



OCIP/ROCIP Insurance Broker & Administrative Services Arthur J Gallagher Risk Management Services, Inc.

Greg Hegarty, SVP, Finance-Business Operations
DENVER INTERNATIONAL AIRPORT
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CONTRACT DESCRIPTION

- We are requesting approval of a new contract with Arthur J Gallagher Risk Management Services that will provide an Owner Controlled Insurance Program/Rolling Owner Controlled Insurance program (OCIP/ROCIP) Insurance marketing and program administration services for construction projects at DEN from 2017-2021
- Benefits:
 - Increases opportunities for disadvantaged businesses by removing the cost of insurance from the bidding process
 - DEN controls the process including a proactive safety awareness and practice
 - Leverages DEN's buying power

SELECTION PROCESS AND GOALS

- Selection:
 - Arthur J Gallagher (AJG) was competitively selected through a Request for Proposals process
 - Six other companies submitted proposals
 - Panel members included representatives from the airline and minority business communities, alongside Legal, Risk Management and Project Management professionals
- Goals:
 - The Division of Small Business Opportunity has determined that this contract's Scope of Services does not fall under provisions of Denver's CEI (Construction Empowerment Initiative) Ordinance.

CONTRACT TERMS AND AMOUNT

- Term: 10/1/2016 – 12/31/2021
- Total Contract Amount: \$40,000,000 (includes broker fees, premiums and loss funds)
- This contract may cover \$1.6 billion of construction projects over the next five years at DEN
 - Projects may include gate expansion, facility upgrades, roadway and airfield maintenance, and other core airport capital improvement projects

BUSINESS CASE SUMMARY

- We are requesting that City Council approve this contract to allow negotiations to begin in preparation for the 2017 construction season
- This contract and the insurance programs that will be put into place over the next five years:
 - Removes the cost of insurance for smaller and disadvantaged companies bidding on airport projects, making them more competitive
 - Proactive safety program, as has been demonstrated by the current programs
 - Cost Savings



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