

Response Date for RFP's Has Been Extended To
July 14, 2006

- **Section II-8 first paragraph, third sentence has been deleted**
- **Section II-8 a through j has been deleted**
- **Section II-8 a sentence has been added stating “The broker shall submit one lump-sum cost for insurance broker and administrative fees associated with this contract; and a lump-sum fee shall be submitted for the safety monitoring services associated with the contract for services rendered by the insurance broker.”**
- **Section IV-3, e.i.1 has been deleted**

3rd Revision

- **Section I-4 “fall of 2008” has been revised to “end of 2010”**
- **Section I-22 “December 31, 2008” has been revised to “December 31, 2010”**
- **The Construction Insurance Information Form is now a scanned document**

(Revisions are highlighted in yellow)

REQUEST FOR PROPOSALS FOR
Insurance Broker and Safety Monitoring Services
Pennsylvania Turnpike Commission
Owner Controlled Insurance Program
Allegheny River Bridge Reconstruction Project
Milepost 48.00
Allegheny County, Pennsylvania

ISSUING OFFICE

Pennsylvania Turnpike Commission
Department of Safety and Risk Management

RFP NUMBER

06-115-3374

DATE OF ISSUANCE

May 10, 2006

REQUEST FOR PROPOSALS FOR
Insurance Broker and Safety Monitoring Services
Pennsylvania Turnpike Commission
Owner Controlled Insurance Program
Allegheny River Bridge Reconstruction Project
Milepost 48.00
Allegheny County, Pennsylvania

06-115-3374

TABLE OF CONTENTS

Part I - GENERAL INFORMATION FOR CONTRACTORS	Page 1
Part II - INFORMATION REQUIRED FROM CONTRACTORS	Page 8
Part III - CRITERIA FOR SELECTION	Page 10
Part IV - WORK STATEMENT	Page 11

PART I

GENERAL INFORMATION FOR CONTRACTORS

I-1. Purpose. This request for proposals (RFP) provides interested contractors with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for **Insurance Broker and Loss Control Services for the Commission's owner Controlled Insurance Program (OCIP) for the Reconstruction of the Allegheny River Bridge in Allegheny County.**

I-2. Issuing Office. This RFP is issued for the Commission by **Dennis L. Genevie, Director of Safety & Risk Management, Pennsylvania Turnpike Commission, P.O. Box 67676, Harrisburg, PA 17106-7676, 717-939-9551, ext. 6160, dgenevie@paturndpike.com.** The Issuing Office is the sole point of contact in the Commission for this RFP.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. The Safety and Risk Management Department requires the assistance of an insurance broker to provide the Commission with insurance brokerage and safety monitoring services. The services will include administrative, loss control and claims management for an Owner Controlled Insurance Program (OCIP) for the Allegheny River Bridge Reconstruction Project. The project will start in the fall of 2006 and is to be completed by the ~~fall of 2008.~~ **end of 2010.**

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be a fee for services and will contain the Standard Contract Terms and Conditions. The Commission may in its sole discretion undertake negotiations with contractors whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing contractors.

I-7. Subcontracting. Any use of subcontractors by a contractor must be identified in the quote. During the contract period use of any subcontractors by the selected contractor, that were not previously identified in the quote, must be approved in writing by the Commission prior to any work being done.

A firm that responds to this solicitation as a prime may not be included as a designated sub consultant to another firm that responds to the same solicitation. **Multiple responses under any of the foregoing situations may cause the rejection of all responses of the firm or firms involved.** This does not preclude a firm from being set forth as a designated sub consultant to more than one prime consultant responding to the project advertisement.

I-8. Incurring Costs. The Commission is not liable for any costs incurred by contractors prior to issuance of a contract.

I-9. Questions and Answers. There will be no pre-proposal conference. Written questions should be submitted to the Issuing Office at the mailing or e-mail address indicated above to be received no later than **12:00 Noon Friday, June 2, 2006**. All questions and written answers will be issued as an addendum to and become part of this RFP.

I-10. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be issued to all contractors who received the original RFP or posted to the web site under the original RFP document.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to assure the submitted proposal complies with any changes in the published advertisement.

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's **Contract Administration Department, Attention George Hatalowich**, on or before ~~12:00 Noon Friday, June 23, 2006~~ **12:00 Noon Friday, July 14, 2006**. The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Blvd., Middletown, PA 17057. Please note that use of **U.S. Mail delivery does not guarantee delivery to this address by the above-listed time for submission. Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals.** If the Commission office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open. Unless the contractors are otherwise notified by the Commission, the time for submission of proposals shall remain the same.

I-12. Proposals. To be considered, contractors should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in **seven (7) copies** to the Contract Administration Department. No other distribution of proposals will be made by the contractor. Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized to bind the contractor to its provisions and include the contractor's Federal Identification Number. For this RFP, the proposal must remain valid for at least sixty (60) days. Moreover, the contents of the proposal of the selected contractor will become contractual obligations if a contract is entered into.

Each and every contractor submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or telefax notice received at the Commission's address for proposal delivery prior to the exact hour and date specified for proposal receipt. However, if the contractor chooses to attempt to provide such written notice by telefax transmission, the Commission shall not be responsible or liable for errors in telefax transmission. A proposal may also be withdrawn in person by a contractor or its authorized representative, provided its identity is made known and it signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this RFP.

I-13. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the contractor's ability to meet the requirements of the RFP.

I-14. Discussions for Clarification. Contractors who submit proposals may be required to make an oral or written clarification of their proposals to the Commission to ensure thorough mutual understanding and contractor responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-15. Best and Final Offers. To obtain best and final offers from contractors whose proposals are determined by the Commission, in its sole discretion, to be reasonably susceptible of being selected for award, the Commission may (a) enter into discussions; (b) schedule oral presentations; and (c) request revised proposals.

I-16. Prime Contractor Responsibilities. The selected contractor will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected contractor to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. If a contract is executed, however, the successful proposal submitted in response to this RFP shall be subject to disclosure. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission's option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing contractors at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

I-18. Debriefing Conferences. Contractors whose proposals are not selected will be notified of the name of the selected contractor and will be given the opportunity to be debriefed, at the Contractor's request. The Issuing Office will schedule the time and location of the debriefing. The contractor will not be compared with other contractors, other than the position of its proposal in relation to all other proposals for each criterion for selection.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, contractors must provide all services to complete the identified work. The Contractor shall provide qualified staffing and maintain maximum continuity during the term of the Agreement for these services.

I-21. Cost Submittal. The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal. **Failure to meet this requirement may result in disqualification of the proposal.**

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will end ~~December 31, 2008.~~ **December 31, 2010.** The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Contractor's Representations and Authorizations. Each contractor by submitting its proposal understands, represents, and acknowledges that:

- a. All information provided by, and representations made by, the contractor in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.
- b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other contractor or potential contractor.
- c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a contractor or potential contractor, and they will not be disclosed on or before the proposal submission deadline specified in the cover letter to this RFP.
- d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- f. To the best knowledge of the person signing the proposal for the contractor, the contractor, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the contractor in its proposal.
- g. To the best of the knowledge of the person signing the proposal for the contractor and except as otherwise disclosed by the contractor in its proposal, the contractor has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the contractor that is owed to the Commonwealth.
- h. The contractor is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the contractor cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.
- i. The contractor has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.

- j. Each contractor, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

PART II

INFORMATION REQUIRED FROM CONTRACTORS

Contractor proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Sections II-1 through II- [] hereof; (ii) Cost Submittal, in response to Section II-[] hereof.

The Commission reserves the right to request additional information which, in the Commission's opinion, is necessary to assure that the contractor's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the contract.

The Commission may make such investigations as deemed necessary to determine the ability of the contractor to perform the work, and the contractor shall furnish to the Commission all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such contractor fails to satisfy the Commission that such contractor is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of personhours allocated to each task

II-4. Prior Experience. Include experience in **Insurance Brokerage and Loss Control Services for OCIP projects of similar magnitude**. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5. Personnel. Include the number, and names where practicable, of executive and professional personnel, analysts, auditors, researchers, programmers, Contractors, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the work. Include through a resume or similar document education and experience in **Insurance Brokerage and Loss Control Services**. Indicate the responsibilities each will have in this project and how long each has been with your company. Identify subcontractors you intend to use and the services they will perform.

II-6. Training. If appropriate, indicate recommended training of Commission personnel. Include the personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-7. M/W/DBE/SERB Participation. Prime Contractors are encouraged to utilize SERB vendor participation in their proposed solution. Responding firms shall clearly identify DBE/MBE/WBE firms, expected to participate in this contract, in their Proposal. **If further information is desired concerning DBE/MBE/WBE participation,** direct inquiries to the Pennsylvania Turnpike Commission's Contract Administration Department by calling (717) 939-9551 Ext. 4241.

II-8. Cost Submittal. The information requested in this section shall constitute your cost submittal. **This portion of the proposal should be bound and sealed separately from the remainder of the proposal.** ~~The total cost you are proposing must be broken down into the following components:~~

- ~~a. **Direct Labor Costs.** Itemize so as to show the following for each category of personnel with a different rate per hour:
 - ~~(1) **Category:** e.g., partner, project manager, analyst, senior auditor, research associate.~~
 - ~~(2) **Estimated hours.**~~
 - ~~(3) **Rate per hour.**~~
 - ~~(4) **Total cost for each category and for all direct labor costs.**~~~~
- ~~b. **Labor Overhead.** Specify what is included and rate used.~~
- ~~c. **Travel and Subsistence.** Itemize transportation, lodging and meals per diem costs separately.~~
- ~~d. **Consultant Costs.** Itemize as in (a) above.~~
- ~~e. **Subcontract Costs.** Itemize as in (a) above.~~
- ~~f. **Cost of Supplies and Materials.** Itemize.~~
- ~~g. **Other Direct Costs.** Itemize.~~
- ~~h. **General Overhead Costs.** Specify what is included and rate used.~~
- ~~i. **Fee or Profit.**~~
- ~~j. **Total Cost.**~~

The broker shall submit one lump-sum cost for insurance broker and administrative fees associated with this contract; and a lump-sum fee shall be submitted for the safety monitoring services associated with this contract for services rendered by the insurance broker.

Only work satisfactorily performed after execution of a written contract, after the contractor's receipt of a notice to proceed from the Commission and after the contract term has begun will be reimbursed.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal should be (a) timely received from a contractor; (b) properly signed by the contractor; and (c) formatted such that all cost data is kept separate from and not included in the Technical Submittal.

III-2. Proposals will be reviewed and evaluated by a committee of qualified personnel selected by the Commission. This committee will recommend for selection the proposal that most closely meets the requirements of the RFP and satisfies Commission needs. Award will only be made to a contractor determined to be responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-3. The following areas of consideration will be used in making the selection:

a. Understanding the Problem. This refers to the contractor's understanding of the Commission needs that generated the RFP, of the Commission's objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.

b. Contractor Qualifications. This refers to the ability of the contractor to meet the terms of the RFP, especially the time constraint and the quality, relevancy, and recency of studies and projects completed by the contractor. This also includes the contractor's financial ability to undertake a project of this size.

c. Personnel Qualifications. This refers to the competence of professional personnel who would be assigned to the job by the contractor. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies/services similar to that described in the RFP. Particular emphasis is placed on the qualifications of the project manager.

d. Soundness of Approach. Emphasis here is on the techniques for collecting and analyzing data, sequence and relationships of major steps, and methods for managing the study/service. Of equal importance is whether the technical approach is completely responsive to all written specifications and requirements contained in the RFP and if it appears to meet Commission objectives.

e. Available Facilities. List the facility(ies) the Contractor will be performing the work for the Commission.

f. Cost. While this area may be weighted heavily, it will not normally be the deciding factor in the selection process. The Commission reserves the right to select a proposal based upon all the factors listed above, and will not necessarily choose the firm offering the best price. The Commission will select the firm with the proposal that best meets its needs, at the sole discretion of the Commission.

PART IV

WORK STATEMENT

IV-1. Objectives.

a. General. The PTC will expect the broker to provide the following services relative to the previously described projects:

- Brokerage Services (placement workers' compensation, commercial general liability and excess liability)
- Program Administration
- Loss Control Services
- Claims Management
- Risk Management Information System (RMIS)

If any of the above services will be provided by the insurance companies, provide a detailed explanation on what services will be provided and how they will be provided. The PTC prefers the services be primarily by the broker with the insurance companies providing support.

Participants are encouraged to identify and recommend concepts that will result in cost savings and improved administration and service without sacrificing coverage.

IV-2. Nature and Scope of the Project.

IV-3. Tasks.

a. Insurance Brokerage Services:

- i. Prepare specifications for the desired insurance coverage. The specifications should be designed to provide the most comprehensive coverage, protect the PTC and other parties, and provide cash flow incentives at the most reasonable cost.
- ii. Design manuscript endorsements to enhance the coverage.
- iii. Represent the PTC in all negotiations with the underwriters, insurance department, Pennsylvania Compensation Rating Bureau and other parties that might be involved in the OCIP.
- iv. During the insurance brokering process, the PTC is desirous of meeting with the underwriters to assist in the marketing process. The PTC will be involved in the final negotiations once the insurance has been selected.
- v. Verify the accuracy of the rates, premiums, audits and retrospective adjustments.
- vi. Provide accurate policies and endorsements to the PTC within ninety (90) days of the effective date.
- vii. Prepare and distribute certificates of insurance.
- viii. On an annual basis, provide a comparison of the OCIP program with a standard program.
- ix. On an as-needed basis, arrange for the underwriter to attend meeting with the PTC and the construction manager.
- x. Sixty days (60) prior to the annual expiration date, provide a stewardship report, which will incorporate the following:
 1. By year and line of coverage, the earned premiums, paid and incurred losses
 2. Anticipated renewal terms, conditions and an indication of the projected pricing

3. Current status of the project for all phases
4. Loss control and claims management objectives and were they met
5. Any problems experienced with the administration of the program
6. Recommendations for improving the program
7. Statement of all income received from the placement of the coverage, if on a commission basis.

b. Administrative Services:

- i. Provide guidelines for which parties should be part of the OCIP.
- ii. Describe how you would envision enrolling participants in the OCIP.
- iii. Make arrangements for all enrolled employees to be passing drug tests before coming on the jobsite.
- iv. Develop insurance requirements for all enrolled contractors and for those not enrolled in the program.
- v. Secure and maintain insurance certificates from all parties required to provide evidence of insurance.
- vi. Attend the pre-bid meeting to review and discuss the insurance requirements.
- vii. Prepare and distribute to all participating contractors and the subcontractors of any tier the OCIP (Wrap-Up) Manual. The manual will include, but not be limited to, information regarding the insurance program, the safety program and claim reporting provisions.
- viii. The successful broker will agree to have a servicing facility (office or trailer) within the project area.
- ix. Coordinate the termination of contractor's coverage when the project or their contract is completed and assure they have the necessary insurance coverage for work not done under the OCIP.

c. Loss Control Services:

- i. The overall safety program of the project will be the responsibility of the safety person provided by the broker. The PTC reserves the right to approve this individual. The construction manager will have an individual whose duties include safety, and depending upon the size of the contact, each contractor may be required to have a full-time safety person. The PTC and the broker will have the right to approve all safety personnel employed by the construction manager and the contractors.
- ii. The broker will be required to provide a full-time safety professional for the length of the project. It is anticipated one safety person could provide oversight for each project.
- iii. The safety responsibilities will include:
 1. The design, implementation and monitoring the overall safety program.
 2. Coordinate the monthly safety meetings with the CM and the contractor(s).
 3. Coordinate, provide materials and monitor the weekly toolbox talks.
 4. Provide quarterly comparisons on the severity and frequency rates with those of industry standards.
 5. Provide monthly reports of safety issues and deficiencies.
 6. Conduct unannounced safety inspections on a regular basis.
 7. Develop and implement a safety video for viewing by each employee prior to starting work.
 8. Coordinate the drug testing for all employees prior to starting work.
 9. List other activities you would provide.
 10. Approve qualifications and experience level of the construction manager and contractors safety personnel.

d. Claims Management Services

- i. The broker will be responsible for monitoring the claims reporting and the claims management process. This will include:
 1. Developing, implementing, and monitoring system wide claim reporting policies and procedures
 2. Developing the emergency transit procedures.
 3. Work with the area health care providers to provide the immediate and necessary treatment for injured workers and negotiate reduced fees
 4. Provide quarterly reports on the open and closed claims. This will include the paid and reserved values for each claim
 5. Recommend deductible or stop loss levels for workers' compensation coverage
 6. Assist in collecting and property damage deductibles from the responsible contractor.
 7. Provide detailed monthly reports on all claims with a value in excess of \$25,000.
 8. Develop a list of providers and negotiate fee arrangements for indirect health care related services (vocational rehabilitation, physical therapy)
 9. Coordinate the quarterly open claim review meeting with the insurance company's claim representative, the CM, the contractor (s) and the PTC

e. Risk Management Information Services:

- i. The response will incorporate a complete description of the RMIS system that would be used for the OCIP's, including the hardware requirements. The RMIS must be capable of providing the following:
 - ~~1. Developing the emergency transit procedures.~~
 2. Monthly, quarterly and annual reports summarizing progress, accomplishments, and current and planned safety and claim activity.
 3. Maintain contractor tracking logs that will include the following:
 - a) An alphabetical listing of all contractors including name, address, and contact points
 - b) Listing of all subcontractors by tiers of relationships, e.g. contractor, subcontractors, sub-subcontractors
 - c) Contract start dates and completion dates
 - d) Policy types, policy numbers, terms, conditions, underwriting data, estimated payrolls and estimated premiums.
 4. Maintain a policy and form information tracking system to track the receipt of policies and forms between contracts, insurance carriers and other parties.
 5. Monitor monthly payroll reports and provide spot checks for accuracy.
 6. On a semi-annual basis, provide financial information, including the development and trending of claim, reserve analysis, retrospective rating projections and other appropriate data.
 7. The availability of PTC having online access to the RMIS system

IV-4. Reports and Project Control. All reports and project control will be in accordance with IV-3 detailed above.

a. Task Plan. A work plan for each task that identifies the work elements of each task, the resources assigned to the task, and the time allotted to each element and the deliverable items to be produced.

b. Status Report. A periodic progress report covering activities, problems, and recommendations; the report should be keyed to the work plan developed by the contractor in its proposal, as amended or approved by the Commission. All status reports will be in accordance with IV-3 as detailed above.

c. Problem Identification Report. An “as required” report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include contractor recommendations with supporting rationale.

d. Final Report. A final report summarizing the costs incurred, cost savings, claims summary, and any other details of the OCIP program for the Allegheny River Bridge Reconstruction Project.

Addendum No. 1

RFP #06-115-3374

**Insurance Broker and Safety Monitoring Services
Pennsylvania Turnpike Commission
Owner Controlled Insurance Program
Allegheny River Bridge Reconstruction Project
Milepost 48.00
Allegheny County, Pennsylvania**

Following are the answers to questions submitted in response to the above referenced RFP as of 12:00 Noon, Friday June 2, 2006. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

PLEASE BE ADVISED THE RESPONSE DATE TO THIS RFP HAS BEEN CHANGED TO:

***12:00 NOON, FRIDAY, JULY 14, 2006
(SEE SECTION I-11 "RESPONSE")***

1. II-8 Cost Submittal – Is it acceptable to submit one lump sum total cost/brokerage fee for all brokerage/administrative services rendered and one lump sum fee for full time safety service without the breakdown into components a through j?

A. Yes. Please refer to Section II-8 of the RFP for the modification.

2. Please clarify what is meant by “coordinating the drug testing for all employees prior to starting work” located in Part II on page 12 of 14, section IV-3 Tasks, c. Loss Control Services iii. 8 and “make arrangements for all enrolled employees to be passing drug tests before coming on the jobsite” on page 12 of 14 section b. Administrative Services iii of the RFP. Is it the responsibility of the broker to conduct and/or administer pre-employment drug testing?

A. It is the responsibility of the insurance broker to coordinate the drug testing program with the Contractor. The Cost of the drug testing shall be paid by the Contractor and the cost of the testing and monitoring program is incidental to the project by the Contractor. The insurance broker shall coordinate the drug testing program with the Construction Manager.

3. In reference to the requirement to “Develop and implement a safety video for viewing by each employee prior to starting work” in Part II, page 12 of 14, section IV-3 Tasks, c. iii. 7 of the RFP, is it the brokers responsibility to incur all costs associated with the development of the orientation video? Must the video be customized to the project or can a standard construction training orientation video be used supported by other job specific training materials? Can costs and requirements to develop a customized project orientation video be part of the insurance companies proposal

A. The insurance broker is responsible for costs associated with developing an orientation video for the project. Alternative orientation videos may be considered, but must be related to construction work and the OCIP program for the project. The insurance broker can show the cost of the orientation video in their proposal.

4. Construction Components

- a. Estimated Term of Project(s) and copy of Construction Schedule(s) (timeline).

A. The construction schedule is dependent on the milestone dates noted in the construction contract specifications. The

Contractor on the project is responsible for the exact construction schedule once the notice to proceed has been issued to the Contractor.

b. Description of any demolition to existing structures.

A. See attached description.

c. Describe any unusual exposures i.e. extensive or deep excavation, blasting, tunnels, etc.

A. See attached description.

d. Describe any environmental issues pertaining to the site.

A. The insurance broker will be responsible in recommending proper Pollution Liability coverage needed for the exposures anticipated on the project.

5. Site Components

a. Describe all existing surrounding structures and thoroughfares including proximity to railroads, etc.

A. See attached description.

6. Cost Components

a. Total estimated construction cost for the project(s) and a breakdown of hard costs and soft costs.

A. See attached description. The construction project is currently estimated to be valued at \$139 mil.

b. Trade breakdown of payrolls (unburdened) for Workers' Compensation

A. There are no breakdowns of anticipated payrolls at this time. Payrolls should be estimated by the insurance broker based on the estimated \$139 mil. of construction cost.

c. Anticipated number of subcontractors of all tiers.

A. The Commission does not acknowledge Sub-Contractors on the project. It is the responsibility of the insurance broker to enroll the Contractor and their Sub-Contractors into the OCIP program. The construction contract specifications, addresses the Contractor's safety representation as being a full-time employee dedicated to safety. The Sub-Contractors must have someone assigned to safety,

but can have other job duties.

7. Who is the General Contractor and/or Construction Manager will be (if known)?

A. The General Contractor will not be known until after the bid in November 2006. The Construction Manager is McTish/Kunke and they will be enrolled into the OCIP program.

8. Safety Components

a. Describe who is contractually responsible for safety for the construction project(s).

A. The Contractor is responsible for their own safety on the project. The Insurance Broker and the Construction Manager is responsible for monitoring safety on the project and are to interact with the Contractor in eliminating any unsafe situation. The Contractor is to abide by the construction specifications as they relate to safety and any local, state or federal regulations that apply.

b. Can the Broker utilize a subcontractor to provide the full time safety responsibilities?

A. The Insurance Broker may utilize a Sub-Contractor to perform this function and should be noted in their proposal.

9. RMIS

a. Please provide more detail regarding the capabilities of the RMIS to develop the emergency transit procedures? How do you want the RMIS to “develop” these?

A. Please refer to Section IV-3 of the RFP for this modification.

10. Other

a. Provide a copy of the contract(s) between the owner and General Contractor or Construction Manager.

A. The Commission does not have a contractor at this time. The bid date is anticipated to be November 1, 2006 (award given within 60 days of the bid). A copy of the contract between the Construction Manager and the Commission is available upon request.

b. Is the broker required to have DBE/MBE/WBE participation? If so what percentage?

A. There is no level of participation set for the Insurance Broker's DBE/MBE/WBE participation. It is encouraged that the Insurance Broker utilizes DBE/MBE/WBE's on this project.

11. Please provide a description of the scope of work to be performed.

A. See attached description.

Does the Turnpike Authority have its own safety requirements?

A. The safety-related specifications are as attached. OSHA and other state and local laws and regulations shall also apply.

What is your estimated start date this fall?

A. The bid date is anticipated to be November 1, 2006 (award given within 60 days of the bid).

Estimated number of contractors working on project?

A The Commission only acknowledges one prime contractor on the project. The Prime Contractor is responsible for arranging PennaDOT approved Sub-Contractors for the project. The Contractor and all of the Sub-Contractors are enrolled into the OCIP program. The Prime Contractor is responsible for arranging PennaDOT approved Sub-Contractors for the project. The Contractor and all of the Sub-Contractors are enrolled into the OCIP program.

12. Why is the project being split out from the PTC's Rolling OCIP?

A. The Commission does not have a "rolling OCIP" program at this time. The Commission has acquired insurance brokers dependent on the project(s) that the OCIP program is being applied to.

13. Who is the current broker on the Rolling OCIP?

A. The Commission does not have any current "rolling OCIP" in place at this time. The Commission is contracted with HRH, Inc. for the Uniontown to Brownsville project; and The Graham Company for the 6-Lane Widening and the SRB Projects.

14. Please provide a schematic budget for the work or an estimate of the project costs by craft.

A. The Commission has funded the Allegheny River Bridge Project and all costs associated with this project are shown in the Commission's web page at www.paturmpike.com under "General Information".

15. Please confirm all of the various evaluation criteria to be utilized in the evaluation process and their relative percentage basis related to the total 100%.

A. The Commission does not divulge their evaluation process.

16. Please provide us with the PTC's safety and/or risk control manuals regarding construction.

A. See attached documents.

17. Please provide us with a copy of PTC's administration manual.

A. See attached documents. The Insurance Broker will be responsible for preparing the project specific manual for the Contractor identifying claims procedures and other pertinent processes for the OCIP program.

18. What is the loss experience for five years for WC, CGL and builder's risk on the PTC's Rolling OCIP program?

A. Information is not available at this time. The Commission has experienced very low frequencies of incidents and very low severity ratios on all of our OCIP projects.

19. How frequently does the administrative team have regularly scheduled meetings on the current program, i.e., weekly, monthly quarterly, etc?

A. The Insurance Broker is required to conduct weekly safety status meetings and to prepare and participate in quarterly claims loss meetings between the Contractor, the Construction manager and the Commission.

20. Please issue the Standard Contract Terms and Conditions referenced in Part I-5 Type of Contract.

A. See attached description.

21. What company is the primary design firm for the construction of the project?

A. The design firm is not a part of the OCIP.

22. Should Builders Risk coverage be included in the RFP response?

A. Yes.

23. Has a bid deduction methodology been determined?

A. The Commission does not use a "bid deduction" method. All construction bids are to have the Contractor's OCIP costs eliminated from their bid. This is identified in the contract specifications and at the pre-bid meeting

ALLEGHENY RIVER BRIDGE REPLACEMENT PROJECT

The Allegheny River Bridge is the Pennsylvania Turnpike's third-longest bridge, and crosses the Allegheny River 14 miles northeast of Pittsburgh. In conjunction with the replacement of this bridge, the project includes reconstruction of the Allegheny Valley Interchange ramps and total reconstruction and widening of the Turnpike to three lanes from milepost 46.56 to milepost 49.54.

The widening of the Turnpike will require the construction of several retaining walls, and the replacement of several bridges, including Gulf Lab Road Bridge, the older Oakmont Pedestrian Bridge, and the Mainline Bridge over the interchange ramps.

The Allegheny River Bridge will be replaced with twin, cast-in-place concrete structures, each 2,350 feet long on an alignment adjacent to and slightly down-stream of the existing bridge. Upon completion of the new bridges, the existing bridge, an underslung truss, approximately 2,180 feet long and up to 120 feet tall, will be demolished.

Preliminary quantities for major components of the Allegheny River Bridge Replacement Project are attached.

PENNSYLVANIA TURNPIKE COMMISSION
ALLEGHENY RIVER BRIDGE REPLACEMENT PROJECT
PRELIMINARY QUANTITIES

Western Approach Roadway

(Including all roadway reconstruction west of the Allegheny River Bridge and Allegheny Valley Interchange pavement)

Excavation	135,000	CY
Embankment	350,000	CY
Asphalt Pavement	49,000	SY
Drain Pipe	8,000	LF
Concrete Pavement	16,000	SY
Wetland	1.8	Acres

Eastern Approach

(Including all roadway reconstruction east of the Allegheny River Bridge)

Excavation	200,000	CY
Embankment	140,000	CY
Asphalt Pavement	48,000	SY
Drain Pipe	7,000	LF

Gulf Lab Road Bridge

Deck Area	15,000	SF
Structural Steel	800,000	LBS
Concrete	1,300	CY
Reinforcing	260,000	LBS

Interchange Bridge

(Turnpike over interchange ramps)

Deck Area	13,000	SF
Structural Steel	300,000	LBS
Concrete	1,500	CY
Reinforcing	180,000	LBS
Steel Friction Piles	3,000	LF

Oakmont Pedestrian Bridge

Deck Area	2,300	SF
Structural Steel	100,000	LBS
Concrete	150	CY
Reinforcing	23,000	LBS
Tangent Caisson Wall	300	SF

Ramp A Retaining Wall

MSE Wall	2,700	SF
Temporary Shoring	3,500	SF
Excavation	2,500	CY
Embankment	2,000	CY

Ramp D Retaining Wall

MSE Wall	3,200	SF
Temporary Shoring	4,000	SF
Excavation	2,500	CY
Embankment	2,000	CY

UPARC Retaining Wall

Soil Nails	9,100	LF
Rock Nails	3,700	LF
Shotcrete Wall and Facing	53,000	SF

Western Oakmont Retaining Wall

Soil Nails	13,600	LF
Rock Nails	6,000	LF
Shotcrete Wall and Facing	58,000	SF

Eastern Oakmont Retaining Wall

Steel Soldier Beams	1,200,000	LBS
42" ø Caissons in Soil	4,100	LF
42" ø Caissons in Rock	1,000	LF
Tie Backs	7,500	LF
Shotcrete Wall and Facing	24,000	SF

Noise Walls

Wall Panels	10,000	SF
24" ø Caissons	900	LF

Allegheny River Bridge Superstructure

Deck Area	300,000	SF
Concrete	35,000	CY
Reinforcing	7,000,000	LBS
Post-Tensioning	3,000,000	LBS

Allegheny River Bridge Piers (Including Foundations)

	Foundation Option A Pipe Piles	Foundation Option B Drilled Shafts
Concrete	15,000 CY	11,000 CY
Reinforcing	3,800,000 LBS	3,100,000 LBS
90"Ø Drilled Shaft	-- --	1,200 LF
84"Ø Rock Socket	-- --	1,700 LF
24"Ø Pipe Piles	15,000 LF	-- --
Predrilling for Pipe Piles	10,000 LF	-- --

Allegheny River Bridge Abutments (Including Foundations)

Concrete	1,000	CY
Reinforcing	130,000	LBS
36"Ø Rock Socket	140	LF
H-Piles	11,000	LF

**FXX.00 PILE DRIVING SURVEYS
(ITEM NO. 2107-0001)**

DESCRIPTION – This work consists of conducting pile driving surveys. Reports are to be prepared by a Professional Engineer, registered in the State. A structural survey report is to be prepared for all residential and commercial structures which, wholly, or in part, lie within the specified limits, or as directed.

LIMITS - Conduct pile driving surveys on all structures within 300 feet of any pile driving operations. If no structures lie within these limits, conduct a survey on the closest structure(s) within 600 feet. No surveys are required beyond 600 feet.

SURVEY REPORTS - Conduct a detailed inspection of the interior and exterior of the structures within the survey limits noting all cracks and structural deficiencies as to location, length, size, thickness, etc., in the report. Dimensions in the report are to be provided to the Representative in US standard measurements. Metric measurements may be noted for record only.

Photograph the interior and exterior of these structures with particular attention paid to existing cracks or structural deficiencies, plus overall condition/appearance of each structure. Include photographs in each report as color 3.5 inch x 5 inch prints from 35mm color negatives and in proper focus and exposure to easily determine subject matter. The report(s) are to also include a description of the contents of each photograph with label identifying structure, description of deficiency, location on structure, and date photograph was taken.

Images produced by digital cameras will only be acceptable with the written consent of the Representative.

Submit three (3) copies of the report with photographs to the Representative for review and approval at least five (5) days prior to the start of any pile driving. This survey is to serve as proof of the condition of the existing residential and commercial structure prior to construction.

ACCESS TO PROPERTIES - Submit a list of structures to be surveyed to the Representative for approval.

Obtain permission to enter private property and residences for the purpose of conducting the survey and to take photographs.

Do not enter any structure without prior written permission from the owner.

If access and a signature from the Owner cannot be obtained, notify the Representative and the Commission. Establish monitoring operation as close to the structure as permitted during all pile driving operations within 600 feet.

MEASUREMENT AND PAYMENT – Each. For each property surveyed to 600 foot radius or as described above, including reports.

COMMONWEALTH OF PENNSYLVANIA

PENNSYLVANIA TURNPIKE COMMISSION



Loss Control Program

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
TABLE OF CONTENTS	i
FOREWORD AND STATEMENT OF POLICY	ii
MISSION STATEMENT	ii
VISION STATEMENT	ii
1. OWNER CONTROLLED INSURANCE PROGRAM	1
2. BASIC ELEMENTS OF SAFETY AND LOSS CONTROL ORGANIZATION	2
3. SAFETY AND LOSS CONTROL PROGRAM	4
4. FIELD PARTICIPANTS, SAFETY AND LOSS CONTROL RESPONSIBILITIES	5
5. ACCIDENT REPORTING	13
6. EMERGENCY PROCEDURES	13

FOREWORD AND STATEMENT OF POLICY

This manual was prepared at the direction of the Pennsylvania Turnpike Commission ("Commission") to present the Owner Controlled Insurance Program (OCIP), and the Accident Reporting and Claims Procedures for the Pennsylvania Turnpike Commission's Projects ("Project").

Each Contractor and Subcontractor is responsible for the safety and welfare of his employees and the general public. All Contractors and Subcontractors are expected to abide by safety and health regulations issued and published under OSHA (the Williams-Steiger Occupational Safety and Health Act of 1970 and the regulations promulgated pursuant thereto), the Pennsylvania Worker and Community Right-To-Know Law and with all other Federal, State, County and local safety and health regulations and requirements as they apply to the Project.

The Pennsylvania Turnpike Commission is dedicated to implementation and enforcement of safe construction practices throughout the term of this Turnpike Project. The Commission's Representative will review and monitor the safety performance of the Contractor. Each Contractor and Subcontractor is charged with the duty of maintaining a safe and healthful working environment for all concerned participants on the Project and for the health and safety of the public with respect to Project activities.

MISSION STATEMENT: To operate and manage, in a fiscally responsible manner, a safe, reliable, and valued toll road system.

VISION STATEMENT: To be recognized by our customers as offering a premier transportation value and to be the preferred highway in the Commonwealth of Pennsylvania.

SECTION 1

OWNER CONTROLLED INSURANCE PROGRAM

The Commission's Owner Controlled Insurance Program, as it applies to each section of the Project, is set forth in the Special Provisions of the applicable Contract Specifications. The Specifications also set forth the coverages to be provided by Contractors and Subcontractors.

Each bidder agrees not to duplicate or include any portion of its insurance cost (or overhead or profit in connection therewith), including that of its Subcontractors in its bid price or any change orders for the coverages to be provided by the Commission.

Each bidder must submit with its bid completed Construction Insurance Information Forms. A copy of the required form is included as a part of the Insurance Specifications.

SECTION 2

BASIC ELEMENTS OF SAFETY AND LOSS CONTROL ORGANIZATION

2.1 MANAGEMENT LEADERSHIP

The Contractor is the focal point for safety and loss control on the Project. The Contractor's attitude and approach to accident prevention is reflected at all levels of management. Similarly, the worker's attitude is usually the same as his supervisor's. Thus, a top management genuinely interested in preventing accidents and developing a meaningful Safety and Loss Control Program will lead supervisors and workers to perform in a safe manner. A Safety and Loss Control Program, to be successful, must be supported by top management. The details of carrying out the Program may be assigned, but the responsibility for the basic policy and promoting an effective program cannot be delegated.

The Contractor must issue a statement of company safety policy that is planned, publicized and promoted. This declaration must recognize the Contractor's responsibilities, including the following:

1. All Contractors and Subcontractors will fully comply with regulations issued by OSHA ("the Occupational Safety and Health Administration") and all other applicable safety rules and regulations.
2. All Contractors and Subcontractors must be involved in promoting safety and must actively participate in a coordinated insurance and safety program for the Commission Project.
3. Safety and Loss Control must take precedence over expediency or short cuts.
4. Every attempt must be made to prevent accidents on the projects.

2.2 ASSIGNMENT OF RESPONSIBILITY

While top management of each Contractor has the ultimate responsibility for Safety and Loss Control, authority and accountability for safe operations must be delegated to all levels of management. The Contractor's Superintendent is the key individual in a Loss Control Program. He must fully support the Contractor's Safety and Loss Control Program.

SECTION 2

2.3 MAINTENANCE OF SAFE WORKING CONDITIONS

The objective to be accomplished by a program of proper inspection and control procedures include the following:

1. Maintenance of safe working conditions through elimination of unsafe actions on the project.
2. Maintenance of an uninterrupted workflow.
3. Establish and maintain a pro-active approach toward recognition of unsafe conditions, prevention of accidents and timely correction of observed deficiencies.

2.4 ESTABLISHMENT OF LOSS CONTROL TRAINING

Training programs must be based on clearly defined objectives that determine the scope of training and guide the selection and preparation of effective training materials.

An effective construction Safety and Loss Control Program is also based on proper job performance. All Contractors and Subcontractors on this Project must properly train all employees in the conduct of their job performance.

2.5 AN ACCIDENT AND PAYROLL RECORD SYSTEM

Accurate payroll data and records of accidents and injuries are essential to an efficient and successful Owner Controlled Insurance Program (OCIP) and Loss Control Program. In addition to all OSHA record keeping, Contractors will provide the Commission's designee with total payrolls for the Project (classified by Pennsylvania Workers' Compensation Rating Bureau payroll classifications), the total number of injuries, and total man-hours, per Contractor and Subcontractors on a monthly basis. Formats for these reports will be provided to successful bidders prior to the commencement of work.

2.6 MEDICAL AND FIRST AID SYSTEMS

A well-planned first aid system is often the difference between life and death. Therefore, each Contractor and Subcontractor will include on a list to be displayed in the Project Office and at all phones, all emergency medical facilities and phone numbers that have been contacted to render emergency medical treatment.

SECTION 3

SAFETY AND LOSS CONTROL PROGRAM

3.1 ACCIDENT PREVENTION

The prevention of accidents in the course of construction operations is of primary importance to everyone connected with the Project. Injuries cause suffering and hardship to those immediately involved can result in job delay and additional expense to Contractors.

Each Contractor is responsible not only for the safety and welfare of his employees but also for the safety of the Representative, The Commission, The Commission's personnel agents, and consultants, members of the general public, official visitors. The Contractor is responsible as well for the protection of property within the scope of his work. The Contractor is also responsible for compliance with all OSHA and other Federal, State and local safety and health regulations that are applicable to this Project.

3.2 OSHA AND OTHER GOVERNMENTAL REQUIREMENTS

The Contractor shall at all times fully comply with the provisions of the OSHA (The Williams-Steiger Occupational Safety and Health Act of 1970, and the regulations promulgated pursuant thereto), the applicable local, County and Federal Safety and Health regulations.

3.3 PROGRAM OBJECTIVES

The Safety and Loss Control Organization has been established to coordinate all available means of eliminating or controlling hazards and risks associated with the completion of construction. Objectives to be accomplished include, but are not limited to the following:

1. Avoid human injury;
2. Conserve property,
3. Achieve greater efficiency; and
4. Reduce costs.

SECTION 4

FIELD PARTICIPANTSFIELD PARTICIPANTS AND SAFETY AND LOSS CONTROL RESPONSIBILITIES

4.1 CONTRACTOR

Each Contractor must take the initiative in accident prevention. The Contractor's responsibility for Loss Control and Safety activities related to this Project extends to his Subcontractor or Subcontractors.

The involvement of the Commission, the Representative or others in the Safety and Loss Control Organization shall in no way relieve or decrease the Contractor's obligation for safety.

The Representative reserves the right to request from the Contractor any documentation to insure the Contractor's Safety Program is being conducted in accordance with the written Program and applicable rules and regulations.

The Contractor is responsible for all of the requirements for Safety. Therefore, the Contractor shall:

1. Within thirty (30) days after the Notice of Award, but no later than the Pre-Construction Conference scheduled by the Commission, submit a written safety program for review and acceptance by the Representative. At a minimum, this written safety program shall address the following:
 - A. Compliance with applicable Federal, State, County and local laws, rules and regulations.
 - B. Fall Protection System and Procedures to be utilized by the Contractor.
 - C. Designation of the Contractor's Safety Representative.
 - D. Safety training requirements.
 - E. New Employee safety orientation (record keeping required).
 - F. Weekly tool box safety meetings (record keeping required).
 - G. Hazard Communication Program.

General - The contractor's written Hazard Communication Program shall address, at a minimum, a written program, material safety data sheets, labeling, and employee information and training.

SECTION 4

Written Program

- a. Plans to meet the criteria of the OSHA Standard relating to labels and other forms of Warning, Material Safety Data Sheets, and Employee Training.
- b. List of hazardous chemicals.
- c. Methods used to inform employees of the hazards of not-routine tasks.
- d. Hazards associated with chemicals contained in unlabeled pipes.
- e. Methods used to inform subcontractors of the hazards to employees.

Material Safety Data Sheets (MSDS)

- a. Include information noted for manufacturers.
- b. MSDS availability upon request for information regarding each hazardous substance.
- c. MSDS readily accessible to employees during each shift.

Labeling - Labeling of containers must comply with label markings as noted for manufacturers. If labeling is not possible, the hazardous material must be readily identified by some means (posted signs, placards, and batch tickets) to inform employees of exposure hazards.

Employee Information and Training - Employee information and training are required. The Contractor's employees must be informed of the requirements of the Contractor's standard operations, including hazardous chemicals, and the location and accessibility of the Contractor's written Hazard Communication Standard Program, list of hazardous chemicals, and Material Safety Data Sheets.

The employees training must include:

- a. Methods and observations used to detect hazardous chemicals.
- b. Physical and health hazards of the chemicals in the work area.
- c. Measures the Contractor's employees can take to protect themselves from these hazards as well as procedures implemented by the Contractor (i.e., work practices, emergency procedures).

SECTION 4

- d. Details of the Hazard Communication Program and how employees can obtain, interpret, and use the information available.

H. Procedure to enforce safety policy, to include disciplinary measures when appropriate.

- I. Procedure to enforce safety policy on Subcontractors.
- J. Housekeeping.
- K. Substance Abuse Program.
 - 1. Minimum Elements to include:
 - a. Written Program.
 - b. Pre-employment and subsequent annual testing for prohibited substances. All employees must have a negative substance test result for the Project prior to starting work on the Project. Substance testing must be performed on the substances specified in the employer's company program. In the absence of an established company program, a minimum of two (2) substance tests, one (1) for cocaine and one (1) for marijuana, will be required.
 - c. Post Accident/Incident testing for prohibited substances and alcohol.
 - d. Reasonable cause testing for prohibited substances and alcohol.
 - e. All substance abuse testing is to be done by an independent laboratory.
 - 2. Contractor must provide verification of compliance with the substance abuse program to the Representative as directed.
- L. Safety inspections of equipment, to include inspection of equipment prior to being allowed on job site (record keeping required).
- M. Incorporation of safety into Project progress meetings.
- N. Use of personal protective equipment.
- O. Program for job site medical service, to include emergency phone numbers.

SECTION 4

- P. Provisions for required OSHA bulletin board notices.
 - Q. Accident record keeping procedures (copies of all recordable accidents will be provided to the Commission).
 - R. Return to work program.
 - S. Provisions for a safety awareness program.
2. The Contractor shall furnish the Representative and the Commission's designee within 24 hours of receipt, copies of all warnings and/or citations of safety violations received from any jurisdictional, state or federal agency with respect to work performed under this contract for this project.

3. The Contractor shall assure Subcontractor compliance with the Safety and Loss Control Program.

4.2 CONTRACTOR'S SUPERINTENDENTCONTRACTOR'S SUPERINTENDENT

The Contractor's Superintendent shall:

1. Plan and execute all work so as to comply with the stated objectives of the Wrap-Up and Loss Control Program.
2. Comply with all the provisions of the Contract dealing with Safety and accident prevention requirements.
3. Comply with federal, state and local safety codes and regulations.
4. Cooperate with the Commission's Safety Representative and the Representative.
5. Authorize necessary immediate action to correct Safety deficiencies reported or observed.
6. Review and take necessary immediate action with respect to Safety matters through directives or personal interview with job Foremen or Subcontractor's management.
7. Attend regularly scheduled Safety and Loss Control meetings.
8. Contractor's Safety Representative will incorporate Safety in the agenda of Project meetings at a minimum of once a month.

SECTION 4

4.3 CONTRACTOR'S SAFETY REPRESENTATIVE

The Contractor's full-time Safety Representative shall:

1. Make daily safety inspections of job sites and take necessary immediate corrective action to eliminate unsafe acts and conditions.
2. Assure the OSHA 200 Form Accident Report is properly completed.
3. Review accident and incident reports and initiate immediate corrective action.
4. Provide job foremen with appropriate material for use in conducting weekly "tool box" Safety meetings.
5. Attend foremen "tool box" Safety meetings and evaluate their effectiveness.

6. Assist in the preparation of the accident investigation and reporting procedures.
7. Implement training programs for supervisors and employees as they apply to their specific responsibilities.
8. Encourage programs for recognition of individual employee's Safety efforts and their contribution toward improved work methods.
9. Be responsible for the control and availability of the necessary Safety equipment, including employee's personal protective equipment.
10. Coordinate activities with those of the other contractors, the Commission's Safety Representative and the Representative.
11. Attend Loss Control meetings monthly or more frequently, as required. The Safety Representative should share his experience, questions and problems with the other Safety Representatives at those meetings.
12. Submit a written monthly report summarizing:
 - a. Daily inspection results
 - b. Tool box meetings
 - c. Accident investigations
 - d. Planning activities for upcoming operations
13. Maintain a current copy of OSHA 29 CFR 1926/1910 Standards on site.

SECTION 4

14. Maintain a record of the installation and maintenance of the traffic control and highway closure signs, signals, barricades, and devices. Record shall include a written log of daily maintenance and photographs of installations.

4.4 JOB FOREMEN

The Foreman is another key person in the implementation of the safety program. Job Foremen are an integral part of an effective safety program. They will determine whether a good accident record is established. A Foreman's responsibilities shall include the following with respect to Safety and Loss Control:

1. Instruct workmen in safe work practices and work methods at the time of work assignments.
2. Supply and enforce the use of proper personal protective equipment and suitable tools for the job.

3. Check to see that no unsafe practices or conditions are allowed to exist on any part of the job.
4. Acquaint the crew with all applicable safety requirements and enforce them.
5. Set a good example for the crew.
6. Participate in the investigation of accidents and incidents to determine factors necessary to take corrective action.
7. Hold weekly "tool box" safety meetings with the crew.
 - A. Discuss observed unsafe work practices or conditions.
 - B. Review prior week's problems and corrective action taken.
 - C. Review the accident experience of the crew.
 - D. Encourage safety suggestions from the crew.
8. See that prompt first aid is administered to injured employees.
9. Take immediate action to correct unsafe practice or conditions as discovered.
10. Report immediately to the Safety Representative and Superintendent any violations of job safety that cannot immediately be corrected.

SECTION 4

4.5 THE REPRESENTATIVE

1. The Representative shall review the timeliness of safety and accident prevention procedures on the Project and shall review and accept Contractor Safety Programs.
2. In the event certain individuals are found to be continually in violation of safety requirements, the Representative has the authority to direct the removal of the individual employee, or to invoke any other contractual remedy deemed appropriate.
3. Observe and monitor Contractor compliance with OSHA, the County, local and state regulations.
4. Periodically attend Foremen's "tool box" safety meetings and evaluate effectiveness.
5. Provide monthly report to The Commission or the Commission's designee, containing an evaluation of the status of the program and of accident frequency and severity and recommend appropriate corrective action.
6. Review and accept Contractor emergency plans and procedures.

7. Organize and participate in monthly site inspections and develop daily inspection criteria.
8. Review all reporting paperwork (forms and reports) for completion, processing and distribution.
9. Assist the Commission in allocating paid liability claim deductible costs to the appropriate contractors.
10. Coordinate the Commission's general and specific safety concerns with Project planning.

NOTE: The involvement of the Commission, the Representative or others in the Safety and Loss Control Organization shall in no way relieve or decrease the Contractor's obligation for safety.

4.6 THE COMMISSION'S SAFETY REPRESENTATIVE

1. Act as Owner Controlled Insurance Program interface between the Representative, Contractors, Subcontractors, the Insurance Companies, and the Pennsylvania Turnpike Commission.

SECTION 4

2. Perform regular inspections of construction work areas for compliance with all applicable federal, state, county and local safety and health rules and regulations and make appropriate recommendations.

SECTION 4

3. Review all accident/incident reports, investigate serious accidents, and recommend corrective action.
4. Perform and document additional investigations as necessary on all General Liability, Property Damage and Workers' Compensation claims to protect the interests of the Pennsylvania Turnpike Commission.
5. Establish and maintain Sectional files on all General Liability, Property Damage and Workers' Compensation claims that will include all employer reports, investigations, and all other pertinent information on each claim separated by Contract.
6. Conduct regular conferences with both the Representative and the Contractor to discuss safety concerns and recommendations, including a monthly job site safety walk-through and coordinated monthly safety meeting.
7. Assist the Representative and Contractors in developing:
 - a. New Employee Safety Orientation
 - b. Weekly Toolbox Safety Meetings
 - c. General Safety Training for Employees and Supervisors
 - d. Emergency Procedures

8. Assist in pre-construction safety conferences to discuss potential safety hazards that might be encountered.
9. Provide assistance with OSHA Construction Safety Requirement interpretations.
10. Assist Contractor personnel in their efforts to maintain a safe job site and work environment, and a safety program which meets the goals and objectives established by the contract documents.
11. Prepare monthly status reports.
12. Interview for acceptance contractor's nominees for the positions of full time safety representatives.
13. Review for acceptance contractor written Safety Programs.
14. Attend Representative's progress meetings on a monthly basis.
15. Establish and prepare documentation for a quarterly Safety and Insurance meeting with representatives of: the Commission, the Representative, Contractors and Insurance Carriers.

SECTION 5

ACCIDENT REPORTING

See the *Project Owner Controlled Insurance Program (OCIP) Guide* for current procedures.

SECTION 6

EMERGENCY PROCEDURES

6.1 EMERGENCY PROCEDURES

1. Each Contractor shall set up emergency procedures and prepare written guidelines discussing such procedures for the following categories:
 - A. Fire.
 - B. Injury to Employees.
 - C. Injury to general public.
 - D. Property damage, including property of utilities, (i.e., gas, water, sewage, electrical, telephone or pedestrian and vehicle routes).
 - E. Public demonstration.

The Representative will review copies of all guidelines for emergency procedures. The Contractor will make distribution to: The Representative and The Commission designee.

2. Emergencies shall be handled by the Supervisor present. He is responsible for summoning the number of persons required by the situation and assignment of all recommended procedures. Actions to be taken during emergencies should be discussed regularly with Contractor's supervisory personnel and at "tool box" safety meetings.
3. At least two persons qualified in first aid should be working on each shift.
4. When an emergency develops, the person in charge should:
 - A. Promptly secure the area against unwanted intrusions from the outside.

SECTION 6

- B. Give information regarding the situation only to authorized representatives of the Commission or to others who have a need to know details of the circumstances in

order to assist in dealing with the emergency situation. Questions from the media should be referred to the Commission.

5. In order to enable prompt necessary emergency services, each Contractor should:
 - A. Post in a conspicuous place, a list of emergency telephone numbers, along with the type of information to be transmitted for each emergency situation.
 - B. Delegate responsibility to make emergency telephone calls. The ranking person present should generally be responsible for this duty.
6. The Contractor's emergency procedures will be reviewed by the Representative regularly and, where necessary recommend that the Contractor adjust procedures to provide maximum effectiveness. All such procedures should be reviewed with the Representative.

Insurance Requirements - The following provisions modify those of the Standard Specifications.

Section 103.06 EXECUTION AND APPROVAL OF CONTRACT

Delete requirements for documentary evidence covering Workmen's compensation and Public Liability and Property Damage Insurance.

Change (c) to read "Such Insurance as required by contract documents".

Add: Construction Insurance Information Form. Construction Insurance Information Forms must be submitted with your bid. Construction Insurance Information Forms for Subcontractors provided to the Commission must be submitted fully completed to the Commission prior to the Subcontractors performing any work on the Project. The Commission may require that omitted or additional clarifying insurance information be provided at any time subsequent to the submission of Contractor bids.

All references to the Representative as Named Insured or recipient of indemnification protection will include the Representative's subcontractors.

GENERAL PROVISIONS 107.14 and 107.31 INDEMNITY AND CONTRACTOR'S INSURANCE. Delete Sections 107.14 and 107.31 in their entirety and replace with the following:

The Commission is purchasing and intends to maintain on its behalf and on behalf of the Contractors and Subcontractors, a Owner Controlled Insurance Program (OCIP) which will protect the parties from claims for damage or injury to employees and all other persons, including wrongful death, and for damage to property which may arise from the construction to be performed under this Contract. The following is a description of the coverage provided under the Owner-Controlled Insurance Program and of the Contractor obligations for complying therewith:

COMMERCIAL GENERAL LIABILITY INSURANCE:

Commercial General Liability Insurance providing protection during performance of work covered by the contract from claims for damage or injury to persons, including wrongful death, and for damage to property which may arise from operations under the contract, whether such operations be by the Contractor or by a Subcontractor or by anyone employed by either the Contractor or Subcontractor while working at the project site. It is the intention that the Commercial General Liability Policy name the Pennsylvania Turnpike Commission; the Trustee under the Commission's Bond Trust Indenture Agreement; the Representative; all Contractors and subcontractors (including joint-ventures); and their respective officials, commissioners, officers, and employees as named insureds. Each of the following will be shown as an additional insured: Commonwealth of Pennsylvania, Department of Transportation; Michael Baker, Jr., Inc.; and the Design Engineer. Excluded from coverage under the Owner-Controlled Insurance Program are vendors, suppliers, material dealers and others not actually performing work on the project. Asbestos abatement and hazardous materials contracts are not covered by the OCIP. Professional liability is also excluded from coverage under OCIP.

Minimum Limits of Insurance - The Commission will provide Commercial General Liability Insurance with limits equal to the following:

(1) Primary Limits

(a) Bodily injury, including death resulting therefrom, and property damage with a combined single limit of \$2,000,000 per occurrence and \$4,000,000 aggregate on an annual basis.

(b) Products/Completed Operations. \$2,000,000 per occurrence and \$2,000,000

aggregate on an annual basis. There will be one \$2,000,000 Limit of Liability for the entire extended Completed Operations period of five (5) years.

(2) Excess Limits

- (a) A \$50,000,000 Per Occurrence and General Aggregate Limit excess of the primary Limit of Liability applies to the operations hazard on an annual basis.
- (b) A minimum of \$50,000,000 Per Occurrence and Aggregate Limit applies to the Products/Completed Operations hazard and aggregate limit excess of the primary Limits of Liability on an annual basis.

(3) Property Damage Liability

Property damage caused by the Contractor or its subcontractor is subject to a \$5,000 deductible per claim for which the Contractor is determined to be responsible. **If there are more than five (5) claims where the Contractor is determined to be responsible, OR there are total deductible payments exceeding \$7,500, the Contractor will be responsible for the first \$10,000 of each subsequent claim.** The Commission shall be entitled to withhold this deductible amount from payments due to the Contractor.

Except for the deductible amount set forth in the section on Builder's Risk, to the extent of coverage provided by the Builders Risk Insurance, the Commission waives its rights to recover physical damage or loss to its property against the Contractor and subcontractors. Each Contractor and Subcontractor shall also waive any and all right each may have to recover physical damage or loss to the property of each against the Pennsylvania Turnpike Commission; the Trustee under the Commission's Bond Trust Indenture Agreement; the Commonwealth of Pennsylvania, Department of Transportation; Michael Baker, Jr., Inc.; the Design Engineer; the Representative; the Commission's Insurance Broker and its employees; and their respective officials, commissioners, officers, and employees engaged in the project construction. This waiver of the right of recovery for property damage shall be binding upon any equipment insurer as respects any subrogation rights which such insurer may possess by virtue of any payments of damage or loss.

Extensions of Coverage

- (1) Blanket Contractual Coverage.
- (2) Broad Form Property Damage including Completed Operations.
- (3) Personal and Advertising Liability.
- (4) Blanket Explosion, Collapse and Underground Coverage.
- (5) Completed Operations and/or Products Liability Coverage extended to apply for the period beginning at the inception date of the policy and ending with whichever of the following comes first:
 - (a) Five (5) years after the termination of this policy or
 - (b) Five (5) years after the completion of this project as covered by the policy.

The extension does not apply to nor is intended to cover Products Liability claims/losses arising from material, machinery and/or equipment installed in or at the Work.

- (6) Employees as additional insureds.

- (7) Cross Liability Endorsement.
- (8) Hoists, Elevators, and Escalators.
- (9) Ninety (90) days notice of Cancellation, Non-renewal or Material Change, including reduction of limits, by carrier.
- (10) Railroad Protective Liability Coverage.
- (11) Non-Owned Watercraft Coverage subject to a 51 ft. length limitation.
- (12) In addition to the exclusions found in the standard policy form, the following additional exclusions will apply: Asbestos, Employment Related Practices, "EIFS", Fungus or Mold, Property Damage to Owner's Property, Professional Liability and Nuclear Energy Liability.

Policy Form

The primary coverage shall be provided on a standard Insurance Services Office "Occurrence" form.

WORKER'S COMPENSATION

Statutory State coverage A, Commonwealth of Pennsylvania. This coverage will provide the Contractor and its subcontractors of any tier performing actual work at/or about the job site with the applicable Statutory Pennsylvania benefits limits. Coverage will apply only to work performed at the project site and to incidental off-site activities directly related to work performed at the project site. Coverage is not provided for off-site work.

Employer's Liability Coverage B Limits:

- Bodily Injury by accident \$1,000,000 - each accident;
- Bodily Injury by disease \$1,000,000 - each disease;
- Bodily Injury by disease \$1,000,000 - policy limit.

CONTRACTOR'S POLLUTION LIABILITY COVERAGE

Commission has, as its own expense, obtained and will maintain, during the term of the project, Contractors Pollution Liability Coverage. Coverage will be provided according to the published policy which will be available for inspection on an "Occurrence" Basis and will include an endorsement extending the Completed Operations Coverage for a period of 60 months (five years) after completion of the project. The Limits of Liability will be:

- \$25,000,000 Per Claim
- \$25,000,000 Total All Losses (Aggregate)

BUILDER'S RISK

Commission intends, at its own expense, to obtain and maintain, during the term of the project, Builder's Risk Insurance against all risk of physical damage and/or loss (subject to policy exclusions) to all buildings, structures, materials in transit, material stored on the site and off the site provided they are intended for the project, owned and paid for by the Commission.

The Builder's Risk Policy shall be endorsed to add Contractors and subcontractors as additional insured, as their interests may appear, and to waive the carrier's right of recovery under subrogation against the Commission and

the Contractors and subcontractors whose interests are insured under the policy, provided the waiver agreement is in writing, signed by the parties and entered into prior to the date of loss.

Claims under the Builder's Risk Insurance provided shall be subject to deductible amounts of Twenty-Five Thousand Dollars (\$25,000.00) per occurrence. The deductible amounts herein shall be paid by the Contractor. Any Builder's Risk losses will be adjusted with and payable to the Commission or its designee for the interest of all parties as their interest may appear. The Commission shall be entitled to withhold this deductible amount from payments due to the Contractor.

Commission shall not be responsible for loss or damage to or obtaining and/or maintaining in force insurance on temporary structures (such as sheds, lock boxes, construction trailers, batch plants, etc.), construction equipment, tools or personal effects owned by or rented or in the care, custody and control of the Contractor or its agents or of any subcontractor.

The Builders Risk Policy will provide "Special Causes of Loss" Coverage on a Blanket Agreed Amount Replacement Cost Basis for property that is to become an integral part of the project. The definition of covered property has been extended to include fences, signs, outdoor trees, shrubs and plants, cost of excavation, grading, backfilling or filling, underground pipes, machinery or boilers, foundations or other structures and glass.

The policy will include coverage for flood (\$10,000,000 Sub limit), earthquake (\$10,000,000 Sub limit), windstorm, resulting damage from faulty workmanship, material, error or omission in design plans or specifications.

POLICIES AND/OR CERTIFICATES OF INSURANCE

Policies and/or certificates of insurance will be furnished after execution of the Contract. Construction Insurance Information Forms provide the data necessary for policy issuance. Following the bid, Commission may require additional insurance information of the Contractor, including insurance information related to the Contractor's subcontractors. Failure of the Commission's insurance broker to provide insurance certificates on a timely basis shall not be a basis for delay damages. Contractor and Subcontractor(s) will provide the Commission's insurance broker with such information as may reasonably be required to administer OCIP. Notice must be given to the Insurance Broker of intent to start work, at least two (2) days in advance of the actual start of work.

CONTRACT AND CHANGE ORDER INSURANCE COST

Each bidder agrees not to duplicate or include any portion of its insurance cost (or overhead or profit in connection therewith), including that of their Subcontractors, in its bid price or change orders (if any) for the coverage to be provided by the Commission. All payment for Additional Work, Extra Work, or Force-Account Work, as those terms are defined in the Standard Specifications defined herein, shall exclude contractor's cost for any insurance coverage provided in OCIP and overhead or profit in connection therewith.

Contractor stipulates that the insurance costs as defined in the Construction Insurance Information Form and made a part of the bid and Contract Documents is the amount that would have been included in the original bid price (exclusive of overhead and profit) if the Commission elected not to provide such coverage. The Commission shall have the right at any time to verify the accuracy of all information submitted in the Contractor's Construction Insurance Information Form.

FAILURE TO PROVIDE COMPLETED CONSTRUCTION INSURANCE INFORMATION FORMS MAY RESULT IN REJECTION OF A BID.

In the event the Contractor is awarded a contract, the Contractor and subcontractors will permit the Commission, or its designee, to inspect the documents and audit the methods and rates used in determining the premium cost outlined in the Construction Insurance Information Form. In the event of conflict between insurance policies'

terms and conditions and these specifications concerning coverage conditions, the terms of the Insurance Policies will govern.

INDEMNITY

The Contractor shall indemnify, defend and hold harmless the Commonwealth of Pennsylvania, Department of Transportation; the Pennsylvania Turnpike Commission; the Trustee under the Commission's Bond Trust Indenture; Michael Baker Jr., Inc.; the Design Engineer; the Representative; and any of their respective officials, commissioners, officers, directors, agents and employees for all claims and losses arising out of the performance or non-performance of any work done under the Contract or in any way attributable to such work done under the Contract for any act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by the Contractor or any subcontractor, or anyone for whom they may be liable, including, without limitation, claims for personal injury, death, and property damage, destruction or loss of use of property, claims arising from the failure to obtain permits and licenses, claims for patent infringement, and claims or attorneys' fees and defense expenses, whether or not such claim(s) are based upon the alleged active or passive negligence or participation in the wrong of any indemnitee hereunder or of any commissioner, agent, or employer thereof, or upon any alleged breach of any statutory duty or obligation on the part of any indemnitee. This indemnification shall not apply to damages or losses arising out of errors or omissions of the Architect/Engineer in the performance of its design responsibilities. The Commission may withhold from payments due the Contractor under this Contract a sufficient amount to cover any outstanding claims arising out of the work. As desired, the Contractor may file a bond covering outstanding claims with the Commission to obtain the release of any withheld amounts.

CONTRACTOR FURNISHED INSURANCE

The Contractor and all Subcontractors, at its own cost and expense is expected to carry the following coverage:

Automobile Liability – Automobile Liability Insurance covering all owned, hired, leased and non-owned vehicles with the following limits of liability: \$2,000,000 combined single limit. Automobiles are defined as land motor vehicles, trailers, or semi-trailers designed to travel on public roads (including any machinery or apparatus attached thereto).

Property Insurance - The Builder's Risk Insurance provided by the Commission will not cover temporary structures, such as sheds, lock boxes, construction trailers and batch plants; construction equipment, tools or personal effects; and materials which are not intended to be permanently incorporated into the work. Therefore, the Contractor and its subcontractors shall provide appropriate property insurance for these items, at their option.

General Liability Insurance – All Contractors and their Subcontractors are required to maintain General Liability insurance including premises operations and products completed-operations coverage with a combined single limit of at least \$5,000,000 per occurrence and \$5,000,000 aggregate. This coverage is intended for all off-site work and work unrelated to the OCIP.

Workers' Compensation – All Contractors and their Subcontractors are required to maintain Pennsylvania Statutory Workers' Compensation coverage and Employers' Liability coverage B with limits of \$500,000/\$500,000/\$500,000. This coverage is intended for all off-site work and work unrelated to the OCIP.

Professional Liability – If Contractor or Subcontractors perform or retain others to perform professional services in connection with the Work, including engineering, architectural, medical, testing, environmental assessment or remediation, or design-build services, with a minimum limit of \$1,000,000 per wrongful act, error, or omission, and a minimum \$2,000,000 annual aggregate limit.

Other Coverage - If the Commission deems it necessary, other insurance for special situations may be required of the Contractor. The performance bond required under other sections of these Specifications shall not be a part of the OCIP.

The Contractor and/or its subcontractors shall not be prevented from acquiring at its own expense, any other additional insurance or insurance coverage it deems necessary for its own protection and the protection of the work under the Contract. The cost of such other insurance should be borne solely by the Contractor (or its subcontractor).

Within ten (10) days after receiving notice of award and in any event, prior to beginning work, each Contractor shall furnish to the Commission, three (3) copies of the Certificate(s) of Insurance, satisfactory to the Commission as to the automobile coverage and carriers.

Such insurance will be subject to the following:

1. Sixty (60) days written notice of any change, cancellation or non-renewal by Certified Mail, to be effective upon receipt thereof, shall be given to the Commission before any change, cancellation, or non-renewal of this policy will be effected.
2. Inclusion of the Commonwealth of Pennsylvania, Department of Transportation; the Pennsylvania Turnpike Commission; the Trustee under the Commission's Trust Indenture; Michael Baker, Jr., Inc.; the Design Engineer; the Representative; all other Contractors and Subcontractors, and their respective officials, commissioners, officers, and employees as Additional Insureds, as related to work on the project.
3. No certificates will be accepted which exculpates the insurer or reduces any right conferred on the State by the above requirements, nor will they be accepted unless the certificates bear the signature of a direct representative of an insurance company authorized to do business in the Commonwealth of Pennsylvania.
4. Contractors shall provide certificates of the renewal of such policy(s) expiring during the term of the Contract thirty (30) days prior to the renewal date of the policy(s).

DIVIDENDS OR RETURN PREMIUMS FOR COMMISSION PROVIDED INSURANCE

For insurance provided and purchased by the Commission, each Contractor and subcontractor agrees that all return premiums, premium refunds, dividends, and any other monies due or to become due in connection with the OCIP are the sole and undisputed property of the Commission.

COMMISSION OBLIGATIONS

The Commission intends to make every reasonable effort to continue the OCIP each year with the minimum limits, insurance carriers, policy terms, and conditions for the duration of the Project. The Commission shall not be bound to these limits in the event the coverage in forms and amounts originally specified is unavailable on terms acceptable to the Commission. If the Commission for any reason discontinues the OCIP coverage or any portion thereof in the form and amounts set forth herein, then the following shall apply:

1. The Commission assumes no obligation to provide any insurance except such coverage as is expressly evidenced by the policies referred to in this Contract.
2. The Commission reserves the right, at its discretion, to furnish substitute coverage at any time during the term of the Project, at the Commission's cost. The Commission may alter the kinds and amounts of policies depending on project needs and coverage availability. The Commission will not reduce limits or coverages below legally required levels.
3. In the event the Commission does not, for any reason, furnish or continue to furnish the insurance as specified, the Contractor shall be notified, in writing, of this fact. The Contractor is responsible for notifying its Subcontractor(s). The Contractor must secure within thirty (30) days of its receipt of the Commission's notice, at a fair and reasonable cost to be borne by the Commission, all such insurance

coverage as shall be expressly required by the Commission for the project. The Commission reserves the right to approve the insurance companies and require the insurance companies to be licensed in the Commonwealth of Pennsylvania. This insurance may be in kinds and amounts different from those specified above depending on project needs and coverage availability. The cost of such insurance approved by the Commission shall be limited solely to the actual premiums and shall not include any charges for overhead and/or profit.

4. The OCIP will not extend coverage after work has been accepted by the Commission, except for Completed Operations coverage in accordance with contract. The Contractor and Subcontractors will be required to provide all applicable insurance coverage, including but not limited to Workers' Compensation, General Liability and Automobile Liability during any punch-list work, repair operations or return visits of any nature to the project.

CONTRACTOR OBLIGATIONS

The Contractor and its subcontractor(s) shall not violate or knowingly permit to be violated any conditions of the policies of insurance provided by the Commission under the terms of any Contract awarded for the Project, and shall at all times satisfy the requirements of the companies issuing such policies.

The Contractor and the subcontractors shall comply with all provisions of the OCIP Insurance and Loss Control Program.

The OCIP coverage, procedures and responsibilities of all Contractors and Subcontractors eligible to participate in the OCIP shall be more completely described and defined in the Commission's most current OCIP manual. Commission reserves the right to revise this document at its sole discretion. The Contractor shall fully comply with, and shall require its Subcontractors to comply with the procedures of the OCIP manual, including but not limited to completion of necessary applications for coverage and claim and payroll reporting procedures.

BOOKS AND RECORDS ON-GOING AUDIT REQUIREMENTS

Contractor and subcontractor(s) shall maintain adequate payroll records for work performed on the project and shall report summaries of those records on a schedule and in a form to be specified by the Commission. Such payroll records shall be available for audit and inspection by authorized representatives of the Commission. Contractors shall maintain and make available all records, books and data for a period of five (5) years following completion of the Project or until a final audit has been conducted by the Commission, whichever date occurs first. The Contractor shall also be responsible for the maintenance and availability of these records for subcontractors of any tier.

SPECIFIED SITE COVERAGE

The insurance provided by the Commission shall cover occurrences arising from operations under the construction Contract on the project work site as such work site is described in the plans, cross sections, subsurface profile, specifications, and Contract Documents ("project").

The insurance provided by the policies may also apply to any work site (other than as described in the plans, cross sections, subsurface profile, specifications and Contract Documents) under the exclusive possession and control of a named insured, provided:

1. The site is solely dedicated to the covered project.

Examples of the types of operations that may be covered for Workers' Compensation and General Liability include construction trailers and other off-site offices and batch plants. It is not intended to include any area used by the contractors to dump excavated materials or as a borrow area unless specifically designated by the Commission.

2. No other operations or work for any other job or project not covered by the OCIP will be conducted at the site.
3. A written request for inclusion of the site shall be submitted to the Representative.
4. The site is accepted in writing by the Commission's Representative for coverage under the OCIP.
5. The site is specifically endorsed to the applicable policy.

COVERAGE OF STORED MATERIALS

The Commission will provide coverage for any materials stored off-site or while in transit provided they are intended for the project, owned and paid for by the Commission and are permanently incorporated into the work.

CONDITIONS

1. The Commission reserves the right to exclude any Contractor or Subcontractor from the OCIP. These Contractors/Subcontractors shall be required to carry their own insurance at their own expense. Contractor/Subcontractors excluded from the OCIP will not be allowed to commence work without providing a certificate of insurance satisfactory to the Commission or the Commission's designee.
2. The OCIP coverage described herein are set forth in full in their respective policy forms, and the foregoing descriptions of such policies are not intended to be complete, or to alter or amend any provisions of the actual policies.

The Owner Controlled Insurance Program and Loss Control Program have been instituted on Commission construction projects to:

1. Reduce the public cost of insurance coverage included in road building projects.
2. Provide greater uniformity of efforts for safety control and property conservation; and
3. Increase productivity and efficiency on such projects.

It is the responsibility of each Contractor and Subcontractor providing services to the Project to initiate, maintain, and supervise all loss prevention and control programs and procedures to comply with the OCIP Manual and Loss Control Program and all OSHA, federal, state, and local laws and regulations. Therefore, the Contractors and Subcontractors all accept responsibility for implementation of the construction loss control program. The Representative shall monitor Contractor and Subcontractor implementation of the Loss Control Program. Contractors and Subcontractors, however, shall retain sole responsibility for safety.

It is the intention of this project that safety shall not be sacrificed for production but should be an integral part of the planning process. It is the goal of the Commission, the Representative and the Contractor to achieve a zero accident record. Contractor/Subcontractor supervision is charged with the responsibility for enforcing the Safety program.

General - The Contractor is solely responsible for the safety and welfare of his employees and for the protection of property and the general public. The Contractor shall comply with and insure that all of his subcontractors comply with all federal, state, county and local safety and health regulations and requirements. The Contractor will enforce all applicable job site safety and health regulations and requirements through daily inspections and other measures deemed appropriate in order to insure compliance by contractor employees and subcontractor employees.

The Contractor will furnish, erect, and maintain all barricades, warning signs and other protective devices to protect the public and employees from the job site safety hazards. When used during periods of darkness, such devices will be illuminated in accordance with PennDOT Publication 203. These devices will be used, but not limited to, open trenches, excavations, and tripping hazards. Signage will include signs to warn the general public that the area is a construction area and that only authorized personnel are allowed beyond a certain point.

Job site will be subject to safety inspection by the Commission and the Representative, but this provision does not in any way affect the responsibility of the Contractor to be solely responsible for safety.

The Commission, the Commission's Safety Representative, the Representative or other authorized Safety Representatives have the authority to suspend work in progress when necessary to enforce mandatory safety requirements until the condition is corrected. The Commission has the authority to hire outside Contractors to perform necessary safety-related corrections should the Contractor fail to correct deficiencies. No extension of time or additional compensation will be granted as a result of any suspended work and a back charge will be issued to the Contractor for any costs accrued by outside Contractors.

The Representative reserves the right to request from the Contractor any documentation to insure the Contractor's safety program is being conducted in accordance with the written program and applicable rules and regulations.

Safety Program - Within thirty (30) days after the Notice of Award, a written safety program shall be submitted by the Contractor for review and acceptance by the Representative. Minimum requirements for a Contractor's Safety Program are detailed in the Loss Control Program. Additional guidelines for program implementation will be provided in the OCIP Project Safety Manual at the preconstruction conference. If any discrepancies between these specifications and the OCIP Project Safety Manual exist, the provisions of these specifications will govern.

Substance Abuse - The Contractor shall employ only substance-free individuals on this Project.

Prohibited substances include illegal drugs (including controlled substances, look-alike drugs, designer drugs and alcoholic beverages) in the possession of or being used by an employee on the job.

Minimum elements of an acceptable Substance Abuse Program are outlined in the Loss Control Program.

All Contractor and subcontractor employees will be required to be tested at a facility designated by the Commission's Insurance Broker. Payment for all tests will be the responsibility of the Commission's Insurance Broker.

Hazard Communication - A written Hazard Communication Program must be submitted as part of the Contractor's Safety Program. Minimum requirements of an acceptable Contractor's Hazard Communication Program are detailed in the Loss Control Program.

VHS/DVD Player and Television Monitor - The Contractor is required to provide for each contract, a VHS playback unit with a monitor. All new hires must view the Project Safety Orientation video. VHS/DVD equipment must be available on site for periodic safety trainings.

Safety Representative - The Contractor shall appoint a full-time safety representative who will be a full-time employee. The safety representative's sole responsibility will be to ensure all work is conducted in compliance with safety and health requirements and to develop and implement safety training programs for all job personnel. The safety representative shall have specialized training and experience in construction safety and shall be approved by the Commission or the Commission's designee. The Representative shall have the authority to request removal of the Contractor's Safety Representative if that representative is judged to be improperly or inadequately performing his duties; however, this authority shall not in any way affect the Contractor's sole responsibility for performing his work safely, nor shall it impose any obligation upon the Commission or the Representative to ensure that the Contractor performs his work safely.

Subcontractor Safety Representative - The Contractor will insure that all subcontractors have an employee on-site designated as a safety representative. This employee may have responsibilities in addition to safety. This safety representative will insure that the subcontractor meets all required safety rules and regulations.

First Aid/CPR - The Contractor will provide at least two employees per shift that are trained in first aid and CPR. Training must be of the type offered by the Red Cross or similar agency and the trained employees must be in receipt of valid documentation (e.g. Red Cross Multi-Media First Aid Card) to verify training. The Contractor will also provide a suitable first aid kit on site; this kit must contain sufficient material to support the number of employees on site.

All supervisors should be trained in basic first aid procedures.

Special Safety Concerns - The following items are of special safety concern to the Commission and will be given special attention by the Contractor and will be addressed in your safety program:

- a. Blasting operations
- b. Fall protection
- c. Excavation trenching cave-in protection
- d. Utility protection
- e. Electrical safety
- f. Crane safety
- g. Steel erection

Liability - The Representative's acceptance of the Contractor's Safety Program shall not relieve or decrease the liability of the Contractor for Safety.

No provision of these contract documents shall act to make the Commission, the Representative or any other party other than the Contractor solely responsible for safety. The Contractor Indemnity provided under the Special Provision entitled "Contractor's Insurance," shall apply to protect, indemnify, defend and hold harmless all parties referred to therein from any and all actions, damages, fines, suits and losses arising from the Contractor's failure to meet all safety requirements and/or provide a safe work site.

ALL CRANES used on the project must meet the following minimum criteria:

- No crane shall be put into use until an annual crane inspection report is submitted to the Representative indicating the crane meets minimum safety criteria and is acceptable for use.
- A daily and monthly inspection shall be performed while the cranes are in use on the project. Minimum items to be inspected will be as outlined on the Representative's sample inspection forms. These daily and monthly forms are to be maintained on file by the contractor and made available to the Representative upon request for review and verification.
- No lift shall be made that exceeds 90 percent of the manufacturer's rated capacity of the crane as indicated on the cranes lifting capacity chart.
- When using truck or mobile crane's, ensure the appropriate capacity chart is used depending on which side of crane lift will be made.
- If the crane manufacturers' rated lifting chart for the specific crane configuration is not available on the crane, the crane must immediately be taken out of service.
- All crane operators must be certified to operate the specific crane in use on the project. They must be in possession of a current CCO license (Certified Crane Operator) valid for the type of crane intended to be used.
- Any lift exceeding 75 percent of the cranes rated capacity or multiple lifts shall be considered as a critical lift and a pre-lift meeting shall be held in the field with the crew involved in making the lift. The following minimum items should be reviewed:
 - Calculation of gross weight of load performed.
 - Correct crane lifting capacity chart reviewed.
 - Full, radius of crane movement calculated and confirmed in field with tape measure.
 - Footing for crane confirmed to be sound and level.
 - Minimum clearances from electric lines.
 - Wind speed checked and reviewed.
 - Confirmation lift is in conformance of approved erection plan (if applicable).
- When two cranes are working in the same area, a procedure shall be submitted explaining method of coordination to be used between cranes to ensure the possibility of a collision is prevented.
- Mobile cranes are only to be used when outriggers are fully extended unless manufacturer's recommendations allow otherwise.
- If supporting ground for crane is soft, the lift shall not be made until firm bearing is provided including crane mats if necessary. No lift shall be made if the crane is not on level ground.
- If the full range of motion of the lift is not visible to the operator, signalman or radio communicator must be provided.
- For multiple crane lifts, reduce the crane's rated capacity by 25 percent.

Measurement and Payment - Safety and health equipment, operations, training, and dedicated personnel and requirements of the OCIP and Loss Control Program, will not be measured or paid separately, but are considered incidental to normal construction requirements.

FXX.00 FALL PROTECTION

No person shall be exposed to a fall hazard from any elevation greater than 6 feet. Specific procedures outlining proposed fall protection methods must be submitted for acceptance by the Representative at a minimum of fifteen (15) days prior to commencement of associated work. The plan shall reference the enforcement policy to be used to ensure the proposed plan is followed. The plan shall also address interface between different aspects of work and who (i.e.: Contractor or subcontractor) will be responsible for ensuring fall protection measures are in place.

The Contractor is advised that this requirement applies to not only steel erection, but all aspects of construction where a potential fall hazard exists. Examples of construction to consider may include, but are not limited to: bridge substructures and superstructures, any type of wall construction, protective fence installation on bridges, box culvert construction, overhead sign installation, pile driving operations where access to leads is planned, and any other construction operations where an exposure to fall hazards exists.

Prior to the start of steel erection, pier construction or other operations as deemed appropriate by the Representative, a job site meeting will be held to review the proposed Fall Protection Plan with the superintendent or foreman who will be directly responsible for this operation. The Contractor or his subcontractor shall be prepared to present and discuss the proposed fall protection plan.

The Contractor shall consider all aspects of the work, including access to the work areas such as pier construction, steel erection, etc., as part of the fall protection plan. If stair towers, man baskets or similar devices are being considered, they must meet manufacturer's operating requirements and applicable regulatory codes.

If a personal arrest fall protection system is needed, the system must comply with the following:

- a. Meet the requirements of OSHA Subpart M in not having a design of more than 6 feet of freefall.
- b. Must conform to the manufacturer's design and use requirements.
- c. In the case of bridge girders, must be provided on each girder line.
- d. If not designed by the manufacturer, submit design and load calculations performed by Professional Engineer registered in the State of Pennsylvania to the Representative for review.

The use of body belts will not be acceptable as part of a fall arrest system.

THE CONTRACTOR IS RESPONSIBLE TO ENSURE ALL SUBCONTRACTORS ARE AWARE OF THESE REQUIREMENTS.

Measurement and Payment – Fall Protection will not be measured or paid separately but is considered incidental to the applicable items of work being constructed.

CONSTRUCTION INSURANCE INFORMATION FORM

(Please furnish to your insurance representative for completion)

CONTRACTOR'S NAME: _____
 CONTRACTOR'S ADDRESS: _____

 CONTRACTOR'S TELEPHONE: _____ FAX: _____
 PROJECT NUMBER: _____ PROJECT DESCRIPTION: _____
 Contract Bid Price: \$ _____ Your Est. Payroll: \$ _____

What percentage of the work will be performed by subcontractors? _____ %

I. Workers' Compensation - (Project site payroll only): [Please attach a copy of the Declarations and Classification/Rating pages from your current Workers' Compensation policy.] Insurance Company: _____ Policy Date: _____ Representative: _____ Telephone: _____							
	Classification	Code	Current Rate (\$100 PAY)	X	Estimated Payroll	=	Premiums
1.	_____	_____	\$ _____		\$ _____		\$ _____
2.	_____	_____	\$ _____		\$ _____		\$ _____
3.	_____	_____	\$ _____		\$ _____		\$ _____
4.	_____	_____	\$ _____		\$ _____		\$ _____
(Attach worksheet if more than four codes are used.)							
TOTAL						\$ _____	\$ _____
						Experience Modifier	X _____
						Modified Premiums:	\$ _____ A.
II. General Liability - Please provide the limits and rates in your current General Liability and Excess policies. [Please attach a copy of the Declarations and Classification/Rating pages from your current General Liability policy(ies).]							
Insurance Company: _____						Policy Date: _____	
Representative: _____						Telephone: _____	
a. Primary Coverage:			Current Rate	X	Payroll *	=	Premiums
Limits- \$ _____ /occ.			\$ _____		\$ _____		\$ _____
\$ _____ /agg.							
b. Excess Coverage:			Current Rate	X	Payroll	=	Premiums
Limits- \$ _____			\$ _____		\$ _____		\$ _____
						General Liability Premium:	\$ _____ B.
* If the rate applies to Gross Receipts, or some other factor, please indicate.							
III. Builder's Risk -			\$ _____		rate x values		\$ _____ C.
Insurance Company: _____						Policy Date: _____	
Representative: _____						Telephone: _____	
IV. TOTAL PREMIUMS (A + B + C)							\$ _____

V. Mark-Up for Overhead and Profit if other than 15%: _____ %

VI. AGREEMENT: Following contract award, contractor will permit the Commission or its designee to inspect the records used in determining the premium cost outlined herein.

PREPARED BY: _____ TITLE: _____
 DATE PREPARED: _____