



WADE R. FOWLER, JR., COMMISSIONER  
EVELYN O. SHAW, COMMISSIONER  
RONNA ROWE GARRETT, COMMISSIONER  
DONALD L. PORTER, COMMISSIONER  
MARION J NOLAND, INTERIM CEO/GENERAL MANAGER

FAYETTEVILLE PUBLIC WORKS COMMISSION  
955 OLD WILMINGTON RD  
P.O. BOX 1089  
FAYETTEVILLE, NORTH CAROLINA 28302-1089  
TELEPHONE (910) 483-1401  
WWW.FAYPWC.COM

November 21, 2022

**TO:** All Prospective Bidders  
**FROM:** Trent Ensley, Procurement Manager  
**SUBJECT:** **ADDENDUM NO. 1 PWC2223022 – Cyber Directors & Officers, Excess Liability, Worker’s Compensation Insurance Brokerage Services**

The specifications and bid documents are hereby modified as follows:

1. The foregoing changes or clarifications shall be incorporated in the original Bid Documents and a **signed copy of this Addendum No. 1** shall accompany the bid to acknowledge the bidder’s receipt and familiarity with the changes and/or clarifications. Everything else remains the same.

TE: tke

Acknowledgement:

Company \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

---

**Addendum #1 Response to Questions for  
RFP for CYBER, DIRECTORS AND OFFICERS, EXCESS LIABILITY, WORKERS  
COMPENSATION EXCESS LIABILITY Insurance Broker(s)age Services**

Responses to questions are listed below in *italics*:

1. Can you provide a schedule of current policies, insurers, limits, premiums, etc.? *PWC's most recent Schedule of insurance is attached to this Addendum as an Appendix. Additional information regarding current insurers and premiums will be provided to the selected broker(s).*
2. What is the commission or fee arrangement with your current broker? *PWC does not have a preference as far as commission or fee arrangement with the selected broker(s). For purposes of this RFP please provide a commission schedule and a fee-based schedule for each line of insurance.*
3. If you use Third Party Administrators for any of your claims handling, who are your TPAs? *PWC is currently under contract with Brentwood Services Administrators, Inc. a third-party administrator for Worker Compensation claims. Other claims are processed by PWC staff.*
4. Are there any open claims related disputes or controversies between Fayetteville PWC and any of its incumbent insurers? *PWC does not currently have any open claim related disputes.*
5. Our legal department has some requested edits to the contract and NDA. We do not feel you will find the requests to be material or unreasonable. Could you review our requests in advance of submission of our proposal to make sure we don't have any disagreement? Or, should we express those in our proposal, or before award if we are fortunate to be the selected responder? *Please identify any exceptions to our Standard Service Agreement and Non-Disclosure Agreement within the proposer's response to PWC.*

**Management Liability**

1. Schedule of Insurance – Most updated version *PWC's most recent Schedule of insurance is attached to this Addendum as an Appendix.*
2. Updated and latest organizational chart *Attached to this Addendum as an Appendix.*
3. Latest Audited Financials of PWC, if applicable *PWC's most recent Annual Comprehensive Financial Report can be found at <https://www.faypwc.com/financials/>*
4. Copies of all of their ML policies (D&O, EPLI, Fiduciary, Crime, Employed Lawyers, Kidnap/Ransom, etc.) – all layers of insurance *Copies of these polices will be shared with the selected broker(s).*
5. Any claims or losses on these lines in the past 3 years? *No claims or losses on these lines have occurred in the past 3 years.*
6. Preferred carriers? Carriers they won't work with? *PWC does not have any preferred carriers.*

**Cyber – Information requested for items 1. – 8. will be provided to selected broker(s).**

- 
1. Revenue breakout per segment of PWC
  2. PII/PHI/PCI record count
  3. If Cyber Coverage is currently purchased, can you please share the latest completed ransomware application? If a ransomware application was not completed, can you please provide the latest application produced to markets?
  4. Copy of current policies for Cyber, Media, Professional Liability, and IP Defense (if applicable) – all layers of insurance
  5. Does PWC currently purchase DIC (Difference in Conditions) or any applicable coverage to respond to property or bodily injury loss due to a Cyber event?
  6. Copy of current Loss Runs for applicable policies noted above
  7. Does PWC collect any biometric information during business?
  8. Does PWC produce or provide any technology services to customers? If so, is there a standard service agreement associated with the product that can be shared?

**Property - Information requested for items 1. – 6. will be provided to selected broker(s).**

1. Schedule of Values – preferably with Lat/Long
2. Recent Engineering Reports – comments on any outstanding recommendations
3. Loss History (5 years minimum)
4. Policies
5. Business Interruption (BI) Worksheet – if BI is purchased
6. Construction – any ongoing projects?

**Excess Casualty Liability - Information requested for items 1. – 6. will be provided to selected broker(s).**

- 1) Estimated current sales breakdown by operating entity (electric, water and sanitary sewer services). (Sales)
- 2) Copies of all Underlying and Excess Casualty policies (Auto, GL, Environmental, Professional and Workers Compensation).
- 3) Updated Hard Copy Loss Runs-5-year min. 7 year preferred, per line of coverage. None
- 4) Current Collateral Amount and the policy years and losses that apply to the collateral if applicable.
- 5) Historical Exposures for the last seven (7) years including:
  - Payroll
  - Sales
  - Vehicles (tractors, trucks, trailers, and private passenger vehicles)
  - Annual miles driven (trucks)
- 6) Historical Premiums:
  - GL
  - Auto
  - Comp
  - Excess Layers

**Workers Compensation Excess Liability - Information requested for items 1. – 4. will be provided to selected broker(s).**

- 1) Historical and current E-mod information

- 
- 2) Total Number of employees by entity/location
  - 3) Updated Hard Copy Loss Runs, 5 years min. 7 years preferred.
  - 4) Historical and Current Payroll Breakdown by Class Codes

**General Questions:**

- 1) Do they have Immunity? ***PWC is a public authority in the State of North Carolina and evaluates and asserts any immunity defenses or doctrines based on the applicable statutes and claims asserted.***
- 2) A copy of their standard vendor/supplier/service provider/contractor agreement ***Sample Standard Service Agreement is attached to the RFP.***
- 3) May we retrieve the past 10 years of loss runs to run analytics on the Excess Casualty and Excess Workers Compensation ***Information will be provided to selected broker(s).***
- 4) Do they have any Flood and/or Environmental exposures that are not being addressed by the current program? ***PWC is addressing these exposures currently. The selected Broker(s) will be used as a resource to further identify exposures and find strategies to mitigate.***
- 5) Who's covering the primary general and auto liability? Do they carry auto physical damage? ***Travelers currently provides Auto, Crime, and Inland Marine coverage for PWC. Specific coverages will be discussed with the selected broker(s).***
- 6) Do they have renewable Energy Assets that should be covered by a parametric insurance product? ***The selected broker(s) will be asked with helping identify these assets and determining if a parametric insurance product will assist in limiting their associated risks.***
- 7) Do they have preferred Carriers and/or TPA's they prefer? ***PWC does not have a preferred Carrier or TPA.***
- 8) Do they want a choice of counsel? ***Yes, all outside counsel would need to be approved by PWC in-house counsel.***
- 9) What's the status of the current relationship? Any heartburn with service or claims response we should know about? ***PWC's organizational procurement strategy is consists of rebidding services at periodic intervals. This RFP was initiated due to this strategy.***

**FAYETTEVILLE PWC SCHEDULE OF INSURANCE**

<b>Insurance</b>	<b>Limits of</b>	<b>Coverage</b>	<b>Deductible</b>
<b>Automobile Liability &amp; Physical Damage</b>	\$1,000,000	Liability Insurance, Underinsured Motorist Coverage, Business Auto Policy Plus, Terrorism Risk Insurance Auto Coverage	None
<b>Crime/Robbery</b>	\$1,000,000	Employee theft, Premises, In Transit, Forgery, Computer Fraud, Funds Transfer Fraud, Money Orders & Counterfeit	\$2,500
<b>Inland Marine</b>	\$245,000	Replacement Costs basis Tools - \$10,000/\$450,000 Blanket Contractor's Equipment coverage Flood Coverage -	\$1,000
<b>Commercial Property</b>	\$300mil	All Risk Policy; Flood Sublimits; Replacement cost	\$100,000 except for \$250,000 on Turbine
<b>Cyber Liability</b>	\$3,000,000	Cyber Extortion, Data Restoration, Breach Response, Data Restoration; Credit Monitoring	\$500,000
<b>Directors &amp; Officers Liability</b>	\$5,000,000	Employment Liability including Harassment, Discrimination,	\$175,000
<b>Excess Workers Compensation</b>	\$5,000,000	Each Accident or Employee for Disease	\$1,100,000
<b>Excess Liability</b>	\$25mil/\$50mil	Extends D&O, Auto, and Liability coverages; Failure to supply and	\$1,000,000
<b>Public Officials Bond - CFO</b>	\$100,000	As required by PWC Charter	NA

# Board of Commissioners



**EVELYN O. SHAW**  
*Chair*



**RONNA ROWE GARRETT**  
*Vice Chair*



**WADE R. FOWLER**  
*Treasurer*



**DONALD L. PORTER**  
*Secretary*

## Management Team



**MICK NOLAND**  
*Interim Chief Executive Officer/  
General Manager*

### ADMINISTRATION DIVISION



**SUSAN FRITZEN**  
*Chief Administrative Officer*



**KEVIN HOWELL**  
*Facilities Construction &  
Maintenance Manager*



**CANDICE KIRTZ**  
*Director of Supply Chain*



**MARK LAWLER**  
*Chief Information Officer*



**BOBBY RUSSELL**  
*Human Resources Officer*



**JIM SCACCIA**  
*Fleet Manager*



**PAULA SHAMBACH**  
*Director of Business Services*

### ELECTRIC SYSTEMS DIVISION



**JON RYNNÉ**  
*Chief Operations Officer*



**DAVID DESCHAMPS**  
*Engineering Manager  
Electric Systems*



**KEITH LYNCH**  
*Power Supply &  
Compliance Manager*



**ACE MAY**  
*Power Plant Manager*



**MARC TUNSTALL**  
*Electric Operations Manager*



**JOEL VALLEY**  
*Electric Systems Support  
Services Manager*

### WATER RESOURCES DIVISION



**MISTY MANNING**  
*Interim Chief Operations Officer*



**JOHN ALLEN**  
*Interim Engineering Manager  
Water Resources*



**CHUCK BAXLEY**  
*Wastewater Treatment  
Facilities Manager*



**JASON GREEN**  
*Water Treatment  
Facilities Manager*



**RHONDA LOCKLEAR**  
*Water Resources Environmental  
Program Manager*



**CHRIS RAINEY**  
*Water Resources  
Operations Manager*

### CUSTOMER DIVISION



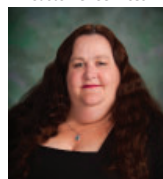
**KATHY MILLER**  
*Interim Chief Customer Officer*



**COREY BROWN**  
*Meter Services Manager*



**BEVAN GRICE**  
*Director of  
Customer Services*



**LUCILLE PHILLIPS**  
*Service Delivery Manager*



**JANELLE ROCKETT**  
*Interim Marketing Manager*

### FINANCE DIVISION



**RHONDA HASKINS**  
*Chief Financial Officer*



**JASON ALBAN**  
*Director of  
Financial Planning*



**JASON BRIGGS**  
*Internal Auditor*

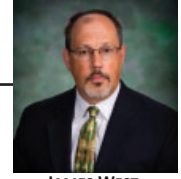


**IKE COPELAND**  
*Risk Director*



**RHONDA GRAHAM**  
*Controller*

### LEGAL DIVISION



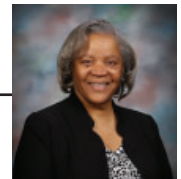
**JAMES WEST**  
*Chief Legal Officer &  
General Counsel*

### COMMUNICATIONS/ COMMUNITY RELATIONS DIVISION



**CAROLYN JUSTICE-HINSON**  
*Communications/  
Community Relations Officer*

### CLERK TO THE BOARD



**VENUS DURANT**  
*Sr. Executive Assistant*

