

## ORDINANCE/RESOLUTION REQUEST

*\*All fields must be completed.\*  
Incomplete request forms will be returned to sender which may cause a delay in processing.*

Date of Request: **10/13/2016**

Please mark one:  Bill Request or  Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes  No

If yes, please explain:

2. Title: 201628644 – OCIP-ROCIP Insurance Broker and Administrative Services

3. Requesting Agency: Department of Aviation

4. Contact Person: (With actual knowledge of proposed ordinance/resolution.)

- Name: Aaron Barraza
- Phone: (303) 342-2261
- Email: [Aaron.Barraza@flydenver.com](mailto:Aaron.Barraza@flydenver.com)

5. Contact Person: (With actual knowledge of proposed ordinance/resolution who will present the item at Mayor Council and who will be available for first and second reading, if necessary.)

- Name: Greg Hegarty, SVP, Finance, Business Operations
- Phone: (303) 342-2182
- Email: [Greg.Hegarty@flydenver.com](mailto:Greg.Hegarty@flydenver.com)

6. General description of proposed ordinance including contract scope of work if applicable:

Arthur J Gallagher, as the chosen OCIP-ROCIP Insurance Broker, will market and administer construction insurance programs at the airport from 2017-2021. These projects may include: Great Hall, traditional airport projects, airfield work, Pena Boulevard, and the Concourse A West Expansion. This contract includes the broker administration fee as well as the estimated premiums and loss fund for the project chosen.

a. Contract Control Number: 201628644

b. Duration: 5 years

c. Location: DEN

d. Affected Council District: 11

e. Benefits:

- Facilitates the use of disadvantaged businesses by removing the cost of insurance for small and emerging contractors (SBE, MBE/WBE, DBE).
- Certainty of better insurance coverage along with higher liability limits providing appropriate protection to all parties.
- Consolidation of coverage will generate premium savings upfront through economy of scale.
- A single program reduces cross suits and litigation expense because there is only one Insurer and one Broker. All parties' interests are aligned financially and legally.
- Owner control of the entire process through a proactive safety and claims management effort can accrue further savings.

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

SIRE Tracking Number: \_\_\_\_\_

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

f. **Costs:**

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$40,000,000		\$40,000,000

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
10/1/16 – 12/31/2021		

g. **Date Goals Assigned:** N/A

h. **Goals:** N/A

7. **Is there any controversy surrounding this ordinance?** (*Groups or individuals who may have concerns about it?*) **Please explain.**

### Key Contract Terms

Type of Contract:

- Professional Services > \$500K   
  Lease   
  Design or Construction for airport improvements > \$5M  
 Grant   
  IGA   
  Sale of Real Property   
  Sale of Personal Property

Vendor/Contractor Name: Arthur J Gallagher Risk Management Services, Inc

Contract control number: 201628644

City's contract manager: Kate Tremblay

Was this contractor selected by competitive process? Yes, the contractor was selected by competitive process among six proposers.

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

Term/Duration of contract/project: Arthur J Gallagher has two existing contracts with the City and County of Denver:

- OCIP/ROCIP Contract with Denver International Airport, 201100685, 6/21/2011 – 12/31/2018
- Insurance Broker Agreement, 201419401, 1/1/2015 – 12/31/2017

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

Renewal terms: N/A

**Purpose:** Arthur J Gallagher, as the chosen OCIP-ROCIP Insurance Broker, will market and administer construction insurance programs at the airport from 2017-2021. These projects may include: Great Hall, traditional airport projects, airfield work, Pena Boulevard, and the Concourse A West Expansion. This contract includes the broker administration fee as well as the estimated premiums and loss fund for the project.

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

Cost/value: \$40,000,000

Source of funds: 2017-2021 CIP Funds

Benefit:

- Facilitates the use of disadvantaged businesses by removing the cost of insurance for small and emerging contractors (SBE, MBE/WBE, DBE).
- Certainty of better insurance coverage along with higher liability limits providing appropriate protection to all parties.
- Consolidation of coverage will generate premium savings upfront through economy of scale.
- A single program reduces cross suits and litigation expense because there is only one Insurer and one Broker. All parties' interests are aligned financially and legally.
- Owner control of the entire process through a proactive safety and claims management effort can accrue further savings.

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

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

Who are the subcontractors to this contract?

Location: Denver International Airport

Affected Council District: 11

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SIRE Tracking Number: \_\_\_\_\_

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