



Legislation Text

File #: 22-0393, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 4/4/22

**Requesting Agency: Finance
Division: Risk Management**

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Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving the proposed purchase by the City and County of Denver including DEN of insurance policies through Willis of Minnesota, Inc., Arthur J. Gallagher Risk Management Services, Inc., Marsh USA and Huntington T. Block Insurance Agency, Inc. in an amount not to exceed \$12,376,571.00.

Authorizes the annual renewal of the City's property and liability insurance policies renewing 05-01-22 with a total premium for all policies not to exceed \$12,376,571 (Willis - FINAN-202157510-01; Arthur J. Gallagher - FINAN-202157508-01; Huntington T. Block - FINAN-202161487-02; Marsh USA - FINAN-202157509-01). The last regularly scheduled Council meeting within the 30-day review period is on 5-16-22. The Committee approved filing this item at its meeting on 4-12-22.

Affected Council District(s) or citywide? Citywide

Contract Control Number: Willis - FINAN-202157510-01; Arthur J. Gallagher - FINAN-202157508-01; Huntington T. Block - FINAN-202161487-02; Marsh USA -FINAN-202157509-01

Vendor/Contractor Name (including any "DBA"): Willis, Arthur J. Gallagher, Huntington T. Block, Marsh USA

Type and Scope of services to be performed:

The City of Denver primarily self-insures its financial exposures to loss. We purchase insurance when required by law or contract, or when the purchase of insurance is the most cost-effective way to protect the City. Risk Management works through our contracted brokers to market our coverage on a regular basis and reviews City insurance programs to validate that our practices are the most effective and cost efficient.

The proposed resolution request authorizes a one-year renewal of the City's property and liability insurance policies renewing May 1, 2022. Total not to exceed premium for all polices is \$12,376,571. This amount is a slight decrease from 2021 but still reflective of the hardened property and liability insurance market. The challenging insurance market is due to catastrophic losses impacting the insurance industry and the increase in severity and cost of hail damage here in Colorado over the last five years. Additionally, several insurance carriers have declined to cover public entities, which has most impacted us in the Cyber Liability market. Note these premiums are 'not to exceed' amounts, as we continue to negotiate with insurance carriers up to the renewal date of May 1, 2022.

Location (if applicable): Various

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts): N/A

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment? Renewal

Was this contractor selected by competitive process or sole source? Competitive

For New contracts

Term of initial contract:

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)? Annual renewal

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal? 1 year

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

not to exceed \$12,376,571

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)