

## Exhibit L - Owner Controlled Insurance Program (OCIP) Incentives

### Overview/Intent

The intent of the OCIP incentive is two-fold. One is to maximize the scope of construction project improvements by providing incentives that can compensate the contractor for hidden or duplicative business costs associated with insurance. The other is to reward contractors for better than industry standard safety record and performance. A total of \$60,000 is available for this project in three different categories as follows:

- 25% or \$15,000. Responsiveness, accuracy of rates in the OCIP worksheets and productive effort between the RFP and Award
- 25% or \$15,000. Enrollment and Reporting and Accuracy
- 50% or \$30,000. Safety Compliance, Project Safety Management Plan, Safety Meetings

### Description

#### **Responsiveness, accuracy of rates in the OCIP worksheets and productive effort between the RFP and Award. 25%**

Payment will be based on the following:

The Contractor is determined to be responsive by submitting OCIP worksheets with no hidden costs included or excluded in the rates. The Contractor provides an accurate revised cost loaded WBS with the appropriate insurance costs that were moved to the OCIP no longer in the WBS. The Contractor facilitates the Award and contract signature phase by requiring all subcontractors to comply with the OCIP requirements.

#### **Enrollment and Reporting and Accuracy. 25%**

Payment will be based on the following:

1. Enrollments – 5%– All Subcontractors are enrolled prior to the start of work (exception for emergencies as determined by CDOT) – Documentation includes the Subcontractor Application, valid and complete certificate of insurance, and a completed Insurance Calculation Worksheet.
2. Claims Reporting –5%- Required within 24 hours after an incident or accident and related subcontractors are responsive to investigation requests.
3. Compliance with Claims Cost Control and investigation support -5%-.
4. Incident Reporting & Analysis -10%- Providing to CDOT and CDOT's Insurance Broker an incident report and analysis that demonstrates a review with the appropriate contractor and mitigation of future events. Zero un-reported incidents that require any type of investigation.

**Safety Compliance, Project Management Safety Plan, Safety Meetings. 50%**

Payment will be based on the following (10% each):

1. Compliance with the Project Management Safety Plan
  - a. Measured as no contractual compliance safety stand-downs (Form 105)
2. Workers receipt of training or orientation into the project specific hazards, concerns and emergency response procedures.
  - a. Measured as no missed required monthly OCIP activity summary reports
3. Field safety meeting plan and compliance
  - a. No open or undocumented corrective actions more than 30 days after the Harford Survey recommendations
4. Enhanced focus on the safety of the traveling public
  - a. No failure or delay of more than 2 hours to verbally report known serious incidents with workers, project, public or utility strikes to CDOT Risk Manager or OCIP Administrator
5. Subcontractor compliance
  - a. CDOT/Lockton participate in OCIP kick-off meeting, and later as needed, with enrolled contractors as near as possible to NTP-1.

Payment will be a lump-sum payment made at the time of the final construction invoice.