

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **9 a.m. Friday**. Contact the Mayor's Legislative team with questions

Date of Request: **October 26, 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 Second Contract Amendment with Arthur J. Gallagher Risk Management Services, LLC (Gallagher) for the Rolling Owner Controlled Insurance Program (ROCIP3) to provide a four-year extension into 2027 (no change to amount).

3. Requesting Agency: Department of Aviation

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution (e.g., subject matter expert)	Contact person for council members or mayor-council
Name: Greg Hegarty SVP Business Operations	Name: Rita Aguilar Barry Burch Jr. Rachel Gruber
Email: Greg.Hegarty@flydenver.com	Email: Rita.Aguilar@flydenver.com Barry.Burch@flydenver.com Rachel.Gruber@flydenver.com

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

The purpose of the second contract extension with Arthur J. Gallagher Risk Management Services, LLC (Gallagher) is to ensure continuity of insurance broker services on Denver International Airport's (DEN) third Rolling Owner Controlled Insurance Program (ROCIP3). This program provides insurance, safety and loss control, and administrative support for DEN's major construction projects. The program is separated into three tiers. Tier 2 is dedicated to the Great Hall Project Phases 1 and 2. Tiers 1 and 3 include the Concourse Expansion Projects, Airside and Landside Annual Pavement Rehab Projects, Baggage Handling System and Pre-Conditioned Air Re-Life for Concourse A and C, among other projects. All three tiers are included in this extension of the contract.

The insurance broker, Gallagher, originally negotiated and implemented ROCIP3 and has provided continual administrative, loss control, claims management, and performance reporting services. They are also responsible for overseeing project and program closeout activities, including audits, and monitoring of any remaining open claims until closure. This contract extension does not add additional funds to the existing contract. ROCIP3 insurance policies currently expire on September 1, 2023 (Tiers 1 & 3) and June 1, 2024 (Tier 2). The insurance program will require extensions into 2024 (Tiers 1 & 3); 2025 (Tier 2) to address project completion dates extending past the natural program expirations, including the Great Hall Renovation Project (under Tier 2) and the Concourse Expansion Program (under Tiers 1 & 3). The extension also factors in time for closeout activities, final program audit, and open claims.

This contract is not adding any additional funds to the contract, rather, it is just a time extension for the ongoing work on of Gallagher. The original contract and the first amendment were both approved by City Council.

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**

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

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

Vendor/Contractor Name (including any dba's): Arthur J. Gallagher Risk Management Services, LLC

Contract control number (legacy and new): PLANE-202369117 / Legacy Contract 201628644

Location: Denver International Airport

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** 02

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

Original term dates: 11/14/2017 to 11/14/2021
 1st Amendment term dates: 11/14/2021 to 11/14/2023
 2nd Amendment term dates: 11/14/2023 to 11/14/2027

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>
\$42,500,000.00	0.00	\$42,500,000.00

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
11/14/2017 – 11/14/2023	4 years	11/14/2027

Scope of work:

Gallagher 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 contract was originally procured as a competitive bid at its inception in 2016.

Since this contract was originally procured, this amendment qualifies for the continuity of service exception under Memorandum No. 8B and will not be competitively procured.

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

Source of funds: Capital Improvement Project (CIP)

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

No goals were assigned to this project by DSBO.

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

Who are the subcontractors to this contract? N/A

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