

# ORDINANCE/RESOLUTION REQUEST

All Fields must be completed

Incomplete request forms will be returned to sender which may cause a delay in processing.

Please mark one:  Bill Request or  Resolution Request

Date of Request: 5/3/2021

## 1. Type of Request:

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

## 2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Amends a contract with WJ Advisors for Financial Consulting Services.

## 3. Requesting Agency: Denver International Airport, Department of Aviation

## 4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Chayot Ing-Aram	Name: Angela Casias
Email: <a href="mailto:Chayot.Ing-Aram@flydenver.com">Chayot.Ing-Aram@flydenver.com</a>	Email: <a href="mailto:Angela.Casias@flydenver.com">Angela.Casias@flydenver.com</a>

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

This request is for a 2nd amendment to the WJ Advisors Financial Consulting Services contract at Denver International Airport (DEN). The consultant shall continue to provide professional airport system consulting services for the financial and economic management of DEN and for the planning and development of DEN facilities.

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

## 7. City Council District: District 11

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

## Key Contract Terms

*To be completed by Mayor's Legislative Team:*

Resolution/Bill Number: RR21 0545

Date Entered: \_\_\_\_\_

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

Vendor/Contractor Name: WJ Advisors LLC

Contract control number: 202158248

Location: 11354 East Ida Ave, Englewood, CO 80111

Is this a new contract?  Yes  No Is this an Amendment?  Yes  No If yes, how many? 2

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

Previous

Contract Start

Date: 01/01/2017

Contract End 12/31/2021

Date:

This Request

Start Date: Date of Execution (DOE)

End Date: 12/31/2023

Total Term

Years & Months 7 years

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

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
(A)	(B)	(A+B)
\$4,000,000.00	\$1,500,000.00	\$5,500,000.00

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
12/31/2021	2 years	12/31/2023

**Scope of work:**

Consultant shall provide professional airport system consulting services for the financial and economic management of the Airport and for the planning and development of Airport facilities. Specifically, services to be performed by Consultant; when and as directed by the Manager of Aviation, shall include, but not be limited to the following:

A. Development and review of the calculation of airline rates, fees, and charges relating to the Denver Airport System, which may include improvement, augmentation, modification and simplification of a financial model and assumptions used to calculate such rates. This includes a detailed summary of rates, fees, and charges by airline as well as in total for the Airport system.

B. Create a manual and documentation for rate model. Develop a user’s guide incorporating the rate model operation, architecture and logic as well as provide training for airport staff on how to operate the model.

C. Prepare a financial feasibility report regarding financing the airport’s capital plan. Per requirements of the Airport Consultant’s Report, Section 704B of the Airport General Bond Ordinance, prior to the issuance of additional bonds, the Consultant shall issue a report, estimating the current and next three fiscal years, Gross Revenues, Operation and Maintenance Expenses, and other amounts required to be deposited to funds and accounts in support of funding the capital projects as well as the increase in operation and maintenance expenses and the increase in rates, fees, rentals, or other charges that may result from completion of the project(s).

Based upon those estimates, the report must demonstrate that the Net revenues in each such Fiscal Year, together with any Other Available Funds are projected to be sufficient in each such fiscal year to meet the Rate Maintenance Covenant, taking into consideration the debt service requirements of any future series of bonds required to complete the improvement project(s), as estimated by bond advisors, and after giving effect to, among other things, the increase in operation and maintenance expenses and the increase in rates, fees, rentals, or other charges that may result from completion of the Project. The report must comply with the requirements as more fully outlined and described in Section 704 B of the Airport General bond Ordinance.

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If this report shows the Airport System not meeting the Rate Maintenance Covenant, the Consultant shall advise the Manager of Aviation and make recommendations as to the revision to rentals, fees, and charges to meet this requirement.

In conjunction with issuance of additional revenue bonds, Consultant shall prepare a financial feasibility report regarding improvement projects to be financed. The feasibility report shall be in a format suitable for incorporation into the Official Statement for the sale of such bonds. Services to be provided in connection with the financial feasibility report, or periodically as requested, shall include:

1. An analysis of the economic and air traffic forecasts
2. A review and assessment of the requirements for the projects and project cost estimates
3. A review of airport financial operations and rate policies
4. A review of the projection of airport revenues, expenses, net revenues, and debt service coverage
5. Coordination with the City's team of investment bankers, bond counsel, and staff in the development of the financing plan for the project, preparation of the financial feasibility study report including black-line drafts for review by the working group, and participation in presentations to the rating services and investor tours/roadshows
6. Create user's manual for financial model

D. At the request of the CEO or CFO, Consultant shall review and advise upon the annual capital plan for the Denver Airport System for compliance with the Bond Ordinance and Airline Use and Lease Agreements.

E. Consultant shall review and advise the CEO, as requested, with respect to any other matters affecting the Denver Airport System. These matters may include:

1. Performing qualitative and quantitative analyses on a variety of strategic and financial issues, as well as business issues, including but not limited to, analyses relating to the operating & capital planning budget and sensitivity and scenario analyses
2. Assisting in airline lease negotiations
3. Services in connection with the planning of present Airport System facilities or those to be acquired or to be developed by the City in the future.

F. Consultant shall provide qualified persons from its staff to serve as expert witnesses in any judicial or administrative proceeding to which the City may be a party.

G. Other special projects as assigned that impact the Airport System, including but not limited to providing advisory services related to DEN strategic business development.

**Was this contractor selected by competitive process? Yes If not, why not?**

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

**Source of funds: O&M**

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

**WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A**

**Who are the subcontractors to this contract? N/A**

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