

August 25, 2011

**ADDENDUM No. 2**

*To*

**REQUEST FOR PROPOSALS**

*For*

**BROKER SERVICES FOR THE BUSINESS AND REAL ESTATE  
PROPERTY AND CASUALTY INSURANCE PROGRAM  
GP-0173-R01**

*For the*

**SCHOOL CONSTRUCTION PROGRAM**

**ISSUED August 22, 2011**

*By*

**THE NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY**

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**PLEASE TAKE NOTICE:**

**PROPOSALS ARE DUE on Wednesday, October 5, 2011 by 5 PM**, at the Main Office of the New Jersey Schools Development Authority located at 1 West State Street, Trenton, New Jersey 08625, and must be delivered in the manner set forth in the RFP.

This **ADDENDUM No. 2** includes Market Allocation Selections for each short listed Broker and the answers to the Requests for Information. **No further Requests for Information will be accepted.**

**A. Market Allocation Selection**

Please see attached.

**B. Answers to the Requests for Information**

1. Are we permitted to pursue combining all coverage into a single policy or program?

Answer: The NJSDA is seeking to engage a Broker with the expertise to design a program that provides the broadest coverage at the most cost effective price.

2. Please provide a breakdown of the current insurance premiums by line of coverage.

Answer: The following premium breakdown is as of the current policy inception date of 12/14/2010. The exposures are not the same as listed in the 2011 Coverage Specifications section of the RFP:

|                                                        |            |
|--------------------------------------------------------|------------|
| Business Administration Property and General Liability | \$ 56,465* |
| Automobile                                             | \$ 1,002*  |
| Workers' Compensation                                  | \$142,093* |
| Umbrella Liability                                     | \$ 80,396* |
| Excess Umbrella Liability                              | \$ 28,200* |
| Public Officials' Liability                            | \$214,917* |
| Excess Public Officials' Liability                     | \$ 78,644* |
| TCU Property and General Liability                     | \$ 81,104  |
| REO Property                                           | \$117,533  |
| REO Excess Property                                    | \$ 22,862  |
| REO Equipment Breakdown                                | \$ 7,130   |
| REO General Liability                                  | \$224,618  |
| *Net of commissions                                    |            |

3. Please confirm that Employment Practices Liability coverage is provided through the Public Officials Liability policy.

Answer: Yes, the current program is structured together.

4. Please identify the current Umbrella and Excess carriers with their respective limits.

Answer: ACE USA - \$15,000,000 each occurrence  
Fireman's Fund - \$15,000,000 each occurrence excess of \$15,000,000

5. Can you provide a list of the underlying policies and coverages that the Umbrella and Excess policies sit over?

Answer: Business Administration General Liability, Employee Benefits Liability, Hired and Non-Owned Automobile Liability, Employers' Liability, TCU General Liability and REO General Liability

6. The Umbrella coverage specifications indicate no SIR, please confirm what your current policy has.

Answer: The current Umbrella Liability policy has a \$10,000 SIR.

### **C. Clarifications to the Coverage Specifications**

1. General Liability coverage is required for the Temporary Classroom Units (TCUs) described in Attachments D-1, D-3 and D-4.
2. Under Attachment D-3, the construction types for the following locations are to be corrected to:

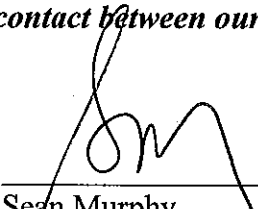
TCUs – Wood Frame (construction type 5B)  
135-139 Glenwood Avenue, East Orange – Joisted Masonry  
1700-1804 West Front Street, Plainfield – Joisted Masonry

3. Under Attachment D-3, 108 North 7th Street, Camden is listed as 2,924 square feet. This was a typographical error and it should be 2,954 square feet.
4. Under Attachment D-3, 707-709 Market Street, Camden is listed as 3 stories. This was a typographical error and it should be 2 stories.
5. Under Attachment D-3, 670 South Clinton Avenue, Building 50 does not have an alarm.
6. Property maintenance for the REO General Liability inventory is subcontracted to an outside party. The current subcontractor costs are \$1,500,000, as indicated in Attachment D-5.
7. Under Attachment D-1, New York is listed as a monopolistic state. This was a typographical error and it should be Wyoming (WY).
8. Under Attachment D-1, the combined limit for the Public Officials'/Employment Practices Liability is \$30,000,000. This was a typographical error and it should be \$25,000,000.

9. Under Attachment D-1, carrier specific Public Officials' and Employment Practices Liability, each Broker should send their application electronically to Kimberli Banegas at [kbanegas@njsda.gov](mailto:kbanegas@njsda.gov). Completed applications shall be provided electronically to each firm.

*Please, there shall be absolutely no contact between our staff and you.*

Issued by:



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Sean Murphy  
Procurement Manager

Issued: August 25, 2011

**New Jersey Schools Development Authority  
Market Allocation Selection**

| <b>The Safeguard Group</b>          |                        |                                       |                                          |                |                       |                           |                            |                                |  |
|-------------------------------------|------------------------|---------------------------------------|------------------------------------------|----------------|-----------------------|---------------------------|----------------------------|--------------------------------|--|
| Property - Business                 | Property - Real Estate | Commercial General Liability Business | Commercial General Liability Real Estate | Automobile     | Workers' Compensation | Umbrella/Excess Liability | Public Officials Liability | Employment Practices Liability |  |
| Chubb                               | Aspen                  | Chubb                                 | Chubb                                    | Chubb          | Chubb                 | ACE                       | Charis                     | Charis                         |  |
| Liberty Mutual                      | Great American         | Liberty Mutual                        | Western World                            | Liberty Mutual | PMA                   | Allianz                   | RSUI                       | RSUI                           |  |
|                                     | Chubb                  |                                       | Burlington Insurance Co.                 |                |                       | Navigators                | Hiscox                     | Hiscox                         |  |
|                                     | Allianz                |                                       | Wishire Insurance Co.                    |                |                       | Liberty Mutual            | XL                         | XL                             |  |
|                                     | Zurich                 |                                       | Western Heritage                         |                |                       | CNA                       |                            |                                |  |
|                                     | Markel                 |                                       | Alterra                                  |                |                       |                           |                            |                                |  |
|                                     | Seneca                 |                                       | Indian Harbor                            |                |                       |                           |                            |                                |  |
|                                     | Admiral                |                                       |                                          |                |                       |                           |                            |                                |  |
| <b>Conner Strong &amp; Buckelew</b> |                        |                                       |                                          |                |                       |                           |                            |                                |  |
| Property - Business                 | Property - Real Estate | Commercial General Liability Business | Commercial General Liability Real Estate | Automobile     | Workers' Compensation | Umbrella/Excess Liability | Public Officials Liability | Employment Practices Liability |  |
| Travelers                           | Travelers              | Travelers                             | Travelers                                | Travelers      | Travelers             | Travelers                 | Travelers                  | Travelers                      |  |
| Hartford                            | Charis                 | Hartford                              | Charis                                   | Hartford       | Liberty Mutual        | Charis                    | One Beacon                 | Travelers                      |  |
| Hanover                             | Axis                   | Hanover                               | Scottsdale                               | Hanover        | Hartford              | Crum & Forster            | CNA                        | One Beacon                     |  |
| Selective                           | Liberty Mutual         | Selective                             | RLI                                      | Selective      | CNA                   | Zurich                    | Ironshore                  | CNA                            |  |
| AmTrust                             | Ironshore              | AmTrust                               | First Specialty                          | AmTrust        | Hanover               |                           |                            | Ironshore                      |  |
| Crum & Forster                      | Scottsdale             | Crum & Forster                        | Markel                                   | PMA            | Selective             |                           |                            |                                |  |
|                                     | Arch                   |                                       | Navigators                               | Crum & Forster | AmTrust               |                           |                            |                                |  |
|                                     |                        |                                       | Maxim                                    |                |                       |                           |                            |                                |  |
| <b>Wells Fargo</b>                  |                        |                                       |                                          |                |                       |                           |                            |                                |  |
|                                     |                        |                                       |                                          |                |                       |                           |                            |                                |  |
|                                     |                        |                                       |                                          |                |                       |                           |                            |                                |  |
| Property - Business                 | Property - Real Estate | Commercial General Liability Business | Commercial General Liability Real Estate | Automobile     | Workers' Compensation | Umbrella/Excess Liability | Public Officials Liability | Employment Practices Liability |  |
| Zurich                              | CNA                    | Zurich                                | Starr Indemnity                          | Zurich         | NJ Manufacturers      | Starr Indemnity           | ACE                        | ACE                            |  |
| CNA                                 | RSUI                   | CNA                                   | AWAC                                     | CNA            | Crum & Forster        | AWAC                      | Starr Indemnity            | Starr Indemnity                |  |
|                                     | CV Starr               |                                       | Tudor                                    |                | Charis                | Axis                      | Axis                       | Axis                           |  |
|                                     | One Beacon             |                                       | Excel                                    |                | Zurich                | RSUI                      | Navigators                 | Navigators                     |  |
|                                     | ACE                    |                                       | First Mercury                            |                |                       | Alterra                   |                            |                                |  |