

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor’s Legislative Team

at MileHighOrdinance@DenverGov.org by **11 a.m. Monday**. Contact the Mayor’s Legislative team with questions

Date of Request: **8/25/2023**

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
- Dedication/Vacation Appropriation/Supplemental DRMC Change
- Other:

2. Title: Approves Contract Amendment with Marsh USA for the Rolling Owner Controlled Insurance Program (ROCIP4) to increase funding and extend term to support growth of construction projects covered by the program. Contract No. PLANE-202368296

3. Requesting Agency: Department of Aviation

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Greg Hegarty	Name: Rita Aguilar, Rachel Gruber, Barry Burch Jr.
Email: Greg.Hegarty@flydenver.com	Email: Rita.Aguilar@flydenver.com , Rachel.Gruber@flydenver.com , Barry.Burch@flydenver.com

5. General description or background of proposed request. Attach executive summary if more space needed:

This amendment extends the term and adds additional funding for DEN's ROCIP4 program, which provides insurance, safety and loss control, and administrative support for DEN's major construction projects, including Great Hall Completion Phase, A East Ground Load task order, Taxiway EE, Energy Performance Investment, Runway 17L-35R, among others. Funding will address additional premium and fees for both program growth since inception and 24-month term extension needed beyond its current expiration of Feb 1, 2027.

The original program covered \$433,592,965 in construction value. The program has grown to a current total of \$1,814,490,663 in construction value. The increased value includes multiple projects added to the program including the Great Hall Project Completion Phase, which is also the driver for the term extension. Risk Management relies on the Project Manager to give an estimate of the construction value at the beginning of the project. We reconcile that initial construction value once the project is complete to ensure we have been charged the correct amount of premium.

The amounts listed in question 5 are the construction value amounts that are being covered by insurance, not the amount of premium. Since we are increasing the construction values and extending the program, the premium will increase from the original amount. Here is how the construction value and the premiums break down:

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ROCIP4 Program			
	Construction Value	Premiums and Fees	Notes
Initial	\$ 433,592,965.00	\$ 7,241,785.19	The original contract amount was \$11,584,191.10; the initial final premiums and fees were \$7,241,785.19, leaving \$4,644,474.81 available for true-ups and drug screens.
Additional	\$ 1,220,897,698.32	\$ 18,660,506.80	\$11,569,705.14 will be due after the contract amendment. The remaining will be added into the installment schedule.
Buffer	\$ 330,898,132.66	\$ 5,962,819.10	This is only for forecasting future contract capacity. No actual premium is due at this time.
Program Total	\$ 1,985,388,795.98	\$ 36,509,585.90	
Amendment Totals	\$ 1,551,795,830.98	\$ 24,623,325.90	

- 6. **City Attorney assigned to this request (if applicable):** Kevin Cain
- 7. **City Council District:** District 11
- 8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

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Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Professional Services

Vendor/Contractor Name: Marsh USA

Contract control number: PLANE-202368296-01 / Legacy No. PLANE-202054510

Location: DEN

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** 1

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Existing term dates: 2/1/2022 to 2/1/2027

Amended term dates: 2/1/2022 to 2/1/2029

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$11,584,191.00	\$24,623,326.00	\$36,509,586.00

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
5 years	2 years	2/01/2029

Scope of work:

Marsh provides insurance broker services including insurance procurement and program management, safety and loss control, and administrative support for DEN’s major construction projects.

Was this contractor selected by competitive process? No **If not, why not?** This procurement qualifies for the continuity of service exception under Memorandum No. 8B; therefore, this project was not competitively procured.

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

Source of funds: CIP

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A
Goals were reviewed by DSBO and they have established that No Goals are applicable for this type of services.

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

Who are the subcontractors to this contract? N/A

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