

MARYLAND STATE TREASURER'S OFFICE

**Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401**

**REQUEST FOR PROPOSALS FOR INSURANCE BROKER SERVICES
FOR INLAND MARINE COVERAGES AND OCEAN MARINE COVERAGES
RFP # IM/OM-07052018**

QUESTIONS AND ANSWERS

July 23, 2018

Q-1. Who is the current broker?

A-1. Aon Risk Services, Inc. of Maryland.

Q-2. How long has the broker been handling these lines of coverage?

A-2. Aon Risk Services, Inc. has been the broker for these coverages since 2003.

Q-3. Is the 15% MBE requirement of commissions and fees or estimated insurance policy premiums?

A-3. The MBE goal is 15% of the contract value including renewal options, if any, which is for broker service fees. This is not for insurance broker premiums.

Q-4. What is the current broker compensation?

A-4. The annual broker fee (all inclusive) is as follows:

I.	MPA Cranes	\$15,000
II.	State-owned Vessels (Blanket)	\$ 3,000
III.	Fine Art on Loan to the State of Maryland	\$ 1,000

Q-5. For the three policies, Cranes, Vessels and Art, could you please advise the current premiums that are being charged for each placement?

A-5. The last annual premium fee (all inclusive) is as follow:

I.	MPA Cranes	\$66,365
II.	State-owned Vessels (Blanket)	\$36,500
III.	Fine Art on Loan to the State of Maryland	\$15,184

Q-6. The award will be for all 3 coverages and not split between various brokers. Correct?

A-6. Correct. The RFP is for a single contract. See Section 1.2 of the RFP.

Q-7. Please provide the number of loss control hours expected.

A-7. There are no expected number of days or hours for this service. The State would like to have the ability to have at least annual loss control inspections and/or the right to request the Broker, if they have in house expertise or the commercial carrier to be present when it is appropriate for certain exposures or to provide recommendations.

Q-8. Are there any other services required? Loss Control?

A-8. The selected broker will be responsible to provide the services that are outlined in Section 3.2 Insurance Broker Services.

Q-9. What is the current deductible or retention for each of the three coverages?

A-9. The deductibles are outlined below:

I.	MPA Cranes	\$100,000 all perils; except flood \$250,000 flood
		• collision is 3% of TIV at time of loss with \$500,000 minimum
II.	State-owned Vessels	\$ 50,000 - P&I deductible
III.	Fine Art on Loan	\$ 500

Q-10. What is the TIV (Total Insurable Value)?

A-10. The total Insurance values (all inclusive) are listed:

I.	MPA Cranes	\$25,497,402
II.	State-owned Vessels	\$30,929,626
III.	Fine Art on Loan	\$23,709,849

Q-11. Is there any rail infrastructure within the port confines?

A-11. Yes. Details will be provided to the selected broker prior to the policy expiration.

Q-12. What is the annual revenue (Actual Revenue from Previous 12 Months and Best Forward Looking Estimate for Next 12 Months)?

- A-12. The total annual revenue figure(s) (all inclusive) for Maryland Port Administration for FY 2017 was \$53,547,000. Future annual revenue will be provided to the selected broker prior to the policy expiration. There are no revenue for State-owned Vessels or Fine Art on Loan.
- Q-13. As full underwriting information/details were not included in the RFP and the due date is the end of this month, can it be assumed that we are being asked to quote The BROKER SERVICES and not the RISK itself at this point. Wording in the RFP section IV 4.4.
- A-13. As stated in Section 1.1 of the RFP, the Maryland State Treasurer's Office is requesting proposals to select a broker to market, manage and service insurance policies and related documents for Inland Marine and Ocean Marine insurance coverages. This RFP is not requesting quotations for coverages and premiums.

Fine Arts

- Q-14. Can we have a summary of values of artwork currently on loan to the State at the various universities, legislative offices or other public buildings? Or at least the top 5?
- A-14. Please see answer to question number 10 above.
- Q-15. Is there a list of current known exhibitions or items coming in for the future year?
- A-15. Details on the current exhibitions and future exhibits will be provided to the selected broker prior to the policy expiration.
- Q-16. Can you provide details of any location with more than \$1m in it? We need Construction, address, security, fire protection.
- A-16. Details on the location(s) with more than \$1 million in values will be provided to the selected broker prior to the policy expiration.
- Q-17. Is coverage required for any permanent collections?
- A-17. No.
- Q-18. How many certificates of insurance are needed for lenders?
- A-18. Annually there are approximately 100 – 150 certificates issued for the Fine Art on Loan.

Cranes

Q-19. How many cranes are to be insured and their location?

A-19. The MPA 2017-2018 schedule includes 5 cranes. As stated in Section 3.5.1, the cranes are located at the Dundalk Marine Terminal and Locust Point Marine Terminal.

Q-20. What type of cranes are they?

A-20. A list outlining the type of cranes will be provided to the selected broker prior to the policy expiration.

Q-21. What are the individual values of each crane to be insured?

A-21. Please see answer to question number 10 above.

P&I/Vessels

Q-22. Is there a fleet schedule with names and details? If not, what is the size of the largest, smallest and average?

A-22. The fleet schedule and size particulars will be provided to the selected broker prior to the policy expiration.

Q-23. Jones Act/USLHWA – is this covered in the workers compensation policy or does it need to be covered under the P&I?

A-23. No, the current Protection and Indemnity policy does not include Jones Act coverage. This is an RFP for the inland marine and ocean marine coverage only.

Q-24. Are there assigned operators for the vessels and how are they vetted/licensed?

A-24. The assigned operator(s) and vetted/licensing information will be provided to the selected broker prior to the policy expiration.