



Owner Controlled Insurance Program (OCIP) Administrator Services

Administrative Committee

June 5, 2018

Nery Armbruster

Risk Management



What is an Owner Controlled Insurance Program?

An insurance program put in place by a project owner to provide insurance necessary to protect owner, eligible contractors, and subcontractors on a major construction project.

- **Typical coverages provided by OCIP include:**
 - Workers' Compensation and Employer's Liability
 - General and Excess Liability
 - Builders' Risk
 - Railroad Protective Liability

Projects included in OCIP

- Red and Blue Line Platform Extensions
- Cotton Belt
- Rail Vehicles
- Equipment Maintenance Facility (EMF)
- Madill Bridges
- Carpenter Ranch
- Second CBD Light Rail Alignment (D2)
- Other projects as selected by DART

OCIP Administrator Services

- Design and market the insurance program
- Write and distribute OCIP manual
- Produce training video
- Pre-construction surveys
- Contractor enrollments and cancellations
- Background checks
- Drug testing

OCIP Administrator Services (Cont.)

- Safety Orientation – English/Spanish
- Site badge issuance and recovery
- Claims reporting and oversight
- Onsite loss control audits
- Monthly claims and safety statistics
- Monthly program status reporting
- Safety recognition and award program

Ten Years Contract Pricing

Design, Marketing, Administration & On-Site Staff	\$5,598,348
Pre-construction Surveys	\$850,000
Background Screening, Drug Testing, Badging	\$500,000
Safety Supplies & Services	\$500,000
Program Marketing and Underwriting Updates	\$80,000
Total Cost	\$7,528,348

D/M/WBE Subcontractor Participation

• Safety & Loss Control	\$1,753,608
• Adm.- Enrollments	<u>\$ 960,000</u>
• Total DMWBE Participation **	\$2,713,606

- ** 36% of Contract Award

Next Steps

- Approval of Owner's Controlled Insurance Broker contract
- Summer 2018 – Broker designs, markets the program and makes recommendation to DART.
- Late 2018 Recommendation to Board to approve an Owners' Controlled Insurance Program

Recommendation

Approval of a resolution authorizing the President/Executive Director or his designee to award a seven-year contract with three, one-year options for Owner Controlled Insurance Program Administrator Services to Willis of Texas Inc. in an amount not to exceed \$7,528,348