



● DENVER

OCIP Insurance Brokerage Services, Arthur J
Gallagher Risk Management Services, Inc., CE
16002 – Amendment 1

Patrick Heck – Deputy Manager
DATE OF BWS COMMITTEE - TBD



DENVER INTERNATIONAL AIRPORT
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CONTRACT DESCRIPTION

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- DIA is requesting approval to amend the term, funding and scope of work of the Owner Controlled Insurance Program (OCIP) for the South Terminal Redevelopment Project (STRP) to include a Rolling Owner Controlled Insurance Program (ROCIP) for selected CIP Projects from 2013 – 2015, plus three years in order for them to be completed.
- Benefits of a ROCIP:
 - Cost savings estimated at \$3M
 - Facilitates use of MBE/WBE, DBE, SBE
 - Better insurance limits and coverage
 - Proactive safety and claims management effort with less litigation

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CONTRACT TERMS AND AMOUNT

- Original Term: 6/21/2011 – 6/21/2016
- New Term: 6/21/2011 – 12/31/2018
 - The additional term extends the contract 1.5 years as the ROCIP will run concurrently with the STRP OCIP, both of which will wrap up in late 2018.
- Original Contract Amount: \$11,282,332
- Amendment Amount: \$8,054,610
 - The additional funds are for the insurance premiums and program administration fee for the ROCIP.

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ROCIP Details

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- 20+ projects from the 2013 through 2015 CIP Program
- Total projected construction value equals \$262,020,000
- Projects encompass new construction, maintenance and renovation type projects within “airside” and “landside” territories
- Includes technology type projects (Data Center) and commercials type projects (parking structure)

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SELECTION PROCESS AND GOALS

Selection:

- The original contract selection was by RFP for best qualified and was initiated on 1/3/2011, Arthur J. Gallagher Risk Management Services, Inc. was chosen from six submissions.
- They are an international brokerage firm with corporate headquarters in Itasca, IL. The Denver office employs approximately 100 people.

Goals:

- Department of Small Business Opportunity has determined that this contract's Scope of Work does not fall under their purview.

SUMMARY

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- We are requesting that City Council approve this contract to:
 - Provide cost savings
 - Build on existing relationships, procedures and program controls already in place for the STRP, OCIP
 - Remove the insurance barrier for smaller, disadvantaged companies
 - Provide better coverage and higher limits with less litigation potential

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