to December 31, 2017, which translates to total interest cost of approximately \$627,624.

This capital lease purchase resolution request is being submitted in conjunction with one (1) equipment procurement contract request submitted by Technology Services for delivery of the equipment and installation of the radio system by Motorola Solutions. Approval of the equipment resolution request will allow for the procurement of the radio system, while the lease purchase resolution request would allow for the funding of the equipment through a lease purchase transaction with Banc of America Public Capital Corp.

Location (if applicable):

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

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

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

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract:Five years

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: \$14,1787,638

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)?

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.)