

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **9 a.m. Friday**. Contact the Mayor's Legislative team with questions

Date of Request: January 9, 2025

Please mark one: Bill Request or Resolution Request

Please mark one: The request directly impacts developments, projects, contracts, resolutions, or bills that involve property and impact within .5 miles of the South Platte River from Denver's northern to southern boundary? (Check map [HERE](#))

Yes No

1. Type of Request:

Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
 Dedication/Vacation Appropriation/Supplemental DRMC Change

Other:

2. Title: Approves a contract with The Boston Consulting Group, Inc. for \$8,000,000.00 and for three years with two one-year options to extend, for on-call financial management consulting services to support Denver International Airport (DEN), in Council District 11 (PLANE-202475711).

3. Requesting Agency: Department of Aviation

4. Contact Person:

| | |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Contact person with knowledge of proposed ordinance/resolution (e.g., subject matter expert) | Contact person for council members or mayor-council |
| Name: Chayot Ing-Aram, SVP Financial Planning | Name: Kevin Forgett, State and Local Legislative Advisor |
| Email: chayot.ing-aram@flydenver.com | Email: Kevin.Forgett@flydenver.com |

5. General description or background of proposed request. Attach executive summary if more space needed:

The Boston Consulting Group, Inc. (BCG) collectively has decades of airport experience and has consulted on hundreds of aviation sector projects. BCG alone has completed 150+ projects at airports in the last five years, including servicing 6 of the 10 largest airports in the world. It is deeply committed to the local community through its Denver office with over 150 staff, and has successfully delivered projects for various local community entities, such as the State government, the City and County of Denver, non-profits, and many Colorado businesses.

DEN's focus on Equity, Diversity, and Inclusion (EDI) is aligned with BCG. BCG has conducted numerous pro-bono consulting engagements with local organizations to boost equity and inclusivity within Colorado's economy. Several firms subcontracting with BCG are also minority and/or women-owned business enterprises (MWBE), which promotes positive legacy both with DEN, but also the MWBE firms, through mentorship and further development of their expertise.

Additionally, as DEN looks to maintain the strong financial position that it currently has, it will require the assistance of experienced professionals to ensure that it can continue to make business decisions which will continue to optimize its performance. This contract will provide that capacity and help ensure that DEN maintains strong credit ratings and can borrow at competitive rates. In order for DEN to achieve the plans for growth outlined in Vision 100, it will be critically important to maintain its strong financial position and maintain competitive borrowing costs.

6. City Attorney assigned to this request (if applicable): Kevin Cain

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7. **City Council District:** District 11

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Professional Services > \$500k

Vendor/Contractor Name (including any dba's): The Boston Consulting Group, Inc.

Contract control number (legacy and new): PLANE-202475711

Location: Denver International Airport

Is this a new contract? Yes No Is this an Amendment? Yes No If yes, how many? _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Contract Start Date: 12/1/2024

Contract End Date: 12/1/2029

Total Term: 3 years, plus two optional one-year extensions

Contract Amount (indicate existing amount, amended amount and new contract total):

| Current Contract Amount (A) | Additional Funds (B) | Total Contract Amount (A+B) |
|---------------------------------------|--------------------------------|---------------------------------------|
| \$8,000,000 | N/A | \$8,000,000 |

| Current Contract Term | Added Time | New Ending Date |
|------------------------------------------------|-------------------|-----------------------------------------------------------|
| 3 years, plus two optional one-year extensions | N/A | 3 years, plus two optional one-year extensions ;12/1/2029 |

Scope of work:

Financial Consulting Services:

The contractor may provide professional financial and economic management services for the Denver Airport System, assisting the CEO as needed. Key responsibilities include developing and reviewing airline rates, fees, and charges, improving financial models, and training airport staff in their use. The contractor may prepare financial feasibility reports for capital projects funded through additional revenue bonds, ensuring compliance with bond ordinances and airline use and lease agreements. They may also support renegotiations of airline use and lease agreements, advise on capital program compliance, and offer strategic oversight for major projects like the Great Hall Program and the Consolidated Rental Car Facility.

Passenger Facility Charge (PFC) Application Consulting Services:

The contractor may provide comprehensive Passenger Facility Charge (PFC) application consulting services for the airport. This includes identifying projects eligible for PFC funding, developing strategies for effective use of PFC revenues in line with the airport's long-term financial and operational goals, and advising on optimizing PFC collection levels and durations. The contractor may assist in preparing and submitting accurate PFC applications in accordance with FAA regulations, manage all related events and correspondence, and keep the airport informed of any regulatory changes affecting PFC applications or collections. They may also

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offer expert advice on best practices, conduct training sessions to build in-house expertise in PFC management, and be available for consultation on PFC matters as needed.

Construction Audit Consulting Services:

The contractor may provide comprehensive construction audit and advisory services for the airport's capital improvement projects. Their responsibilities include assessing the effectiveness of project management policies and procedures, evaluating internal controls, identifying cost recovery opportunities, and ensuring compliance with regulations and airport policies. The contractor may review all project phases—from definition and design to construction and close-out—to identify process improvements and prevent cost overruns. They may evaluate contracts from an auditor's perspective, recommend improvements, verify accurate project close-outs, and assist in resolving claims by analyzing design errors, evaluating risks, and assessing schedule and cost impacts.

Accounting Consulting Services:

The contractor may provide comprehensive advisory and project management services to assist the airport in implementing new Governmental Accounting Standards Board (GASB) pronouncements, which require significant effort over the next several years. Key responsibilities include developing and facilitating implementation plans with the airport accounting team, identifying necessary resources, and possibly leading the execution of these plans. The contractor may aid in communication efforts by creating presentations and participating in discussions with stakeholders. Additional functions involve assisting in analysis of financial information, developing reports from software solutions, documenting policies and procedures, drafting financial statement disclosures, and evaluating software options.

Accounting Staff Augmentation Services:

The contractor may provide temporary financial accounting staff to support the airport's operational accounting needs in accounts payable and accounts receivable for up to two years. These positions do not require a CPA license, and candidates will be interviewed by the airport accounting team. Key responsibilities include processing high-volume transactions using various software solutions, performing three-way matches of supplier invoices, handling multiple types of invoices (goods, services, construction), converting contractual terms into billings, understanding debits and credits related to billing and revenue, reconciling customer aging accounts, and working proficiently in Microsoft Excel. Staff must be able to work with multiple internal and external stakeholders and process transactions and invoices at an expedited pace to meet city requirements. Additional accounting services may be provided as needed.

ERP & Software Integration Consulting Services:

The contractor may provide comprehensive advisory and project management services to enhance the airport's existing Enterprise Resource Planning (ERP) system (Workday) by integrating additional software solutions. Key responsibilities include analyzing the current ERP system to identify gaps and areas for improvement, recommending and implementing new software integrations to boost efficiency and automation, and developing strategies to ensure seamless integration with minimal operational disruption. The contractor may manage the entire integration process—including testing, troubleshooting, and workflow optimization—and provide regular progress reports to DEN Management. Additionally, they may develop and deliver tailored training programs for staff, offer comprehensive documentation, and provide ongoing post-integration support to ensure airport personnel are proficient in using the upgraded systems.

Grant Consulting Services:

The contractor may provide specialized grant writing services to the Airport. Key responsibilities include drafting grant applications to various funding sources—Federal, State, corporate, and foundations—and assisting in developing logic models, evaluation plans, and gathering necessary data for proposals. The contractor may review grant applications prepared by Airport personnel to enhance their quality, including grammar and syntax improvements.

They may conduct research on prospective grant opportunities, providing comprehensive evaluations of program details, funding availability, requirements, and the Airport's readiness. The contractor may proactively inform the Airport of relevant active grants, deliver quarterly reports detailing work and accomplishments, and maintain an updated list of all grant writers.

Additional services include implementing a quality control process for all submitted documents, offering training to Airport staff on grant writing and preparation, hosting annual strategic planning sessions for grants staff, and providing expert consultation in areas like donor management and sponsorships to optimize grant application and management processes.

Was this contractor selected by competitive process? Yes

If not, why not?

Has this contractor provided these services to the City before? Yes No

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Source of funds: Operations & Maintenance (O&M)

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): 14%

Who are the subcontractors to this contract?

Unison, SP Murphy, Clark Construction Group, CliftonLarsonAllen LLP (CLA), Witt O'Brien's (WOB), The Collaboration (TC)

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