



Addendum #1

New Jersey Schools Development Authority
Office of Procurement
32 East Front Street
Trenton, NJ 08625
Phone: 609-858-2915
Fax: 609-656-7258

DATE: June 26, 2017

PROJECT #: GP-0244-R01
Owner Controlled Insurance Program (OCIP IV) Broker Services

DESCRIPTION: Addendum #1

This addendum shall be considered part of the Bid Documents issued in connection with the referenced project. Should information conflict with the Bid Documents, this Addendum shall supersede the conflicting information in the Bid Documents.

A. CHANGES TO THE PROCUREMENT PROCESS:

1. Not applicable.

B. CHANGES TO THE PROCUREMENT DOCUMENTS:

- 1. Changes to the Request for Proposals**

- a. Not applicable.

- 2. Changes to the RFP Forms**

- a. Not applicable.

- 3. Changes to the Agreement**

- a. Revised Appendices to the Agreement to correct pagination, Attachment 1.2 to the Addendum.

C. BIDDER'S QUESTIONS, REQUESTS FOR INFORMATION AND RESPONSES:

1. Question: Please confirm that the typical OCIP Administration duties (Enrollments, Insurance Cost Verifications, collection of off-site Certificates of Insurance, collection of Payrolls) are NOT part of this RFP.

Answer: Correct. Typical administration duties associated with the enrollment process are NOT part of this RFP.
2. Question: Regarding Attachment A (OCIP IV Agreement), the Agreement ends with Article 10.20.2. Are there any additional articles (or paragraphs) after Article 10.20.2 as shown on electronic page 32 (paper page numbered 26)?

Answer: No, there are no additional articles or paragraphs after 10.20.2. Also, see Section B.3 above and Attachment 1.2 to this Addendum.
3. Question: What Authority staff members will be on the Selection Committee?

Answer: The names of the Selection Committee members will not be provided prior to interview.
4. Question: Are ALL Key Team Members expected to spend 20% or more of his or her time providing such services (Section 1.2 Team Structure) or is it just the Engagement Leader?

Answer: Bidders are required to identify all Key Team Members, as that term is defined in both the RFP and Agreement. Please note that while Key Team Members are generally expected to spend 20% of their time providing services, it is not required.
5. Question: If we have team members that will spend less than 20% of their time providing such services, should they be listed on Attachment B (Key Team Member List) and Attachment C (Key Team Member Resume Form)?

Answer: Bidders are required to identify all Key Team Members, as that term is defined in both the RFP and Agreement, regardless of the amount of time it is anticipated they will spend providing services as outlined in Appendix B "Scope of Service."
6. Question: If a Key Team Member will not be involved in the marketing aspect (i.e. our Claims professional), should he/she be listed on Attachment B (Key Team member List)?

Answer: A Key Team Member involved in any aspect of the services to be provided, as outlined in Appendix B “Scope of Services”, must be listed on Attachment B, as well as Attachment C.

7. Question: Are safety services a part of the services required for this OCIP IV?

Answer: No.

8. Question: The expiring program was a 3-year commencement period with program expiring at 5 years. Is the intent to have the same 5-year expiration for OCIP 4?

Answer: Yes.

9. Question: The contract term is 3 years, or until all obligations pursuant to the agreement have been performed – whichever is longer. A one year option is also allowed for at NJSDA discretion. All obligations pursuant to the agreement would dictate the consultant will be engaged throughout the full term of the OCIP and through the statue of repose for claims management and annual retrospective adjustment. Given this complete service time line please respond to the following: What would be the purpose of an option year and when would it be exercised?

Answer: In the event additional insurance needs arise during the term of this contract, the Scope of Services (Appendix B) has included: “The Scope of Work under this Agreement may be modified through negotiation and by written and signed addendum.”

10. Question: Please confirm the consultant should price the services for the full term of the engagement up to repose not just the first three years of the engagement.

Answer: Article 3.1.1 of the Agreement provides for the Consultant to be compensated for the Term of the contract in accordance with the lump sum set forth in Attachment H.

11. Question: For Attachment E – Moral Integrity Questionnaire - On #3 (pg. 2 of 4) At any time during the past five (5) years, had the Applicant Business Concern shared office space, warehouse space, yard, plant or shop facilities, staff , equipment, telecommunications or other assets with any other business concern? (If yes, disclose the name of the other business concern and provide a description of the sharing arrangement, including the location of the facilities.” YES or NO Our questions is- Does this include sister companies or only unrelated companies?

Answer: This question applies to any business concern other than the Applicant Business Concern.

12. Question: May we have a listing of the 13 projects that will be involved in the OCIP, along with location, brief description and cost?

Answer: Detailed underwriting information will be provided to the awarded Broker. The OCIP IV currently contemplates the following projects:

Millville	Senior High School Addition/Renovation
Camden	Camden High School
East Orange	George Washington Carver Elementary School
Keansburg	Port Monmouth Road School
Orange	Cleveland Street Elementary School
Passaic City	Dayton Avenue Elementary School Campus
Paterson	New MS @ Union Avenue
Pemberton	Alexander Denbo Elementary School
Perth Amboy	Perth Amboy High School
Plainfield	New Woodland Elementary School
Orange	Orange High School
Hoboken	Thomas G. Connors Elementary School
Union City	Elementary School Grade Level

As noted in the Introduction to the RFP, the aggregate construction cost estimate (“CCE”) for these projects is approximately \$845 million, plus another approximately \$25-50 million in Emergent project work. This information is subject to change.

13. Question: May we have loss runs of the last two OCIPs, along with Construction Value, Payroll Value and Payroll hours?

Answer: Detailed underwriting information will be provided to the awarded Broker.

14. Question: What safety staff does NJSDA currently employ in its construction program?

Answer: Presently, (7) staff members report to the Director of Safety.

15. Question: May we have a copy of the NJSDA OCIP Safety Standards?

Answer: A copy of the SDA Safety Manual can be obtained on our website at the following link: <https://www.njsda.gov/njsda/Business/CV/Documents.html>.

16. Question: Does NJSDA employ a prequalification process for its contractors?

Answer: Yes.

17. Question: Does NJSDA require, or is it contemplating requiring, a random drug test?

Answer: No.

18. Question: Does NJSDA contemplate a safety incentive program?
- Answer: No.
19. Question: With 13 projects at maximum, how many visits a month to each project does NJSDA contemplate?
- Answer: Visits to each project will be at the discretion of the Broker in context with the Scope of Services.
20. Question: Within the Advertisement it mentions (within the Evaluation Criteria) the broker will be evaluated on the OCIP Design, Negotiation, Implementation and Administration. Please confirm the broker is not responsible for administration and as such there is no need for a broker to address their ability to provide Administration within the RFP response.
- Answer: Within the context of this RFP, administration refers to program services as outlined in A.3 of Appendix B "Scope of Services".
21. Question: When do you anticipate the separate RFP for Administration Services will be issued?
- Answer: Early October 2017.
22. Question: Who is the current Administrator for CCIP III and what system do they use for contractor enrollment, etc.
- Answer: Turner Surety and Insurance Brokerage currently administers OCIP III enrollment activity utilizing VUE Wrap-Up software.
23. Question: Is there a requirement for Disadvantaged Business Enterprise involvement? If so, please advise specifically what percentage requirement must be met.
- Answer: No.
24. Question: 5.1.2; the third sentence "in each policy, the Consultant shall... required under this Section." We have NOT approached carriers, but I understand not all carriers will issue this wording on every policy (you may not even have on all your policies today?). That said, Aon is fully willing to live up to this contract obligation as required under the following (fourth) sentence. The full intent of the requirement is thus met.
- Answer: The meaning, purpose and intent of this question is unclear. To the extent that the question refers to Section 5.1.2 of the Agreement that the Broker will enter

into with the NJSDA, without taking any position as to the accuracy of the statements set forth in the bidder's question, upon notice of award, the selected Broker will provide evidence of insurance compliant with Section 5.1 of the Agreement.

25. Question: 5.1.8; requires "...express, written consent of the Authority" for SIR above \$100,000. The RFP does not specify when this is to be obtained or what information would be desired by the Authority to consent. Please advise.

Answer: The meaning, purpose and intent of this question is unclear. To the extent that the question refers to Section 5.1.8 of the Agreement that the Broker will enter into with the NJSDA, upon notice of award, the selected Broker will provide evidence of insurance compliant with Section 5.1 of the Agreement, and declaring any deductibles or SIR's in excess of \$100,000. Any such declaration must be provided to the NJSDA's Division of Procurement, and request written consent of the NJSDA to permit any deductible or SIR in excess of \$100,000. Thereafter, the NJSDA may request that the broker submit additional information in order to make its determination as to whether the deductible or SIR is permissible.

D. CHANGES TO PREVIOUS ADDENDA:

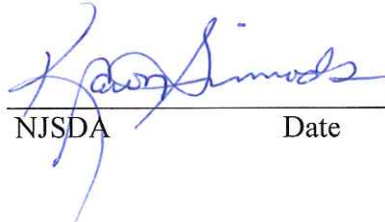
1. Not applicable.

E. ATTACHMENTS:

1. Attachment 1.1 "Notice of Intent to Participate" Contact List
2. Attachment 1.2 Revised Appendices to the Agreement

Any bidder attempting to contact government officials (elected or appointed), including NJSDA Board members, NJSDA Staff, and Selection Committee members in an effort to influence the selection process may be immediately disqualified.

End of Addendum No. 1



NJSDA Date 6/26/17



Addendum #1

New Jersey Schools Development Authority
Office of Procurement
32 East Front Street
Trenton, NJ 08625
Phone: 609-858-2915
Fax: 609-656-7258

DATE: June 26, 2017

PROJECT #: GP-0244-R01
Owner Controlled Insurance Program (OCIP IV) Broker Services

DESCRIPTION: Addendum #1

Acknowledgement of Receipt of Addendum

Consultant must acknowledge the receipt of the Addendum by signing in the space provided below and returning via scanned copy (Dkutch@njsda.gov) or fax (609-656-7258). Signed acknowledgement must be received prior to the Bid Due Date. Please include a copy of this signed acknowledgement form in the Technical Proposal Submission.

Signature

Print Name

Company Name

Date

Addendum: 1
Project: GP-0244-R01
Project Name: Owner Controlled Insurance Program (OCIP IV) Broker Services

ATTACHMENT 1.1

“Notice of Intent to Participate” Contact List

Firm Name	Contact	Email
AON Risk Services	Matthew Schneider	Matthew_Schneider@ars.aon.com
Arthur J. Gallagher Risk Management Services, Inc.	James F. Gilmore	Jim_Gilmore@AJG.com
Conner Strong Buckelew	Harry Johnson	hjohnson@connerstrong.com
Construction Risk Partners	Michael Price	mprice@constructionriskpartners.com
Graham Company, The	Thomas Morrin	tmorrin@grahamco.com
Marsh USA	Robert Mores	Robert.mores@marsh.com
Turner Surety & Insurance Brokerage, Inc.	Debbie Dineen	ddineen@tsibinc.com
Wills Towers Watson	Boris Pisman	boris.pisman@willistowerswatson.com

ATTACHMENT 1.2

Revised Appendices to the Agreement

APPENDIX A
SPECIAL CONDITIONS

A.1 Notices shall be addressed as follows:

Authority:	New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08625-0991 Attention: Karon Simmonds
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Consultant:

APPENDIX B

SCOPE OF SERVICES

A. BROKER SERVICES

The Services required of the Broker shall provide a full range of services, including the Design, Marketing, Negotiation, Implementation and Administration of various insurance needs of the Authority's School Facilities Construction Program.

The Authority will issue a separate authorization to proceed to the selected firm to perform one or more of the following services:

A.1 Insurance Marketing Services

The Broker will prepare, in consultation with Authority staff, a detailed marketing and implementation plan to:

- Analyze current coverage (OCIP Workers Compensation, General and Excess Liability) and loss experience and provided recommendations for improved program design and services.
- Design policies and programs most advantageous to the Authority for coverage of exposures, policy terms and conditions, costs and other pertinent factors.
- Prepare final underwriting submissions for each line of insurance selected for inclusion in the program.
- Negotiate with the insurers in good faith and represent all questions, issues, requests and concerns raised by the Authority and its representatives.
- The Broker shall prepare a formal Proposal for each line of insurance including a recommended option (or options) for the Authority's consideration and eventual binding of coverage. Any recommendation should address not only premium pricing, but also coverage and limits to be carried. Use of benchmarking information is appropriate.
 - Identify and recommend the best insurer that will most effectively handle the Authority's needs.
 - Recommend each line of insurance coverage to be provided within the program.
 - Forecast costs expressed as a percent of construction costs for each line of insurance coverage under consideration for inclusion within the program.
 - Recommend levels of retained risk to be considered by the Authority.
 - Recommend means to fund the security requirements associated with deductibles or self-insured retentions included within program design.
 - Recommend contract terms and conditions to be included in the Authority contracts of Contractors, Construction Managers, Design Consultants and Subcontractors of every tier.
- The Broker shall bind coverage as directed by the Authority and evidence such coverage within one business day with a binder followed by policy of insurance upon issuance.
- Builders Risk and other ancillary coverages such as pollution and professional liability may

be a part of the marketing assignment at a future point in time. Should the Authority require additional coverages, compensation will be negotiated at that time.

NOTE: All insurance premiums should be quoted net of all fees, commissions and contingencies.

A.2 Policy Management and Risk Mitigation

- Receive and review all insurance policies, binders, certificates, endorsements or other documents when they are received and provide the Authority with comments relating to areas of concern, possible improvement, and alternative terms and conditions when the policies are forwarded to the Authority.
- Promptly submit originals of all of the Authority's policies and endorsements to the Authority within 60 days of receipt.
- The Broker shall regularly monitor and report on the financial status of each Insurer and ascertain the Insurer's capability to continue to write coverage.
- The Broker shall communicate any emerging court decisions, loss prevention or risk control issues to the Authority to assist the Authority in reducing the likelihood of loss.
- Analyze project risks and prepare a comprehensive risk register for each project to identify best methods to reduce risk.
- Provide copy of the policies, upon request by the Contractor or the Authority.
- Process requests for additions or deletions to policies within five business days of receipt.
- Provide Authority with copies of initial correspondence to the insurers. Follow up every two weeks from request date until the insurer has handled request.
- Advise in writing of any changes to insurance policies within seven business days of Broker's receipt of notice or other knowledge of the change.
- Provide consultation service and written reports as normally expected of a professional broker to a large client including Risk Management-related training and online resource development, related to a specific type of policy.

A.3 OCIP Program Administration

The Broker, in cooperation with the Administrator will provide the following:

- Review and recommend changes to program manuals and other communications with Contractors, Construction Managers, and Subcontractors as necessary to implement and service the program.
- On an as needed basis, provide insurance quotations for project specific additional coverage such as Contractors Pollution Liability (CPL), Cost Cap, and Railroad Protective Liability (RPL).
- Issue evidence of insurance and endorsements, as required, to third parties.
- Review all insurers' audits and verify their accuracy.
- Review OCIP insurance premium audits and final premium for accuracy.

- Meet with the Authority's Risk Management Division and other designated representatives no less often than quarterly to discuss issues affecting the OCIP.
- Provide periodic presentations as requested by the Authority.
- Cooperate in any transition to another broker at the expiration of the original contract, unless extended by the Authority.

A.4 Claims Management Services

The Broker will provide, in coordination with the Authority, claims management services to include:

- Provide oversight of claims investigations, claims administration, litigation management, reserve analysis, and loss mitigation.
- Develop a system to assure that claims are assigned to the contractor involved in the loss and to avoid claim allocation errors.
- Assure that the OCIP insurer provides general liability and workers' compensation claim management services.
- Assist in the timely adjustment and settlement of claims and losses and advise on coverage application to specific loss situations.
- Monitor loss runs to identify developing loss trends and recommend corrective action, as appropriate.
- Distribute claim reporting procedures and forms to OCIP contractors.
- Provide support services through the closeout of the OCIP including potential claims activity under the completed operations portion of the coverage. It is anticipated that this period will extend out to the statute of repose.
- Represent the interests of the Authority in policy interpretation and other negotiations with insurance carriers on coverage application to specific claims.
- Conduct quarterly claims review meetings with the Authority's Division of Risk Management and other Authority representatives. Represent the Authority to the insurer with regard to requested explanation or reduction of reserve amounts. Follow-up with insurer every 30 days until resolution of any reserve reduction requests are accomplished or until claim is closed.
- For all lines of insurance where loss runs are not otherwise available, provide regular (e.g. quarterly) loss runs indicating the claimant name, claim status, amount paid, reserves, expected outcomes of cases, and other summary information.
- Review all quarterly loss runs for all claims on all coverages. Evaluate loss history for trends or other indicators that might dictate changes in coverage strategy. Identify any relevant issues and advise Authority in writing.
- Provide annual summaries by policy year for each of the last three (3) years indicating total number of losses by type for each line of coverage and showing earned premium, incurred losses and loss ratio.

B. ADDITIONAL SERVICES

The Scope of Work under this Agreement may be modified through negotiation and by written and signed addendum.

APPENDIX C
COMPENSATION – FEE PROPOSAL

APPENDIX D

(Disclosure Consent & Integrity Affidavit)

to inspection.

- C. The Consultant further certifies that there have been no changes in circumstance, conditions or status of the Consultant's prequalification with the NJSDA since the latest prequalification application was filed by the Consultant with the NJSDA.
- D. The Consultant certifies that, if applicable, any change in the information provided by the Consultant in its prequalification application currently on file with the NJSDA will be immediately reported to the NJSDA.
- E. The Consultant certifies that, if applicable, it shall immediately notify the NJSDA and the Unit of Fiscal Integrity (PO Box 063, Trenton, NJ 08625) if any director, partner, officer, employee of the Consultant or any shareholder owning 5% or more of the Consultant's stock:
 - 1. Is the subject of investigation involving any violation of criminal law or other federal, state, or local law or regulation by any governmental agency; or
 - 2. Is arrested, indicted or named as an unindicted co-conspirator in any indictment or other accusatory instrument; or
 - 3. Is convicted of any crime under state or federal law, or of any disorderly persons offense or misdemeanor involving a business-related offense.
- F. The Consultant hereby waives any objection it might otherwise raise permitting the Unit to investigate, examine and inspect all activities related to the Agreement pursuant to Public Law 2000, Chapter 72, Section 70. The Consultant further releases and holds harmless the Unit, the NJSDA, and the State of New Jersey. All statements contained in the Consultant's Technical Proposal and Price Proposal and in this waiver and consent are true and correct, and made with full knowledge that the NJSDA and the State of New Jersey rely upon the truth of the statements contained in this affidavit in awarding the Agreement.

Sworn and subscribed to before me

this _____ day of _____, 20__.

Signature of Principal

Notary Public of

Print Name of Principal

My commission expires: _____, 20__.

(NO DISCRIMINATION)

I SWEAR AND AFFIRM that the Consultant will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, gender or sexual orientation and has complied and will continue to comply with all State and Federal laws and Executive Orders respecting non-discrimination; AND

(PREVAILING WAGE)

If applicable, I SWEAR AND AFFIRM that the Consultant shall or has complied with the New Jersey Contractor Registration Act, Public Laws 1999, Chapter 238 and the New Jersey Prevailing Wage Act, Laws of 1963, Chapter 150, and all amendments thereto, with respect to the Program and any contracts related to school development entered into on behalf of the State of New Jersey, except those contracts not within the contemplation of these acts; AND

I SWEAR AND AFFIRM that all statements contained in the Consultant's Technical Proposal and Price Proposal and this Affidavit are true and correct; and all such statements have been made with full knowledge that the NJSDA and the State of New Jersey rely upon the truth of the statements contained in this Affidavit in awarding the Agreement.

Sworn and subscribed to before me

this _____ day of _____, 20__.

Signature of Principal

Notary Public of

Print Name of Principal

My commission expires: _____, 20__.

APPENDIX E
INSURANCE CERTIFICATE(S)

APPENDIX F
OTHER DOCUMENTATION

APPENDIX G

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE AND ANTIDISCRIMINATION PROVISIONS

FOR NJSDA GOODS and SERVICES AGREEMENTS

For all regulatory and statutory language cited below, all references to “contractor” shall be deemed to refer to the holder of the relevant Goods and Services, General Services or Professional Services contract.

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.A.C. 17:27-1.1 et seq.
(Implementing N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127))

EXHIBIT A

(For Goods, Professional Service and General Service Contracts)

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27- 5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job- related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval;

Certificate of Employee Information Report; or

Employee Information Report Form AA-302 (electronically provided by the Division and distributed to the public agency through the Division's website at:
http://www.state.nj.us/treasury/contract_compliance)

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase & Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public

agencies shall furnish such information as may be requested by the Division of Purchase & Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq.