

PART 230 MINIMUM INSURANCE REQUIREMENTS AND ASSUMPTION OF RISK

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230.1 Purpose

The minimum insurance requirements set forth in this Part 230 are established to mitigate liability and risk for the protection of the City and all users of DEN.

230.2 Applicability

In accordance with the Denver Revised Municipal Code (D.R.M.C.) § 5-14, every entity conducting business activities on any area of DEN property must at all times assume full responsibility for such activities (such entities hereafter referred to as a “**Commercial Operator**”).

If the minimum insurance requirements set forth herein differ from the equivalent types of insurance requirements in any contract or permit issued by the City to a Commercial Operator, the greater and broader insurance requirements shall supersede the lesser requirements, unless expressly excepted in writing by DEN Risk Management.

230.3 Minimum Requirements

Unless expressly excepted in writing by the City, all Commercial Operators at DEN must maintain, at minimum, the applicable insurance requirements as stated in this Part 230. These minimum requirements in no way limit any indemnity covenants, the amount of liability, or the scope of liability of Commercial Operators. Commercial Operators must assess their own risks and, as they deem appropriate and/or prudent, maintain higher limits and/or broader coverage. If any required insurance coverage is not in force and effect during commercial operations at DEN, the Commercial Operator shall cease all operations on DEN property until the appropriate insurance coverage is in effect.

230.4 Compliance Responsibility and Verification of Coverage

Responsibility for insurance compliance of Commercial Operators rests solely with the Commercial Operator and its contracting party.

Upon request, a Commercial Operator must provide the City with a Certificate of Insurance as follows to evidence compliance with this Part 230:

Certificate Holder: CITY AND COUNTY OF DENVER
Denver International Airport
8500 Peña Boulevard
Denver CO 80249

- ACORD Form (or equivalent) certificate is required.
- Electronic submission only, hard copy documents will not be accepted.
- Commercial Operator must be evidenced as a Named Insured.
- Reference on the certificate must include the City-assigned Contract Number, if applicable, or the name of the company the Commercial Operator is contracting with (e.g. United Airlines) and type of work being performed.

230.5 General Requirements: Applicable to All Commercial Operators

230.5.1 Coverages and Limits

230.5.1.1 Commercial General Liability

Commercial Operator shall maintain insurance coverage including bodily injury, property damage, personal injury, advertising injury, host liquor liability, independent Commercial Operators' liability, and products and completed operations in minimum limits of \$1,000,000 each occurrence, \$2,000,000 products and completed operations annual aggregate; if policy contains a general aggregate, a minimum limit of \$2,000,000 annual policy aggregate must be maintained.

- a. Coverage shall include contractual liability covering liability assumed under the applicable contract (including defense costs assumed under contract) within the scope of coverages provided.
- b. Coverage shall include Mobile Equipment Liability, if used on DEN property.
- c. Coverage shall include Liquor Legal Liability in minimum limits of \$2,000,000 each occurrence, \$2,000,000 annual aggregate, if Commercial Operator serves or sells alcoholic beverages. This coverage may also be provided under a separate policy.

230.5.1.2 Business Automobile Liability

Commercial Operator shall maintain a minimum limit of \$1,000,000 combined single limit each occurrence for bodily injury and property damage for all owned, leased, hired and/or non-owned vehicles used in performing services for DEN or on DEN airport property.

- a. If operating vehicles unescorted airside at DEN, a \$10,000,000 combined single limit each occurrence for bodily injury and property damage is required.
- b. If Commercial Operator does not have blanket coverage on all owned and operated vehicles and unescorted airside driving privileges are required, then a schedule of insured vehicles (including year, make, model and VIN number) must be submitted with the Certificate of Insurance.
- c. If transporting waste, hazardous material, or regulated substances, Commercial Operator shall carry a Broadened Pollution Endorsement and an MCS 90 endorsement on its policy.

- d. If Commercial Operator does not own any fleet vehicles and Commercial Operator's owners, officers, directors, and/or employees use their personal vehicles to perform services at DEN, Commercial Operator shall ensure that Personal Automobile Liability including a Business Use Endorsement is maintained by the vehicle owner, and if appropriate, Non-Owned Auto Liability by the Commercial Operator. This provision does not apply to persons solely commuting to and from the airport.
- e. If Commercial Operator will be completing all services related to DEN remotely and not be driving to locations under direction of the City to perform services, this requirement will be waived.

230.5.1.3 Workers' Compensation and Employer's Liability Insurance

Commercial Operator shall maintain coverage as required by statute for each work location and shall maintain Employer's Liability insurance in minimum limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

- a. Colorado Workers' Compensation Act allows for certain, limited exemptions from Worker's Compensation insurance coverage requirements. It is the sole responsibility of the Commercial Operator to determine their eligibility for providing this coverage, executing all required documentation with the State of Colorado, and obtaining all necessary approvals. Verification document(s) evidencing exemption status must be submitted with a requested Certificate of Insurance.

230.5.1.4 Property Insurance

Commercial Operator is solely responsible for any loss or damage to its real or business personal property located on DEN premises including, but not limited to, materials, tools, equipment, vehicles, furnishings, structures and personal property of its employees and subcontractors unless caused by the sole, gross negligence of the City. If Commercial Operator carries property insurance on its property located on DEN premises, a waiver of subrogation as outlined in Section 230.5.3 will be required from its insurer.

230.5.1.5 Excess/Umbrella Liability

Combination of primary and excess coverage may be used to achieve minimum required coverage limits above a \$1,000,000 each occurrence primary policy limit. Excess/Umbrella policy(ies) must follow form of the primary policies with which they are related to provide the minimum limits and be verified as such on any submitted Certificate of Insurance.

230.5.2 Additional Insured

For all coverages required under this Part 230 (excluding Workers' Compensation, Employer's Liability and Professional Liability, if required), Commercial Operator's insurer(s) shall include the City and County of Denver, its elected and appointed officials, successors, agents, employees, and volunteers as Additional Insureds by policy endorsement.

230.5.3 Waiver of Subrogation

For all coverages required under this Part 230 (excluding Professional Liability, if required), Commercial Operator's insurer(s) shall waive subrogation rights against the City and County of Denver, its elected and appointed officials, successors, agents, employees, and volunteers by policy endorsement.

If Commercial Operator will be completing all services to the City remotely and not be traveling to locations under direction of the City to perform services, this requirement is waived specific to Workers' Compensation coverage.

230.5.4 Notice of Material Change, Cancellation or Nonrenewal

Each certificate and related policy shall contain a valid provision requiring notification to the Certificate Holder in the event any of the required policies be cancelled or non-renewed or reduction in required coverage before the expiration date thereof.

- a. Such notice shall reference City-assigned Contract Number, if applicable, or the name of the company the Commercial Operator is contracting with (e.g. United Airlines).
- b. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal or reduction in required coverage unless due to non-payment of premiums for which notice shall be sent ten (10) days prior.
- c. If such written notice is unavailable from the insurer or afforded as outlined above, Commercial Operator shall provide written notice of cancellation, non-renewal and any reduction in required coverage to the Certificate Holder within three (3) business days of receiving such notice by its insurer(s) and include documentation of the formal notice received from its insurer(s) as verification. Commercial Operator shall replace cancelled or nonrenewed policies with no lapse in coverage and provide an updated Certificate of Insurance to the City, if requested.
- d. In the event any general aggregate or other aggregate limits are reduced below the required minimum per occurrence limits, Commercial Operator will procure, at its own expense, coverage at the requirement minimum per occurrence limits. If Commercial Operator cannot replenish coverage within ten (10) calendar days, it must notify the City immediately.

230.5.5 Additional Provisions

- a. Deductibles, Self-Insured Retentions, or any other type of retention are the sole responsibility of the Commercial Operator.
- b. Defense costs shall be in addition to the limits of liability. If this provision is unavailable that limitation must be evidenced on the Certificate of Insurance.
- c. Coverage required may not contain an exclusion related to operations on airport premises.
- d. A severability of interests or separation of insureds provision (no insured vs. insured exclusion) is included under all policies where Additional Insured status is required.
- e. A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City under all policies where Additional Insured status is required.
- f. If the Commercial Operator procures or maintains insurance policies with coverages or limits beyond those stated herein, such greater policies will apply to their full effect and not be reduced or limited by the minimum requirements stated herein.

- g. All policies shall be written on an occurrence form. If an occurrence form is unavailable or not industry norm for a given policy type, claims-made coverage will be accepted by the City provided the retroactive date is on or before the applicable contract's Effective Date or the first date when any goods or services were provided to the City or at DEN, whichever is earlier, and continuous coverage will be maintained for an extended reporting period placed for three years (eight years for construction-related agreements) beginning at the time applicable work is completed or the applicable contract is terminated, whichever is later.
- h. Certificates of Insurance must specify the issuing companies, policy numbers and policy periods for each required form of coverage. The certificates for each insurance policy are to be signed by an authorized representative and must be submitted to the City at the time Commercial Operator signs a contract with the City.
- i. The insurance shall be underwritten by an insurer licensed or authorized to do business in the State of Colorado and rated by A.M. Best Company as A- VIII or better.
- j. Certificate of Insurance and Related Endorsements: The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements shall not act as a waiver of Commercial Operator's breach of their contractual or regulatory obligations or of any of the City's rights or remedies thereof. All coverage requirements shall be enforced unless waived or otherwise modified in writing by DEN Risk Management. Commercial Operator is solely responsible for ensuring all formal policy endorsements are issued by their insurers to support the requirements.
- k. The City shall have the right to verify, at any time, all coverage, information, or representations, and the insured and its insurance representatives shall promptly and fully cooperate in any such audit the City may elect to undertake including provision of copies of insurance policies upon request. In the case of such audit, the City may be subject to a non-disclosure agreement and/or redactions of policy information unrelated to the required coverage.
- l. No material changes, modifications, or interlineations to required insurance coverage shall be allowed without the review and written approval of DEN Risk Management.
- m. Commercial Operator shall be responsible for ensuring the City is provided updated Certificate(s) of Insurance ten (10) days prior to each policy renewal.
- n. Commercial Operator's failure to maintain required insurance shall be the basis for immediate suspension and cause for termination of the applicable contract or authorization to operate at DEN, at the City's sole discretion and without penalty to the City.

230.6 Aircraft Requirements

Commercial Operators operating aircraft at DEN shall maintain Aircraft Liability insurance coverage in minimum limits each occurrence for bodily injury and property damage as outlined in this Section 230.6.

230.6.1 Cargo Carriers

<u>Category (maximum gross landing weight)</u>	<u>Liability Limit</u>
0-20,000 lbs.	\$ 35,000,000 combined single limit
20,001-50,000 lbs.	\$100,000,000 combined single limit
50,001 lbs. or more	\$300,000,000 combined single limit

230.6.2 Passenger Carriers

<u>Category</u>	<u>Liability Limit</u>
30 seats or less	\$100,000,000 combined single limit
31 seats or more	\$300,000,000 combined single limit

230.7 Construction Requirements

The requirements stated below are general minimum requirements; however, requirements for DEN-directed construction projects will be detailed in specific written agreements, which may also include requirements related to Rolling Owned Controlled Insurance Programs (ROCIP) for larger construction projects. If a Commercial Operator is insured under a DEN ROCIP program, those requirements shall supersede this Part 230 related to ROCIP construction projects.

Commercial Operators performing any type of construction shall maintain the following additional coverages:

230.7.1 Builder’s Risk Insurance or Installation Floater

Commercial Operator shall provide, coverage on a Completed Value Replacement Cost Basis, including value of subsequent modifications, change orders, and cost of material supplied or installed by others, comprising total value of the entire project at the site. Such insurance shall:

- a. apply from the time any covered property becomes the responsibility of the Commercial Operator, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation site, or awaiting installation, whether on or off site;
- b. be maintained until formal acceptance of the project by the City or the placement of permanent property insurance coverage, whichever is later;
- c. include interests of the City and if applicable, affiliated, or associate entities, the General Contractor, subcontractors, and sub-tier contractors in the project;
- d. be written on a Special Completed Value Covered Cause of Loss form and shall include theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, transit, debris removal, demolition, increased cost of construction, flood (including water damage), earthquake, and if applicable, all below and above ground structures, piping, foundations including underground water and sewer mains, pilings including the ground on which the structure rests and excavation, backfilling, filling and grading;
- e. include a Beneficial Occupancy Clause, specifically permitting occupancy of the building during construction. Commercial Operator shall take reasonable steps to obtain consent of the insurer and delete any provisions with regard to restrictions within any Occupancy Clauses within the Builder’s Risk Policy;
- f. include Equipment Breakdown Coverage (a.k.a. Boiler & Machinery), if appropriate, which shall specifically cover insured equipment during installation and testing (including cold and hot testing).

230.7.2 Contractor’s Pollution Liability

Commercial Operator shall maintain insurance covering work site operations that are conducted on DEN premises including project management and site supervision duties with a limit no less than \$1,000,000 each occurrence and annual policy aggregate for claims arising out of a pollution condition or site environmental condition.

- a. Coverage shall include claims/losses for bodily injury, property damage including loss of use of damaged property, defense costs including costs and expenses incurred in the investigation, defense or settlement of claims, and cleanup cost for pollution conditions resulting from illicit abandonment, the discharge, dispersal, release, escape, migration or seepage of any solid, liquid, gaseous or thermal irritant, contaminant, or pollutant, including soil, silt, sedimentation, smoke, soot, vapors, fumes, acids, alkalis, chemicals, electromagnetic fields, hazardous substances, hazardous materials, waste materials, low level radioactive waste, mixed wastes, on, in, into, or upon land and structures thereupon, the atmosphere, surface water or groundwater on DEN premises.
- b. Work site means a location where covered operations are being performed, including real property rented or leased from the City for the purpose of conducting covered operations.

230.7.3 Professional Liability

Commercial Operator shall maintain a minimum limit of \$1,000,000 per occurrence and annual policy aggregate providing coverage for applicable services.

Professional services requiring this additional coverage include, but are not limited to, architects, consultants, designers, engineers, financial advisors, marketing and communication professionals, lawyers, program/project managers, software programmers, etc. Essentially, any organization or profession providing customized, knowledge-based services.

230.8 Ground Transportation Requirements

Commercial Operators operating ground transportation services at DEN shall maintain Business Automobile Liability insurance coverage in minimum limits each occurrence for bodily injury and property damage as outlined in this Section 230.8.

Total number of seats includes the driver. Limit requirements listed below are intended to align with the applicable requirements of the Colorado Public Utilities Commission (PUC) and if the PUC publishes changes, the PUC requirements will govern and supersede those listed immediately below.

<u>Category</u>	<u>Liability Limit</u>
Couriers	\$ 300,000 combined single limit
Vehicles with 8 seats or less	\$ 500,000 combined single limit
Vehicles with 9-15 seats	\$ 1,500,000 combined single limit
Vehicles with 16-32 seats	\$ 3,000,000 combined single limit
Vehicles with 33 seats or more	\$ 5,000,000 combined single limit
Carriers operating under Federal Authority	
Vehicles with 15 seats or less	\$ 1,500,000 combined single limit
Vehicles with 16 seats or more	\$ 5,000,000 combined single limit
Escorted Vehicle Operations Airside	\$1,000,000 combined single limit or the greater of the above requirements
Unescorted Vehicle Operations Airside	\$10,000,000 combined single limit

230.9 Tenant Requirements

Commercial Operators renting or leasing space on DEN property that do not have an explicit obligation to insure the building they occupy shall maintain the following additional coverages.

230.9.1 Builder's Risk Insurance or Installation Floater

During the duration of any tenant buildout activity, Commercial Operator shall provide coverage on a Completed Value Replacement Cost Basis, including value of subsequent modifications, change orders, and cost of material supplied or installed by others, comprising total value of the entire project at the site. Such insurance shall:

- a. apply from the time any covered property becomes the responsibility of the Commercial Operator, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation site, or awaiting installation, whether on or off site;
- b. be maintained until formal acceptance of the project by the City or the placement of permanent property insurance coverage, whichever is later;
- c. include interests of the City and if applicable, affiliated, or associate entities, the General Contractor, subcontractors, and sub-tier contractors in the project;
- d. be written on a Special Completed Value Covered Cause of Loss form and shall include theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, transit, debris removal, demolition, increased cost of construction, flood (including water damage), earthquake, and if applicable, all below and above ground structures, piping, foundations including underground water and sewer mains, pilings including the ground on which the structure rests and excavation, backfilling, filling and grading;
- e. include a Beneficial Occupancy Clause, specifically permitting occupancy of the building during construction. Commercial Operator shall take reasonable steps to obtain consent of the insurer and delete any provisions with regard to restrictions within any Occupancy Clauses within the Builder's Risk Policy;
- f. include Equipment Breakdown Coverage (a.k.a. Boiler & Machinery), if appropriate, which shall specifically cover insured equipment during installation and testing (including cold and hot testing).

230.9.2 Fire Legal Liability

Commercial Operator shall maintain a minimum limit of \$100,000 any one fire.

230.9.3 Pollution/Environmental Liability

Commercial Operator shall maintain minimum limits of \$1,000,000 per occurrence and \$1,000,000 annual policy aggregate. Policy to include coverage for bodily injury, property damage, emergency response, clean-up costs, defense costs including costs and expenses incurred during an investigation.

230.9.4 Property Insurance – Business Interruption Coverage

Commercial Operator shall maintain coverage in such amounts as will reimburse Commercial Operator for direct or indirect loss of earnings attributable to the perils commonly covered by business interruption insurance, which shall include losses arising from mechanical failures on or interruption of services to DEN premises.

230.9.5 Property Coverage - Improvements and Betterments

Commercial Operator shall maintain all-risk form property insurance on a replacement cost basis. If leased property is located in a flood or earthquake zone (including land subsidence), flood or earthquake coverage shall be provided separately or within the property policy. The City shall be included as Loss Payee, as its interests may appear.

230.10 Additional Requirements: Based on Scope of Operations

230.10.1 Commercial Crime including Client Coverage

All Commercial Operators handling City monies, securities, or valuable property shall maintain a minimum limit of \$1,000,000 per occurrence including theft of City's monies, securities, or valuable property by Commercial Operator's employees, including any extended definition of employee. The City and County of Denver shall be named as Loss Payee as its interests may appear.

230.10.2 Cyber Liability

All Commercial Operators who have one or more of the following conditions present in performing commercial operations at DEN shall maintain a minimum limit of \$1,000,000 per occurrence and \$1,000,000 annual policy aggregate covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion, and network security.

- Accessing City network or computer software
- Issued City email address or computer equipment
- Having care, custody, and control of airport, City employee or citizen/client protected data including:
 - Sensitive Security Information (SSI)
 - Personally Identifiable Information (PII)
 - Protected Health Information (PHI)
 - Payment Card Information (PCI)

230.10.3 Ground Hangarkeepers Liability

All Commercial Operators taking bailment of aircraft shall maintain prudent limits of coverage for damage to or destruction of the aircraft of others while in its care, custody or control for storage, repair, or safekeeping.

230.10.4 Professional Liability

All Commercial Operators providing professional services of any kind to the City shall maintain a minimum limit of \$1,000,000 per occurrence and annual policy aggregate.

Professional services requiring this additional coverage include, but are not limited to, architects, consultants, designers, engineers, financial advisors, marketing and communication professionals, lawyers, program/project managers, software programmers, etc. Essentially, any organization or profession providing customized, knowledge-based services to DEN.

230.10.5 Technology Errors and Omissions Liability

All Commercial Operators who have one or more of the following conditions present in performing commercial operations at DEN shall maintain a minimum limit of \$1,000,000 per occurrence and annual policy aggregate including cyber liability, network security, privacy liability and product failure coverage.

- Programming, installing, updating City computer hardware or software
- Providing cloud-based systems and services

230.10.6 Unmanned Aerial Vehicle (UAV) Liability

Commercial Operators desiring to use drones in any aspect of its work or presence on DEN premises, the following requirements must be met prior to commencing any drone operations:

- a. Express written permission must be granted by DEN.
- b. Express written permission must be granted by the Federal Aviation Administration (FAA).
- c. Drone equipment must be properly registered with the FAA.
- d. Drone operator(s) must be properly licensed by the FAA.
- e. Commercial Operator must maintain UAV Liability including flight coverage, personal and advertising injury liability, and hired/non-owned UAV liability for its commercial drone operations with a limit no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.

230.10.7 Other

The City may require additional types of insurance coverages and/or higher limits of coverage as it deems appropriate for a given Commercial Operator's activities. Such additional requirements would be included in a specific written agreement between the City and the Commercial Operator.

If a Commercial Operator is a subcontractor, the primary Commercial Operator may impose additional requirements as they deem appropriate. See Section 230.13.

230.11 Airside Driving Privileges

230.11.1 Unescorted Airside Driving

The Commercial Operator operating the vehicle, even if owned by another entity, must comply with the required coverage as stated in Section 230.5.1.2 and be a Named Insured entity on the policy.

230.11.2 Escorted/Escorting Airside Driving

The Commercial Operator providing the escort (lead vehicle) must comply with the higher limit requirement of \$10,000,000 Business Auto Liability and is responsible for ensuring compliance of any Commercial Operator they are escorting with this Part 230 prior to allowing airside access.

230.11.3 Tunnel Driving

Commercial Operators driving vehicles (automobiles or mobile equipment) limited solely to the tunnel system are not required to carry the higher airside limit of \$10,000,000 in liability coverage but must comply with minimum requirements related to vehicle operations as stated in Sections 230.5.1.1, 230.5.1.2 and 230.8.

230.12 Self-Insurance

Notwithstanding the forgoing, Commercial Operators contracting directly with the City may request to self-insure any of the minimum insurance requirements identified in this Part 230. All self-insurance requests must be submitted to and approved by DEN Risk Management. Required submittal information includes, but may not be limited to:

- Primary Point of Contact for Commercial Operator regarding self-insurance program(s)
- Most recent audited financial statements for Commercial Operator

- Self-Insurance Letter
 - Issued to DEN by the Commercial Operator
 - Issued on the letterhead of the Commercial Operator signed by an authorized owner or officer of the entity
 - Specifying the insurance coverage(s) to be self-insured
 - Description of how the self-insurance program is funded and proof of the related self-insurance fund, if applicable

230.13 Subcontracting

Commercial Operators shall ensure and document that all subcontractors performing services or providing goods at DEN procure and maintain insurance coverage that is appropriate to the primary business risks for their respective scopes of performance. At minimum, such insurance must conform to all applicable requirements of this Part 230.

230.14 Government Immunity

The City, its officers, officials, employees, and agents are relying on and do not waive or intend to waive by any provisions of this Part 230, monetary limitations, or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 to 120, or otherwise available to City, its elected and appointed officials, employees, agents, and volunteers.

230.15 Indemnification

Pursuant to D.R.M.C. § 5-14, to the fullest extent permitted by law, all Commercial Operators shall indemnify, defend and hold harmless City, its elected and appointed officials, agents and employees from and against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or related to their operations at DEN.

230.16 Reservation of Rights

The City, at its sole and absolute discretion, may require higher minimum insurance requirements and/or additional types of coverage than those stated in this Part 230 for any Commercial Operator.