

OFFICIAL TRANSCRIPT OF THE
MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND TRANSIT ADMINISTRATION
PRE-PROPOSAL MEETING
FOR
OWNER CONTROLLED INSURANCE PROGRAM SERVICES
CONTRACT NO. MTA-1352

MAY 8, 2012

2:00 P.M.

Maryland Transit Administration
6 St. Paul Street, 7th Floor Conference
Baltimore, Maryland 21230

Agency:

Gary Lockett, Procurement
Gail B. Allen, AECOM, OSQARM
Bernadette Bridges, OSQARM
Paula Cullings, Office of Fair Practice

Participants:

Carolyn Clements, AON Risk Solutions
Chuck Burn, AON Risk Solutions
Will Daniel, Turner Surety and Insurance Brokerage, Inc. (TSIB)
Susan Smith, Frank Crystal & Company
Kevin Higgins, Frank Crystal & Company
Lori Schmitt, Willis
Tom Hoblitzell, Willis
Thomas Gilleand, Insurance Solutions
Loretta Fuller, Insurance Solutions Associates
Alaina Van Gelder, Wells Fargo Insurance Services
Jamie L. Pincus, Wells Fargo Insurance Services, Inc.
Denise H. Lloyd, D.H. Lloyd & Associates, Inc.
Deon Tucker, Insurance Solutions Associates

Court Reporter:
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1 MR. LOCKETT: Good afternoon, everyone. My name is
2 Gary Lockett. I'm a Procurement Officer for the Maryland
3 Transit Administration, and we're here for the Pre-proposal
4 conference for Contract MTA-1352 entitled Owner Controlled
5 Insurance Program Services.

6 It's 2:10 p.m., and I'm going ahead and getting
7 started because our Project Managers are on the way -- the one's
8 that have all the technical expertise -- they're on the way,
9 they promised they'll be here, but I can go over just some
10 preliminary information prior to them getting here. All right?

11 I passed around the sign-in sheet. I want to remind
12 everyone to sign in, and I, also, want to remind everyone that
13 this meeting is being recorded. So, when we get to the
14 questions and answer session, I would ask that you state your
15 name, and the company that you're with, and our transcriber will
16 do it too, but we are transcribing this for the record.

17 And, please be reminded that any questions regarding
18 this RFP, following today's conference, must be directed to my
19 attention, in writing by fax or via an e-mail. Also, only the
20 responses or answers to inquiries received from the Procurement
21 Officer represent the official position of the MTA, concerning
22 this solicitation. Discussions with other MTA personnel,
23 regarding this RFP could result in your firm being disqualified
24 from further consideration for contract award.

25 In addition, if it becomes necessary to revise any

1 part of the RFP, or if additional information is necessary to
2 enable the Offeror to make an adequate interpretation of the
3 provisions of this RFP, an addendum to the RFP will be issued
4 and provided to each firm.

5 I will, briefly, summarize some key areas of the RFP
6 for your attention.

7 Under Section I, the introduction, Item III - Purpose,
8 the MTA is requesting proposals from a consulting firm
9 with demonstrated experience in, and thorough knowledge of,
10 insurance brokerage services in connection with an Owner
11 Controlled Insurance Program (OCIP) as described more fully in
12 the Request for Proposals (RFP). This request does not commit
13 the MTA to accept a proposal or recommend award. Each potential
14 Offeror is encouraged to read this RFP, carefully, and submit
15 technical proposals outlining, in detail, its ability to provide
16 the requested services. And, I will be shortening it. The OCIP
17 program or Owner Controlled Insurance Program will be for the
18 MTA's Capital Construction Program, which includes improving
19 portions of the Metro Subway's Fire Security system and
20 performing a Facility Systems Modernization. Also, planned are
21 updates and expansions of the Park and Ride Lots for MARC train
22 and commuter bus that will take place in and around the
23 Baltimore/Washington Metropolitan area. The combined
24 construction costs for these and other projects, listed
25 elsewhere in this RFP, are expected to approach, roughly,

1 \$220,000,000 over the next five years.

2 Section I.5 - Administrative Contractual Information,
3 Item C, it deals -- on page 3. The closing date and time for
4 receipt of written questions or inquiries is May 15th, 2012 at
5 4:00 p.m. You may submit questions by fax, e-mail or regular
6 mail, but they must be in writing.

7 We're still in Section I. If you go to Item D,
8 Submission Deadline. That's on page 3, also -- I'm sorry.

9 Section I - Item AA - Use of e-Maryland Marketplace.
10 e-Maryland Marketplace is an electronic commerce system
11 administered by the Maryland Department of General Services.
12 This means that all such information is, immediately, available
13 to subscribers to eMaryland Marketplace. Because of the instant
14 access supported by eMaryland Marketplace, it is recommended
15 that all Bidders or Offerors interested in doing business with
16 the Maryland State agencies subscribe to eMaryland Marketplace.
17 It's free. A Contractor must be registered on eMaryland
18 Marketplace in order to receive a contract award. Registration
19 on eMM is free.

20 Continuing on and this will be covered in more detail
21 is the Minority Business Enterprise Program, Section I, Item DD
22 on page 9. It is the goal of MTA that Minority Business
23 Enterprises participate in all projects. The MTA, hereby,
24 notifies all Offerors, that in regard to any contract entered
25 into pursuant to this RFP, Minority Business Enterprises will

1 not be subject to discrimination on the basis of race, color,
2 sex or national origin in consideration for an award. An
3 overall MBE subcontracting participation goal of twenty percent
4 (20%) of the total contract dollar amount has been established
5 for this procurement.

6 If you go to page 20, Section III - I.A. General.
7 This is a description of -- the Technical and Price Proposals
8 will be reviewed for consistency with and in response to the
9 requirements of the RFP. All interested Offerors must submit,
10 in a separate sealed cartons or envelopes and labeled "Technical
11 Proposal for Contract Number MTA-1352 - Owner Controlled
12 Insurance Program Services." And then, those proposals are to
13 be delivered to my attention, and that's listed right there at
14 MTA, Contracts Administration Division, 6 St. Paul Street, 7th
15 Floor. It's Baltimore, Maryland 21202. And, my phone number,
16 and fax number, and e-mail is listed there, also.

17 All proposals must be delivered to the address above,
18 on or before the closing date for submission of proposals, as
19 indicated. Any technical offer not received by this time and
20 date shall not be accepted. If offers are mailed, it is the
21 Offeror's responsibility to make allowances for on-time
22 delivery. Technical offers must be typewritten or written
23 legibly in ink.

24 Section IV, Evaluation Criteria and Procedures, page
25 27. This entire section represents a detailed description of

1 the evaluation and selection process for the RFP, including the
2 evaluation criteria listed in order of importance.

3 And, I'm, now, going to open up the floor for
4 questions. And, I am -- first I will allow my colleagues to
5 introduce themselves, to my left. And, again, when asking a
6 question, please remember to state your name and the name of
7 your firm, clearly.

8 MS. CULLINGS: Paula Cullings. I'm the Director of
9 the Office of Fair Practices for the Minority and Disadvantaged
10 Business.

11 MS. BRIDGES: Bernadette Bridges, Chief of Safety for
12 Maryland Transit Administration. And, this program is under our
13 office.

14 MS. ALLEN: Gail Allen, AECOM. I'm Consultant to MTA
15 in the Office of Safety, Quality Assurance and Risk Management.

16 MR. LOCKETT: Okay. First, I want to allow my
17 colleagues to give, you know, any presentation. Paula will
18 include the MBE presentation, and then, if Bernadette and Gail
19 want to add anything about the Scope of Services, that you might
20 want to point out to them, you can, and then, we'll open up the
21 floors for questions.

22 MS. CULLINGS: Good afternoon, everyone. As you know
23 this is a twenty percent (20%) goal for minority participation.
24 The goal is twenty percent (20%) percent based on those areas
25 that we found that were segmentable. An MBE would have to be

1 certified by MDOT. When you go in the directory, many times
2 you'll see firms that are MBE/DBE; that's acceptable. For any
3 firm that is DBE only, certainly, you cannot use them. The MBEs
4 that might bid as a prime will also have to bring twenty percent
5 (20%) to the table; they cannot use themselves for that
6 participation. So, that being said, you may have received and
7 should have, by now, your forms that you would use to bring this
8 information in. And, the last time we did this contract, these
9 forms were quite different. So, it's really important that you
10 read the directions, accordingly. Now, normally, MBE goals have
11 a sub goal, so that's why you see percentages for various ethnic
12 and gender groups. That is not the case, here. Today, this
13 goal is twenty percent (20%) any way you get it from whomever
14 you get it from that's certified by MDOT. So, don't worry about
15 Part 1 other than to check the box that you have agreed to do
16 the twenty percent (20%). You don't have to worry about what
17 participation could be for any of these ethnic groups. The OR
18 factor, on page one says, no you're not going to do the twenty
19 percent (20%), something is miscalculating with yourself, you
20 might see that you can do 17.3 percent and you're going to ask
21 me for a waiver for the difference with full explanation or
22 anything else you care to tell us. We feel confident that
23 twenty percent (20%) is accurate and capable. The
24 subcontracting areas that we looked at was insurance loss
25 prevention, safety, loss control consultants, insurance

1 administration services, and consultants. So, those are the
2 areas that we feel, based on the nature of this contract, that
3 can be segmented to a different type of firm other than
4 yourselves. So, actually, yourselves may be self-contained, you
5 may say we do it all, but we're not going to accept that, you
6 must give us twenty percent (20%) participation in a useful
7 functioning area. So, page A is a two-pager which requires a
8 signature. Please sign it. Failure to sign it, you're out.
9 There's no remedy.

10 Form B, which is the third page, has all of the
11 instructions you will need. You don't need to send that back to
12 me. Form B will also, also has a second page, it looks like
13 this so that it can help you with your math. In this particular
14 case, you're not again doing sub goals, but the examples are
15 here for you. What is, really, a key and important is that in
16 the Form B there's a Part 2. And, Part 2 is where you name the
17 firm in column 1. In column 2, you give us their certification
18 number. And, here again, it doesn't matter for you to tell us
19 their ethnicity or gender, but what's important is that you
20 begin to tell us what percentage are you awarding to that
21 particular subcontractor.

22 There's a Part 2, 3.1 and 3.2, and this is where you
23 have to pay close attention. The subcontracting areas that I
24 gave you are not all that it is. We have 5,000 certified firms.
25 You are allowed to be as creative as you care, that was

1 suggested. Therefore, you may procure a product commodity or a
2 product commodity type of - well, it wouldn't be a service so
3 much it has to be a commodity, supply or product. That being
4 the case, you can only get 60 percent (60%) credit for what you
5 spend with that. So, say you needed some instrumentation, some
6 type of instrument to do your task, and somebody sells it out
7 there. When you procure it for \$500, you will spend the 500,
8 but you will get 60 percent (60%) of that 500 credited towards
9 your goal. And, it allows you to fill that out and do the math
10 in front of us, so we need to know what you will spend and what
11 that 60 percent (60%) represents towards your goal. This is
12 really key because if we calculate, differently, and you didn't
13 ask for a waiver for the difference and it falls short, you're
14 out. So, pay attention to this area or pass it on what I'm
15 saying because many times in these arenas, the people that do
16 this paperwork are never sitting here at the table. You hand it
17 off to somebody and they cost you the deal. So, how important
18 is that to you? That's what's key. There is no second bite,
19 oh, you know, the secretary did it and I didn't get to review
20 it. That's too bad.

21 Be sure to fill out the last page which is Part 3 of
22 Form B. Again, that's your signature and commitment. Failure
23 to do that, then you're not going to do the deal, and we would
24 find that to be noncompliant.

25 The final two pages which are C and D are required but

1 not, necessarily, required at the time of bid. If you care to
2 submit it at the time of the bid, that's fine, we'll accept it,
3 no penalty. But, the awardee is, normally, asked to provide C
4 and D at the time of the award.

5 [Form] C is to tell us how did you go about looking
6 for your MBE firms. Did you run an ad in the paper? Did you
7 host an event, or did you simply go to the directory? And,
8 that's fine. Maybe you already had a relationship with firms,
9 you already knew who was in place, but certainly, fill it out.

10 Form D is very critical because Form D you shall make
11 as many copies of it as you need, one form per firm. This is
12 the form that you the prime will fill out, you will name
13 yourself and you will name that particular sub, and you will
14 name their certification number, and you would name, at least,
15 the dollar value or percentage that you plan to spend with them.
16 If there's a NAIC Code in their area, indicate it and also in
17 writing what do you plan for them to do. Be specific. Look at
18 their profile at what they're certified for. Do not have them
19 do catering if they do something different. So, be clear that
20 you write that these are the things they're certified to do.
21 They may tell you, I can do everything else, but if it's not
22 written, you don't get credit for it and they don't either.
23 It's up to minority firms to contact MDOT, on any given time,
24 and raise the bar on their profiles and make changes and
25 updates. If that's not in at the time of bid, then it cannot be

1 counted. So, make sure that you write in that they're going to
2 do this task because this is what their profile says they're to
3 do.

4 You shall sign it, put all the information where it
5 says, "Prime Contractor." I will allow this document to be a
6 fax document which means you may send it to your sub so that
7 they only simply sign on it. They will not be completing this
8 document, they're simply signing. When they sign, they have
9 agreed that they understand where they are in the game. This is
10 the percentage you, finally, decided to offer me, this is what
11 you want me to do. So, I will accept it faxed, so you don't
12 have to run all over town getting signatures. The
13 subcontractors should, certainly, keep a copy if they're getting
14 it by fax, naturally, for their own records. But, this will be
15 what will be asked for. And, you will do one sheet per person.

16 When it's all said and done, you will have to have an
17 agreement. So, at the end of the deal, whether you're awarded
18 and you're given some notification time to provide other items,
19 one of the items that shall come to my office, directly, will be
20 a small agreement. I say, "small" because you really don't have
21 to go to legal up in corporate and have them spin off, you know,
22 a phone book. The agreement is very basic, this is what I want
23 you to do as I need you to do it, what the particulars could be,
24 your failure to show up on time would constitute whatever, you
25 cannot cancel anyone for convenience. Our documents say we will

1 cancel you for convenience, but you must cancel your subs for
2 cause. So, if we have -- our convenience says we're no longer
3 going to have this, your cause to the sub is to say we're not
4 doing this because MTA is no longer having it. So, that's the
5 cause for them, convenience for us, and you can't pass that same
6 language on.

7 The agreement should be just very basic, how shall
8 they invoice you, you know, how will the work be done, what do
9 you want delivered from it, the deliverables and so on. And,
10 they sign, you sign, that should be in my office. You may have
11 a dispute, at a later, time with this individual or this firm,
12 and you may want to make some changes. You have to come through
13 me. You cannot automatically say, well, they didn't act right,
14 I just went on down the street and picked up somebody else,
15 they're certified. You have to come through me. They have to
16 have an audience with you and me for cure purposes. Then, we
17 agree to let you go get someone else as opposed to you thinking
18 it doesn't matter. It does matter. Who you commit up front is
19 who you're to live with for the life of the contract as we are
20 going to live with you for the life of the contract. We're not
21 going to take your proposal, your price and go shop it later.
22 Do not shop the subcontractors. You ask up front everything you
23 need to know, live with it, but don't get the award and two
24 weeks later, hey I just met somebody who's cheaper. Tough, no
25 changing. So, that's very firm.

1 Along the way, you will have to do, monthly, reports
2 and we will do this with you on paper, but it will catch up to
3 the electronic software that we have that will be through FEMUS
4 (phonetic sp.) and IFEMUS (phonetic sp.) but, we have to bring
5 you into it in order for you to do that. So, you may receive
6 from us, by email or hard copy, how to get this started, and
7 then, ultimately, the sub will do their own reports, the prime
8 will do their own reports, monthly. It's only the sub's reports
9 that really count because that says this is what you've
10 received, and so it has to balance out.

11 I can't think of anything else other than to say if
12 you're having any difficulty in understanding what can be
13 utilized, as a subcontractor, for one, we have documents that
14 gave you the information for MDOT. So, certainly, go on their
15 website. Any navigation problems, that's for them. Anyone that
16 you're not sure if they're still certified to do a certain
17 thing, take that to MDOT, directly.

18 You will see in the directory firms that have a letter
19 "G" in front of their NAIC Code. If they have a letter "G,"
20 that means they have graduated from that NAIC Code service only.
21 They're still certified for all the other things. So, do not
22 select them to do that thing that is on a "G" line where they
23 have graduated. Other than that, anything that we can do, all
24 questions go to Gary, but if it's a technical question about
25 something concerning your configuration, and what you're trying

1 to do to reach your goals, you, certainly, can speak to us,
2 directly, because that's proprietary, and that's not something
3 that is a question that everybody would need to understand how
4 you do on your package versus someone else's. I don't know if
5 you have our number, but we are at 410-767-3944. You will,
6 probably, get Randy Bell or Valerie Moore. Ask for either of
7 them for any assistance you might need, technically, and we will
8 do our best to, you know, help you out, and for your
9 understanding of that particular firm.

10 Waiver. If you feel that you need a waiver for a
11 portion of the goal, and you so indicate it on this item in the
12 OR factor, you should send that along with your package because,
13 after all, if you're not listing the firms that can make up the
14 20 [percent], then you, obviously, know right then and there how
15 come and why. You, really, have to make a strong case to me,
16 because if we're looking at the next bidder and they could do
17 it, you need to explain to me why you can't. If you called 89
18 people and they all told you no thank you, business is just
19 booming, I don't have time, then get something from them,
20 because I have to call all 89 as well to discern when did you
21 call, what date did you call, what hour and what was said. And
22 so, all of that could be, you know, a little damaging if you
23 don't have it up front. Sometimes, you calculate and,
24 legitimately, there's no more you can buy, you can't even begin
25 to estimate whether three more percent can make the difference,

1 this is as far as you can take it and you're asking for a waiver
2 for the difference. And, it may be simply, I don't see any way
3 I can procure anything else, you know, but again legitimize it
4 by the nature of the work and how you're fitting in your plan.
5 So, it's not to say we don't grant waivers, but we do, however,
6 look at what the other bidders are doing. So, if all other
7 bidders have met the goals and one have not, it's not likely I
8 would say yes, automatically, unless your circumstances are very
9 different, I mean, that's a challenge. We think 20 [percent]
10 can be met, so we're not encouraging the waiver. But, anything
11 could happen out there. And, that's when you may want to talk
12 to us before you submit it to get some understanding on that
13 because we want you to be successful as much as you can.

14 Are there any questions on the MBE program and what
15 you're required?

16 MR. LOCKETT: Before you do, would you let Bernadette
17 and Gail, they want to add something to the Scope of Services.

18 MS. CULLINGS: Oh certainly, I thought you were just
19 taking sections at a time.

20 MR. LOCKETT: No.

21 MS. BRIDGES: Well, I'll be the Administrator of the
22 OCIP program, and I just wanted to clarify that it is for
23 construction and capital improvement projects, not any
24 operations. All that is handled in the State Treasurer's
25 Office, but the State Treasurer's office and the Office of

1 Safety Quality Assurance and Risk Management do communicate
2 quite a bit regarding different aspects of the operations
3 insurance program and its impact, if any, on the capital
4 improvement OCIP program. It is a five year OCIP and the first
5 year ends in a few days. I don't know if there's any more to
6 add to that to what I just said about --

7 MS. LLOYD: -- I have one question -- I have two
8 questions.

9 THE REPORTER: Your name, please?

10 MS. LLOYD: I'm sorry, my name is Denise Lloyd, D.H.
11 Lloyd and Associates. I have two questions. The first question
12 is if it ends in a few days, then the placement will be made
13 when the award will be done to the broker, is that what you're -
14 - or is it going to be a lapse between --

15 MS. BRIDGES: The program is the insurance policy's
16 and the company they're with is separate from the brokerage
17 contract.

18 MS. LLOYD: Okay, so the brokerage contract ends in a
19 few days. Well --

20 MS. BRIDGES: Well --

21 MS. LLOYD: What ends in a few days? I'm sorry.

22 MS. BRIDGES: The brokerage contract has been extended
23 in the interim until we select a new broker.

24 MS. LLOYD: Okay.

25 MR. LOCKETT: Right.

1 MS. LLOYD: And, you had said something ended in a few
2 days. What was that?

3 MS. BRIDGES: Well, the first year of the OCIP
4 program, the Owner Control Insurance Program was placed last
5 year, so the brokerage services would, I guess, be integrated
6 into that, for lack of a better way of saying it.

7 MS. LLOYD: My second question is what do -- how do we
8 define third tier?

9 MS. CULLINGS: We're not defining any pass through.
10 There is no pass through, there is no third tier, in fact --

11 MS. LLOYD: -- Now, I was looking at it here, it says,
12 "first tier subcontract, second tier and then subcontractor
13 third tier," I just want --

14 MS. CULLINGS: -- Right. I'm not sure why that's
15 there, but in this particular case, that would not be the case.
16 We don't do the pass through, and I don't know what the
17 circumstance is yet, sometimes it's in the equipment and
18 construction -

19 MS. LLOYD: Okay.

20 MS. CULLINGS: -- as the best way to explain an IT.
21 Because there are times when what we are procuring,
22 particularly, in the IT world, where that product may come
23 through those ways. But, in this particular case, the second
24 tier is the one and only level in which a subcontractor can be.
25 You can't get a subcontract, and then, you go out and contract

1 the services, that's not allowed.

2 MR. DANIEL: A follow up, Will Daniel with TSIB. You
3 said the --

4 MS. BRIDGES: TSIB stands for?

5 MR. DANIEL: Turner Surety Insurance Brokerage.

6 MS. BRIDGES: Okay.

7 MR. DANIEL: The policy has been placed --

8 MS. ALLEN: Yes.

9 MR. DANIEL: -- so the Scope of Services include
10 insurance brokerage, the marketing programs, I don't think
11 that's been done.

12 MS. ALLEN: That's been done already. It's a five
13 year owner controlled insurance program.

14 MR. DANIEL: Understood.

15 MS. ALLEN: And, it renewed last year.

16 MR. DANIEL: Okay, so, I'm just trying to get the
17 Scope, because the Scope says insurance brokerage services, so
18 that's basically been done.

19 MS. ALLEN: It's been done for the five year program,
20 yes. So --

21 MR. DANIEL: -- So, is this a new five year program or
22 is this -- we're just taking over what's been done?

23 MS. ALLEN: You're taking over what's been done.

24 MR. DANIEL: Okay, so I'm just trying to get the Scope
25 of Service [indiscernible].

1 MS. ALLEN: If there could be other procurements that
2 we require --

3 MR. DANIEL: Okay.

4 MS. ALLEN: -- along the way.

5 MR. DANIEL: But, the --

6 MS. ALLEN: I'm all --

7 MR. DANIEL: -- so, the existing program, your five
8 year project, which you mentioned \$220 million, the policies has
9 been done for that. So, that program is in place.

10 MS. ALLEN: Yes.

11 MR. DANIEL: Any subsequent services, another program,
12 incidental policies --

13 MS. ALLEN: Exactly.

14 MR. DANIEL: -- whatever, then you come to us for
15 marketing and brokerage and things like that?

16 MS. ALLEN: Exactly.

17 MR. DANIEL: But, the OCIP programs are set. Okay.
18 And then, we would be, picking up the rest of the service, loss
19 control and all that would be for [indiscernible].

20 MS. ALLEN: Yes.

21 MR. DANIEL: Is there a -- would there be packaged --
22 I'm just curious what the policy is with the replacement or
23 where those programs are placed, right now. Is that something
24 that you provided?

25 MR. LOCKETT: You can send me that --

1 MS. ALLEN: -- in writing.

2 MR. LOCKETT: -- as a request in an inquiry, and I'll
3 see about that.

4 MR. DANIEL: Okay.

5 MR. LOCKETT: We got a lot of contracts.

6 MR. DANIEL: Okay, I'll just --

7 MR. LOCKETT: -- You'll have to --

8 MR. DANIEL: -- not that -- I'm just talking about the
9 policies --

10 MS. ALLEN: The insurance policies.

11 MR. DANIEL: -- the replacements. Not the -- okay.

12 MR. LOCKETT: Okay.

13 MR. DANIEL: But, the \$220 million that have been
14 projected under this program, how much has been put in place,
15 today, or is that something that I should also ask --

16 MR. LOCKETT: Yeah, we're going to have to go over
17 that. You're talking about how much the contract, this
18 particular is worth?

19 MR. DANIEL: No, no, no. You've got \$220 million
20 worth of constructive work --

21 MR. LOCKETT: -- How much have we used?

22 MR. DANIEL: -- how much in your --

23 UNIDENTIFIED SPEAKER: What's included in the OCIP -
24 already placed.

25 MR. DANIEL: Yeah, exactly.

1 MR. LOCKETT: Oh, okay.

2 MR. DANIEL: You've done one year of work, how much of
3 the 220 is remaining.

4 MR. LOCKETT: Okay.

5 MS. ALLEN: I think that would be another question to
6 you in writing.

7 MR. LOCKETT: Yeah, that's another question in
8 writing.

9 MR. DANIEL: Okay, so -- all right. So, I'll --

10 MS. CULLINGS: All questions are in writing. Even
11 though you're asking them today, put them in writing.

12 MR. LOCKETT: In writing, yeah.

13 MR. DANIEL: Okay. I'll be happy to do that. Okay.

14 MS. CULLINGS: Name and company?

15 MR. HOBLITZELL: Tom Hoblitzell with Willis. So, if
16 these polices have been put in place already, would the new
17 broker be responsible for the completeness and accuracy of those
18 placements that the new broker was not involved in placing at
19 all?

20 MS. ALLEN: Your question, if I'm hearing you right,
21 is would you be responsible as a new broker if you had concerns
22 about the placements in the coverage?

23 MR. HOBLITZELL: Yeah, if there was a problem or an
24 issue with the placement or whatever.

1 MS. ALLEN: I think as the new broker, it would be
2 part of your responsibility to ensure that MTA is, adequately,
3 covered and our exposures insured financial, I guess, transfer
4 of the risk that would be part of your due diligence as a new
5 broker.

6 MS. LLOYD: Denise Lloyd of D.H. Lloyd Associates.
7 The -- I'm assuming that the limit of liability would incur at
8 the point of transition because the policies are already in
9 place, right now.

10 MS. ALLEN: Yes.

11 MS. LLOYD: If there was an occurrence that showed
12 deficiency, but we don't - we -- the new agent, doesn't take
13 over the policy until, I'm just throwing out a date, July, they
14 wouldn't be held responsible for things that had been done in
15 the past.

16 MS. ALLEN: I'm not the general counsel here, but I
17 would not see that happening because you have not been,
18 contractually, assigned --

19 MS. LLOYD: Right.

20 MS. ALLEN: -- to, you know, to represent us in that
21 behalf.

22 MS. LLOYD: Okay.

23 MS. FULLER: My name is Loretta Fuller with Insurance
24 Solutions Associates. The question I have is the policies --
25 and I'm just going to use this for an example -- is placed with,

1 let's say Liberty Mutual or something like that, just use that,
2 hypothetically. If upon being awarded the contract, and we see
3 in our consulting, and review on existing policies, that we
4 would like to change carriers because they offer more broader
5 coverages, is that an option, as well?

6 MS. ALLEN: I don't see why not, but at the same time,
7 we wouldn't want to be penalized --

8 MS. FULLER: Right.

9 MS. ALLEN: -- for --

10 MS. FULLER: -- Well, without costing the
11 administration any money. But again, what we're talking about
12 is that you're asking for consulting services on the policies
13 that you have in place and if upon review of your documentation,
14 we find that that there is a gap in coverage or the coverage is
15 not as broad as we've seen with other carriers, can we --

16 MS. ALLEN: -- make that recommendation?

17 MS. FULLER: -- make that recommendation.

18 MS. ALLEN: By all means.

19 MS. FULLER: And, would that other broker place that
20 policy or would the policy be brokered with us, as well?

21 MS. ALLEN: It would be up to you as the new broker on
22 record.

23 MS. FULLER: Okay. Very good.

24 MR. GILLEAND: A technical question. In that kind of
25 situation, it says in the contract --

1 THE REPORTER: -- Excuse me. Your name, please?

2 MR. GILLEAND: Oh, I'm sorry, Tom Gilleand with
3 Insurance Associates.

4 THE REPORTER: Thank you.

5 MR. GILLEAND: It says in the contract, "licensed and
6 admitted carriers," or "a licensed carrier." Do they have to be
7 admitted, as well? I can see professional liability,
8 especially, I can see non-admitted carriers who may be licensed
9 but could provide a better rate or more comprehensive coverage.

10 MS. ALLEN: At this time, I think, it would be best to
11 put that in writing and let me investigate that further along
12 with Gary because that's getting into like the Insurance
13 Commissioner and all of that and the State of Maryland.

14 MR. HOBLITZELL: I have a question. Again, it's Tom
15 Hoblitzell from Willis. It seems odd that you've already placed
16 the policies, and now, you're going in and replacing the broker.
17 Is that how it's normally been done, or is this something
18 extraordinary that's happening as far as having your policies
19 renew, and then, replacing the broker -- potentially replacing
20 the broker.

21 MS. ALLEN: Well, to answer your question, I've been
22 here a little over, almost 18 months, and having come at the end
23 of the brokerage contract, there's a lot of things going on here
24 that necessitated an extension of the current brokerage
25 contract. So, to say whether or not that's usual or customary,

1 I don't know. I haven't seen that. However, my background is
2 underwriting. I've seen broker record letters, you know, fly
3 for no reason, at all. So, I hope I addressed your question.

4 MR. HOBLITZELL: In most of the dealings that I have
5 with the State of Maryland *per se* where they do brokerage
6 services contracts is they will, typically, initiate that
7 contract prior to the renewal or expiration of certain policies,
8 so that when I pick you as your broker --

9 MS. ALLEN: -- It coincides.

10 MR. HOBLITZELL: It might not happen to coincide, it
11 might be 90 days prior to expiration, but if they elect you,
12 then, as their new broker market and solicit bids for the
13 insurance policies and go forward. I'm just sort of asking,
14 this seems backwards. I think, you've already done this stuff
15 and now, let's get a broker. I was just asking --

16 MS. ALLEN: I see your perspective, but no.

17 MR. HOBLITZELL: I was just asking if there was any
18 reason that if there's no rhyme or reason for it. That's --

19 MS. ALLEN: No.

20 MR. HOBLITZELL: -- a fine answer, too.

21 MS. ALLEN: No, it wasn't.

22 MS. FULLER: Loretta Fuller, Insurance Solutions,
23 again. Who's the current broker? That's what everybody wants
24 to know. I'll just ask it.

25 MR. LOCKETT: Aon Risk.

1 MS. FULLER: Okay, very good.

2 MR. HOBLITZELL: One more question. Is there a way to
3 know what the expiring cost of that brokerage services agreement
4 was?

5 MR. LOCKETT: That's -- send me that in writing too.

6 MR. HOBLITZELL: Send you that in writing. Okay.

7 MR. LOCKETT: Before I answer.

8 MR. HOBLITZELL: And, all the questions and answers
9 will be disseminated?

10 MR. LOCKETT: Yes, they will get disseminated, yeah,
11 through an addendum. A copy of this transcript will be sent to
12 every person that attended as well as the responses to all
13 questions will go out to everyone.

14 MR. HOBLITZELL: One more question about the MBE
15 forms, because I want to make sure I get it right. If I have a
16 specific question on filling out the forms, just like does it go
17 in this box or that box, is that something I can direct,
18 directly, to your office?

19 MS. CULLINGS: You can.

20 MR. HOBLITZELL: Okay.

21 MS. CULLINGS: But, I would not want to have to tell
22 the person that calls for you everything that we shared, today.

23 MR. HOBLITZELL: No, no, no, no.

24 MS. CULLINGS: Okay.

25 MR. HOBLITZELL: That's all I had.

1 MR. LOCKETT: Any more questions?

2 MS. CULLINGS: Well, let me just ask as we're wrapping
3 up, your MBE documents are very, very essential, they are part
4 of the living solicitation. So, you want to make sure that this
5 is as accurate as the information you're giving in your
6 proposal. We've seen, too often, people lose out because of
7 this. You know your business, that part is a little easier,
8 this got a little complicated and it just didn't materialize.
9 And, we really want everyone to be successful at this as opposed
10 to this being the reason not to go forward.

11 MS. ALLEN: I don't think I had been here six months
12 and I spent about three hours with Paula regarding this in
13 procurements, and she's very serious.

14 MS. CULLINGS: This program is an MDOT program that we
15 follow.

16 MS. ALLEN: She wouldn't let me leave until I
17 understood, fully.

18 MS. FULLER: I have one more question.

19 MR. LOCKETT: Okay. Your name?

20 MS. CULLINGS: Your name?

21 MS. FULLER: Loretta Fuller with Insurance Solutions
22 Associates. Experience and stability, and Item number 4,
23 "Evidence your Offeror has the financial capacity to provide
24 service required under RFPs, such as all your financials or
25 equivalent report." What are we talking about equivalent?

1 MR. LOCKETT: Equivalent. What page?

2 MS. FULLER: 4, on page 23 to 24. "Available, include
3 analysis of those financial statements, reports, Dun and
4 Bradstreet rating, lines of credit, successful financial track
5 record and adequate working capital." So, can we look at that
6 in detail?

7 MR. LOCKETT: Oh, I see it.

8 MS. CULLINGS: It starts -- we just finished with
9 that.

10 MR. LOCKETT: It starts at [page] 23.

11 MS. FULLER: Thank you.

12 MR. LOCKETT: Yeah, I mean, that's something that - I
13 mean, if it's something that we can get that would show the
14 audited financial statements other than, you know, the normal
15 ones I guess, I'm not sure what --

16 MS. FULLER: So, I just want to expound on this. So,
17 you say, "two-year end audit financial or best." And so, if you
18 don't have the audited financials, you know, when you're talking
19 small businesses, audited financials are very expensive. I want
20 to know what else could be included outside of a financial
21 audited report for the last two years. And, it says, "those
22 financial statements reports, Dun and Bradstreet rating, credit
23 -- lines of credit. What kind of line of credit, \$25, 25
24 million, what kind of line of credit are we looking for?"

1 MR. LOCKETT: Well, this is a question that we need to
2 -- we can be more specific about. Okay. We can, certainly,
3 answer and be more specific about that.

4 MS. CULLINGS: Send it in writing.

5 MS. FULLER: Okay.

6 MR. LOCKETT: Send it in writing to me, okay?

7 MS. FULLER: Thank you.

8 MR. LOCKETT: We can be more specific about that.

9 MS. FULLER: Thank you.

10 MR. LOCKETT: All right. And, I do, before we close,
11 if there aren't any questions, I want to, on page 1 there is a
12 procurement schedule of the -- and I don't think I mentioned it
13 earlier when I was giving my presentation that I had already
14 mentioned what the deadline for submission, but that was for the
15 inquiries was May 15th, and then, I think, I went past the
16 **submission for proposal which is May 30th.** We're going to try
17 to keep to that schedule, but again, you know the questions and
18 responses may require addendum so that -- things could change.
19 This is a tentative schedule leading all the way through until
20 award of the contract Notice to Proceed. If anyone is familiar
21 with the State's process, it has to go before the Board of
22 Public Works in Annapolis, so we kind of projected how long it
23 may take us to get to that point. But, we will be, you know,
24 moving things along. So, it is important to go back and think
25 about your proposal, think about the questions that you asked

1 today, any more that you may have to send in because we want to
2 keep things, you know, moving along and get to award of the
3 contract itself. Thank you very much.

4 ALL: Thank you.

5 MR. LOCKETT: All right.

6 (PRE-BID MEETING WAS CONCLUDED)

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CERTIFICATE OF TRANSCRIBER

I, hereby, certify that the Maryland Department of Transportation, Maryland Transit Administration pre-bid meeting for Contract No. MTA-1352 held at 6 St. Paul Street in Baltimore, Maryland on May 8, 2012 was recorded by means of electronic sound recording.

I further certify that, to the best of my knowledge, that the foregoing pages represent a complete and accurate transcript of the duplicated electronic sound recording of the proceedings as transcribed by me.

I further certify that I am neither a relative to nor an employee of any MTA employee, herein, and that I have no interest in the outcome of this solicitation and subsequent award.

In witness whereof, I have affixed my signature this 18th day of May, 2012.

By: 

Lisa P. Campbell
Transcriber