



### **Resolution Request Executive Summary**

#### **Implementation of a Rolling Owner Controlled Insurance Program (ROCIP) for construction projects at Denver International Airport during the period of 1/1/2016 to 12/31/2018, including approval of expenditures not to exceed \$3,104,385 for insurance premiums.**

The Rolling Owner Controlled Insurance Program (ROCIP) will be the third Owner Controlled Insurance Program implemented by Denver International Airport. This ROCIP will provide insurance coverages for a series of construction projects at DIA over the next three years, 2016-2017. See attached list.

A ROCIP differs from traditional construction project insurance in that all insurance is purchased by the owner (the City and County of Denver) rather than have the contractors separately buy insurance for each project. The insurance amount proposed by each contractor is subtracted from the final construction contracts.

As all insurance is purchased by the owner it provides several advantages:

- Broader coverage terms and conditions
- Improved Safety program
- Removal of insurance barriers for MBE/WBE, DBE contractors
- Reduction of litigation between program participants as all are covered by same insurance

Insurance is being marketed by Arthur J Gallagher (AJG) the City's Insurance Broker who was selected by competitive process in 2014. AJG was the broker providing services to the City for the last two owner controlled insurance programs at the Airport.

In addition to the premiums paid for the required insurance a loss fund will be set up for the insurance company adjusters to pay claims, and occupational clinics will be selected to provide drug screening and workers compensation medical services.

The estimated cost for the program is \$5,804,397. See attached spread sheet.