

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 AVIATION COVERAGE AND TRANSIT COVERAGE
RFP # AV/TR-02072018**

QUESTIONS AND ANSWERS

February 22, 2018

Aviation

Q-1. Who is the current broker(s) for the Aviation placements?

A-1. Aon Risk Services, Inc.

Q-2. How long has the current aviation broker been representing the State of Maryland?

A-2. Approximately 10 years.

Q-3. What is the current aviation broker compensation fee paid for both hull and liability and airport liability?

A-3. The annual fee for the hull and liability and airport liability is \$31,000 each for a total annual fee of \$62,000.

Q-4. When was the last time you made a change in brokers?

A-4. Approximately 10 years ago.

Q-5. Are you required to take the lowest bid?

A-5. No. See Section 5.06 of the RFP.

Q-6. We see the premium on the Airport Liability. Could you share the other premiums for the Hull and Liability Insurance?

A-6. The premium is \$809,928 for expiring Aviation Hull and Liability policy.

- Q-7. Would it be possible to obtain copies of the current policies?
- A-7. No. Policy information will be provided to the broker awarded the contract.
- Q-8. In order to offer some benchmarking data, would it be possible to see the applications from the most recent placement for the Airport Liability and the Hull and Liability? If not, could you provide the number of take-offs and landings and the number of passengers coming through both BWI and Martin?
- A-8. No. This information will be provided to the broker awarded the contract.
- Q-9. Could you provide an accurate schedule of all aircraft that need to be covered?
- A-9. No. This information will be provided to the broker awarded the contract.
- Q-10. May we have a complete aircraft fleet roster summary, including year, makes and model, FAA ID, Insured Hull values, Passenger seating, and Use by aircraft?
- A-10. No. This information will be provided to the broker awarded the contract.
- Q-11. Are there any plans in the near future for any major expansion/construction projects?
- A-11. Yes; however, insurance coverages related to construction projects are not related to this procurement.
- Q-12. Page 10 Item #18: Please describe the number of training sessions anticipated each year and provide possible subjects to be considered.
- A-12. Offerors should expect that there will be four (4) meetings, one every quarter. Unanticipated requests may arise during the term of the contract that require additional meetings. Subjects are based agency needs.
- Q-13. Page 13 Item C. (2): Please advise the approximate time of year the meeting with the carrier, the Office and MSPAC will be scheduled.
- A-13. The annual meeting occurs during the spring season.
- Q-14. Page 13 Item C. (2): Please advise the approximate number of additional meetings that might be requested if needed.
- A-14. Offerors should expect that there will be four (4) meetings, one every quarter. Unanticipated circumstances that may arise during the term of the contract may require additional meetings.

Q-15 Page 14 Item B. (2): Do you require optional quotations to consider higher war perils limits than the current \$150,000,000?

A-15. Optional quotations is not required.

Q-16. Page 15 Item C. (3): Please advise approximate time of year the meeting with the carrier, the Office and MAA staff will be scheduled.

A-16. The annual meeting occurs during the fall season.

Q-17. Page 15 Item C. (3): Please advise the approximate number of additional meetings that might be requested if needed.

A-17. Offerors should expect that there will be four (4) meetings, one every quarter. Unanticipated circumstances that may arise during the term of the contract may require additional meetings.

Q-18. Page 20 Item 4.03 Technical Proposal: Please confirm that you are looking for a separate response for each of the Aviation and the Transit coverage programs.

A-18. Confirmed.

Q-19. Please provide the number of loss control hours required.

A-19. There is no required number of loss control hours. See Section 3.02, item 16 of the RFP.

Q-20. Please confirm that the current broker will be responsible for handling the June 30, 2018 renewal of the State Owned Aircraft policy(s).

A-20. Confirmed.

Transit

Q-21. Who is the incumbent broker?

A-21. Aon Risk Services, Inc.

Q-22. How long has the current transit broker been representing the State of Maryland?

A-22. Approximately 20 years.

Q-23. When was the last time you made a change in brokers?

- A-23. Approximately 20 years.
- Q-24. What is the current Broker Fee for Transit Coverages?
- A-24. Under the current Contract, the broker fee for Excess Liability is \$45,000 annually and the Railcar Floater is \$36,000 annually.
- Q-25. Are you required to take the lowest bid?
- A-25. No. See Section 5.06 of the RFP.
- A-26. 3.06 – Transit - I. & II. - Both state the first policy effective dates to be July 1, 2019; however, the current policies expire on July 1, 2018 and Section 3.08 – Term - states that the term of the contract will be for May 1, 2018 through September 30, 2021. Please clarify what the first policy effective dates will be for this contract.
- A-26. The policy effective dates for Transit coverages is July 1, 2019 as stated in the RFP.
- Q-27. Are the losses represented “ground up or first dollar” or are they losses excess of the \$5M SIR? What is the largest single claim presented to the tower since the retroactive date of coverage?
- A-27. Losses are “ground up/first dollar.” The largest single claim presented to excess carriers was the February 1996 MARC/Amtrak train derailment in Silver Spring Maryland incident.
- Q-28. Does the current contract recognize the broker’s London and Bermuda offices (i.e. wholly-owned foreign subsidiaries) as a “Billing Subcontractor”?
- A-28. Yes, the current Contract does recognize the London and Bermuda offices of the current broker as “Billing Subcontractors”.
- Q-29. If the answer to Q-28 above is “yes”, is there a maximum rate of commission acceptable to the State of Maryland for insurance placed outside of the United States?
- A-29. Refer to Section 3.09 Compensation of the RFP regarding commissions.