

**STATE OF MAINE**  
**Risk Management Division**



**85 State House Station**  
**Augusta, ME 04333-0085**

*Request for Proposal*  
**Property Insurance Program**  
**2007**  
**PART TWO**

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## Introduction, Key Event Dates and Evaluation Criteria

The State of Maine Risk Management Division (the State) is requesting proposals (RFP) from agents and brokers qualified and licensed to design, market and service a Property Insurance Program for its property totaling in excess of \$3.9 billion dollars. This property includes buildings, structures and business personal property owned by the State and its higher education entities such as the University of Maine System, Maine Community College System and Maine Maritime Academy. The existing insurance policy will expire on July 1, 2007. A two part bid process is being utilized. Part one of this process has been completed and successful bidders from that process have been selected to participate in part two. Table one contains the timetable for part two.

<b>Table One – Timetable – Part Two</b>			
<b>2007 DATES</b>	<b>TIME</b>	<b>PART</b>	<b>KEY EVENT</b>
March 29	n/a	2	Request for Proposal (RFP) release
May 18	2:00 PM Local Time	2	Closing date for agent/broker inquiries
June 4	2:00 PM Local Time	2	Proposal submission due in Augusta, Maine
June 15	n/a	2	Insurance program and agent/broker selection made
June 25	n/a	2	Issuance of Binder of Insurance to be effective July 1, 2007
July 1	12:01 AM	2	State of Maine Contract effective date (if applicable)

All part two proposals found to be in compliance with the requirements stated on page three and four will be evaluated based on the weighted evaluation criteria shown in table two after which the State intends to select one servicing agent or broker and one insurance program.

<b>Table Two – Part Two Evaluation Criteria</b>	<b>Weight</b>
Premium	35%
Proposed insurance program	35%
Quality of overall proposal, reporting requirements, services proposed and claims processing protocol	20%
Suitability of agent or broker and insurance company / Financial Ratings /References	10%

The state has assigned to the selected part one bidders specific insurance groups from which to solicit proposals. Each assigned group must be approached on the State’s behalf. You may not approach groups or insurers that are not assigned to you and failure to comply with this restriction may result in disqualification. For each insurer that is approached and that will not submit a proposal, the reason(s) for this decision must be communicated in writing by you to the State as soon as the decision is known. Use the *Notice to Risk Management* form (found on page seven for this purpose). You must evaluate all proposals that you do receive and you must choose one proposal for submission to the State. For each proposal received but not chosen for submission, you must complete a *Rejected Proposal* form (found on page eight) and must submit this form(s) with your submission to the State.

### Part Two Bid Objectives

The State seeks to:

- Match or improve the existing insurance program’s coverage and terms.
- Match or improve the services currently provided.
- Reduce the existing insurance rate.

## General Proposal Requirements

**Failure to comply with these requirements may cause your proposal to be disqualified.**

1. All proposals must be typewritten. Changes or corrections must be initialed.
2. Written questions and answers. Questions about this RFP must be directed in writing to: David A. Fitts, Director, Maine Risk Management Division, 85 State House Station, Augusta, ME 04333-0085; E-mail: [David.A.Fitts@Maine.gov](mailto:David.A.Fitts@Maine.gov) ; Fax: (207)287-4008. Mail, e-mail or fax is acceptable. Phone calls will not be accepted. Risk Management Division will respond in writing to all substantive questions received. The deadline for written questions is May 18, 2007. Bidders are not to contact any other state agency or higher education facility. All contact is to be directed to Risk Management Division.
3. Revision of Request for Proposals. The State alone may elect to amend this RFP prior to the proposal due date. If it is necessary to revise any part of this RFP, an amendment will be provided to all bidders of record. Acknowledgement of the receipt of all issued amendments is required in all proposals. In no case will the RFP be amended within seven (7) days of the proposal due date, unless the amendment includes an extension of time to allow seven days between the amendment and the proposal due date. The State will not be responsible for any additional costs incurred as a result of such changes in the RFP.
4. Deadline for Submitting Proposals. Five sealed copies and one electronic copy of the proposal (on a CD in searchable PDF format) of each proposal must be clearly marked with the bidder's return address and the notation "**Proposal #307199: Property Insurance Program**" and must be delivered to the Division of Purchases, Burton M. Cross Building – 4<sup>th</sup> Floor, 111 Sewall Street, 9 State House Station, Augusta, ME 04333-0009 no later than 2:00 P.M. local time on June 4 2007, at which time and place they will be opened. Please note that only proposals actually received and date stamped at the Division of Purchases will be considered; bidders submitting by mail are responsible for allowing adequate time for delivery. Proposals received after the 2:00 P.M. deadline will be rejected without exception. Proposals will be publicly opened at the date, time, and place specified above. All proposals received after the above date and time will not be considered and will be returned unopened.
5. All bidders will be notified in writing of the award decision as soon as that decision is made.
6. The State will not accept responsibility for any costs incurred by a bidder in the preparation of their proposal.
7. The State reserves the right to reject any and all proposals in their entirety.
8. The State reserves the option to require a personal interview as part of the evaluation process.
9. Disclosure of Data: According to State procurement law, the contents of all proposals, correspondence, addenda, memoranda, working papers, or any other medium which discloses any aspect of the request for proposals process will be considered public information when the award decision is announced. This includes all proposals received in response to this RFP, both the selected proposal and the proposal(s) not selected, and includes information in those proposals which a bidder may consider to be proprietary in nature. Therefore, the State makes no representation that it can or will maintain in confidentiality such information.

## Specific Proposal Requirements

**Failure to include all required information may disqualify your proposal.**

Proposals should be well organized, clear and concise. Your proposal must include all of the information noted below. Present the information in the order requested.

- A signed Proposal Submission & Premium Computation Form (page five and six)
- A Rejected Proposal Form (page eight) for each proposal received and evaluated, but not chosen for submission to Risk Management Division.
- For the proposal chosen for submission, details on the insurance program proposed, such details to include as a minimum:
  - Coverage limits
  - Key coverage terms, definitions, exclusions, conditions.
  - A detailed comparison between the expiring policy and the proposed policy, highlighting key differences.
- The level of services that will be provided. The required level of services is outlined beginning on page 24 of this RFP. Your proposal must state that:
  1. This required level of services, in its entirety, will be provided at no cost; or
  2. This required level of services, in its entirety, will be provided at an additional cost, in which case the additional cost must be included on the Proposal Submission & Premium Computation Form;

Your proposal should also state enhanced services which will be provided and associated cost (itemized by service), if any. Do not include cost for any optional enhanced services on the Proposal Submission & Premium Computation Form.

**PROPOSAL SUBMISSION & PREMIUM COMPUTATION FORM**

**Bidder Information**

Firm Name: \_\_\_\_\_ Account Executive: \_\_\_\_\_

**Insurer Information**

Insurer: \_\_\_\_\_ Group Affiliation: \_\_\_\_\_  
A.M. Best # \_\_\_\_\_ Current Rating & Modifier: \_\_\_\_\_ FSC: \_\_\_\_\_

Primary Reinsurer: \_\_\_\_\_ Group Affiliation: \_\_\_\_\_  
A.M. Best # \_\_\_\_\_ Current Rating & Modifier: \_\_\_\_\_ FSC: \_\_\_\_\_

**Insurer Servicing Office Information**

Underwriter Name: \_\_\_\_\_ Location (city): \_\_\_\_\_  
Claims Account Manager \_\_\_\_\_ Location (city): \_\_\_\_\_  
Loss Control Representative: \_\_\_\_\_ Location (city): \_\_\_\_\_

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The undersigned agree that their property insurance proposal will remain in effect and unchanged for a period of at least 30 days from the date and time of the proposal closing. The undersigned warrant that they are duly licensed and authorized to place/write this property insurance in the State of Maine.

Print name of Insurer Representative: \_\_\_\_\_

Signature of Insurer Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Print name of Insurance Broker/Agent: \_\_\_\_\_

Signature of Insurance Broker/Agent: \_\_\_\_\_

Date: \_\_\_\_\_

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**PAGE ONE OF TWO – SEE REVERSE SIDE  
BOTH SIDES MUST BE COMPLETED AND SUBMITTED WITH PROPOSAL**

**PROPOSAL SUBMISSION &  
PREMIUM COMPUTATION FORM**

Total Annual Policy Premium for an insurance program that minimally meets or exceeds all of the requirements of this RFP.

A cost **must** be denoted. \$ \_\_\_\_\_

Total Annual Costs (if any) for delivering the required level of services \$ \_\_\_\_\_

Other costs – must specify exact nature of other costs (if any)

\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_

**TOTAL PROPOSAL COST** \$

**PAGE TWO OF TWO – SEE REVERSE SIDE  
BOTH SIDES MUST BE COMPLETED AND SUBMITTED WITH PROPOSAL**



## REJECTED PROPOSAL FORM

*Complete this form for each insurer proposal received and evaluated, but not chosen by you for submission to Risk Management Division. This form may be duplicated as needed.  
Submit form(s) with your proposal package.*

**Insurer:** \_\_\_\_\_ **Group affiliation:** \_\_\_\_\_

**Underwriter:** \_\_\_\_\_ **Location (city):** \_\_\_\_\_

**Did proposal meet minimum proposal specifications:**

**Coverages**  Yes  No

**If no, please explain:**

\_\_\_\_\_

**Limits?**  Yes  No

**If no, please explain:**

\_\_\_\_\_

**Servicing requirements?**  Yes  No

**If no, please explain:**

\_\_\_\_\_

**Premium Quoted:** \$ \_\_\_\_\_

**Other costs – must specify exact nature of other costs:**

\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_

**Please explain why this proposal was not chosen for submission:**

**Please provide any additional information that you deem relevant:**

## **POLICY ADMINISTRATION AND UNDERWRITING INFORMATION**

<b>Expiring Property Policy</b>	The Maine Freedom of Access Act <sup>1</sup> allows insurance policies maintained by the State to be accessed by the public. Thus, a copy of the expiring policy is included in an electronic format with this RFP. We urge bidders to study it carefully. All proposals should at least match the expiring policy - coverage, limits and deductibles. Any variations from a matching proposal should be specifically identified by the bidder.
<b>Coverage Improvements, Enhancements or Alternatives</b>	The State encourages bidders to offer, as part of a proposal, suggestions for coverage improvements, enhancements or alternatives to the State's current program. However, where possible, these should be offered in addition to a matching bid and not as a replacement. The State assumes no responsibility for identifying all improvements and enhancements and the bidder should clearly identify them. Some improvements or enhancements may be unimportant or of low priority to the State and will be scored as such. This RFP does identify herein a few enhancements that could be important to the State. Some proposed alternatives may be deemed undesirable or not in the State's best interest. The State reserves the sole right to evaluate and score all coverage improvements, enhancements or alternatives.
<b>Insurer Application</b>	Any required insurance company application must be completed by the bidder on the State's behalf based on the information provided in this RFP or in the question and answer period. The State will not complete insurance applications during this bid process. Upon selection of an insurer, the State will review and sign any required application that is pre-completed by the bidder.
<b>Property Policy History</b>	See Appendix – page 30 for a history of coverage, premiums, total insured values (TIV) and deductibles. With one exception, the coverage structure has been one layer. (In the policy year 07/01/2002 to 2003, coverage was placed in two layers. Travelers provided the first layer and an excess layer was placed with Lloyds of London.) One layer is the preferred structure.
<b>Loss History</b>	<p>There have been no losses against the commercial property. Company issued loss runs and self insured property loss runs are provided in an electronic format with this RFP.</p> <p>On the self insured portion, all insured entities, with the exception of the University of Maine campuses, have a \$500 per occurrence deductible. The University of Maine System deductible has varied over the years from \$500 up to \$100,000 per occurrence. Currently UMS maintains a \$100,000 per occurrence deductible with the State and internally reduces the \$100,000 to \$10,000 per occurrence for their campuses. The University agrees to report to the State all claims &gt; \$10,000.</p>
<b>Electronic Policy Requirement</b>	The State requires the successful bidder to provide, at the same time the original paper insurance policy is provided to the State, an electronic copy of the policy in searchable PDF format. (One PDF document is preferred, but our current policy is provided in several separate PDF documents and that is acceptable.)

<sup>1</sup> [www.maine.gov/foaa/index.htm](http://www.maine.gov/foaa/index.htm)

Why we need this: For property insurance, the State administers a funded self insurance property policy; all losses from \$500 up to \$2,000,000 per occurrence are received and adjusted in our office. The self insurance portion of the State's property coverage follows form with the commercial policy. For this reason, the capability to electronically search the commercial policy to determine coverage for losses and to answer coverage questions in general is needed.

## **Policy Administration**

All communications and contact regarding the policy and servicing of the policy are to be conducted solely through the State of Maine Risk Management Division. The agent/broker and the insurer are asked not to directly contact the individual governmental entities and colleges insured on this policy unless authorized to do so by the State.

### **Contact Information**

Telephone: (207) 287-3351 or 1-800-525-1252

Fax: (207) 287-4008

Physical location: 2<sup>nd</sup> Floor Elkins Building, 19 Elkins Lane, Augusta, Maine

Web Site: <http://www.maine.gov/bgs/riskmanage/index.htm>

### **Risk Management Division Contacts**

#### *Director*

David A. Fitts

Telephone: (207) 287-3352 Email: [david.a.fitts@maine.gov](mailto:david.a.fitts@maine.gov)

#### *Underwriting*

Patricia P. Hayden, CPCU, ARM, AU - Risk Assessor

Telephone: (207) 287-3353 Email: [patricia.hayden@maine.gov](mailto:patricia.hayden@maine.gov)

#### *Loss Control*

Anita B. Altmaier, ACSR, CPIW – Assistant Risk Assessor

Telephone: (207) 287-3355 Email: [anita.altmaier@maine.gov](mailto:anita.altmaier@maine.gov)

#### *Claims*

Scott Kibler – Case Manager

Telephone: (207) 287-3354 Email: [scott.kibler@maine.gov](mailto:scott.kibler@maine.gov)

## **Premium**

The State desires an annual premium bill, preferably agency/broker billed. The State will promptly review the bill for accuracy. We will not approve a bill for payment until we have received the policy. Once approved the bill will be paid within fifteen days.

This is the current premium arrangement: TIV as of each June 20th is provided to the insurer. Using the agreed upon rate and the June TIV, the insurer calculates and bills an annual premium for the policy term beginning July 1<sup>st</sup>. There have been no mid-term premium adjustments for TIV changes.

It is the State's desire to continue this premium arrangement. For this RFP, the bidder must denote acceptance of this procedure or must clearly define any alternative.

## Claims Handling

Procedures are in place for the prompt reporting to the State of claims or potential claims that exceed the self insurance per occurrence deductible.

Claim Assignment: Each claim is immediately assigned to one of four professional staff by the Case Manager the same day it is received. The assigned adjuster reviews the provided claim information, determines the existence of insurance for the loss, sets a reserve, and sets in motion the mitigation and investigation of the claim. If the claim appears to be very serious in nature, with the possibility of approaching or exceeding the commercial property policy deductible, initial notification is made to the insurer and agent/broker in accordance with agreed to procedures.

Files: A paper file is established for each claim and a claim number assigned. The claim information is added to the database by support staff within 24 hours of receipt of the claim.

Investigation and Settlement: Outside resources may be utilized in the adjustment of a claim. These resources may include independent adjusting and appraisal services.

Diary System: Files are set on a strict diary system. On a weekly basis, a diary report is pulled.

Payment of Claims: All claims are evaluated within Risk Management Division (RMD) for resolution and settlement purposes. Payment authorities have been established as part of the State's accounting system.

Service Standards: Standards are set forth in a written document, and every effort is made to provide just, prompt and courteous claim service.

## Reporting

On a quarterly basis, the State provides to the insurer and broker the following three reports in Excel spreadsheet format:

1. Schedule changes and revised TIV. Schedule changes include new properties/locations added, properties/locations deleted, value changes on existing properties/locations, property name and address changes and changed exposure data.
2. Losses. A list of all open losses on prior policy terms and a list of all claims (open and closed) on the current policy term.
3. Builders Risk. A list of ongoing, known construction projects involving renovations and additions for which the State is providing property and/or builders risk insurance with this property policy and a list of known and sizeable new construction projects for which the general contractor is providing builders risk insurance and which will ultimately be added to the property schedule. Values on this report do not include building content values.

The existing reporting structure has worked well, but the State is not insisting upon it. If the current reporting structure will be acceptable, the RFP must state this. Otherwise, each bidder must provide details of reporting that will be required by the insurer, such detail to include the type and frequency of reports.

## Loss Prevention Fund

By statute, RMD is authorized to expend up to five percent of the self insurance fund balances for loss prevention programs each fiscal year. An average of 29 grants are issued per year. In the past ten years, over \$947,000 in loss prevention funds were distributed. We feel that the existence and innovative use of this program allows the state to take positive action when a loss control need is identified. Grants are issued for fire safety equipment, life safety equipment, and to make building improvements.

**Total Insured Value (TIV)**

For bidding purposes, use the State’s TIV as of March 20, 2007 which is **\$3,921,186,474.72**. An electronic copy of the schedule (in Excel format) is provided herein.

**TIV is a total of the building and contents values on our property schedule.**

Notes regarding our values:

- The TIV as of March 20<sup>th</sup> is a “snapshot in time” and it is not static. The TIV as July 1st approaches will be different from the March 20<sup>th</sup> TIV and the policy will need to be issued (and the final premium developed) using the actual TIV as of June 20th.
- The State’s property schedule is maintained on a database. The TIV includes all insured property - not just those properties valued at more than the two million dollar deductible.
- Each individual building on the schedule is assigned a unique three letter code (mcode). Every agency that has either the building itself insured or contents in that building uses the same code. This mcode can thus be used to determine probable maximum loss (PML) values in a single building – by adding all the values belonging to the same three letter code. A report of building PMLs is included in an electronic format with this RFP.
- The database is revised and kept current as property is bought and sold, as values are reviewed on an ongoing basis (particularly prior to renewal), as newly constructed buildings are added or as buildings are demolished, as leases are negotiated and as COPE information is updated.
- Annually, beginning in May, a property schedule for each insured agency is distributed by the State to the agency and each agency is asked to review and update their schedule. Agencies are provided guidelines for estimated per square foot building costs and are urged to maintain full replacement cost values. Even though this policy’s losses are adjusted on a replacement cost value, it is the State’s internal practice to limit an agency’s loss payment to the value reported by them to our office and maintained on the State’s schedule. There has been no deviation from this practice. This discourages under-reporting. This renewal process is generally not completed until June 20<sup>th</sup>.
- Quarterly, the State issues a report of TIV Values, as discussed earlier.

**Additional Valuation Information**

Beginning in 1994 and through 1995, all buildings valued in excess of \$50,000 (and in a cost center where it was economically feasible to do so) were professionally appraised by American Appraisal Associates. Since then, values have been increased incrementally in a concerted effort to keep them current.

Additionally, in the past five years Travelers has made 13 site visits to a number of different locations, including four University campuses (Farmington, Gorham, Orono and Portland) and a State center in Limestone. While these visits were not specifically made for valuation purposes, current valuations were reviewed for a number of them.

**State of Maine Exposure Summary**

Construction

The detailed schedule contains construction class codes and a key to these codes is provided in an electronic format in this RFP. Looking at all buildings valued at two million and up, here is a breakdown by construction class code:

**Web Site:**

[Maine.gov: Official Web Site of the State of Maine](http://www.maine.gov)  
www.maine.gov

Class Code	Number of Buildings	Percent of Total
1	33	10%
2	66	21%
3	18	6%
<b>4</b>	<b>166</b>	<b>52%</b>
5	19	6%
6	8	2%
unknown	11	3%
	321	100%

Occupancy

By virtue of being a governmental entity, 74% of our property exposure lies in the institution category:

Institution Type	Percentage of total values
Higher education	63.6%
Correction facilities	5.4%
Mental health facilities	2.8%
Military facilities	2.6%

The service category comprises another four percent and consists primarily of the Dept. of Transportation offices, garages and other facilities. Property in the State’s public parks and lands makes up another two percent. The State does not insure any non-psychiatric hospitals, manufacturing, toxic waste or nuclear facilities. Some unoccupied and/or vacant buildings are insured.

The detailed schedule contains occupancy codes and a key to these codes is provided in an electronic format in this RFP. The top five occupancy codes by TIV are office (\$820,601,831), classroom (\$663,616,964), dormitory (\$471,006,374), library (\$237,495,219) and gym (\$190,901,400).

With the exception of the main University of Maine campus at Orono, occupancy coded maps for the University of Maine System campuses are included in an electronic format with this RFP.

Protection

Of the 321 buildings valued at over two million dollars, 52% have sprinkler systems, 83% have fire alarm systems and 31% have entry detection systems.

Geographical Distribution

With two exceptions, all real property is located in Maine. The out of state locations are:

1. Homestead, Florida (Residence and farming structures)  
Total Value \$440,000 (Building and Contents)
2. Springfield, Massachusetts (Exposition building)  
Total Value \$2,105,125 (Building and Contents)

As one would expect, there is a concentration of values in the major cities of Maine and in college towns. In order, the cities with the top five concentrations are: Orono, Augusta, Portland, Bangor and Gorham.

## Higher Education

Just over 63% of the entire schedule value is comprised of buildings belonging to one of three higher education units insured in our program – the University of Maine System, the Maine Community College System and Maine Maritime Academy. The State continues to recognize the importance of education to Maine’s investment in the future and has passed several bond issues in the past ten years, providing financial support to improve buildings and programs. Additional information is provided below on these colleges. Their web sites also offer campus maps, photos of some buildings and information on facility programs.

## University of Maine System

### Web Site:

[University of Maine System | Home](#)  
[www.maine.edu/](http://www.maine.edu/)

The University of Maine System, established in 1968, consists of seven affiliated universities, eleven University College outreach centers and 75 ITV sites that deliver distance-education programs. The University’s buildings and contents comprise just over 50% of the State’s TIV.

Major Universities	Main Web Pages	Developed Area (acreage)	Square Footage Buildings	# Students	# employees
UMO -Orono	<a href="http://www.umaine.edu/">www.umaine.edu/</a>	3,250	4,603,190	11,797	2,406
UMA - Augusta	<a href="http://www.uma.edu/">www.uma.edu/</a>	214	377,356	5,257	308
UMF - Farmington	<a href="http://www.farmington.edu">www.farmington.edu</a>	36	807,151	2,424	388
UMFK - Fort Kent	<a href="http://www.umfk.maine.edu/">www.umfk.maine.edu/</a>	38	254,172	1,339	125
UMM - Machias	<a href="http://www.umm.maine.edu/default.asp">www.umm.maine.edu/default.asp</a>	44	304,202	1,259	112
UMPI - Presque Isle	<a href="http://www.umpi.maine.edu/cms/index.php">www.umpi.maine.edu/cms/index.php</a>	159	410,256	1,655	169
UMP - Portland & Gorham	<a href="http://www.usm.maine.edu/">www.usm.maine.edu/</a>	140	2,913,753	10,478	1,585
Univ. College Centers	<a href="http://www.learn.maine.edu">www.learn.maine.edu</a>	1	132,545	1,398	237
Entire System	<a href="http://www.maine.edu">www.maine.edu</a>	3,882	9,802,625	35,607	5,330

### System Offices.

Many of the University of Maine System’s administrative and policy functions are overseen by centralized operations called System-wide Services, or SWS. Within SWS is Facilities Management, which includes a Risk Management office. The State works closely with the System’s Risk Manager on the property program. See:

[http://www.maine.edu/system/facMan/facilities\\_management.php?section=10](http://www.maine.edu/system/facMan/facilities_management.php?section=10)

### Fire Safety

The University places the utmost priority on fire safety. All universities have a close working relationship with local fire departments, with periodic site inspections and fire drills. The two largest universities (UMO and UMP) have on-site central alarm command dispatch centers; the alarms for most buildings ring directly to the centers which are manned 24-7; fire departments are notified immediately and on-site personnel also respond. UMO also has an emergency dual-redundant off-site dispatch center. UMO and UMP have student staff member fire marshals for the residence halls. These marshals conduct regular fire inspections, assist the local fire department and promote fire safety awareness and education. Buildings with fire alarms and sprinkler protection are noted on the property schedule.

### Public Safety

UMO and UMP have a full-service police department, staffed by state-certified police officers, security officers and support personnel. The training and professional standards met by these officers are the same as those required in any Maine municipality. Other campuses have security on-site staff and close working relationships with the local police departments.

<http://www.umaine.edu/publicsafety/>      <http://www.usm.maine.edu/police/>

### Facilities and Environmental Health & Safety Management

Each university has an onsite Director of Facilities with staff overseeing building maintenance, renovation and construction projects. Each campus also has designated Environmental Health and Safety personnel, with the two largest campuses having an on-site Director with staff.

### Hazard Mitigation

The University has in place a system-wide hazard mitigation plan which was approved by the Federal Department of Homeland Security and the Federal Emergency Management Agency.

### Homeland Security

The University has successfully competed for over \$300,000 Homeland Security Funding, which has been used to improve communication systems, install security cameras and prepare emergency response plans. These efforts all work toward protecting lives as well as preventing and responding to losses to buildings and contents.

## **Maine Community College System**

### **Web Site:**

[www.mccs.me.edu/](http://www.mccs.me.edu/)

The Maine Community College System is Maine's comprehensive two-year college system offering over 300 career and transfer programs, continuing education and customized training for business and industry. There are seven major campuses and nine off-campus learning centers. The Community Colleges serve over 11,000 students in degree programs and over 2,000 students in non-degree programs. Similar to the University, there is a central office that oversees various administrative, human resource and financial functions. The System accounts for over 7% of the total TIV.

<b>Major Universities</b>	<b>Main Web Pages</b>	<b>Developed Area (acreage)</b>	<b>Square Footage Buildings</b>	<b># Students</b>	<b># employees</b>
CMCC – Auburn	<a href="http://www.cmcc.edu/">www.cmcc.edu/</a>	135	233,053	2199	591
EMCC – Bangor	<a href="http://www.emcc.edu/">www.emcc.edu/</a>	72	301,416	1877	530
KVCC – Fairfield	<a href="http://www.kvcc.me.edu/">www.kvcc.me.edu/</a>	60	136,635	1926	423
NMCC – Presque Isle	<a href="http://www.nmcc.edu/">www.nmcc.edu/</a>	87	268,262	901	324
SMCC – South Portland	<a href="http://www.smccme.edu/">www.smccme.edu/</a>	80	505,393	4785	955
WCCC – Calais	<a href="http://www.wccc.me.edu/">www.wccc.me.edu/</a>	400	238,754	410	157
YCCC – Wells	<a href="http://www.yccc.edu/">www.yccc.edu/</a>	84	77,000	923	297
System Office					22
Entire System	<a href="http://www.mccs.me.edu/">www.mccs.me.edu/</a>	918	1,840,604	13,021	3299

## Maine Maritime Academy

### Web Site:

[www.mainemaritime.edu/](http://www.mainemaritime.edu/)

Maine Maritime Academy, established in 1941 strives to provide a quality education primarily focused on marine related programs. It is a globally recognized leader in providing the highest quality maritime, engineering, technology, marine science and logistics education with facilities and laboratories that are at the leading edge of technological innovation. The academy averages 800 students per year and employs 200 employees.

The campus is located in Castine on 33 oceanfront acres. Its property comprises over three percent of the total TIV. It has a separate facilities management office which works closely with the State on building related issues.

## Types of Property Insured

Besides the “typical” buildings and business contents, the schedule does include the following types of structures in limited numbers:

- Condominiums. The Finance Authority of Maine and the University of Maine System Office are located in condominium units and you will note that the policy contains a condominium endorsement. (The two state mcodes for these are BTM and CXM.) There is a total value of \$10.7 million between the two locations (building value of \$7.7 million and contents value of \$3 million).
- Towers. Just over 40 towers are insured for a total structure value of \$2.1 million and attached equipment value of \$3.6 million. The highest value tower is \$220,000. The average value is \$139,201.
- Wharves and Piers. Twenty-six are insured for a total value of \$34.3 million. The highest valued one is \$4 million. The average value is \$1.3 million.
- Tunnels. Coverage is endorsed onto the policy for a tunnel connecting the State Capitol (state mcode CNP) and the Cross Office Building (state mcode CPL). There is a fire door at one end of this tunnel. The policy is also endorsed to insure the tunnels connecting various buildings located on the States’ east side campus (formerly the AMHI campus).

The schedule does include fine arts, library books, valuable papers and manuscripts, archive documents and electronic data processing equipment, data and media. Additional information on fine arts, collections and EDP is provided below.

The schedule does not include any motorized watercraft, aircraft, vehicles, vehicular bridges, or contractor equipment. It also does not insure any animals or fish or other live specimens of any type. The State does not insure unimproved land, crops or standing timber.

## Historical Properties

There are a number of historical properties on the schedule. It is the State’s intent to reproduce the historical features and construction materials in many of these buildings (but not all) in the event of a substantial or total loss. The replacement cost coverage reported by the agencies on these buildings takes this intent into effect. If an agency would not desire or need to restore in this historical manner but instead would choose to rebuild for functional use, the replacement cost reflects this intent on buildings in this category. If an agency would not rebuild at all, the agency is allowed to insure buildings in this category for demolition costs only, or to not insure at all.

It is the State's intent to continue this valuation methodology. For this RFP, the bidder must denote acceptance of this approach or must clearly define any alternative approach that would be recommended and/or required.

## **Fine Arts**

The policy contains a fine arts sub limit of \$1,000,000 per occurrence. As mentioned herein this RFP, an increase to this limit is desired and would be viewed as an enhancement. (We have no set amount in mind.) There are three separate fine art policies in force at this time that we consider primary over the State's property policy:

Insured: University of Maine System

Insurer: AXA Art Insurance Corporation

Policy Type: Fine Arts and Special Collections

Policy Term: January 17, 2007 – 2008

Policy Limit: \$45 million blanket limit

Policy Territory: Worldwide

Perils: Risks of direct physical loss, including flood and earthquake

Valuation: Market Value

See appendix – page 29 for additional information on the University's art exposure that is insured on this policy.

Insured: State of Maine (Maine State Museum)

Insurer: Travelers Property Casualty Company of America

Policy Type: Museum Fine Arts and Collections Insurance

Policy Term: July 1, 2006 - 2007

Policy Limit: \$3,000,000 per occurrence

Policy Territory: Worldwide

Perils: Risks of direct physical loss, including flood and earthquake

Valuation: Market Value

Insured: State of Maine, Legislature and Legislative Council

Insurer: Ace Fire Underwriters Insurance Company

Policy Type: Museum Collection and temporary Loans

Policy Term: April 12, 2006 - 2007

Policy Limit: \$200,000 per occurrence

Policy Territory: Insured Premise

Perils: Risks of direct physical loss, including flood and earthquake

Valuation: Market Value

This policy is written for one sole purpose – to insure constituent art loaned to the State that legislators display in their offices and in the State House. Internal policy and procedures are in place to limit the coverage for each piece to \$11,000 per piece.

## **Electronic Data Processing (EDP)**

The policy contains an EDP sub limit of \$10,000,000 per occurrence. As mentioned herein this RFP, an increase to this limit would be viewed as an enhancement and we have no set amount in mind. There is one separate EDP policy in force at this time:

Insured: State of Maine

Insurer: Travelers Property Casualty Company of America

Policy Type: Computerized Business Equipment

Policy Term: December 21, 2006 - 2007  
Software Policy Limit: \$9,000,000 per occurrence  
Hardware Policy Limit: No Coverage  
Extra Expense and Business Income Policy Limit: \$3,000,000 per occurrence  
Perils: Risks of direct physical loss, excluding flood and earthquake

**Construction Exposures**

State construction projects are insured in one of three ways and here is a simplified summary:

Construction Type	This Property Policy		
	General Contractor	Property Coverage	Builders Risk Coverage
New Construction	X		
Renovations to existing insured buildings		X	X
Additions to existing insured buildings			X

The majority of projects fit cleanly within these criteria, but there is the occasional project that does not and we need our property policy and our underwriter to exhibit the flexibility and guidance necessary to help us best address the unusual situation that may arise.

**Construction Types**

New construction – building not currently insured on the schedule

While the State has coverage available both under the property coverage (newly constructed or acquired property clause) and the builders risk coverage for new buildings, it is the State’s practice to require the general contractor to insure such construction for builders risk and to protect the State’s interest. There is an occasional small project that, when built by its own employees, the State will agree to insure on a case by case basis under this policy.

Renovations to buildings currently on the schedule

Renovations that contain no actual structural changes are insured under the property portion of the policy. Renovations that do contain structural changes are insured on either or both the property portion and the builders risk portion of the policy, depending on the nature of the structural changes. These tend to be the projects that fall in the “gray area” and that tend to be discussed with the underwriter, both to determine which coverage might apply and what limits or sub limits might apply. The State agrees to protect the interests of contractors and subcontractors as their interest may appear while involved in the project.

Additions to buildings currently insured on the schedule

State contracts reflect that the State will insure additions to buildings that are currently on the schedule under the builders risk portion of coverage – up to the \$5,000,000 sub limit and that the State will protect the interests of contractors and subcontractors as their interest may appear while involved in the project. If an addition exceeds the \$5,000,000 limit or is connected only by a shared walkway or entrance, the State reserves the right to require the contractor to provide builders risk insurance and to protect the State’s interest. The insurer may or may not elect to endorse projects exceeding \$5 million onto the policy and, if it does, it reserves the right to charge a premium for doing so.

**Adding buildings under construction to the schedule / additional reporting information:**

New construction – building not currently insured on the schedule

If known, new construction projects are reported quarterly to the insurer. The building is not added to the schedule until it is accepted by the Owner.

Renovations to buildings currently on the schedule

If the renovation increases the estimated replacement cost of the building, the building value is adjusted at project inception. If the project cost exceeds 50% of the building value before project inception, the underwriter is notified. All known renovations are reported quarterly.

Additions to buildings currently insured on the schedule

When insured by the State, these are added to the schedule for full replacement cost value at project inception. Such projects are also reported to the insurer in a quarterly report.

**State Contracts and Project Practices**

- State projects: The Professional Services Division (part of the Bureau of General Services) is responsible for the planning, design and construction administration of all of the State's public improvements. Professional Services manages the procurement process for architectural and engineering contracts, conducts the bidding for construction, and monitors construction projects. The Division works closely with Risk Management to ensure that construction contracts contain proper insurance language and that projects are adequately insured.
- College projects – excluding the University of Maine System: The Maine Community College System campuses and Maine Maritime Academy are required to follow the State's process, although some exemptions exist.
- University of Maine System: The university system is not required to follow the State's process. The system has developed its own contracts and processes and the process is centralized to a degree. The system is required to report to the State its projects on a quarterly basis and on an as occurring basis for the "gray area" projects.

The State does not maintain any separate builders risk or course of construction policies. This property policy provides the primary property and builders risk coverage for the construction building exposure, as noted in the chart above

For this RFP, the bidder must denote acceptance of the described approach in this section or must clearly define any alternative approach that would be recommended and/or required.

**Boiler and Machinery**

Prior to July 1, 2003, the State purchased a commercial boiler and machinery policy - primarily for the insurer-provided inspection services. In 2003, the State funded a boiler examiner position to inspect the State's boilers and pressure vessels. For one year, the State self insured the boiler and machinery exposure. Effective July 1, 2004, the State's property policy was endorsed to provide boiler and machinery coverage, exclusive of inspection services. The State continues to fund a dedicated boiler inspector; inspection services are not provided by our insurer. We desire to continue this arrangement.

As of 03/15/2007, there are 637 reported boilers and 208 reported pressure vessels.

In the past ten years, no boiler claims were made against a commercial policy. There have been four self insured claims in the past ten years – there are no open claims:

#	DOL	DIV	PAID	DESCRIPTION
BL111	4/3/2000	MIL	\$5,251.50	Clogged boiler overheated and broke.
BL112	2/3/2003	MIL	\$9,583.59	Sump Pump failed to operate allowing icy water in
BL113	2/20/2005	BGS	\$3,500.00	BOILER WENT DOWN
BL114	12/24/2005	MIL	\$18,702.96	LOW WATER CUTOFF FAILED-CATASTROPHIC FAILURE

### Flood Exposure

In 1968 an Executive Order that remains in place today was issued to prevent the uneconomic, hazardous or unnecessary use of flood plains and to lessen the risk of flood losses in connection with state-owned lands, installations and facilities. This order, in effect, prohibits the building of State owned and/or funded buildings in flood zones without a very thorough review and the issuance of an exemption.

In May of 2006, National Flood Research issued standard flood hazard determinations on sixty existing State buildings. None of the buildings were determined to be located in an area designated by FEMA as an area having special hazards - SFHA (zones containing the letters "A" or "V"). On the property schedule, there is a column titled "2006 Flood Report" which denotes which buildings were included in this report.

### Hurricane/Wind Exposure

In May of 2002, our broker modeled the wind damage potential from hurricanes for 51 State properties with a total value of \$1.026 billion. Results of that study concluded:

- A \$3.3 million loss can be expected to occur on average every 500 years.
- There is a 0.2% annual probability that the loss estimate will be exceeded.
- The average annual loss with full limits (i.e. all properties in the portfolio insured at full value for windstorm) and 5% deductible is negligible.
- A repeat category 4 (such as Hurricane Donna in 1960) could result in ground up wind damage of \$934,000.

The report stated that the loss estimates generated by the study were very low, due to the low probability of major hurricane events striking the State of Maine and the low wind speed of the storms when they track near or over the state.

Our office has studied the National Oceanic and Atmospheric Administration's maps showing hurricane paths through New England since 1950. Only four storms reached into Maine and all four were category one storms by the time they reached Maine. Of the four, only one passed over an area that had significant State government buildings. That was Hurricane Bob in 1991. This landfall did result in \$20,556 damage to State government insured buildings. Two of the other three storms entered Maine from the west and the third passed over the eastern tip of Maine.

## POLICY INFORMATION

### Primary Property Policy

This policy is intended to be the primary property policy for the State unless the State has purchased a more specific property policy to address a certain peril, such as the fine arts and EDP (software) policies mentioned herein. Refer to the “Other Insurance Clause” on the existing policy. We want to keep clauses U1 (Underlying Insurance) and U2 (Excess Insurance) but we would like the remainder of the clause to reflect that this policy is primary. (Note: We do not intend to purchase any excess insurance, but feel that the clause should be kept.)

### First Named Insured

State of Maine

### The following are also Named Insureds.

State of Maine, including all State agencies and quasi-state agencies. Quasi-state agencies include, but are not limited to, the University of Maine System, Maine Community College System, Maine Maritime Academy, Maine School of Science and Math, Maine Educational Center for the Deaf and Hard of Hearing, Maine State Housing Authority, Maine Municipal Bond Bank, Finance Authority of Maine, Casco Bay Island Transit District, Child Development Services and Wells National Estuarine Research Reserve.

(The following governmental entities are not named insureds under this policy and their properties are not included in our schedule: municipal, regional and private schools and colleges; municipal, county and federal governments.)

### Mailing Address

c/o Risk Management Division  
85 State House Station  
Augusta, Maine 04333-0085

### Policy Term

The minimum acceptable policy term is a one year term beginning July 1, 2007. The State has had a multi-year policy in the past (but not currently) and would look upon a multi year option as an enhancement.

Regardless of policy term, it is not the State’s intention to bid this policy any more frequently than every three to five years. (In the past 15 years, we have bid every five years, as required by our statute.) The State values the ability to form long term relationships with insurers, brokers and agents. The State appreciates the commitment an insurer and agent/broker demonstrates with a proposal and, in return, is willing to commit its energies and efforts to make the relationship work for all parties.

### Policy Limit

The expiring policy limit is \$250,000,000 per occurrence and this must be matched. There is no annual aggregate limit. Liability under the expiring policy is also limited to 105% of the individually stated value for such property as shown in the latest Statement of Values on file with the company. (Refer to the policy copy for exact verbiage.) The existing policy limit was derived in large part from studying the State’s maximum probable loss in its areas of aggregation, which are the cities of Orono, Augusta, Portland, Bangor and Gorham, in this order.

A proposed true blanket limit or a higher per occurrence limit would be favorably received.

<b>Policy Sub Limits</b>	<p>Refer to the policy copy for existing sub limits. Sub limits for which enhancements will be welcome :</p> <p><i>Builders Risk</i> – currently various limits apply – see policy  <i>Electronic Data Processing Equipment and Data and Media</i> – currently \$10 million  <i>Errors and Omissions</i> – currently \$1 million  <i>Fine Arts</i> – currently \$1,000,000  <i>Outdoor Property</i> – currently \$250,000  <i>Piers and Wharves</i> – currently \$3,500,000 – the State would like to increase to \$4 million  <i>Pollutant Cleanup and Removal</i> – currently \$100,000 aggregate in any one policy year  <i>Valuable Papers</i> – currently \$2.5 million  <i>Covered property overseas</i> – currently at \$250,000</p>
<b>Deductible</b>	<p>Refer to the policy copy for actual verbiage. To summarize, the policy contains a per occurrence deductible of \$2,000,000, an aggregate deductible in any one policy year of \$3,500,000 and a final per occurrence deductible of \$100,000. Not all losses apply to the aggregate – flood, earthquake, volcanic eruption, landslide and mine subsidence losses are fully excluded. Losses less than \$10,000 are excluded. All insured property is subject to the deductible provisions, even those properties outside Maine.</p> <p>This deductible structure was developed, with actuarial assistance, to allow the State to remain within a statutory limitation on deductible or self insured retention in its self insurance funds. A higher deductible cannot be considered at this time. However, optional deductible structures that (a) eliminate or reduce the exclusion of losses under \$10,000, (b) include any flood and earthquake losses against the annual aggregate, or (c) lower the \$100,000 final per occurrence deductible, (d) or any combination of the three will be considered favorably.</p>
<b>Perils</b>	<p>Risks of direct physical loss, including wind, flood and earthquake. (See additional information provided on the State’s wind and flood exposure elsewhere in this RFP.)</p>
<b>Exclusions</b>	<p>Refer to the policy copy for existing exclusions. For this RFP:</p> <ul style="list-style-type: none"> <li>▪ <u>New exclusions.</u> The bidder must denote exclusions that the State does not currently have that the State will have if the bidder’s proposal is selected.</li> <li>▪ <u>Deleted exclusions.</u> The bidder should denote exclusions that the State currently has that the State will not have if the bidder’s proposal is selected.</li> </ul> <p>The removal of the following exclusions (as well as any others) would be welcome if the premium impact is negligible: <i>electronic vandalism, fungus, and mold.</i></p>
<b>Terrorism Coverage</b>	<p>If terrorism coverage is required to be offered, it will be declined. No premium associated with TRIA coverage should be included in your proposal.</p>

**Valuation**

Replacement cost.

The State does allow agencies to insure buildings that would definitely not be replaced (in the event of a total or substantial loss) for demolition value only and these are denoted on the property schedule. Of the total TIV, this category represents a mere two tenths of one percent.

**Coinsurance**

No coinsurance currently applies and none is desired.

**Cancellation**

Cancellation provisions may be in accordance with Maine law, except that we request ninety days notice of nonrenewal, in lieu of the 30 days required by Maine law.

**Services Required**

“We strive to provide excellent and prompt services to our insured agencies. In order to do that, we EXPECT to receive services that meet or exceed industry standards or best practices.”

**AGENT / BROKER SERVICES**

**(1) Bid Services**

1. Design and market to all assigned insurance groups a property insurance program that minimally meets or exceeds all the requirements of this RFP.
2. As soon as (and if) an insurer or insurer group declines to bid, complete and submit to the State the Insurer Declination to Bid Form.
3. Evaluate all insurer submissions/quotations and choose one specific insurance program to submit to the State with your proposal. Complete and include with your proposal the Proposal Submission & Premium Computation Form on this program.
4. Complete and include the Rejected Proposal Form for each proposal that you did receive and evaluate, but that was not chosen as your submission.
5. For the chosen insurance program you are submitting, include a comprehensive market report with your proposal, such report to minimally include:
  - a. A comparison to the existing insurance program of important coverage features - including but not limited to - coverage limits, terms, definitions, exclusions and conditions; and
  - b. Affirmation that existing procedures relating to the existing premium arrangement, reporting (TIV, losses and builders risk), and properties valuation methodology, are acceptable to the insurer; or if not provide details where they differ or are improved upon.
  - c. Affirmation that the current level of services (agent/broker and insurer provided) will be provided; or if not provide details on how the services will differ or are improved upon.
6. Optional: Make recommendations as to alternatives, program improvements or enhancements and service enhancements, if any, that the State should consider and that are not included in your insurance program submission and provide the estimated cost for each recommendation. Do not include these costs on the Proposal Submission & Premium Computation Form.

**(2) Post-Bid Services – Prior to Policy Inception**

1. If your proposal is selected, assist the State in finalizing the insurance program to be implemented.
2. Obtain binder(s) of insurance to be effective July 1, 2007 and provide this binder(s) to the State no later than June 25, 2007.

**The current broker and insurer are providing all of the services noted below at no additional cost. Your proposal must state that the same level of support will or will not be provided and that there will or will not be an additional cost for providing this level of service.**

**(3) Post-Bid Services – After Policy Inception**

Provide **prompt** and ongoing account services, which shall include all of the following:

1. Agents - Issue binders and certificates of insurance within 24 business hours after both the request and all necessary information from the State is received. Brokers – Request from insurer binders and certificates of insurance within 24 business hours after both the request and all necessary information from the State are received.
2. Initiate an effective diary system that ensures (to the degree possible) the State will receive the policy and any subsequent policy endorsements within 30 days after the policy or endorsement effective date.
3. Check policy, endorsements, bills, claim reports and any other documents received from the insurer for accuracy before forwarding to the State. Initiate correcting endorsement requests as needed and denote such to the State.
4. Submit originals of all reviewed policies and endorsements to the State within three business days of receipt by your office.
5. Provide technical review of policy provisions when asked. Obtain answers to insurance coverage questions from the insurer when requested to do so by the State.
6. Monitor insurer solvency and inform the State of changes.
7. Facilitate effective team communications between the State, agent/broker and insurer personnel by:
  - a. Responding within 24 business hours to any phone call or email from the State;
  - b. Establishing a regular meeting schedule with the entire account team;
  - c. Providing direct access to the account underwriter, claims adjuster and loss control representative.
  - d. Problem-solving with the State and Insurer.
8. Keep the State informed of market conditions, trends and availability of new coverages that might affect or could improve the State's insurance program.
9. Assist in developing a well coordinated claims program between the State and its insurer(s).
10. Assist in developing a well coordinated loss prevention/loss control program between the State and its insurer(s).
11. Assist the State in remaining up-to-date on industry issues and trends. The current broker does this, in part, by providing the State with free access to its website and web casts, distribution of reports and newsletters, and access to certain seminars and training. (It would be helpful if your proposal denoted what similar type services you are able to or will provide.)
12. Assist the State in subsequent policy renewals, when asked.

## INSURER SERVICES

### (1) Underwriting

Provide **prompt** and ongoing account services, which shall include all of the following:

1. Issue binders and certificates of insurance within 24 business hours after both the request and all necessary information from the agent/broker are received.
2. Issue the policy (in required formats) within 30 days of inception date.
3. Issue endorsements within 30 days of endorsement effective dates.
4. Provide technical review of policy provisions when asked. Provide answers to insurance coverage questions when requested to do so.
5. Assist the State in remaining up-to-date on industry issues and trends. The current insurer does this, in part, by providing the State with free access to its website and web casts, distribution of related reports and newsletters, and access to certain seminars and training. (It would be helpful if this proposal denoted what similar type services the insurer is able to provide.)
6. Endeavor to achieve effective team communications between team members by:
  - a. Responding within 24 business hours to any phone call or email from the State or the agent/broker;
  - b. Meeting with the entire team on a pre-determined schedule;
  - c. Problem-solving with the agent/broker and the State.

### (2) Claims

Our current insurer provides the following services:

1. Consultation Services.  
The State has a senior claims specialist assigned to its account and is able to (and does) call on this specialist to seek opinions on any claim issue that might arise pertaining to our property insurance.
2. Claims Handling  
Should there be a substantial claim for which the property policy needs to respond, claims handlers are available to assist on a 24/7 basis.
3. Referral Services.  
Should we need the services of any type of specialist (such as forensic accounting) in handling the self insured property claims, the claims specialist assists in finding one.

### (3) Loss Control

Our current insurer provides the following services:

4. Sprinkler design review.  
The current process is this: The insured agency submits both the shop drawings and the hydraulic calculations directly to the loss control engineer, who reviews them for acceptability. The engineer sends a letter with his findings to the State. The State forwards a copy of the letter to the agency. These sprinkler design reviews do not occur in large numbers and there is no fee for doing them. For this RFP, the bidder must denote that this same service will be provided at no cost and that this procedure is acceptable; or must clearly state that the service will either not be provided or there will be a per review cost.
5. Site inspections.  
Loss control engineering services on site equivalent to at least twelve days per year. Currently the Insurer and the State reach an agreement on which buildings will be targeted for site visits each policy term, reserving some site visits to meet unexpected needs as they might arise.

6. Web Site. The State has access to the insurer's excellent loss control web site for reference.
7. Consultation Services  
We are able to (and do) call the engineer direct to seek an opinion on any loss control related issue that might arise pertaining to our property insurance.

**Potential Additional Services**

The State may desire educational and informational presentations, including on site presentations regarding this insurance program and related loss control, be made available to the State on a reasonable basis if offered at no additional cost. If your proposal includes this service, it should be noted.

# APPENDIX

## Electronic CD

The enclosed CD contains the following files:

<b>Document Name</b>	<b>Format</b>	<b>Notes</b>
March 2007 SOM Property Information	Excel	Contains four worksheets: * Key –construction class codes * Key – occupancy codes * Full property schedule * PML by State mcode
Folder: Property Policy	PDF	Contains 33 documents that comprise the existing property policy in its entirety
Travelers Loss Runs 2007	PDF	Contains a five year Travelers Insurance Company loss run (07/01/2002-2007)
March 2007 SOM Loss Runs	Excel	Contains five worksheets – ten year data of losses incurred and paid under the State’s self insurance property policy: * Summary by policy year * Policy year detail * Codes – key and summary * Loss code detail * Raw data
Folder: UMS Occupancy Maps	PDF	Contains eight campus maps detailing building occupancies
Folder: Part Two Property RFP 2007	PDF and Word	Contains the part two bid specifications.

**UNIVERSITY OF MAINE  
FINE ARTS AND COLLECTIONS – SUPPLEMENTAL INFORMATION**

**Summary Art Schedule by Campus – see page 17 for details on the separate Fine Arts and Collections Policy insuring this exposure.**

The University has approximately \$45 million in fine arts, which includes owned art and art of others which is on extended loan to the university. The art work includes a wide array of art forms, with the largest values consisting of antique maps, early American artifacts, fine arts (paintings, drawings, prints, and so forth) and special collections (such as the William S. Cohen collection).

The art is located throughout the University, with the majority of it located at the campus locations. Current estimated values are:

<b>Campus</b>	<b>Location</b>	<b>Add'l Info</b>	<b>Est. Total Value</b>	<b>Est. # Items</b>
UMA	Augusta		\$338,000	125
UMB	Bangor	(Museum of Art)	\$7,350,000	3928
UMF	Farmington		\$305,000	230
UMFK	Fort Kent		\$32,000	55
UMG	Gorham		\$1,182,118	150
UMM	Machias		\$1,001,500	80
UMO	Misc Locations		\$1,430,000	2742
UMO	Orono	(Hudson Museum)	\$3,205,300	7692
UMO	Special Collections		\$10,000,000	unknown
UMP	Misc. Locations		\$1,200,000	150
UMP	Portland	(Osher Map)	\$16,089,077	2000
UMPI	Presque Isle		\$526,940	315
<b>Total</b>			<b>\$42,659,935</b>	

Web sites for the University’s major museums are as follows:

- UMB Museum of Art (Bangor): <http://www.umma.umaine.edu/>
- UMO Hudson Museum (Orono): <http://www.umaine.edu/hudsonmuseum/>
- UMO William S. Cohen Papers (Orono): <http://www.library.umaine.edu/cohen/intro.htm>
- UMP Osher Map Library (Portland): <http://www.usm.maine.edu/maps/>

**FIFTEEN YEAR HISTORICAL RECORD - PROPERTY POLICY**

<b>Term</b>	<b>Insurer</b>	<b>TIV</b>	<b>Premium</b>	<b>Ded. Code</b>	<b>Policy Limit</b>
07/01/92-93	Travelers Insurance Company	\$1,743,735,983	\$136,011	1	blanket
07/01/93-94	Travelers Insurance Company	\$1,869,342,031	\$145,809	1	blanket
07/01/94-95	Travelers Insurance Company	\$1,918,402,754	\$149,635	1	blanket
07/01/95-96	Travelers Insurance Company	\$1,972,279,482	\$153,838	1	blanket
07/01/96-97	Travelers Insurance Company	\$2,040,937,279	\$159,193	1	blanket
07/01/97-98	Travelers Insurance Company	\$2,094,130,764	\$152,872	1	blanket
07/01/98-99	Travelers Insurance Company	\$2,150,602,149	\$156,994	1	blanket
07/01/99-00	Travelers Insurance Company	\$2,210,886,914	\$161,395	1	blanket
07/01/00-01	Travelers Insurance Company	\$2,361,862,365	\$176,916	1	blanket
07/01/01-02	Travelers Insurance Company	\$2,376,508,551	\$177,985	1	blanket
07/01/02-03	Travelers Insurance Company	\$2,843,505,011	\$695,000	2	\$100,000,000
	Excess - Lloyds of London		\$180,250	3	\$100,000,000
07/01/03-04	Travelers Insurance Company	\$3,144,116,363	\$808,038	2	\$200,000,000
07/01/04-05	Travelers Insurance Company	\$3,373,436,110	\$808,612	4	\$200,000,000
07/01/05-06	Travelers Insurance Company	\$3,585,670,011	\$813,748	4	\$250,000,000
07/01/06-07	Travelers Insurance Company	\$3,859,576,026	\$935,561	4	\$250,000,000
<b>TOTAL PREMIUMS PAID</b>			<b>\$5,811,857</b>		

<b>DEDUCTIBLE STRUCTURES</b>				
<b>Code</b>	<b>In Any One Loss</b>	<b>Annual Aggregate</b>	<b>Drop Down</b>	
1	\$1,000,000	\$2,000,000		\$100,000
2	\$2,000,000	\$4,000,000		\$100,000
3	\$100,000,000			
4	\$2,000,000	\$3,500,000		\$100,000

**END OF RFP**