DENVER
DEPARTMENT OF FINANCE

Infrastructure Municipal Advisory Contract Amendment

The city is seeking to amend an agreement with Ernst & Young Infrastructure Advisors, LLC (EY) to provide infrastructure municipal financial advisory services. The city received a $1 million technical assistance grant for the sidewalk program to perform delivery option analysis, financial modeling, and other activities considering innovative finance and delivery that will be completed in 2025. This amendment would also allow EY to assist in performing financial analysis and pro forma review of Denver Downtown Development Authority (DDDA) private applications, which may be reimbursable with DDDA funds, as well as extend the timeframe for EY to continue providing municipal financial advisory services already covered in the current scope of work.

Updated Scope of Work

Provide and prepare analysis to assist the city in evaluating performance-based projects such as cost-benefit analysis, business case studies, value for money (VFM), fiscal sustainability analyses, cash flow analysis, sensitivity analysis, risk modeling, and benchmarking analysis.

- Train city staff on such analysis and models to help develop internal skill sets and capacity.
- Assist in developing and vetting financial evaluation criteria such as financial metrics and benchmarks, financial models, risk assessment, and affordability analysis used in determining the financial feasibility and making the "business case" of solicited and unsolicited performance-based infrastructure (PBI) proposals.
- Assist in reviewing, developing and evaluating financial alternatives, strategies, funding sources, financing mechanisms, and financial risk and exposure with a holistic approach using a citywide financial objectives and fiscal management focus, for assigned project portfolios (working with other city advisors when applicable).
- Assist in review of program overview, process and methodology guideline documents, as assigned, to provide Department of Finance with key financial parameters and principles for evaluation and consideration.
- Advise the Department of Finance on key financial risks and other considerations to be identified throughout multiple phases of capital project implementation. These considerations may include but are not limited to project procurement documents, identification of financial risk and risk mitigation strategies, input on relevant financial modeling, and guidance on various elements surrounding procurement and other contractual negotiations.
- Work in collaboration with city staff and other technical advisors to develop a financial framework, guidelines and parameters for evaluating and entering into a master developer arrangement and how to most effectively and efficiently implement such structures.
- Assist the city in analyzing and evaluating the financing mechanisms' impact on the city's financial and debt capacity and ratings.
- Assist the city in evaluating state and federal infrastructure grants and programs, as well as financial and regulatory limitations and constraints.
- Assist the city in developing and presenting information to stakeholders including but not limited to, executive management, financial markets, investors, rating agencies.
- Assist the city in negotiating and reviewing financing legal documents, including but not limited to, bond ordinances and indentures, intergovernmental agreements, performance contracts, construction agreements, reimbursement agreements, revenue sharing agreements, etc.