



Legislation Text

File #: 18-0854, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 7-31-18

Requesting Agency: Finance
Division:

Subject Matter Expert:

Name: Hannah Stewart

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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 the financing of a replacement helicopter for the Denver Police Department.

Approves a capital equipment lease agreement with Banc of America Public Capital Corp. for \$4,870,696 and for ten years for the financing of a replacement helicopter for the Denver Police Department (FINAN-201842877-00). The last regularly scheduled Council meeting within the 30-day review period is on 10-15-18. The Committee approved filing this item at its meeting on 8-7-18.

Affected Council District(s) or citywide?

Contract Control Number: FINAN-201842877-00

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 replacement helicopter and law enforcement customization equipment, to be used by Denver Police Department, through a capital equipment lease purchase transaction in the principal amount not to exceed \$4,108,537. Banc of America Public Capital Corp. was selected via a competitive bid process and will serve as the lessor. The financing structure will consist of a 10-year lease purchase with annual lease payments of approximately \$487,000, which will be repaid from the Police Capital Budget, subject to annual appropriation by City Council. The currently expected interest rate of 3.06% translates to total interest cost of approximately \$762,159.

This capital equipment lease purchase resolution request is being submitted in conjunction with an equipment procurement contract request submitted by the Department of Safety for delivery of the helicopter by Bell Helicopter Textron Inc. The cost of the helicopter is \$5,108,537. The financed amount is net of the trade-in of the old helicopter and funds in the 2018 Police Capital Budget for this replacement. Approval of the equipment resolution request will allow for the procurement of the helicopter, customizations and equipment, 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: Ten 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: \$4,870,696

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.)