



**Passaic Valley Sewerage Commission**

**Consulting and Administrative Services –  
Owner Controlled Insurance Program (OCIP)**

**Prepared for:**  
**Passaic Valley Sewerage Commission**

**By:**  
**Turner Surety and Insurance Brokerage, Inc.**

**DATE:**  
**October 18, 2016**

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## Executive Summary

October 18, 2016

Passaic Valley Sewerage Commission  
c/o Joseph Kelly  
600 Wilson Avenue  
Newark, NJ 07105

### **RE: Consulting and Administrative Services – Owner Controlled Insurance Program (OCIP)**

Turner Surety and Insurance Brokerage, Inc. (TSIB) is pleased to submit our response to the Passaic Valley Sewerage Commission Request for Proposal (RFP) for Consulting and Administrative services for an Owner Controlled Insurance Program (OCIP).

TSIB is a local Brokerage firm, incorporated in 2005 and principally located in Paramus, NJ. We are one of the largest privately held insurance brokers in the United States. We confirm that TSIB holds all of the appropriate federal and state licenses to perform all activities that are the subject of this RFP.

Our proposal to assist the PVSC team in meeting the program elements concentrates on three key areas of expertise and program implementation:

- 1. Overall Experience and Expertise:** Utilizing our overall insurance experience and construction knowledge to implement a best-in-class risk management, safety and claims strategy to protect the project.
- 2. Public Agency Experience:** Applying specific relevant experience in both Public Agency and construction exposures to design a comprehensive insurance program that is tailored specifically to PVSC.
- 3. Effective Program Implementation:** Implementing efficient, seamless OCIP safety oversight, claims management, administration and contractor communication/service.

In summary, we feel that we provide unique technical qualifications and have crafted an exceptional work plan to support PVSC. Combined with a service team of the highest caliber, TSIB can exceed each of the requirements outlined in this RFP. We at TSIB appreciate the opportunity to work with the PVSC team and look forward to your review and consideration of our Proposal.

Regards,



**Christopher T. Smith**

Vice President and Managing Director  
Turner Surety and Insurance Brokerage, Inc.  
EMAIL: ctsmith@tsibinc.com

## About the Firm



- HEADQUARTERED IN NEW JERSEY
- INSURANCE PROFESSIONAL WITH AVERAGE OF 20 YEARS OF EXPERIENCE IN INSURANCE & CONSTRUCTION INDUSTRIES
- 1,000+ WRAP UP PROJECTS

## About the Firm



**Type of Entity**  
**CORPORATION**

**Headquarters**  
Mack-Cali Centre II  
650 From Road  
Paramus, NJ  
07652

**Phone**  
(201) 267-7500

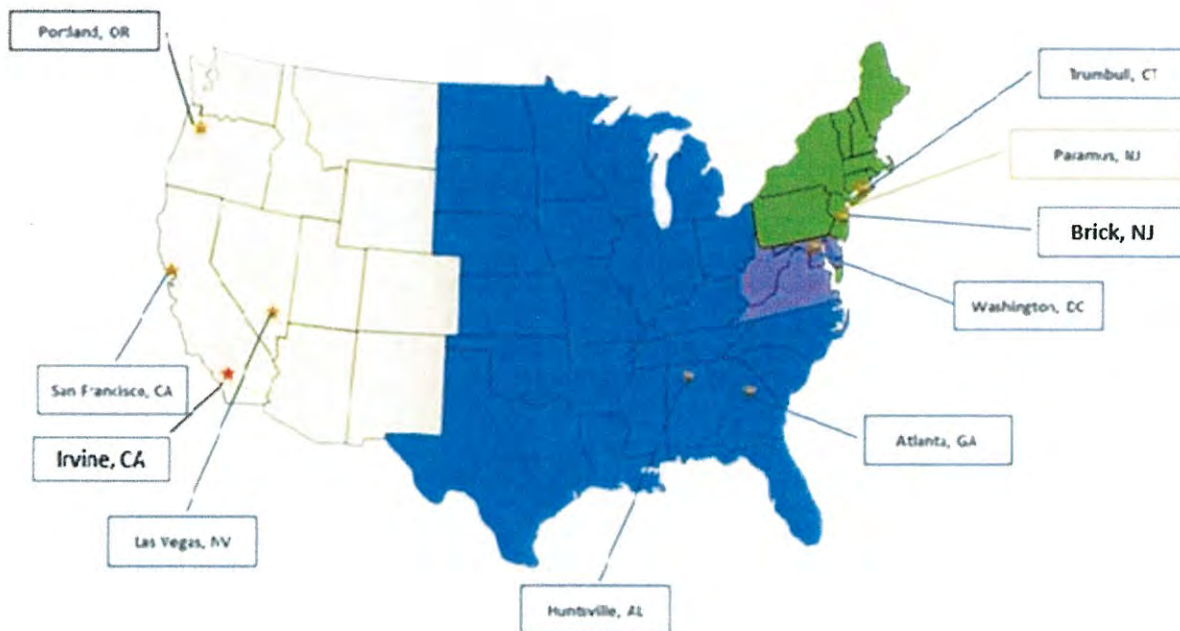
**Website**  
[www.tsibinc.com](http://www.tsibinc.com)

**President**  
**NICK WALSH**

## About the Firm

Turner Surety and Insurance Brokerage, Inc. (TSIB) is a full service insurance brokerage headquartered in Paramus, New Jersey with a Wrap-Up service center in Trumbull, CT. In addition, TSIB has satellite offices in the following areas:

- Washington, DC – Baltimore, Metro area
- Brick, NJ
- Atlanta, GA
- Portland, OR
- Huntsville, AL
- Las Vegas, NV
- San Francisco, CA
- Irvine, CA



## About the Firm



Our services from these offices include our entire set of offerings as well as:

- Wrap Up Brokerage and Administration
- Commercial Property & Casualty Brokerage and Policy Services
- Claims Management
- Construction Risk Management
- Contractual Risk Management
- Surety Bonding Brokerage and SubGuard Management
- Safety and Loss Control

TSIB is a very diverse organization. Overall our firm is comprised of approximately 56% women and 27% minority employees as filed under New Jersey EEO Monitoring Program.

A subsidiary of Hochtief USA, TSIB was founded in 2005 from the internal Risk Management Division at Turner Construction Company, the leading general commercial builder in the U.S., and is now one of the largest construction insurance brokers in the United States placing and managing more than \$200 Million in annual premiums.

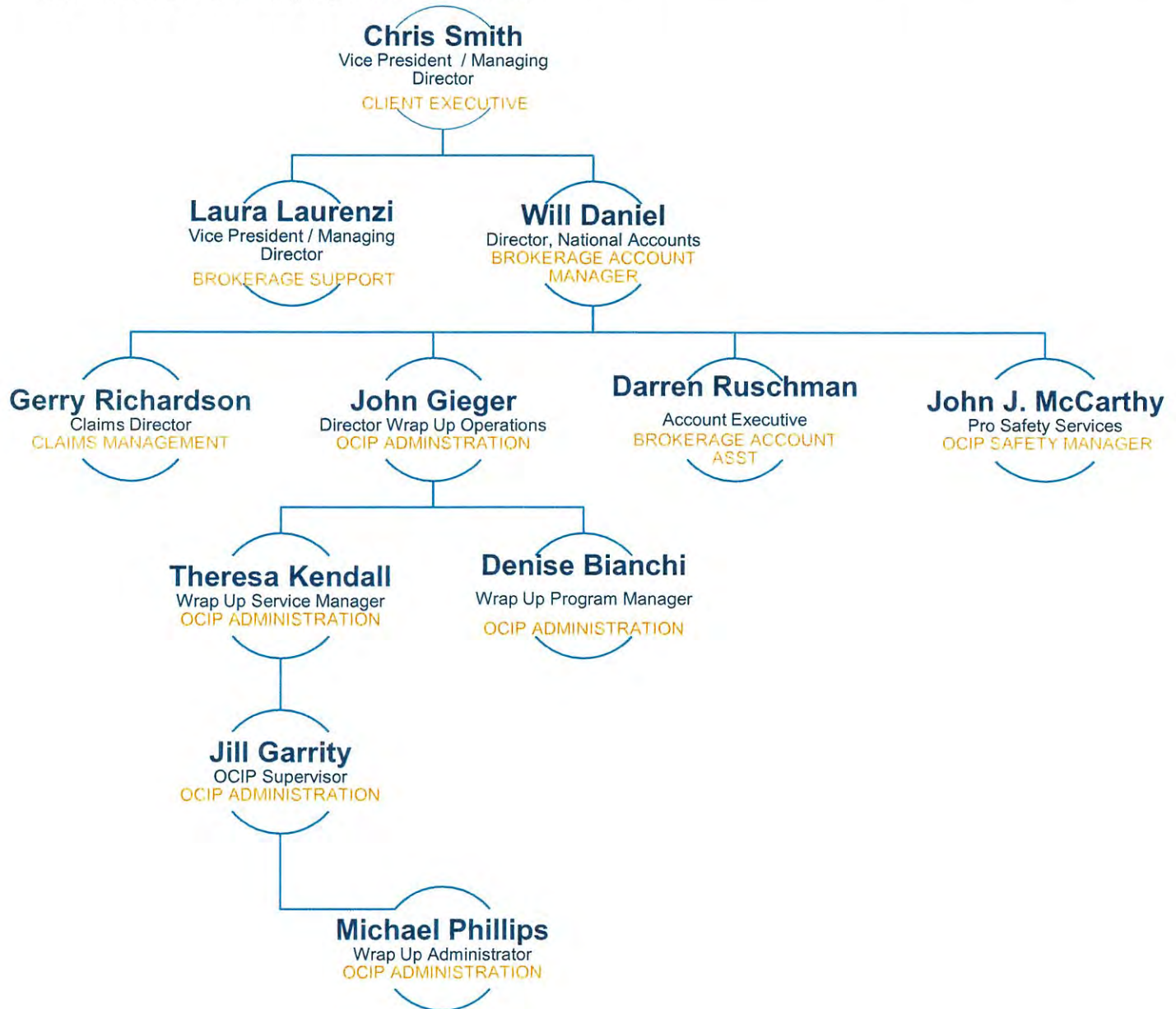
TSIB is unique in our marketplace as a firm dedicated exclusively to the construction industry. We have developed risk management plans for owners, developers and contractors to fit their individual needs.

## About the Firm



### STAFFING PLAN

Our mutual strength and focused construction expertise provide the advantage and buying power to negotiate the most favorable terms on our clients' behalf. TSIB's team of insurance professionals has an average of 20 years of experience in the insurance and construction industries. The team we would have work on the PVSC projects are as follows:





## RESUMES



### CHRIS SMITH

**VICE PRESIDENT AND MANAGING DIRECTOR -  
CLIENT EXECUTIVE**

#### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

35 Nutmeg Drive / Suite 300 / Trumbull CT 06611

Phone: (203) 666-4314

Email: [ctsmith@tsibinc.com](mailto:ctsmith@tsibinc.com)

**RESUME:** Chris Smith is TSIB's Vice President and Managing Director of National Sales. He has over 25 years of experience in the insurance industry.

Chris spent the first 10 years of his career at Liberty Mutual, in Boston, MA. As one of the first underwriters in their newly formed Construction Division, he was responsible for underwriting Fortune 500 construction accounts and their Wrap-Up programs. He helped establish the procedures, roles and pricing for these programs. This enabled him to develop his expertise in not only Wrap-Up Coverage, but also all forms of risk financing and captive operations. With his participation, Liberty's Construction Division grew to a staff of 15 underwriters with a portfolio of business representing millions in insurance premiums and became one of the premier National Construction Insurance Divisions in the country. While at Liberty, Chris underwrote the Turner Construction Company Wrap-Up Program which revolutionized Wrap-Ups for the entire insurance industry. Turner's CCIP included annual construction volumes from \$3.5B to \$4B, or approximately 60% of their portfolio at the time. Still the largest CCIP in the country to date, no other Wrap-Up has the level of complexity on all fronts - operations, pricing, and claim scope as the Turner CCIP. Through Chris' direction, it redefined how Wrap-Ups were managed, controlled and priced.

After Liberty Mutual, Chris worked for 10 years as the Corporate Insurance Manager and National CCIP Director for Turner Construction Company. He helped grow Turner's CCIP business to be the largest CCIP program in the country, placing over \$40B in construction volume over a 10 year period. He was instrumental in shaping the wrap-up "service-center" concept which allowed for the seamless administration of \$4 billion in construction volume annually. Chris worked directly with the Claims and Safety teams which further enhanced his risk management skills. In addition to his Wrap-Up responsibilities, Chris also oversaw Turner Construction's corporate insurance program. This included

## About the Firm



over 40 individual programs, from Corporate Workers' Compensation and General Liability, to Professional, Pollution, Directors and Officers, Aviation and Fiduciary coverage.

In 2011, Chris joined Turner Surety and Insurance Brokerage, Inc., a division of Hochtief U.S.A. In his role of Vice President and Managing Director of National Sales he oversees all Contractor and Wrap-Up accounts. His client base includes Public Authorities, Private Developers and General Contractors. Under his sales direction, TSIB's revenue has more than doubled over the last four years and has helped expand TSIB's ranks to more than 50 employees. Unique in the brokerage industry, TSIB was created from a construction firm. This designation makes them distinctively qualified to support their clients and understand their risks. As such, their level of expertise in construction insurance needs and Wrap-Ups is unrivalled by even the largest brokerage firms. Additionally, TSIB's risk management technology systems and servicing set-up transformed the way Wrap-Ups were managed across the industry. Through his Wrap-Up experience at Liberty Mutual,

Turner Construction Company and Turner Surety and Insurance Brokerage, Chris has developed a level of expertise in national underwriting, risk management and brokerage that is unmatched by his peers. Chris is a frequent speaker at industry association conferences, including The Associated General Contractors of America (AGC) and the International Risk Management Institute (IRMI). Chris obtained his Bachelors of Science from the University of Massachusetts in 1991. Chris currently resides in Newtown CT and has a wonderful wife and two lovely daughters.



## LAURA LAURENZI

**VICE PRESIDENT AND MANAGING DIRECTOR –  
BROKERAGE SUPPORT**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

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**RESUME:** Laura Laurenzi has over 29 years of experience in the insurance industry working on both the Brokerage and Carrier side. She has served as an Underwriting Vice President at Zurich Insurance Group and ACE USA where she was responsible for developing underwriting guidelines, risk selection criteria and had profit and loss responsibility. She has also worked for the Hartford, Interstate National (Allianz) and held MGA authority for AIG. Laura has broad underwriting background having underwritten General Liability, Workers' Compensation, Excess Liability, Miscellaneous Professional coverage, Architects and Engineers Professional, Medical Malpractice Insurance, Hospital Professional Liability, Property coverage's, Subcontractor Default Insurance and Environmental Impairment Liability.

During her tenure in Zurich's Environmental division, Laura specialized in handling complex environmental risks including liability buyouts; cost cap coverage and Environmental Impairment Liability for heavy industrial exposures including NPL sites.

She holds a Masters Science in Insurance and Finance from the University of Hartford, has served as an Instructor in the State of California for Continuing Education requirements and been a speaker at IRMI.

## About the Firm



### WILL C. DANIEL

**DIRECTOR, NATIONAL ACCOUNTS –  
ACCOUNT MANAGER AND LEAD MARKETER**

#### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

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Phone: (571) 237-1122

Email: [wdaniel@tsibinc.com](mailto:wdaniel@tsibinc.com)

**RESUME:** Will Daniel is TSIB's Director of National Accounts and has 27 years of risk management experience. Will has the overall responsibility for our unaffiliated clients from the point of sale through brokerage and policy administration to program renewal. He has worked with many of our largest Public Agency clients and over 200 construction projects with volume in excess of \$12 billion.

Specifically, Will Daniel is the Account Manager for TSIB for New Jersey Schools Development Authority (NJSDA) and Delaware River Port Authority (DRPA). In this role he manages the following aspects of their respective insurance programs:

- Insurance Program Design/Specifications
- Market submission and carrier negotiations
- Consulting on emerging risk
- Risk Management oversight
- Loss control and safety
- Policy Management
- Program renewals
- Claims Oversight
- OCIP Administration
- Annual Stewardship

Prior to TSIB, Will was responsible for procurement of trade contracts and purchase orders for various MD/DC/VA projects totaling approximately \$300MM in volume. He was responsible for all Mechanical/Electrical/Plumbing/Sprinkler coordination, management of the budget and, and general contract management. Before Turner, Will worked for the Navy and his responsibilities included managing 17 construction projects with a value in excess of \$61MM. The key project was a \$24MM industrial laboratory where he was directly responsible for all aspects of the project including schedule analysis, contract interpretation, enforcement of contract documents, and change order coordination and safety inspections.

Will is a graduate of the University of Maryland and holds a Bachelor of Science degree in Civil Engineering. He is a Professional Engineer, MD registration, a Licensed Property & Casualty Producer (multiple jurisdictions), a Certified Risk Manager (CRM) and a Construction Risk and Insurance Specialist (CRIS).



## JOHN GIEGER

**DIRECTOR, WRAP-UP OPERATIONS –  
OCIP ADMINISTRATION OVERSIGHT**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

70 Mansell Court / Suite 100 / Roswell GA 30076

Phone: (404) 274-1116

Email: [jgieger@tsibinc.com](mailto:jgieger@tsibinc.com)

**RESUME:** John Gieger has over 32 years in construction and risk management. He has worked on over 370 wrap-ups with a total construction volume in excess of \$14.35 billion.

John has worked on some noteworthy projects including those for the Centers of Disease Control, Turner Broadcasting, the NASCAR Hall of Fame, Georgia Tech Bobby Dodd Stadium Renovation, and the Boeing Gemini (787 Production Facility) Project. Having grown up in the construction industry, his experience and understanding of the core business of his clients is the key component in developing and implementing a successful wrap-up program.

Prior to TSIB, John worked in the construction industry, rising in rank from Field/Office Engineer to Project Manager, and eventually to Chief Estimator and Purchasing Manager. Ultimately his construction career led him to the Risk Management group, with involvement in risk identification and mitigation, insurance renewals and insurance procurement.

Before Turner, John worked in such diverse areas as semiconductor clean rooms, hospitals, commercial office buildings, "dry labs", chemical/petrochemical, and the pulp and paper industries.

John is a graduate of The Cooper Union with a BSE in Civil Engineering, and has an MSE in Structural Engineering from the University of Pennsylvania. He is a Licensed Property & Casualty Producer, a Certified Insurance Counselor (CIC), a Certified Risk Manager (CRM), and a Construction Risk and Insurance Specialist (CRIS). He is also OSHA 30-hour certified, and a "Competent Person" per OSHA's Excavation and Trenching Standard. John also received a Mechanical Contractor's License from the State of Florida.



## DARREN RUSCHMAN

**ACCOUNT EXECUTIVE –  
ACCOUNT MANAGEMENT**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

650 From Road / Suite 295 / Paramus NJ 07652

Phone: (201) 267-7506

Email: [druschman@tsibinc.com](mailto:druschman@tsibinc.com)

#### **RESUME:**

Darren Ruschman is one of Turner Surety and Insurance Brokerage's Account Executives. He has 29 years of experience in the insurance industry and is responsible for the overall management and integrity of the insurance programs for some of the largest contractors and government agencies in North America.

Darren looks at the client's contracts and makes sure they have the most adequate insurance coverage without any gaps. He handles the day to day servicing needs of the client's program which includes: insurance contract reviews, managing the distribution of Insurance Certificates & identification cards. Darren sets up the billing and finance agreements, does the OCIP & CCIP calculations for the client, and meets with the carriers on a regular basis. He also meets the clients for custom consultations and creates the best program for their company. Darren manages a team that supports & assists with the re-marketing of the programs, and he is the liaison between the clients and the claims department.

Prior to joining TSIB, Darren worked for an independent Insurance Broker, where he developed innovative solutions for his client's Property and Casualty insurance programs. He started as an Insurance Producer and grew into an Account Executive. His clientele gave him a competency and expertise in a vast array of industries including Construction, Real Estate, and Manufacturing.

Darren is a graduate from the University of Rhode Island and holds a B.S. in Finance and Insurance. He has his Chartered Property Casualty Underwriter (CPCU), is an Accredited Advisor of Insurance (AAI), and has his OSHA 10. In addition, Darren has taught the Property and Casualty pre-licensing course in New Jersey. He currently resides in Park Ridge, New Jersey with his two sons.



## DENISE BIANCHI

**REGIONAL WRAP-UP PROGRAM MANAGER –  
OCIP PROGRAM MANAGEMENT**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

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Phone: (201) 574-3885

Email: [dbianchi@tsibinc.com](mailto:dbianchi@tsibinc.com)

**RESUME:** Denise Bianchi is the Northeast Regional Wrap-Up Program Manager and has 14 years in insurance and wrap-ups. Denise has the overall responsibility for the northeast corridor from Boston to Washington D.C., primarily to provide support to Wrap-Up clients from the conceptual stage of a project through to close-out. She assists with the sales of Wrap-Ups, conducts subcontractor orientations, provides audits for subcontractors & project staff. Denise has worked on over 150 wrap-ups with a total construction volume in excess of \$11 billion.

Denise has worked on some noteworthy projects including \$1 billion renovation & expansion of Madison Square Garden's Sports Stadium, \$475 million for nine new projects at the University of Princeton including, college dorms, chemistry building, bridge, & art center and \$60 million renovation at the Capitol Dome in Washington DC. Her experience in construction wrap-ups and in the insurance department are the key components, according to Denise, in developing and implementing a successful wrap-up program.

Prior to TSIB, Denise worked for Turner Construction responsible for administration for New Jersey wrap-ups projects, developed executed & managed the Contractor Controlled Insurance Program. Assisted with the sales of wrap-up projects. Managed & supervised all insurance related matters including workers compensation, general liability, builders' risk, and Subcontractor Default Insurance.

Denise maintains a Property & Casualty Insurance license (multiple jurisdictions), and a Construction Risk and Insurance Specialist (CRIS). She holds has an Associated Degree in Accounting from Mercer County Community College.



## THERESA KENDALL

**WRAP UP SERVICE MANAGER –  
OCIP ADMINISTRATION OVERSIGHT**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

35 Nutmeg Drive / Suite 300 / Trumbull CT 06611

Phone: (203)-666-4329

Email: tkendall@tsibinc.com

**RESUME:** Theresa Kendall is the TSIB Wrap-Up Service Manager. She oversees the administration and quality assurance for the entire TSIB wrap up program, with over 11,000 active contracts, totaling over \$2.2 billion in construction volume. Theresa provides on-going team education, training and support, acts as liaison between clients, insurers and TSIB staff, and ensures TSIB maintains the highest quality standards. In addition, Theresa plays a key role in refining and customizing the RMIS system with our provider, to ensure the clients' system requirements are being met.

Over the past twenty five years, Theresa's career experience includes with both administrative and insurance experience.

Prior to TSIB, she worked with Strategic Vision, a strategic marketing firm. Theresa's responsibilities included Human Resources functions, office administration and managing the financials of the firm including invoicing and accounts receivable and payable. She was also responsible for office management and was the main point of contact for vendors and procurement.

Prior to Strategic Vision, she was with Janet R. Duggan and Associates, Inc., a Facilities Project Management Firm. She managed financials including invoicing and accounts receivable and payable, in addition to Benefit Coordination and other Human Resources functions. Theresa assisted with Project Financial Reconciliations, Change Order and Lien Release coordination and similar administrative tasks. At Hamilton Cavanaugh & Associates, Inc., she was the Administrative Manager where she managed and trained staff responsible for the service of retirement savings and insurance programs. In addition, she managed the finances and operations of the firm on a day-to-day basis.

Theresa has a Bachelor's Degree in Business Management from the University of Phoenix as well as an AAS Degree in Business Administration from SUNY Cobleskill. Theresa is a licensed Property & Casualty Broker and is also CRIS certified.

## About the Firm



## JILL GARRITY

**OCIP SUPERVISOR –  
OCIP ADMINISTRATION**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

35 Nutmeg Drive / Suite 300 / Trumbull CT 06611

Phone: (203) 666-4328

Email: [jgarrity@tsibinc.com](mailto:jgarrity@tsibinc.com)

**RESUME:** Jill Garrity has over 22 years of experience in the insurance industry, and has been a part of TSIB's Quality Assurance Team for more than four years. Her current responsibilities include providing high-level, personalized support to the largest, most complex and high profile clients. Jill currently manages and trains a team of staff members, ensuring that the highest level of service is always provided to our clients. She also manages the CIP administration for over 40 projects, totaling over \$2.2 billion in construction volume. Prior to joining TSIB, Jill worked as an Agency Manager with Allstate Insurance Company. In this role, she was responsible for the sales and servicing of over 5,000 client accounts.

Jill also managed compliance with State Insurance Department regulations, in addition to hiring and training office staff. Jill has also worked as a Claims Representative for several major insurance carriers. Her responsibilities there included research and investigation of insurance claims to determine their validity, as well as negotiating and arbitrating claim settlements without need for litigation. Jill presently maintains a Property & Casualty Insurance license, and her CRIS certification. She earned her Bachelor's degree from Indiana University of Pennsylvania.



## MICHAEL PHILLIPS

### WRAP UP ADMINISTRATOR

#### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

35 Nutmeg Drive / Suite 300 / Trumbull CT 06611

Phone: (203)-666-4333

Email: [mphillips@tsibinc.com](mailto:mphillips@tsibinc.com)

**RESUME:** Michael Phillips is responsible for the day to day administration and support to the Subcontractors on Contractor Controlled Insurance projects. Michael manages the overall quality control on Wrap-Up programs. He provides quality assurance of sub-contractor information, documentation review to ensure program compliance, subcontractor insurance cost audits, customer service to both sponsors and subcontractors to answer questions, education as to processes and procedures, resolving data collection issues and participates in program review meetings.

Over the past eleven years, Michael has gained experience in many departments from managerial to administrative to insurance. Prior to joining TSIB, Michael was a Sales Producer for Nationwide Insurance. His responsibilities included new business sales through multiple channels, as well as customer service of existing accounts including processing applications, contracts, payments and, endorsements.

In addition, Michael has previously worked as an Inventory Management Specialist with The Home Depot, managing the inventory of a \$35 million annual sales store. He also collaborated with many manufacturing vendors about new and upcoming products that would become part of his inventory stock.

Michael has a Bachelor's Degree in Sociology from Southern CT State University, and is licensed in the State of Connecticut to sell Property & Casualty Insurance as well as Life, Accident, and Health Insurance. He is also in the process of obtaining his CRIS certification.

## About the Firm



## GERRY RICHARDSON

**DIRECTOR, CLAIMS MANAGEMENT**

### **TURNER SURETY AND INSURANCE BROKERAGE, INC.**

650 From Road / Suite 295 / Paramus NJ 07652

Phone: (201) 267-7526

Email: [grichardson@tsibinc.com](mailto:grichardson@tsibinc.com)

**RESUME:** Gerard Richardson joined Turner Surety and Insurance Brokerage, Inc. in 2010 as the Director of Claims Management. Gerry has over 30 years' experience building a successful career maximizing coverage, improving service and reducing the total cost risk for Fortune 500 clients in construction and numerous other industries.

As a claim and coverage advocate, Gerry has saved his clients significant sums in claim payments and litigation expenses utilizing his experience in Workers Compensation, General Liability, Pollution Liability, Professional Liability, and Excess Liability.

Prior to TSIB, he worked for Risk Management Planning Group as Claims Manager and Account Executive of the Construction Unit with functions that included oversight and Account Service of Large Construction Wrap Up Accounts. He was Responsible for the management, investigation, and resolution of claims, supervised unit activity and ensured satisfactory delivery of claims service/products. In addition, he monitored reserves and ensured compliance with regulatory and company standards and provided technical guidance as required.

Prior to Risk Management Planning Group, Gerry held the position of Vice President, Claims Consulting at Marsh, Inc. He was a Senior Casualty Claims Consultant and New York Construction Practice Leader for Consulting Group's national and international clients. His functions included, Claims and Coverage Advocacy; Multi-State Jurisdictional Claim Auditing – Workers Compensation, Business Auto, General Liability; International Claim Auditing; Sales and Revenue Production – Claim Outsourcing, Benchmarking, Claim Audits, Claim Process Reviews, Mass Tort and Complex Claims, TPA Vendor Selection; and Project Management.

His Client List included Xerox, Hoffman LaRoche, Related Companies, Macerich USA, Vornado, Tyco, Nielson USA, British Airways, Degussa, Tishman, Bovis Lend Lease and Booz Allen. Due to a successful long-term client relationship, he was retained by Xerox Corporation for a one-year assignment as outsourced Director of Global Claims reporting directly to the Director of Global Risk Management.

## About the Firm



Other positions include a Senior Claims Examiner, Construction Claim Account Manager and Excess Casualty examiner, all at American International Group (AIG). Gerry currently holds his NY Brokers License, NY Adjusters License, and Multi State Adjust Licenses. He also successfully completed OSHA 30 Safety and Health Training.



JOHN J. MCCARTHY

SAFETY MANAGER

**PRO SAFETY SERVICES, LLC**

20 Cedar Street / Suite 103 / New Rochelle, NY 10801

Phone: (914) 654-4870

Email: [prosafety@prosafetyllc.com](mailto:prosafety@prosafetyllc.com)

**RESUME:** John McCarthy is the President of Pro Safety Services, LLC. For 25 years he has provided safety services for clients in the construction, manufacturing, service, and healthcare industries, as well as for public sector organizations. He brings to Pro Safety Services practical proactive safety solutions to prevent injuries, accidents and incidents.

John has a broad range of experience that includes program development and implementation, identification of hazards and/or potential hazards, control of hazards, accident investigation, loss control, site-specific training, and OSHA consultations.

Relevant experience includes various DEP projects - Bowery Bay, Wards Island, Rockland County Utilities

Previously, John served as the Director of Loss Control Operations, Senior Safety and Health Consultant, and Corporate Safety Director/EEOC Officer for a major contracting firm in Yonkers, NY. He also worked for a major NYS workers' compensation safety management firm in New York City. In these roles, he was responsible for implementing and monitoring safety services for over 400 clients. He provided clients with technical assistance, OSHA training, subcontractor safety, HazMat communications, and field safety and on-site audits. John also has experience interacting with insurance company's loss control representatives.

# Experience

- **SOLID PUBLIC AGENCY EXPERIENCE**
- **OVER \$2.65 BILLION IN CONSTRUCTION VOLUME IN NJ**





## Wrap Up Experience

Since 2005, TSIB has placed, managed and provided risk management services on over 1,000 wrap-up projects with an aggregate construction volume in excess of \$40 billion. In excess of \$2.65 Billion of that construction volume was done in New Jersey alone. They range in size from interior renovation projects typically as small as \$5 million in volume, to large, single site projects in excess of \$1 Billion. Currently, we manage over 250 open wrap-up projects with 12,000+ active contracts.

Included below is a list of some of our more notable clients and their projects;

CLIENT/PROJECT NAME	CONSTRUCTION VALUE
New Jersey Schools Development Authority	\$528,000,000
Delaware River Port Authority	\$250,000,000
Sacramento Light Rail System	\$97,000,000
Yankee Stadium	\$972,403,754
U.S Capitol Dome Restoration Project	\$42,263,427
New Trenton Central High School	\$111,260,000
West Orange Redevelopment	\$78,000,000
Elizabeth – New Elementary School	\$42,556,800
Princeton University – Chemistry Building	\$286,875,355
Celgene – New Office Facility/Parking Deck	\$103,144,122
Forsyth County Justice Complex	\$53,846,497
Augusta Municipal Building	\$26,074,600
Jet Blue JFK Terminal	\$625,000,000



## Public Agency Experience



TSIB has a depth of knowledge working with public agencies directly and in partnership with other regional brokerage firms. These agencies include: Delaware River Port Authority, the New Jersey Schools Development Authority, the University of Maryland, Alameda County California, and Sacramento Rapid Transit System. As a result of these relationships, TSIB has provided a wide range of services to public agencies which include:

- Property & Casualty Program brokerage/renewal/management
- Claims Advocacy and management
- OCIP Brokerage and program administration
- Builders Risk brokerage and program management
- Owner Professional Protective Indemnity brokerage and program management
- Contracts review and consultation as respects to insurance

Included below is a snapshot of a few of our more recent public agency clients and their projects.

### 1) New Jersey Schools Development Authority (NJSDA)

32 East Front Street, Trenton NJ 08625

**Dates:** 2014 - Present

**Construction Value:** \$528 million in construction value

**Description of Services:** Master Builders Risk Program, Owner sponsored program (OCIP) and Owner Professional Protective Indemnity. Services include brokerage, administration, and claims management for a construction program of 40 projects.



The State of New Jersey  
Schools Development Authority

### 2) Delaware River Port Authority (DRPA)

One Port Center, 2 Riverside Drive, Camden NJ 08101-1949

**Dates:** 2012 - Present

**Construction Value:** \$300 million in construction value

**Description of Services:** Owner sponsored program (OCIP), scope including brokerage, multi-project administration, and claims management. TSIB services include brokerage, administration, and claims management for a construction program consisting of 20 separate projects with an estimated construction volume of \$300 million. Coverage placed includes General Liability, Excess Liability, Workers' Compensation, Railroad Protective, Contractor's Pollution, and Builders Risk.



## Firm Experience



### 3) Sacramento Light Rail System

1400 29<sup>th</sup> Street, Sacramento, CA

**Dates:** 2014 - Present

**Construction Value:** \$97 million in construction value

**Description of Services:** Owner sponsored program (OCIP). Services include brokerage, oversight of administration, and claims management for construction of a 4.3 mile extension to their existing light Rail system. The project also included 4 new rail stations and a parking structure.



## Statement of Qualifications

The combined service team of Turner Surety and Insurance Brokerage, Inc. and Pro Safety Services, LLC is fully capable of meeting the requested scope of work as outlined in Section 2 - Scope of Work of the Request for Proposal.

Our mutual strength and focused construction expertise provide the advantage and buying power to negotiate the most favorable terms on our clients' behalf. TSIB's team of insurance professionals has an average of 20 years of experience in the insurance and construction industries. Our extensive experience across a full spectrum of construction project types gives us in-depth understanding and proven abilities in three key areas - Risk Management Experience, Construction Knowledge, and Underwriting Expertise.

**Risk Management Experience:** We have extensive experience on the Buyer's side of construction insurance for both private clients and affiliated entities. This involves everything from program development and administration, to purchasing insurance for both Guaranteed Cost and Loss Sensitive programs, to implementation of administration, claims management, and safety oversight.

**Construction Knowledge:** Building proper Risk Management and Safety Controls in the OCIP requires an in-depth understanding of the construction process. Our team of construction professionals has built major projects across the country. Without that knowledge and experience, it is too easy to overlook key steps in setting up your program and incur costly losses during the project.

**Underwriting Expertise:** Our role, as a broker, is to present your risk in the most appropriate and advantageous manner to the insurer(s). Our team is comprised of individuals with extensive experience on the underwriting side of insurance and they know the questions and issues that will be raised. We also understand what underwriters are willing to offer in the ever-shifting marketplace.

# OCIP Development & Implementation

- SCHEDULE ORIENTED
- ATTENTION TO DETAIL
- CARING & COMPLETE SERVICE





## OCIP Development and Implementation

*Perform all investigation, planning and other activities required to develop an OCIP, including the preparation of an OCIP Plan Document to be adopted by the Passaic Valley Sewerage Commission. Perform all start up activities and administration of the OCIP in coordination with the appropriate PVSC staff.*

### MARKETING

Our goal is to bring you the most cost effective and flexible OCIP program that also provides the broadest coverage available in the marketplace. Once we assess the construction risk profile for the projects, we will put together a submission that details the specifics of these projects, expresses PVSC's goals, and express all the qualities of this program that would make it extremely attractive to the marketplace. Too often submissions in the industry are cookie cutter and do not express the owner's true goals and controls. The narrative should not just be about coverage and financial options, but should also express how the entire Risk Management team (PVSC, TSIB, and the Contractor) will help ensure best practices will be followed including safety, claims litigation and administrative controls. We will review the submission with PVCS before it goes out to market. We have attached a proposed **Marketing Schedule** in the **Supplemental Information** section which addresses what will be accomplished in the 1<sup>st</sup> 90 days of the OCIP.



**Communicating with Underwriters:** The importance of the insurance submission and follow-up underwriter meetings cannot be sufficiently emphasized. Success in marketing the insurance program depends on providing complete information to underwriters, answering their questions and addressing their concerns. Specific risk management plans for critical and/or high-risk activities should be developed and submitted, as well as prequalification standards for the subcontractors. This

interaction will help them understand and become more comfortable with the projects and the various exposures. It is also critical to set expectations of program parameters, pricing, coverage terms and conditions, and service requirements during the initial process. Open ended submissions too often fail to come close to expectations and start the negotiation process from a very weak position. During the marketing process, we will have multiple discussions and meetings with interested insurers. Updates to underwriting specifications will be provided to all interested parties. We also recommend a physical site meeting for insurer personnel and we have an open door policy for follow-on meetings and conference calls. We believe conducting a physical site inspection with the underwriters is a critical step in connecting them to the project. This is one of our best practices, as we have noticed we receive much greater interest and competition among the markets that attend site inspections.

The entire marketing and negotiation process typically takes anywhere from 30 to 90 days.

## OCIP Development and Implementation



At a minimum, we will consider the following criteria in selecting markets:

- Financial stability
- Competitive pricing and collateral requirements
- Recognized OCIP underwriting experience
- Experience in providing OCIPs to K-12 programs
- Flexible and imaginative approach to underwriting
- Broad coverage terms and enhancements
- Flexibility in manuscripting policy forms to address emerging exposures
- Experienced loss control professionals
- High service standards back-room administration capabilities
- Reinsurance program
- Commitment to the duration of the project and Senior management accessibility
- Claims Responsiveness and ability to implement our required claims protocols

**Qualified Insurers:** For PVSC's program, we do not recommend consideration of any insurer with a financial rating below AM Best A- VII. Due to the long tail nature of construction claims (e.g. workers compensation, construction defect, etc.), we strongly recommend implementation of programs with insurers rated A or better subject to significant differences in pricing and/or coverage terms.

### Primary Workers Compensation/General Liability OCIP and Excess OCIP

The markets for primary workers compensation/general liability OCIP and excess OCIP are very broad and consist primarily of highly rated major insurance companies. A list of these insurers, in no priority order, is as follows:

Insurer	AM Best Rating	Primary OCIP	Excess OCIP
AIG	A XV	Y	Y
Arch	A+ XV	Y	Y
AWAC	A XV		Y
AXIS	A+ XV		Y
Chubb	A++ XV	Y	Y
Endurance	A XV		Y
Everest	A+ XV		Y
Hartford	A+ XV	Y	
Liberty Mutual	A XV	Y	Y
Lloyds	N/A		Y
Old Republic	A+ XI	Y	
Starr Companies	A XV	Y	Y
Travelers	A+ XV	Y	Y
XL	A XV	Y	Y
Zurich	A XV	Y	Y

## OCIP Development and Implementation



TSIB will approach these markets as well though we recommend extreme caution and a high level of due diligence on new market entrants to understand operational structure, funding, and other potential negative impacts on long-term viability.

Current Market Conditions: The primary OCIP market is currently very aggressive in terms of both pricing and coverage terms and conditions, especially with preferred risks.

OCIP excess is stable with challenges only on the largest projects and programs (> \$1 billion construction value) in obtaining total capacity in excess of several hundred million dollars of limit. Terms and conditions are flexible with strong preference to follow form policies throughout entire towers of total insured limits.

### Conceptual Program Design

Based on our existing understanding of the scope of work for the PVSC program, TSIB recommends the following coverage and corresponding limits of liability be procured by PVSC:

WORKERS COMPENSATION/GENERAL LIABILITY/EXCESS LIABILITY OCIP	
<b>Workers Compensation</b>	Statutory Limits
<b>Employers Liability</b>	\$1,000,000
<b>General Liability</b>	\$2,000,000 Per Occurrence \$4,000,000 Aggregate \$4,000,000 Completed Operations
<b>Excess Liability</b>	\$100,000,000 Including TRIA Per Occurrence and in the Aggregate

*Each of the above would cover PVSC, the General Contractor, and subcontractors of all tiers.*

OCIP General Liability and Workers Compensation Deductible Options: Deductible options for PVSC's OCIP range from a minimum of approximately \$250,000 per occurrence up to \$1,000,000 per occurrence. It is our recommendation that PVSC consider options at \$250,000 and \$500,000 Per Occurrence, though we will also obtain indications for pricing at \$1,000,000 for comparative purposes.

## OCIP Development and Implementation



### PRIMARY GENERAL LIABILITY OCIP – DEDUCTIBLE OPTIONS

#1 - \$250,000 Per Occurrence	#2 - \$500,000 Per Occurrence
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### PRIMARY WORKERS COMPENSATION OCIP – DEDUCTIBLE OPTIONS

#1 - \$250,000 Per Occurrence	#2 - \$500,000 Per Occurrence
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A clash deductible is regularly included at an amount in excess of one occurrence deductible or typically 150% of a single deductible. The intent is to lessen the impact of a single event that triggers two deductibles and we strongly recommend obtaining this option.

The minimum option of \$250,000 per occurrence is an industry standard for an OCIP of this size. We would be challenged to identify many competitive options below this level though we can explore lower alternatives if of express interest to PVSC. It is also an effective starting point in terms of price competitiveness. Based on our Loss Rate analysis however it may prove financially beneficial for PVSC to explore the higher deductible option at \$500,000 or even \$1,000,000 depending on aggregate loss levels quoted in conjunction with the deductible and PVSC's capacity to post collateral. We will analyze all of the options and make a recommendation to PVSC as to which option we feel is best, based on the quotes received.

**Collateral Requirements:** OCIP insurers are ultimately responsible for payments under the deductible in the event that PVSC is unable to satisfy those obligations. They therefore backstop this obligation by requiring OCIP sponsors to post collateral. Collateral is required in the form of cash or irrevocable letter of credit, and potentially held by the insurer for many years after project completion to address any future liabilities. The total amount of collateral required, terms of release, financing and cash flow alternatives (if any), and interest rate on money held (if cash collateral) are all factors taken into consideration when comparing insurer options.

As respects collateral, the TSIB team will discuss cash versus collateral preferences with PVSC and drive collateral options and terms in the submission process. TSIB has found most Public Agencies opt for cash collateral and fully pre-fund the loss account at aggregate. This approach avoids the necessity to assume any debt obligations as would be the case in other collateral approaches.

**Coverage Terms and Conditions:** An OCIP's coverage terms and conditions can vary widely and it is critical that the most favorable policy language be obtained by PVSC. TSIB has a wealth of experience in designing comprehensive coverage specifications for OCIP's and the following tables outline the coverage and endorsements we would seek in developing the program.



## Examples of Key Coverage Concerns:

**Designated Site Language:** Definition of the “project site” can be quite narrow or needlessly vague in many standard OCIP endorsements. These can lead to coverage disputes particularly when an incident occurs in an ancillary area to the project. We will expand the definition of the “project site” to include ancillary areas and the interconnecting pathways. This clears up a potential coverage gap or dispute that would otherwise be present with unmodified language.

**General Liability J5 & J6 Language:** The standard ISO General Liability policy includes exclusions relating to “that particular part” of the work. The language is targeted at limiting coverage to damage to another party’s work, but it can be interpreted to mean all work in the case of a Prime Contractor or Owner. We modify the language to eliminate confusion and to ensure the general liability policy dovetails with the Builders’ Risk policy to close any potential coverage gaps.

**Workers Compensation Coverage Requirements:** The Workers’ Compensation program will be written on individual policies for each enrolled parties with coverage terms and conditions that apply to all parties. As part of the submission process, we will request amendment to 13 sections and endorsements to the industry standard coverage package as outlined below:

1. Designated Workplace Endorsement - (Manuscript)
2. Sole Agent Endorsement
3. Voluntary Compensation Endorsement - WC 00 03 11 A
4. Waiver of Subrogation Endorsement
5. Alternate Employer Endorsement - WC 00 03 01
6. United States Longshoremen's & Harbor Workers Act Coverage - WC 00 01 06 A (If any)
7. Maritime Coverage Endorsement - WC 00 02 01A (If any basis)
8. Stop-Gap Employer's Liability - WC 00 03 03 B
9. Unintentional Failure to Disclose - WC 99 03 55
10. 90-day Cancellation Provisions
11. Knowledge & Notice of Occurrence Endorsement

**General Liability Coverage Requirements:** Additional general liability preferred coverage recommendations are included below based on TSIB’s wealth of experience in designing comprehensive coverage specifications for OCIP’s.

1. Deductible options ranging from \$250,000 to \$1,000,000 per occurrence
2. Defense Costs provided in addition to policy limits
3. Punitive and/or exemplary damages - no exclusion will be added
4. No exclusions for flood, earthquake, landslide, earth movement or subsidence
5. Limits are Reinstated Annually (Completed Operations exempted)
6. Coverage is limited to designated projects

## OCIP Development and Implementation



7. Ten-year extension or applicable statute language for Completed Operations
8. Subcontractor policies to be e-mailed directly by insurer or provided via the RMIS
9. A separate "master" GL is to be issued
10. Minimum premium percentages reduced to as minimal a level as possibly

Additionally, we propose amendment to 24 sections and endorsements to the industry standard coverage package as outlined below:

1. Broad Form Named Insured
2. Assault & Battery Occurrence Definition End
3. Waiver of Transfer Rights of Recovery Against Others ISO (CG 24 04 10 93)
4. 90-Day Notice of Cancellation Provision
5. Sole Agent Endorsement
6. Knowledge & Notice of Occurrence Endorsement
7. Professional Liability Exclusion
8. Extended Property Damage
9. Property Damage to Insured's Work
10. Contractual Liability
11. Worldwide Coverage
12. Unintentional Errors and Omissions
13. Non-Owned Watercraft and Aircraft
14. Supervisory Personnel - Amendment of Fellow Employee Exclusion
15. Incidental Medical Malpractice
16. In Rem Coverage
17. Pollution Liability Exclusion
18. EIFS
19. Wrap-Up Endorsement
20. J(5)/J(6) Language
21. Additional Insured Endorsements Required
22. Additional Named Insured
23. Primary Non-Contributory
24. Occurrence Defined

Excess Liability Coverage Specification: Excess liability coverage of all tiers is to be required on a following form basis to the underlying primary OCIP program as described above.

### Other Coverage Considerations

**Builders Risk:** PVSC noted in the RFP that Builders Risk insurance for the projects or program would be a possible additional coverage. TSIB strongly recommends PVSC procure this coverage so that it can be coordinated and dove tailed with the elements of the general liability component of OCIP. Most OCIP insurers have even moved to specifically requiring evidence of the placement of Builders Risk insurance with prescribed coverage elements.



Additionally, based on our initial Risk Analysis there are coverage elements that we would strongly recommend for PVSC consideration specific to project exposures and parameters. Examples include contingencies for possible project delays/extension, incorporation of coverage specific to the extensive use of crane operations, coverage for potential power and utility disruptions related to utility relocation, and various others.

Owners Protective Professional Indemnity (OPPI): Additionally we recommend that PVSC authorize TSIB to develop a submission and obtain quotations for OPPI as a supplement to insurance required of design firms. This coverage is effectively excess professional liability coverage that sits on top of the professional liability already required of design and design-build firms. Coverage would be for PVSC only and does not add additional protection to the design firms themselves.

- Because the coverage requires that design professional carry their own basic layer of professional liability (\$1MM or \$2MM), this can be a very cost effective solution for PVSC to protect itself from catastrophic project design issues
- Coverage can be written in conjunction with contractors' pollution liability coverage to protect PVSC from contractors' pollution claims in addition

# OCIP Negotiation, Placement & Policy Management



- MARKET CLOUT
- SUBMISSION EXPERTS
- EXTENSIVE POLICY REVIEW



## OCIP Negotiation, Placement and Policy Management

- 1. The Broker shall analyze current coverage and loss experience and compare this to the alternatives in the marketplace that will save money while affording maximum protection.*
- 2. The Broker shall negotiate with the Insurer in good faith and represent all questions, issues, requests and concerns raised by the Commission and its representatives.*
- 3. The Broker shall determine and negotiate all possible financial benefits from the Insurer for the Commission's funding of the OCIP to maximum premium levels.*
- 4. The Broker shall regularly monitor and analyze the financial status of the Insurer and ascertain the Insurer's capability to continue to handle the OCIP.*
- 5. The Broker shall review all OCIP documentation, including but not limited to, insurance policies, insurer agreements, and insurance certificates, to make certain that all coverage set forth in the Proposal is, in fact, obtained, that all documentation reflects the intent of the Commission, and that all certificates and policies are issued in a timely manner.*

### Insurance Program Proposal and Negotiations:

Upon completion of the marketing phase, TSIB will prepare a detailed proposal for PVSC outlining the results of the marketing process (please reference the section on Offeror Experience and Capabilities). The proposal contains comprehensive packages that will clearly outline our recommendations and our reasoning. The following are some of the components of the proposal binder.

- Markets approached
- Markets responding
- A.M. Best ratings for each market
- Comparisons of coverage limits, deductibles, coverage terms, service commitments, collateral options, coverage enhancements
- Pricing rated as a percentage of construction volume
- TSIB's recommendations for program placement

We will meet with the PVSC Team and Consultants and review all the options for each program as they are marketed, and discuss strategies for final negotiations based on PVSC's input and any further changes that may be required. Our team will then perform final negotiations based on your input and any further changes that are required.

While the negotiation process sets pricing and parameters, it is the binder that confirms all of the agreed upon terms. The reason the binder is so important is that should a question arise about the program years later, it is the binder that is referenced for intent (overriding even the policy itself if there are questions about whether the policy accurately reflects the agreement). In our experience, there is no fault in making the binder as detailed as possible. We look to make certain everything is explained, from

## OCIP Negotiation, Placement & Policy Management



pricing and coverage (including actual copies of endorsements), to claims and safety services (including hours as appropriate), to underwriting and auditing services.

As an example, we will push the insurance carrier to agree on a turn-around time for policy production, usually 30 – 60 days for Liability policies and 60-90 days for Excess programs. Our team will scour the binder to ensure it accurately reflects the program that was negotiated with the insurance carrier. We make certain everything is explained and endorsements are provided, then provide you a copy of all policy binders, policies, and a Schedule of Insurance outlining all policies, carriers, limits, policy periods, deductibles, etc.

**Program Guide:** TSIB will also prepare and maintain an OCIP Program Guide containing all insurance binding documents, policy drafts and final forms, manuals, agreements, financial models, and all other relevant program details. This can be in either hard copy or electronic format.

This summary of documents serves as a single source location for all items related to the OCIP and will assist PVSC as an encompassing encapsulation of all program parameters both during construction as well after program completion should any questions arise at later dates.

As stated above, we will look to have the insurance carriers produce policies for all coverage lines within a reasonable period. We will also review all policies for accuracy and request endorsements and corrections as needed. It is not uncommon for insurance carriers to make mistakes on these individual policies. Any areas of concern or opportunities for coverage improvement will be identified by our team and reviewed with PVSC.

In total our policy and placement services will include:

- ✓ Prepare and distribute insurance certificates as requested by PVSC;
- ✓ Verify the accuracy of all rates and premiums charged;
- ✓ Ensure all payroll audits are completed on a timely basis;
- ✓ Facilitate, review, and approve premium audits and other premium adjustments and review and approve the accuracy of any resulting invoices;
- ✓ Promptly submit originals of all program documents, policies, and endorsements to PVSC;
- ✓ Obtain answers to policy coverage questions from underwriters;
- ✓ Provide prompt and accurate answers to coverage questions to PVSC and enrolled contractors;
- ✓ Follow-up with OCIP carrier to ensure its timely filing of required workers' compensation filings.

**Start of Orientations:** Once everything is bound, we will schedule orientations both with PVSC staff and GC's and any other identified contractors. This orientation will be performed to make sure all stake holders understand their roles and responsibilities, as well as understand the OCIP schedules, key time lines, and annual stewardships. Please note we will conduct orientations at the start of every project so that every GC and identified contractors are aware of the OCIP responsibilities.



### OCIP PROGRAM ADMINISTRATION

On completion of marketing and PVSC acceptance of the insurance program (and corresponding risk management processes), TSIB will work with the PVSC and General Contractor project teams to prepare an OCIP Manual providing the following information to all participants:

- Description of coverages provided under the OCIP
- Deductibles/Claim Penalties (if desired)
- Definitions
- Roles and responsibilities of the participants
- Requirements for participant certificates of insurance
- Instructions for Web Portal enrollment process
- Description of insurance credit verification process
- Description of insurance credit reconciliation process at project close-out (Optional item to be discussed with PVSC)
- Description of process for submitting insurance cost documentation and Monthly Payroll Data on the Web Portal
- Audit rights to review records for compliance with reporting criteria
- Claims reporting forms and procedures
- Contract information for OCIP administration, Enrollment, and Claims handling



The OCIP Manual will be compared by the TSIB Service Team to any prior contractual agreements with recommendations for addenda (if any). Should the OCIP Manual and any other risk management program parameters (e.g. Claims Manual, OCIP Safety Program) be required in advance of final program binding, general descriptions can be drafted providing a general outline for utilization in the program marketing and with final documentation to follow. Our team will then assist in making any necessary changes and updates to other related documentation including bid specifications, entitlement language, prime contract/subcontracts and any other documents necessary to inform, implement and service the OCIP program.

A key issue for consideration is the savings that result from contractors pulling their workers compensation, general liability and excess liability insurance costs out of their bids. In the Net Bid methodology indicated in the RFP and Answers to Questions, TSIB will require participants to complete an insurance cost worksheet identifying the cost for coverage under their own corporate program as if there was no OCIP. We will verify these costs and record all data and forms in the RMIS system. We will also follow-up for any missing information or rating data until the Form 2 is fully verified. All cost data in the system is available in various reporting formats to PVSC.

## OCIP Negotiation, Placement & Policy Management



Related to the removal of contractor insurance costs from a financial perspective, is the shared responsibility for insured claims under the OCIP in the form of pass-through deductibles and or penalties.

Penalties / Deductibles: All but the infrequent guaranteed cost OCIPs have deductibles that are the Owner's responsibility and during OCIP development there needs to be discussion about assessing these back to the responsible contractor (workers compensation excluded). When passed through, it can serve as a financial incentive for all participating contractors to participate in project safety and QA/QC programs. Large prime contractors typically have their own large deductible programs and are more capable of absorbing all or some portion of a passed-on OCIP deductible. The case is not the same with smaller trade contractors that have small deductible or guaranteed cost programs. Further, if the OCIP passes on a deductible the bidding contractors, our experience has shown, will add to their price the deductible times the number of instances they think it may be applied. This results in passing the deductible back within the price of the bid to the owner. We understand that the RFP has requested that we work with PVSC to process deductibles and we are prepared to do that. We simply advise that there may need to be additional discussion the process and tracking procedures.

As an alternative, we support the use of reasonable penalties charged to the negligent party as encouragement to avoid incidents. We also recommend that any funds recovered as penalties be re-invested in a site safety incentive program. There are two benefits to this approach:

1. If penalties are assessed to one contractor, the others take notice and strive to avoid situations where a penalty may be assessed.
2. Re-investing in a safety incentive program benefits the project through the incentive and it eliminates the need to set aside Owner funds to run the program.

Our typical recommendations for penalties are as follows:

1. \$5,000 for late reporting of any accident or injury (more than 24 hours late)
2. \$5,000 for any GL claim – Most contractors have some deductible under their own program that they would be responsible for. This penalty recognizes this, contractors usually do not factor this into a bid, and it encourages participants to avoid filing small nuisance claims. We also recommend these be assessed at PVSC's sole discretion. There may be situations where it would be punitive to assess a penalty. For example, you would probably not assess a \$5,000 penalty if a GL claim were paid out at \$1,500.

### **Enrollment**

It is vital to have the contracting community engaged in the requirements of the OCIP Program for it to run smoothly. TSIB goes to great measures to respond quickly and assist all parties with understanding their requirements, educate them on the process and forms, and answer any questions that may arise. Because of our complete and caring service, our service team has built very good rapport with the

## OCIP Negotiation, Placement & Policy Management



contractors on each of our clients' projects. We understand the importance of ensuring timely enrollment of any organization that is to participate in the OCIP. Upon notification of award (NOA), we will initiate the enrollment process up to six weeks before anticipated start date and we will continue weekly/daily follow-ups until forms are obtained. When a Web Portal enrollment is completed, we will process the form and produce a Welcome Letter along with the OCIP certificate of insurance (COI). If the enrollment is incomplete, we will contact the participant and request the necessary information that is needed to complete the enrollment. TSIB will also provide COIs and endorsements to third parties as required.

The TSIB OCIP enrollment process flow is noted below:

1. Receive notification of contract award (NOA) from Prime Contractor
2. Process data received into RMIS system:
  - a. If complete all data required for enrollment is entered into the Web Portal, the enrollment will be processed and once accepted by the insurer, a Welcome Letter with OCIP COI will be issued.
  - b. If the enrollment data is incomplete we will contact the participant and request the information that is needed for enrollment.

TSIB maintains a suspense system to be sure that all enrollments and associated documentation are received. All calls, emails, and other efforts to obtain required information are documented in the contractor file, as well as entered as comments in our system.

TSIB will distribute weekly and monthly enrollment status reports to PVSC, prime contractors, and any interested stakeholder. Each status report identifies not only the enrollment status of each contractor, but also any delinquent work items. In this respect, the distributed reports are an important tool in keeping the TSIB service team accountable to PVSC and the project team. In addition, we will work with the prime contractors and their respective Safety Managers to ensure they continually remind their trade contractors during their weekly superintendent's meeting to let them know if they are bringing on new subs. Each prime contractor must act as the "gate keeper" as they ultimately are in control of the project site. They can verify during the meeting if the new subcontractors are enrolled by looking at the project snapshot report distributed to them on a weekly basis, or through real time access to the RMIS system.

**Enrollment Eligibility:** Generally, all construction trades except structural demolition, blasting, and hazardous materials abatement are eligible to participate in an OCIP provided they have actual on-site exposure. In structuring an OCIP, TSIB typically recommends the following:

1. Hazardous materials remediation, removal and/or transport companies and their consultants
2. Any Subcontractor performing Structural Demolition (Structural Demolition is the moving or relocating of load bearing beams, columns, or walls)
3. Architects, engineers, soil testing engineers, surveyors, and their consultants

## OCIP Negotiation, Placement & Policy Management



4. Vendors, suppliers, fabricators, material dealers, truckers, haulers, drivers and others who merely transport, pickup, deliver, or carry materials, personnel, parts or equipment or any other items or persons to or from the Project Site
5. Subcontractors and any of their respective Sub-subcontractors, who do not perform any actual labor on the Project Site
6. Building implosion Subcontractors including Subcontractors of any tier involved with blasting or the use of explosives
7. Any other Subcontractor of any tier, which Sponsor, at its sole discretion seeks to exclude from enrollment

### **Payroll Tracking**

All enrolled contractors are trained on and encouraged to use the online payroll reporting capabilities of the RMIS. Once they start using this system, delinquency reporting rates are significantly less than for manual reporting reducing follow up and frictional administration on the project team. Contractors that prefer to report manually (mailing, emailing, faxing) are still able to do so at their preference.

### **Certificates of Insurance**

TSIB will develop a Contactor Certificate Insurance & Additional Insured compliance matrix for the project based on the project's contractual requirements. The matrix will include at a minimum:

- Anticipated deviations from the requirements;
- What deviations are acceptable, under what circumstances;
- What deviations are unacceptable; and
- How unacceptable deviations are handled.

All participant off-site certificates as well as excluded party certificates will be reviewed against the project COI compliance matrix and recorded in the RMIS system. Any certificate found to be deficient will be flagged and the contractor will be contacted so that the issue may be resolved. Certificate compliance is readily available through the RMIS system on a real-time basis, and reports can be sent to project staff as well on a weekly basis.

### **Stewardship Reports**

We will provide monthly, quarterly, and annual reports of critical information with as much detail as you prefer, including: Timelines; Open Items and Responsibilities; Loss Experience and claim reserves; OCIP Enrollment schedules; Any existing or anticipated problems or challenges; Accomplishments. We anticipate providing reports as follows:



## OCIP Negotiation, Placement & Policy Management



### ***Weekly Reports***

- a. OCIP Enrollment and Compliance Snap-shot report

### ***2. Monthly Reports***

- a. Claim Loss Information
- b. Non-compliance Reports
- c. Rosters of enrolled and non-enrolled contractors
- d. Compliance exception report

### ***3. Quarterly Reports and Meetings***

- a. Claim Reviews
- b. Operating and Financial Status of the OCIP

### ***4. Annual and/or Project Close***

- a. Annual Stewardship Report
- b. Summary of past activities and action plans
- c. Operating and Financial Status of the OCIP
- d. Final OCIP Project Financial Status Report
- e. Project Close-out Report

### **Audit Assist**

TSIB's RMIS allows for the electronic transfer of payroll information to insurers. This greatly facilitates the audit process and results in a streamlined process. For that percentage of contractors selected for audit, TSIB will assist as needed in order to expedite the process and eliminate unnecessary delays.

### **Training**

We understand that not all clients or contractors understand all the aspects of how to operate a successful OCIP program. TSIB has experience with a number of clients that are engaging in an OCIP for the first time. We go the extra step to make sure you and your operational staff understand all aspects of the OCIP process. We have trained all levels of our clients operations from risk management, procurement, operations and Sr. management staff. We have hands on presentations to get all your questions, concerns and procedures addressed and answered. We have found that this training helps bring clarity to issues, processes and decisions and is very well received by our clients.

Specific training on the procedural portions of the program takes place in combination through effective OCIP documentation (e.g. bid documents, OCIP Manual, etc.) and participation in key meetings at the beginning of the program (i.e. pre-bid, pre-construction). We also recommend a separate specific kick-off meeting with the PVSC project team and general contractor only to discuss any undefined or potentially contentious items prior to full implementation.

Similarly the claims reporting and oversight process is addressed in combination through program documents and key meeting presentations. The OCIP Safety Manager as well as project safety representatives on site are also individually trained in this area.

## OCIP Negotiation, Placement & Policy Management



OCIP Safety Training is more continuous and includes the above plus monthly site visits and training (or recommendations for training) based on activity specific observations and loss trends.

Other topic specific training performed by our Service Team includes WrapWorks RMIS utilization, Notice of Completion, and Project Close Out at various stages throughout implementation.

### **Policy Distribution:**

Each enrolled contractor is provided with their own workers' compensation policy as a result of OCIP enrollment. A certificate evidencing this coverage as well as general and excess liability are also issued at enrollment acceptance. The issuance of workers' compensation policy numbers can vary by insurer and will be further vetted during the marketing and negotiation processes of OCIP brokerage.

### **CLOSEOUT**

An efficient and effective closeout strategy is not only critical to successfully completing the OCIP, but is appreciated by all stakeholders trying to close down their project operations. As with the construction project itself, the OCIP closeout can start when early trades complete their work on the project. As contractors of any tier complete their work on the project, they will send in a "Notice of Completion" to our team.

#### **1. Notice of Completion**

Notice of Completion forms from first tier subcontractors will be transmitted to the prime contractors for approval and verification of completion of work. No first tier enrolled parties will be closed out without verification that all sub-tiers working under them have completed all their work on-site.

#### **2. OCIP Termination**

At the time of policy termination and project closeout, TSIB will issue termination letters to all enrolled contractors advising them of the end of the OCIP. The termination letters will also stipulate that any additional work required after the OCIP termination date will be performed under their corporate insurance program. We also require a certificate of insurance with appropriate additional insured endorsement. A sample certificate of insurance evidencing specified limits will be included with the letter. Depending on state regulations regarding lead times, we will issue the termination letters no later than that statute indicates, allowing for proper notice to the contractor.

#### **3. Closeout Report:**

In many ways, we begin the closeout process as soon as we begin enrolling subcontractors. We will consistently review and communicate with subs to make sure their paperwork is compliant and up to date. We will also hold annual stewardship meetings so everyone can be kept abreast of any changing schedule, controls or programs.

## OCIP Negotiation, Placement & Policy Management



On a project by project basis, we will prepare a closeout report for the PVSC to documenting the status of every enrolled contractor including payrolls, insurance verifications and certificates. In addition, as we approach closing out the entire program we will prepare a report that highlights the successes, challenges and any pertinent financial data. We will conduct a final project closeout meeting to review the report and offer strategy for the upcoming completed operations period. Below are some of the areas we will cover in our closeout report.

- a. Bid Deducts / Project Savings**
- b. Outstanding Claims and Strategy to Resolve Going Forward**
- c. Claim Reserves**
- d. Warranty Work/ Statue of Repose – Insurance Requirements**
- e. Insurance Carrier Audit schedule and expected outcomes**
- f. Record Retention**

Of course, during the entire closeout process we will be communicating with all stakeholders on a regular basis to keep everyone updated on financial and risk closeout action items. Our team firmly believes our “hands on” approach and proactive communication style will enable the OCIP to close down in a timely, efficient and professional manner.

## Safety & Loss Prevention

- LOCAL PRESENCE & EXPERTISE
- FULL SERVICE CAPABILITIES
- ABILITY TO TAILOR A PROGRAM TO YOUR NEEDS





## Supplemental Safety and Loss Prevention/Risk Engineering

- 1. The Broker shall participate in the safety and loss prevention program, in accordance with the PVSC Safety Manual, in concert with the Insurer, in implementing, coordinating, and enforcing all aspects of the safety program.*
- 2. The Broker shall provide loss analysis to assist in directing safety efforts*
- 3. The Broker shall communicate any emerging loss prevention/risk engineering issues.*

### SAFETY AND LOSS CONTROL SERVICES



The level of safety and loss control support resources will be evaluated based on PVSC's requirements of the General Contractor, safety program parameters from both PVSC and General Contractor, and the levels of safety management provided by PVSC, the General Contractor, and each prime contractor.

TSIB has selected **Pro Safety Services, LLC** as our partner to provide the Safety



and Loss Control component of the scope of services for the PVSC OCIP. Pro Safety Services, LLC is an all-inclusive safety management company providing safety services to general industry, manufacturing and construction since 1998. The Pro Safety staff includes Certified Safety Professionals, a Certified Industrial Hygienist, Site Safety Managers, Site

Safety Coordinators, Construction Safety and Health Technicians and OSHA trainers. Relevant experience includes various DEP projects, such as Bowery Bay, Wards Island and Rockland County Utilities.

TSIB and Pro Safety Services will also assist PVSC in developing "Best Practices" for project safety. Some examples include:

#### ***Safety "Best Practices":***

- ✓ Project Safety Committee
- ✓ *Nothing Hits the Ground*
- ✓ Handrails At Any Height
- ✓ *Ladders Last*
- ✓ Full time Material Manager On Project



- ✓ 100% Glove Program
- ✓ Implement Predictive Solutions system for safety inspections
- ✓ Weekly Safety Training for Contractor Staff
- ✓ Strict worker removal program for violations of our safety program
- ✓ Principal meetings after every incident
- ✓ Project clean up every night
- ✓ Stretch and Flex program
- ✓ Worker sign off (no injury) every Friday or Monday morning for week prior

Our Pro Safety Services professional will begin by developing relationships with the PVSC project team and General Contractor in order to build a climate of cooperation and understanding. They will also review the project specific safety plan completed by the general contractor on the project to gain an overall assessment of the project safety goals and commitment. We will develop an OCIP loss control manual that communicates PVSC's intent and commitment to the project safety, and outlines specific requirements and expectations for the administration of the safety program. We believe this will help with "buy-in" of the safety program by the contractors and workforce. Our representative's visits to the project site would be both announced and unannounced and would consist of site safety assessment, records audit, and attendance at meetings to validate compliance with the OCIP requirements.

Our Safety personnel can perform the following specific functions with support as needed from the Service Team:

**Pre-Construction Safety Meetings:**

These are formal meetings with all prime contractors prior to commencement of work and would include reviewing the scope of work, Site Specific Safety Program, and their Code of Safe Practices (COSP). This is also a key time to review the OCIP loss control manual with contractors to discuss specific requirements for their scope of work.



**Job Hazard and Activity Hazard Assessments:**

Sample reviews of Job Hazard Analysis (JHA) process with contractors for expected hazards associated with contractor's scope of work. Contractors would perform daily Activity Hazard Analysis (AHA) that addresses specific safety concerns of the day's activities to enhance their ability to identify and control risk to the workforce.

**Training:**

The OCIP Safety Manager can validate that training is accomplished by contractors in accordance with federal and state requirements, and will assist in providing material as needed.



TSIB recommends implementation of a quarterly safety committee meeting from project start to set the tone for safety expectations and to reinforce all requirements.

In an effort to continually monitor project safety, a safety assessment shall be conducted and documented on a monthly basis. During OCIP site visits the assessment will be conducted with the cooperation and assistance of the General Contractor with the goal not to point fingers but to identify and correct activities that do not comply with the project safety programs.

As part of the site visit and reporting process, loss runs and incident reports will be continuously reviewed and analyzed with recommendations for improvement made as a result.

### **Crisis Management Planning:**

No one expects a true crisis on a project, but it can happen and it is critical to be prepared. Events such as large liability claims, design mistakes, accidents, community turmoil, and exposing environmental hazards can result in serious injury and loss of life. These incidents can also create significant negative community response and media attention. In these situations, having a well-developed and rehearsed crisis management plan, with variations of the plan to cover any emergency you may encounter is part of a proactive and responsible OCIP design.



Crisis management planning is a complex subject that requires a multi-disciplinary approach. It means having a plan in place, and having identified who will do what, and having practiced the plan. The plan itself must ensure that the people running the construction operations have the tools to get the crisis under control as quickly as possible to minimize the potential for any damage. Each crisis plan build upon the same blocks, but is unique and defined by the risks associated with that particular geographic region, project, and site. Business decisions made with respect to risks to be retained and risks to be insured should be considered in developing every crisis management plan. With such planning and preparation, we can significantly minimize the impact of any crisis.

Key issues to consider and address in the Crisis Management Plan include:

- Crisis Communications Plan (including who should be contacted and when)
- Fatalities and Serious Injuries
- Terrorist Threats / bomb threats / Active Shooter scenarios
- Labor Disputes
- Media Management (who is authorized to address the media?)
- Fire/Explosion Response

## Supplemental Safety & Loss Prevention/Risk Management



- Environmental Crisis
- Specific Severe Weather Event Response
- Workplace Violence
- Structure Collapse/Failure
- Responsibilities of the Construction Manager, General Contractor, Sub-contractors
- What is considered a crisis or emergency?

The Crisis Management Plan we will develop provides an outline of actions to be taken in order to prepare for a crisis and a response plan in the event of a crisis. The plan would define the action steps necessary and the responsibility assigned for such actions. It is intended to provide direction to Construction management teams. Obviously, we hope a crisis management plan is never needed at PVSC, but we also feel it is very important to be safe and prepared.

# Claims Handling

- PERSONAL ATTENTION
- CLAIMS ADVOCACY
- COMMITMENT TO BEST PRACTICES





## Claims Handling / Management Services

- 1. The Broker shall closely monitor all OCIP claims to ensure that such claims are handled promptly and properly. The broker shall manage all claims to their conclusion.*
- 2. The Broker shall ascertain the Insurer's managed care options and enhance those options as necessary to provide each claimant with detailed procedures to follow, the best care, and fastest return to work.*
- 3. The Broker shall develop, structure, and implement a detailed methodology for interacting with the Insurer regarding handling of OCIP claims.*
- 4. The Broker shall manage, monitor and report all excess insurance claims*
- 5. For all OCIP claims, the Broker shall conduct regular claims reviews and produce corresponding reports.*

### CLAIMS MANAGEMENT SERVICES

To assist with the overall process, each insurance company will be required during the marketing phase to outline their claims capabilities, be evaluated on those services, and will need to provide the ability to respond to critical claims on a 24/7 basis.

In addition, we will work with PVSC to establish required claim-handling protocols in the marketing submission. We will work with you to establish the appropriate Special Service instructions for claims handling with the Insurance carrier. These will include the claim reporting, adjuster investigation, notifications to PVSC, reserve setting and claim review protocols.

The insurance carrier as part of their packaged services will be providing comprehensive claims management service. Typically, carriers will not unbundle services such as selecting medical provider networks or field case management unless the Owner is sponsoring a program through an Owner Controlled Captive. The rationale behind this is that the insurance carriers are ultimately responsible for paying all claims regardless of Owner retentions and as such, they wish to maintain full control of the process. Accordingly, TSIB would include in our submission specifications requirements of the carriers claims management team such as the following:

- Implementation of Medical Provider Networks and fee discount targets
- Implementation of both Telephonic and Field Case Management
- Dedicated Medical Bill review team
- Implementation of a prescription drug discount program/service

At TSIB we believe in claims advocacy and management, not simply claims monitoring. Our goal is to provide efficient and effective claims services to PVSC and the project team. We will provide a Claims



## Claims Handling / Management Services



Management Procedures Manual to assist contractors with immediate reporting of all OCIP insured accidents or incidents to designated personnel, as well as providing an overview of the total claim management process and requirements. This will include an outline of closest medical facilities and notification to those facilities of the project and insurance programs in advance of project start.

Regular thorough claim reviews and proactive claim monitoring are also a key component of our program. The following services will be provided:

<b>1. Claim Review and Tracking: As a claim is reported, the Claims Manager will individually review each claim that has been reported</b>
<b>2. Appropriate action to follow up with carrier for efficient processing and assessment</b>
<b>3. Thorough investigation of all claims</b>
<b>4. Verification that it does apply under the OCIP</b>
<b>5. Assess coverage applicability and exclusions</b>
<b>6. Confirm allocation to proper project and contractor</b>
<b>7. Timely assignment of adjuster and claims contact</b>
<b>8. Notification requirements for reserve setting and claim settlements</b>
<b>9. Establishment of a litigation management plan</b>
<b>10. Require approval for reserve increases above \$25,000</b>
<b>11. Establish settlement authorization limits for the carrier</b>
<b>12. Mediation: including procedures and process for using mediation in lieu of litigation</b>

Claims data will be entered into the RMIS and tracked accordingly. PVSC can receive at their preference claims reports from WrapWorks, the insurer(s), or both in a form mutually agreed upon.

On a quarterly basis (unless requested more frequently by PVSC or necessitated by claims activity), the Claims Manager will participate in meetings with PVSC to review the overall claims performance of the OCIP program and discuss any specific items of concern. This will include the review of individual claims and corresponding coverage questions, a distribution and review of loss runs, assistance in the mediation of any disputed claims with the carrier, and assistance with any potential subrogation and recovery for those losses under the State retentions or deductibles.

Gerry Richardson, TSIB's Claim Director, will work with the Safety Representative to monitor loss runs, will identify developing issues or patterns concerning specific tasks or contractors, and will make recommendations for corrective actions. Corrective recommendations will be reported, tracked, and monitored for successful implementation.

As requested in section 3-6 d. of the RFP, TSIB will establish a system whereby deductibles are calculated for the enrolled participants. We would recommend that this process be discussed further prior to project start. Our experience has shown that the contractor community will try to increase their bids

## Claims Handling / Management Services



during the procurement process if they know they have to account for deductible claims which could potentially cost the project more money.

To illustrate TSIB's proactive claims handling/management services, here is an example from our client, Delaware River Port Authority (DRPA). DRPA completed due diligence in compiling records for missing payrolls for the 2008-2014 OCIP audit. Through coordination and analysis, the TSIB team was able to lower payroll estimates from \$14MM to \$2MM (\$12MM in exposure reduction). The preliminary estimate in savings to DRPA is \$500,000. DRPA was extremely appreciative for the TSIB team's efforts.

# Meetings

- UPFRONT TRAINING FOR RISK MANAGEMENT TEAM & OPERATIONS
- QUARTERLY CLAIMS, SAFETY, OCIP OPERATIONS MEETING
- ANNUAL STEWARDSHIP MEETING



## Meetings



## Meetings

- 1. The Broker shall plan, schedule and conduct all meetings necessary to develop, implement and administer the PVSC OCIP, including but not limited to monthly Commission Meetings, meetings with appropriate insurance carriers, contractors, subcontractors and plant staff.***



During the initial stages of OCIP implementation, our team will meet with the construction team to describe the OCIP, OCIP Safety Program, and OCIP Claims Processes at minimum. The preferred venue for distributing this information is at the pre-bid and pre-construction meetings. The Account Management and Safety Management members will participate in these meetings unless otherwise requested by PVSC.

After the insurance is placed and the administration is under way, we anticipate meeting with the Project Team on a quarterly basis. These meetings should include the appropriate Owner staff, TSIB Project Team, Insurance Carrier, and other parties as appropriate. At these meetings, we will provide an overview of noteworthy events and developments, including claims statistics with specific claim descriptions where appropriate; carrier loss control activities, successes, areas for improvement; OCIP administration updates, including new enrollments, any problems or questions; financial information, insurance/bid credits; any notable developments or information related to the insurance placements; other details as applicable. In addition, our team is of course available on an ad hoc basis for any meetings or presentations required by PVSC.

Based on the various stages of the projects, the meeting schedule would consist of:

PHASE	MEETING TYPES
<b>Pre-Construction/Marketing</b>	Contractor Orientations, Carrier negotiations
<b>Binding/Orientation</b>	Financial, Evaluation of Carrier's process
<b>Operation</b>	Claims and Safety management at work site
<b>Stewardship</b>	Financial, Administrative, closeout coordination

We have attached a proposed **Meeting Schedule** in the **Supplemental Information** section.

## Supplemental Information



## Passaic Valley Sewerage Commission OCIP MARKETING Schedule

Anticipated Marketing Schedule for PVSC over a three month period

### Insurance Marketing/Preconstruction Phase

Marketing Schedule below includes all insurance activities leading up to project start date

#### Pre-Construction/Insurance Marketing Activities

Month 1 - PVSC/TSIB Pre-Proposal Planning	Month 2 - Pricing/Negotiations	Month 3 - Binding/Manual Coordination	Month 4 - Orientations
Confirming PVSC goals & options (1)	Underwriter and Carrier Meetings. Include Underwriter Visits to Project Site (7)	Claims Manual (11)	Policy Confirmation (14)
	Confirm payment schedules (9)	OCIP Manual (12)	
Review of all existing PVSC Property Policies (2)	Bind Program (10)	Crisis Management Coordination (13)	
Exposure Schematics, Volume Trade and Payroll (3)	Insurance Quote Review and Final Negotiations (8)		
Report Confirmation (4)			
Coordinating all legal documents (5)			
Market Review and Submission to Markets (6)			

Insurance Marketing Activities	Definitions
1) Confirming PVSC goals & options	Discuss with PVSC insurance goals and options available
2) Review existing PVSC Property Policies	Review existing property policies to confirm coordination with Builders Risk and Liability Policies
3) Estimated Exposure/Schematics	Collect project schematics include exposures, trades and payroll estimates
4) Review Existing PVSC Property Policies	Review reporting options for administration, claims and finance
5) Coordinate all Legal Documents	Review and coordinate legal documents including contracts
6) Market Review and Submission to Markets	Full Submission information included all exposures and controls
7) Underwriter/Carrier Meetings	Open Q & A meetings with PVSC and the carriers and carrier visits to the project site
8) Quote Review/Negotiations	Review Insurance Quotes and engage in Negotiations with PVSC
9) Payment Schedules	Review payment schedules with PVSC
10) Bind Program	Full Binder Review of Negotiated Terms
11) Claims Manual	Produce Final Claims Manual and confirm Medical treatment facilities with PVSC
12) OCIP Manual	Produce Final OCIP Manual that can be used in all contracts
13) Crisis Management Coordination	Crisis Management Coordination including Contractor, Insurance Carrier, Legal and Owner
14) Policy Confirmation	Review and confirm Insurance Policy Production
15) Contractor Orientations	TSIB begins Subcontractor Orientations as they receive awards and arrive on-site

## Passaic Valley Sewerage Commission OCIP Insurance Management Meeting Schedule

### Years One - Four Insurance Construction Schedule

#### Construction Years One - Four Anticipated Construction Completion 2022

Month	1-Jan	1-Feb	1-Mar	1-Apr	1-May	1-Jun	1-Jul	1-Aug	1-Sep	1-Oct	1-Nov	1-Dec
Activities	Orientations	Orientation	Claims Review		Admin Report Review	Claims Review		Admin Report Review	Claims Review		Admin Report Review	Claims Review
		Report Review	Safety Review			Safety Review			Safety Review			Safety Review
			Financial			Financial Review			Financial Review			Financial Review
			Administrative									
Report Supplements	Orientation Policies Administrative	Orientation Administrative	Claim Safety Financial Administrative		Administrative	Claim Safety Financial Administrative		Administrative	Claim Safety Financial Administrative		Administrative	Claim Safety Financial Administrative
Meeting Type	Face to Face	Telephone Face to Face	Face to Face		Telephone	Face to Face		Telephone	Face to Face		Telephone	Face to Face
People Required	Contractors	PVSC RM	PVSC RM PVSC Finance Construction		PVSC RM	PVSC RM PVSC Finance Construction		PVSC RM	PVSC RM PVSC Finance Construction		PVSC RM	PVSC RM PVSC Finance Construction

TSIB/PVSC Activity	
Monthly	Initially Contractor Orientations. After that meetings will cover general updates on Contractor activities including Enrollment, COI's, payrolls, insurance credits, etc.
Quarterly	In-depth review of the OCIP claims, evaluation of the Insurance Carrier's process, Finance Review, Claims & Safety Management at the Project Site, and review of Administrative Reports.

# Passaic Valley Sewerage Commission OCIP Insurance Management Meeting Schedule

## Year Five Insurance Construction Schedule

Construction Year Five - Anticipated Construction Completion Fall 2022

ANTICIPATED PROJECT CLOSING

Month	1-Jan	1-Feb	1-Mar	1-Apr	1-May	1-Jun	1-Jul	1-Aug	1-Sep	1-Oct	1-Nov
Activities		Admin Report Review	Claims Review		Admin Report Review	Closeout Coordination		Admin Report Review	Closeout Coordination	Closeout Coordination	Closeout Coordination
			Safety Review								
			Financial								
Report Supplements			Claim		Administrative	Claim Safety Financial Closeout Documents		Administrative	Claim Safety Financial Administrative Closeout Documents	Claim Safety Financial Administrative Closeout Documents	Claim Safety Financial Administrative Closeout Documents
			Safety								
			Financial								
Meeting Type			Face to Face		Telephone	Face to Face		Telephone	Face to Face	Face to Face	Face to Face
People Required			PVSC RM PVSC Finance Construction		PVSC RM	PVSC RM PVSC Finance Construction		PVSC RM	PVSC RM PVSC Finance Construction	PVSC RM PVSC Finance Construction	PVSC RM PVSC Finance Construction

TSIB/PVSC Activity	
Monthly	General Updates on Contractor Activities including Enrollment, COI's, payrolls, insurance credits, etc.
Quarterly	In-depth review of the OCIP claims, evaluation of the Insurance Carrier's process, Finance Review, Claims & Safety Management at the Project Site, and review of Administrative Reports.
Closeout Meetings	Closeout is a longer process and should start no later than 6 months ahead of project close. Consistent attention paid to contractor payrolls and change orders. As you get closer to project close, there should be monthly communication between all parties to make sure the project can close out cleanly and efficiently.

## Passaic Valley Sewerage Commission OCIP Insurance Post Construction Management Meeting Schedule

### Ten Year Post Construction period

Month	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
PVSC Activities	Claims Review	Claims Review	Claims Review	Claims Review
Report Supplements	Claims Report	Claims Report	Claims Report	Claims Report
Meeting Type	Face to Face/Telephone	Face to Face/Telephone	Face to Face/Telephone	Face to Face/Telephone
People Required	PVSC RM	PVSC RM	PVSC RM	PVSC RM

After construction ends, and audits are finalized, we need to maintain our due diligence on claims, both from a reporting standpoint, as well as managing open claims and helping to drive them to closure.

Note our focus on continued meetings, either face to face, or over the telephone depending on the status of claims.

TSIB/PVSC Activity	Definitions
Claims Review	TSIB to report claim details to PVSC - incurred, frequency, etc.
	Meetings will be Face to Face or by Telephone depending on circumstances
	Focus will be on closing out claims as quickly as possible








## Required Submissions



## PVSC RESPONDENTS CHECKLIST

**VENDOR:** Turner Surety and Insurance Brokerage, Inc.

Proposing Firms may provide updated documents for Attachments B, D, E, F, and H if necessary. If no updated information is received the documentation received under the RFQ will be utilized for evaluation purposes.

Item/Attachment	Respondent Initials
Letter of Proposal	
A. Certification of Insurance	
B. Conflict of Interest Statement	N/A
C. Proposal Signature Form	
D. Financial Disclosure – Chapter 51 Certification	N/A
E. Statement of Ownership	N/A
F. Disclosure of Investment Activities in Iran	N/A
G. Mandatory Affirmative Action Language	
H. New Jersey Business Registration Certification	N/A
I. Form of Contract	
J. Acknowledgement of Amendments/Clarifications	
K. Cost Proposal and Signature Page	

### **PLEASE NOTE:**

Original signatures are required on all forms.

## Letter of Proposal



Passaic Valley Sewerage Commission  
600 Wilson Avenue  
Newark, NJ 07105  
Attention: Joseph F. Kelly, Clerk

Dear Mr. Kelly:

The undersigned have reviewed our Proposal submitted in response to the Request for Proposal (RFP) for Administration Services Owner Controlled Insurance Program (OCIP) issued by the PVSC ("PVSC"), dated, October 18, 2016 in connection with the PVSC's need for OCIP Administration Services.

We affirm that the contents of our Proposal (which Proposal is incorporated herein by reference) are accurate, factual and complete to the best of our knowledge and belief and that the Proposal is submitted in good faith upon express understanding that any false statement may result in the disqualification of Turner Surety and Insurance Brokerage, Inc.

  
Chief Executive Officer

Dated: 10/17/16

  
Chief Financial Officer

Dated: 10/17/16

ATTACHMENT A

CERTIFICATION OF INSURANCE

I HEREBY CERTIFY THAT MY OFFICE CARRIES INSURANCE ADEQUATE TO COVER PASSAIC VALLEY SEWERAGE COMMISSION ("PVSC") AND PROTECT PVSC FOR ANY ERROR OR OMISSION BY THE UNDERSIGNED THAT CREATES LIABILITY TO PVSC. THIS INCLUDES ERRORS AND OMISSIONS POLICY AND ANY OTHER TYPE OF POLICY WHATSOEVER THAT CAN BE UTILIZED TO PROTECT THE INTERESTS OF PVSC. I HAVE ATTACHED HERETO COPIES OF THE DECLARATION PAGES OF EACH SUCH POLICY THAT I ASSERT DOES OR CAN PROTECT ANY ERROR, OMISSION OR ACTIVITY IN WHICH I OR ANYONE FROM MY OFFICE MIGHT ENGAGE ON BEHALF OF PVSC.

I FURTHER CERTIFY THAT THE POLICIES OF INSURANCE THAT ARE CARRIED BY MY OFFICE SHALL CONTINUE TO BE CARRIED DURING THE ENTIRE TERM OF MY APPOINTMENT AS ENVIRONMENTAL OUTREACH CONSULTANT, IN THE EVENT THAT MY OFFICE IS SELECTED TO SERVE IN THAT CAPACITY. IN THE EVENT THAT THE DECLARATIONS PAGE(S) SUBMITTED HERewith SHOWS THE POLICY OR POLICIES OF INSURANCE WILL LAPSE DURING THE COURSE OF THE TERM OF MY APPOINTMENT, I WILL PROVIDE TO PVSC A COPY OF THE RENEWAL POLICY DECLARATION PAGE. I FURTHER CERTIFY THAT THE RENEWED POLICY SHALL HAVE THE SAME OR GREATER LIMITS OF LIABILITY AS THE ONE PROVIDED FOR THE BEGINNING OF MY APPOINTMENT.

CERTIFYING OFFICIAL:

NAME: Nicholas Walsh

TITLE: President

SIGNATURE: 

DATE: 10/13/16

**ATTACHMENT C**

I HEREBY CERTIFY THE INFORMATION CONTAINED IN THIS PROPOSAL IS  
CORRECT AND ACCURATE TO MY PERSONAL KNOWLEDGE. I AM MAKING  
THIS CERTIFICATION IN GOOD FAITH.

CERTIFYING OFFICIAL:

NAME: Nicholas Walsh

TITLE President

SIGNATURE: 

DATE: 10/13/16

**ATTACHMENT J**  
**ACKNOWLEDGEMENT OF RECEIPT OF AMENDMENTS/CLARIFICATIONS**

The undersigned Respondent hereby acknowledges receipt of the following clarifications to the Request for Proposals. By indicating date of receipt, Respondent acknowledges the previously submitted qualifications and current proposal take into account the provisions of the issued clarification(s). Note that the PVSC's record of clarification(s) issued shall take precedence and that failure to include provisions of changes in proposals may be cause for rejection of the proposal.


<b>REQUEST FOR PROPOSALS</b>
<b>ADMINISTRATION SERVICES –</b>
<b>PVSC OWNER CONTROLLED INSURANCE PROGRAM</b>

<b>Directions: Complete Part I or Part II, whichever is applicable</b>
--

<b>PART I: LISTED BELOW ARE THE DATES OF ISSUE FOR EACH CLARIFICATION OR AMENDMENT RECEIVED IN CONNECTION WITH THIS RFP:</b>	
CLARIFICATION _____	AMENDMENT _____ #1, DATED , _____
CLARIFICATION _____	AMENDMENT _____ #2, DATED , _____
CLARIFICATION _____	AMENDMENT _____ #3, DATED , _____
CLARIFICATION _____	AMENDMENT _____ #4, DATED , _____

<b>PART II: <input checked="" type="checkbox"/> NO CLARIFICATIONS OR AMENDMENTS WERE RECEIVED IN CONNECTION WITH THIS RFP.</b>
<b>DATE:</b> <u>10/17/16</u>

**NAME:** Nicholas Walsh

**SIGNATURE:**  **DATE:** 10/17/16

ATTACHMENT K

**PROPOSAL COST FORM/SIGNATURE PAGE**

To the Passaic Valley Sewerage Commission:

The undersigned declares that he/she has read the Notice, Instructions, Affidavits and Scope of Services (Section 2- Page 8-10) attached, that he/she has determined the conditions affecting the proposal and agrees, if this proposal is accepted, to furnish and deliver the same for:

1. \$305,000.00
2. Schedule of fees and hourly rates for additional services which may be proposed\*.

**Yes** - See Attached **No**

\*Attach Fee Schedule if Applicable

The undersigned is a Broker under the laws of the State of New Jersey having its principal office at 650 From Rd.; Suite 295, Paramus, NJ 07652

Turner Surety and Insurance Brokerage, Inc.

Company

[REDACTED]  
Federal ID # or Social Security #

650 From Rd.; Suite 295, Paramus, NJ 07652

Address



Signature of Authorized Agent / Date

Nicholas Walsh

Type or Print Name

201-267-7501

Telephone Number

[REDACTED]  
Fax Number

Email Address nwalsh@tsibinc.com

**Attachment K Fee Schedule:****RFP: Consulting and Administrative Services – Owner Controlled Insurance Program (OCIP)****#1: Supplemental Information for item #1 Cost Proposal**

Option#1 Year #2 proposed Fee:	\$ 165,000.00
Option#2 Year #3 proposed Fee:	\$ 175,000.00

**Qualifications & Assumptions**

Fees for the base contract and each option year are based on the following assumptions for the level of effort required in Task Three: Supplemental Safety and Loss Prevention Service/Risk Engineering

#1	Broker shall supply approximately one (8) hour visit, inclusive of travel time, per month by the Broker Safety/Loss Prevention/Risk Engineering consultant.
#2	Broker will provide up to (3) hours per month for Item #2 of RFP Task #3
#3	Broker will provide up to (3) hours per month for Item #3 of RFP Task #3

**#2: Schedule of Fees and Hourly Rates for Additional Services**

Broker Commission for any line of coverage outside of the OCIP coverages	7.00%
Surety Consultation / Bonding Assistance Program (hourly Rate)	\$250.00
Insurance/Risk Management Consultation outside scope of OCIP (hourly rate)	\$250.00