



**Departmental Standard Operating Procedure (DSOP)**

**DSOP No. 07-01**

**Origination Date: June 20, 2007**

**Amended and Effective Date: May 2, 2022**

**SUBJECT: MIAMI-DADE AVIATION DEPARTMENT RISK MANAGEMENT DIVISION REVIEW AND APPROVAL OF INSURANCE LANGUAGE AND ONGOING COMPLIANCE OF INSURANCE REQUIREMENTS**

**PURPOSE AND SCOPE:** To establish uniform policy and procedures for all written Miami-Dade Aviation Department (MDAD) agreements to be reviewed by MDAD Risk Management for appropriate insurance language while in the draft stage, final and all corresponding amendments.

**I. AUTHORITY:**

- A. Operational Directive No. 99-03, Aviation Department Written Directive System.
- B. Departmental Standard Operating Procedure No. 00-01, Departmental Standard Operating Procedures
- C. Chapter 25-1.2 Miami-Dade County Code, Chapter 25 Miami-Dade Aviation Department Rules and Regulations.

**II. DEFINITIONS:**

- A. Contracts – for the purpose of this DSOP, include but are not limited to:
  - 1. Purchase Orders and Blanket Agreements (POs)
  - 2. Professional Engagement Agreements (PEAs)
  - 3. Project Specific Services Agreements (PSSAs) – Professional Agreements
  - 4. Lease and Concession Agreements
  - 5. Permit Agreements
  - 6. Lease Agreements
  - 7. Bond Agreements
  - 8. Construction Contracts

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**9. Management Agreements**

**B. Contract Managers** – for the purpose of this DSOP, include but are not limited to:

1. Project Managers
2. Property Managers
3. Program Managers
4. Individuals authorized by the Aviation Department to order, coordinate, or direct the provision of goods or services from an entity outside the Aviation Department as part of their assigned duties.

**III. POLICY:**

- A. It is the policy of the Department that its Contracts contain insurance requirements to protect the Aviation Department and Miami-Dade County against losses, claims, and lawsuits as a result of Contractor negligence.
- B. It is the policy of the Department that the insurance language in all new and renewed Contracts be reviewed for accuracy by MDAD Risk Management while in the draft stage, final and again after any amendments to the final.
- C. MDAD Risk Management shall review and approve evidence of insurance prior to execution of the Contract and commencement of Contractor operations.
- D. MDAD Risk Management shall have the responsibility of establishing an insurance file on Contracts, maintaining ongoing compliance, and monitoring the insurance throughout the term of the Contract.
- E. MDAD Risk Management will notify the appropriate Division in the event of non-compliance with the insurance requirements.

**IV. PROCEDURES:**

**A. Insurance Contract Language Review and Final Contract Approval Procedures**

1. All drafts of new or renewed Contracts must be submitted to MDAD Risk Management for review of the insurance language.
2. The final draft of the Contract document must be submitted again to MDAD Risk Management prior to being made available to contractors for a final review of insurance language to ensure that any recommended changes are incorporated in the final document.

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3. The Contract Manager shall collect the initial required insurance documents before the execution of the Contract and/or commencement of operations and submit to MDAD Risk Management for approval.
4. All Contracts must have the MDAD Risk Management stamp and signed approval of insurance before execution/commencement of the contract and/or before occupancy occurs.

**B. Monitoring and Maintaining of Insurance and Non-Compliance Procedures**

1. MDAD Risk Management shall establish a file to maintain and monitor the insurance for all Contracts until termination of the agreement.
2. MDAD Risk Management will send reminders to each Contractor in the month preceding the insurance expiration with the Department and will copy the MDAD Contract Division Manager on the letter.
3. If the renewal certificate is not received prior to expiration, a non-compliance list will be sent to the responsible Division Director and Assistant Aviation Director with a request that MDAD Risk Management be notified within 30 days of the action taken in response to the non-compliance to protect the Aviation Department and Miami-Dade County.
4. Contract Managers will promptly notify MDAD Risk Management in writing when the name on a Contract changes or a new entity assumes a Contract. The Contract Manager must obtain new insurance under the new name for MDAD Risk Management approval.
5. Contract Managers will notify MDAD Risk Management in writing when a contract is terminated/expired/completed so that MDAD Risk Management can close its file on the respective contract.

**C. Risk Management Review of Insurance Reimbursable Items in Management Agreements**

1. Contract Managers handling Management Agreements which include insurance as a reimbursable item will submit all invoices pertaining to insurance to Risk Management for approval prior to payment.

**V. ENFORCEMENT:**

MDAD does not accept any liability when actions are in violation of this policy. Employees who violate this policy may be subject to appropriate administrative action as defined and deemed appropriate by the MDAD Human Resources Division and Department Management.

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**VI. AMENDMENTS:**

The Department reserves the right to amend this operating policy at any time based on current law, Miami-Dade County policies and operating needs.

**VII. REVOCATION:**

Revocations and removal of established Department policies requires written justification by requesting division management for review and concurrence by the Department's Professional Compliance Division. Upon written concurrence, the revocation request will be submitted, by Professional Compliance, for approval by the Aviation Director. Should the written directive be an Operational Directive, the authorized revocation justification will be sent to the Clerk of the Board for filing with the original Operational Directive under revocation. All approved revocation justification memoranda shall be posted to the Department's Written Directives Log to identify why the directive has been revoked to maintain ongoing operational accountability.

**VIII. SEVERABILITY:**

If any court of competent jurisdiction determines that any provision in this policy is illegal or void, that provision shall be nullified, and the remainder of this policy shall continue in full force and effect. If such court rules that any charge, fee, or security deposit requirement is illegal or void, the Aviation Director is authorized and directed to impose a charge, fee, or security deposit requirement that complies with the court order or applicable provisions of law, which shall become effective on the date of imposition and shall continue until modified by the Miami-Dade County Board of County Commissioners.

**Approved By:**



**Ralph Cutié, Aviation Director**

**Date:**

5/2/22