

# Municipal Public Private Partnership Program

City Council Briefing on Arup Contract  
Amendment

November 2017



**DENVER**  
THE MILE HIGH CITY

**ARUP**



# Why is Denver exploring a Municipal PPP Program?

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Municipal PPPs are a procurement tool used when traditional debt or pay-as-you-go financing is not optimal or feasible.

- Create **certainty** and **transparency** in the process of developing major projects (benefits tax payers and investors alike)
- Apply best practices from the US, Canada, and around the world, **adapted to Denver's unique needs, values, and vision**
- Enable the City to **evaluate** and **execute partnerships** with the private sector **efficiently** and **effectively**
- Programmatically **foster significant economic development**, job creation and workforce development
- Attract **private sector innovation** and investment to build public infrastructure to support our growing economy, without privatization of assets

# P3 Program Development Overview



- In early 2016 Mayor's Office, DOF and CAO, with collaboration of PW, NWC, AVD, initiate P3 vision.
- In June 2016 RFP process to select municipal advisors (with fiduciary responsibility to the City):
  - ✓ Arup/Linhart brought on board to consult on program creation
  - ✓ Ernst and Young to serve as financial advisor and validation agent
- A draft program has been developed and is in the internal review and revision stage.
- Additional review and comment is still required by key stakeholders, including City Council and City agencies.
- Expected completion: Q1 2018
- Upon completion will require further Council actions before launching program
- Ongoing evaluation of the program and relevant policies

# Contract Amendment

<b>Program and Policy Development*</b>	
Vendor	Arup
Original Contract Value	\$475,000
<b>Added Contract Scope</b>	<b><u>\$480,000</u></b>
Total Revised Contract Value	\$955,000
Funding Source	DOF
Term	12/31/2017 (with two additional one year renewals)
<b>Modified Scope of Services</b>	<b>P3 Policy and Program development and implementation, including robust stakeholder engagement</b>

**\*Contract Amendment does not include project work. Advisory Services and costs for project work for Stages 1-5-TBD**

# P3 Program Development Contract Scope

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## Work completed to date

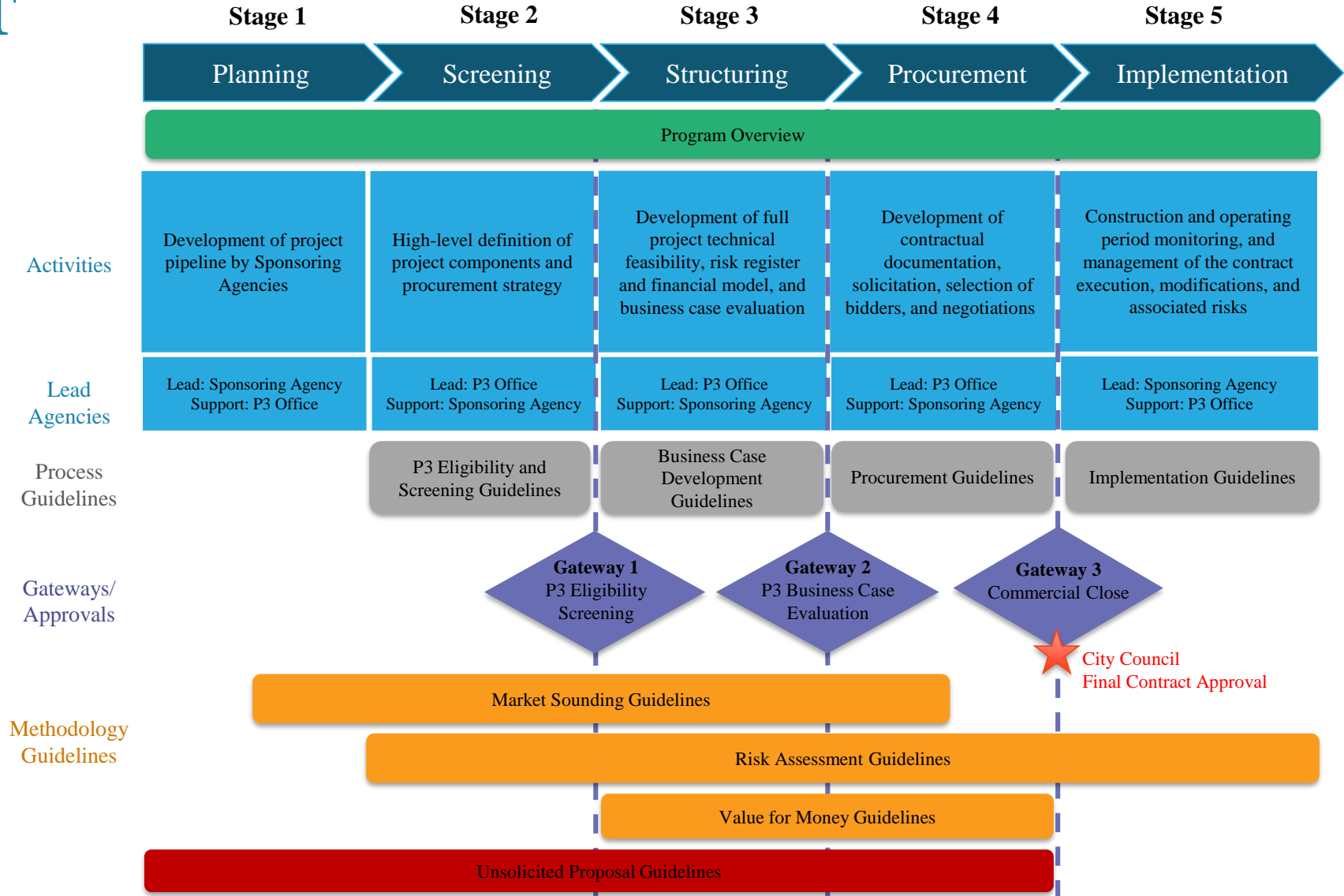
- Arup conducted robust due-diligence and interview sessions with Mayor's Office, Department of Finance, City Attorney's Office, Public Works staff to better understand our City structure, laws and policies.
- Arup completed extensive market research and benchmarking.
- Arup developed draft program, policies, and governance structure. Documents include:
  - project qualifications and screening guidelines
  - value for money guidelines
  - procurement and unsolicited proposals.
- Linhart PR completed a draft stakeholder engagement plan and communications materials.

## Work that remains to be completed under Phase 2

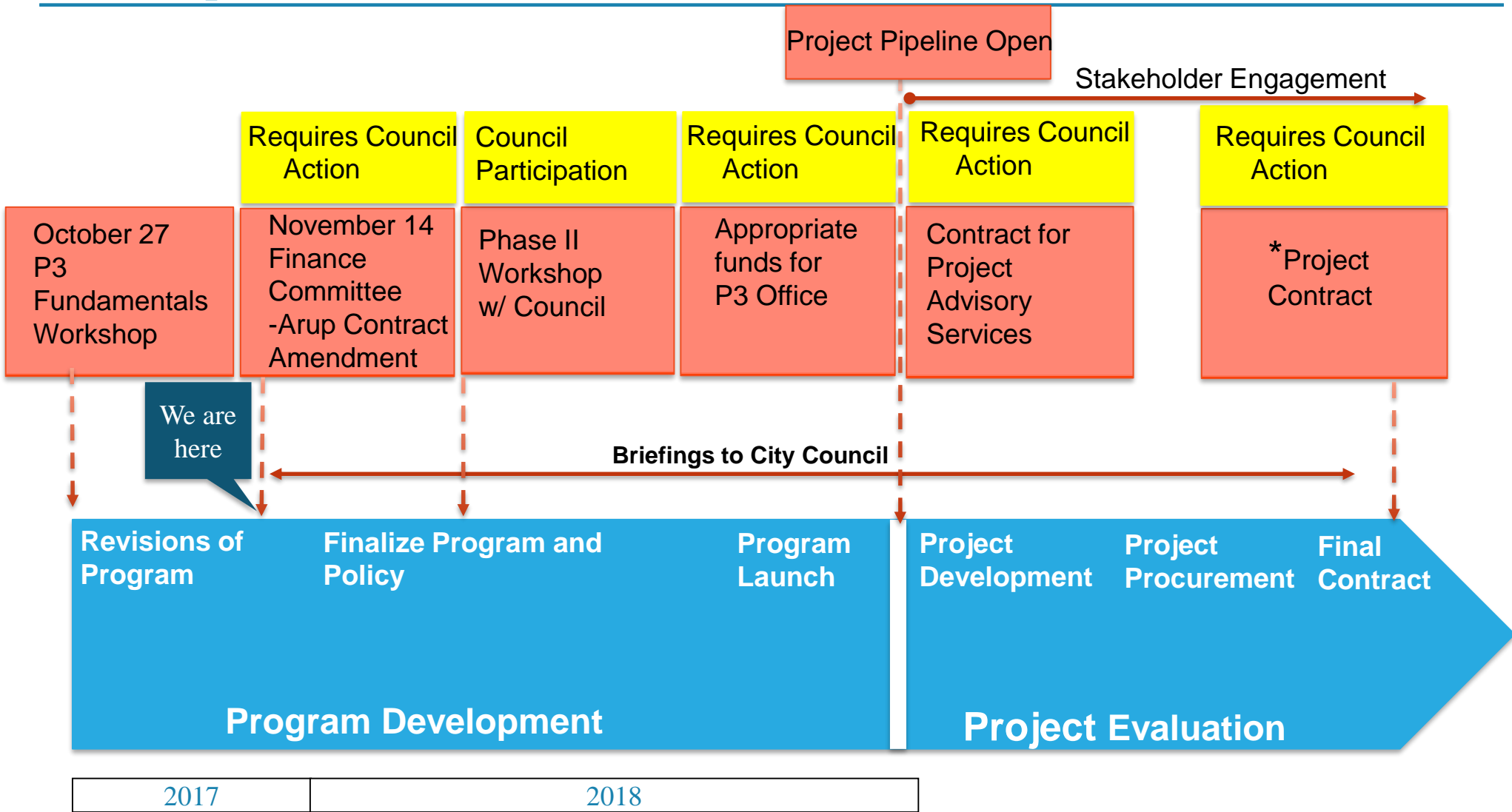
- Revisions and finalization to draft program and policy
- Revisions to stakeholder engagement and communications plan
- Stakeholder engagement
  - **Council outreach: Additional workshop with City Council Q1 2018, 1:1s**
  - External stakeholders: i.e. business and civic organizations, labor organizations, RNOs, venue operators, public sector partners, private sector partners

# P3 Program Overview

## DRAFT Framework



# Next Steps



**\* Any future project will require Council action for final contract approval**