ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by 9:00am on Friday. Contact the Mayor's Legislative team with questions

Please mark one: Bill Request or	Date of Request:11/7/2025 Resolution Request
Please mark one: The request directly impacts developments, pand impact within .5 miles of the South Platte River from Denv	
□ Yes ⊠ No	
1. Type of Request:	_
☐ Contract/Grant Agreement ☐ Intergovernmental Agree	ement (IGA) Rezoning/Text Amendment
☐ Dedication/Vacation ☐ Appropriation/Supplement	ntal DRMC Change
Other: Purchase Capital Equipment	
 Title: Approves a professional services contract with Arthur J. of procure and manage a Rolling Owner Controlled Insurance Pr Western Center, in Council District 9 (FINAN-202580471). Requesting Agency: Department of Finance Contact Person: 	Gallager for \$8,000,000.00 with an end date of 12-01-2030 to ogram (ROCIP) covering new construction projects at the National
Contact person with knowledge of proposed	Contact person to present item at Mayor-Council and
ordinance/resolution Name: Devron McMillin-Morrison	Council Name: Laura Swartz
Email: devron.mcmillin@denvergov.org	Email: Laura.Swartz@denvergov.org
 5. General description or background of proposed request. A The proposed resolution authorizes the purchase of a Rolling Own construction projects and contractors working on the National Westhrough the City's insurance broker, Arthur J. Gallagher. Total not Executive Summary attached. 6. City Attorney assigned to this request (if applicable): Rob 7. 7. City Council District: Council District 9 	er Controlled Insurance Program (ROCIP) to insure new tern Center redevelopment project. Insurance will be procured to exceed premium over the course of 5 years is \$8,000,000.
8. **For all contracts, fill out and submit accompanying Key	Contract Terms worksheet*
To be completed by Mo	tyor's Legislative Team:
Resolution/Bill Number:	Date Entered:

Key Contract Terms

	tract: (e.g. Professional Services > Services > \$500K	\$500K; IGA/Grant Agreement, Sale of	or Lease of Real Property):	
Vendor/Con	tractor Name: Arthur J. Gallagher			
Contract cor	ntrol number: FINAN-202580471-	00		
Location: Na	ational Western Center Campus			
Is this a new	Is this a new contract? ⊠ Yes □ No Is this an Amendment? □ Yes ⊠ No If yes, how many?			
	rm/Duration (for amended contra 80471-00: 12/1/2025 — 12/1/2030	cts, include <u>existing</u> term dates and <u>an</u>	nended dates): Insurance term will be	
Contract An	nount (indicate existing amount, a	mended amount and new contract tota	ıl):	
	Current Contract Amount	Additional Funds	Total Contract Amount	
	(A)	(B)	(A+B)	
	\$8,000,000	n/a	\$8,000,000	
	Current Contract Term	Added Time	New Ending Date	
	12/1/2025 – 12/1/2030	n/a	n/a	
Scope of work: The proposed resolution authorizes the purchase of a Rolling Owner Controlled Insurance Program (ROCIP) to insure new construction projects and contractors working on the National Western Center redevelopment project. Insurance includes Workers' Compensation (for construction contractors), General Liability, Excess Liability, Builders' Risk, and Contractors Pollution. A loss fund to pay claims is included in the total amount. Insurance will be procured through the City's insurance broker, Arthur J. Gallagher. Total not to exceed premium over the course of 5 years is \$8,000,000. Executive Summary attached.				
Gallagher. T	otal not to exceed premium over the	1 0	•	
	otal not to exceed premium over the	course of 5 years is \$8,000,000. Execut	ve Summary attached.	
Was this con	tractor selected by competitive pr	course of 5 years is \$8,000,000. Execut	ve Summary attached.	
Was this con	tractor selected by competitive pr	course of 5 years is \$8,000,000. Executive course of 5 years is \$8,000,000. Executive cocess? Yes If not, we the City before? Yes No	ve Summary attached.	
Was this con Has this con Source of fur	tractor selected by competitive protection provided these services to and a National Western Center Fund	course of 5 years is \$8,000,000. Executive course of 5 years is \$8,000,000. Executive cocess? Yes If not, we the City before? Yes No	ve Summary attached. hy not?	
Was this con Has this con Source of fur	tractor selected by competitive protection of the provided these services to the content of the	course of 5 years is \$8,000,000. Executive cocess? Yes If not, we could be compared to the City before? Yes No	eve Summary attached. Thy not? BE N/A	

Aurthur J Gallagher Professional Services Agreement National Western Center Rolling Owner Controlled Insurance Program Resolution Request Executive Summary

Traditionally on city construction projects, each individual contractor is required to carry insurance covering their exposures at the worksite. Required coverages were then passed down to subcontractors of all levels. The result is numerous insurance policies all separately covering individual contractors. In the construction insurance industry, it is more common for the owner of large projects to purchase a Rolling Owner Controlled Insurance Program (ROCIP), which is a program insuring all parties working on the construction job site. With a ROCIP, all enrolled parties are covered by one insurance program, ensuring best available terms/conditions and higher limits for the entire project instead of multiple small policies with varying terms/conditions held by individual parties. Denver International Airport has been utilizing ROCIPs for their construction projects since 2013. The City and County of Denver's Risk Management and Workers' Compensation Division established it's first ROCIP for the National Western Center original redevelopment project. This Resolution Request is for a new ROCIP covering the next phase of National Western Center development including the equestrian center, hotel, parking garage and potentially smaller projects such as bridges and roads at the National Western Center site.

Benefits of a ROCIP include:

Insurance Coverage Control

- Guaranteed best coverage terms/conditions
- Higher limits than generally required (\$100M limit covering entire project vs. Contractors \$1M/\$2M)
- Consolidated claims management and legal defense—one policy eliminates finger pointing and determining responsible party, making the claims process quicker and less expensive

Small Business Involvement

- MBE/WBE/DBE may not be able to afford insurance generally required, or insurance may not be as broad, with numerous exclusions
- Owner purchased policy ensures all enrolled parties have guaranteed best terms/conditions and limits

Workplace Safety

- Owner establishes safety standards
- Consolidated loss control
- With concern over enough skilled trades workers, aging workforce, and inexperienced workers, safety is key to a successful program

Potential Cost Savings

- Stability of coverage fixed price for 5+ years (hardening market will not affect rates during policy term)
- Economies of scale premium discount for placing all risks under one program vs. multiple separate programs
- Eliminates duplicate coverage
- Eliminates contractor markup on insurance costs

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	Revised 03/02.	/18

Estimated costs for the National Western Center ROCIP II (actual/final insurance premiums will be determined post-construction once actual construction costs are finalized)

Coverage	Carrier	Estimated NTE Premium	Limit	Loss Fund Requirement	Payment Terms•
Workers' Compensation & Employers Liability	Zurich	\$900,000	Statutory/ \$200,000,000	\$1,650,000	Paid in 16 quarterly installments (\$130k loss control fee paid annually
Commercial General Liability	Zurich	\$1,329,000	\$2M per occurrence/ \$4M aggregate	Included in the above	Paid in 16 quarterly installments
Primary Excess	Zurich	\$625,000	To \$10,000,000	None	Paid at policy inception
Excess (2nd Laver)	TBD	\$535,000	To \$25,000,000	None	Paid at policy inception
Excess (3 rd Layer)	TBD	\$450,000	To \$50,000,000	None	Paid at policy inception
Excess (4 th Layer)	TBD	\$415,000	To \$150,000,000	None	Paid at policy inception
Builder's Risk	Zurich	\$1,400,000	Project Construction Value	None	Paid in annual installments
Contractor's Pollution	TBD	\$300,000	\$25,000,000	None	Paid at policy inception

Estimated Insurance Policy Premium: \$5,954,000 Loss Fund: \$1,650,000 Broker Fee: \$396,000 Total Estimated: \$8,000,000

Broker: Arthur J. Gallagher

Term: 2025 – 2030; 8 year completed operations (general liability, excess liability, contractor's

pollution)

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