



Legislation Details (With Text)

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**Type:** Resolution      **Status:** Adopted

**File created:** 2/27/2018      **In control:** Administration

**On agenda:** 4/18/2018      **Final action:** 5/23/2018

**Title:** Dept/ Agency: Administration/Office of the Business Administrator  
 Action:  Ratifying    Authorizing    Amending  
 Type of Service: Contract for Insurance Consulting Service in accordance with requirements of  
 Extraordinary Unspecifiable Service (EUS)  
 Purpose: Contract for Health Insurance Broker  
 Entity Name: Frenkel Benefits, LLC.  
 Entity Address: 210 Hudson Street, Suite 601, Jersey City, New Jersey 07311  
 Contract Amount: Amount not to exceed \$150,000.00  
 Funding Source: 2018 Budget/ Office of the Business Administrator  
 Account Code Line: 011-200-2001-60210-B2018  
 Contract Period: January 5, 2018 through January 4, 2019  
 Contract Basis:  Bid    State Vendor    Prof. Ser.    EUS  
 Fair & Open    No Reportable Contributions    RFP    RFQ  
 Private Sale    Grant    Sub-recipient    n/a  
 Additional Information:  
 Exception to Public Bidding: N.J.S.A. 40A:11-5 (m) Insurance which includes brokerage services  
 which shall be in accordance with the requirements of N.J.S.A. 40A:11-5(1) (a) (ii), "Extraordinary  
 Unspecifiable Service"  
 Deferred 7R1-a 042418  
 Deferred 7R1-a 051018

**Sponsors:** Council of the Whole

**Indexes:**

**Code sections:**

Date	Ver.	Action By	Action	Result
5/23/2018	1	Municipal Council	Adopt	Pass
5/10/2018	1	Municipal Council	Adopt	Fail
4/24/2018	1	Municipal Council	Defer	Pass
4/18/2018	1	Municipal Council	No Action Taken	

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**Additional Information:**

Exception to Public Bidding: *N.J.S.A. 40A:11-5 (m)* Insurance which includes brokerage services which shall be in accordance with the requirements of *N.J.S.A. 40A:11-5(1) (a) (ii)*, "Extraordinary Unspecifiable Service"

**Deferred 7R1-a 042418**

**Deferred 7R1-a 051018**

**WHEREAS**, the City of Newark ("City") is in need of Insurance Consultant/Broker Services for various Employee Benefits, including more specifically, Retiree benefits; and

**WHEREAS**, on August 23, 2016, as required by ordinance, the City solicited the services, through competitive contracting, by issuing a Request for Proposals (RFP) for Health Insurance Broker Services and on October 25, 2016, the City received various proposals in response to the RFP for Health Insurance Broker Services; and

**WHEREAS**, the Mayor and the Business Administrator recommended that the City of Newark ("City") enter into a contract with Frenkel Benefits, LLC, 210 Hudson Street, Suite 601, Jersey City, New Jersey 07311 to provide health insurance consulting/brokerage services for the City, for the period beginning January 1, 2017 through December 31, 2017, with an option to extend the contract after December 31, 2017 for additional one year terms, in the aggregate not to exceed three (3) years; and

**WHEREAS**, the Municipal Council failed to authorize the award of a contract on January 5, 2017 and again on January 10, 2017; and

**WHEREAS**, as a result, the City proceeded to provide health benefits to its employees and retirees through the State Health Benefits Plan ("SHBP") which included Retiree Prescription plans; and

**WHEREAS**, the State later disallowed the City from reimbursing retirees the co-pay difference between the State Plan and the negotiated/bargained plan from which they retired, thereby creating an emergency situation; and

**WHEREAS**, the State subsequently allowed the City to take its retirees out of the SHBP, if it introduced a Medicare approved plan, thereby creating the emergency where the City needed to put a prescription Medicare plan in place; and

**WHEREAS**, the failure to adopt resulted in the Mayor and Business Administrator seeking an award of an emergency contract to Frenkel Benefits, LLC, 210 Hudson Street, Suite 601, Jersey City, New Jersey 07311 to provide, on an emergency basis, health insurance consulting/brokerage services for retiree benefits for the City for the period commencing October 1, 2017 through January 4, 2018 for an amount of \$37,500.00; and

**WHEREAS**, the services performed have been efficient and professional and the Mayor and the Business Administrator desire to engage Frenkel Benefits, LLC to continue to provide health insurance consulting/brokerage services for the City, and more specifically for the retiree plan, for the period commencing January 5, 2018, through January 4, 2019 for an amount not to exceed \$150,000.00; and

**WHEREAS**, the Mayor and the Business Administrator request that the Municipal Council waive the requirements of City Ordinance 2:4-22E, which requires Competitive Contracting to procure Insurance Brokerage Services; and

**WHEREAS**, the contract may otherwise be awarded as an exception to public bidding in compliance with New Jersey Local Public Contracts Law *N.J.S.A. 40A:11-5* (m) Insurance which includes brokerage services which shall be in accordance with the requirements of *N.J.S.A. 40A:11-5* (1) (a) (ii), "Extraordinary Unspecifiable Service"; and

**WHEREAS**, the Business Administrator and Personnel Director have determined and certified, in writing, that the value of this contract will exceed \$17,500.00; and

**WHEREAS**, the actions contemplated by this Resolution shall result in the award of a non-fair and open contract in accordance with *N.J.S.A. 19:44A-20.5*; and

**WHEREAS**, Frenkel Benefits, LLC has completed and submitted a Business Entity Disclosure Certification which certifies that Frenkel Benefits, LLC has not made any reportable contributions to a political or candidate committee in the City of Newark in the previous one year, and the contract will prohibit Frenkel Benefits, LLC from making any reportable contributions through the term of the contract; and

**WHEREAS**, Local Public Contracts Law *N.J.S.A. 40A:11-1*, et seq. requires a resolution of the Governing Body authorizing the award of contracts for Extraordinary Unspecifiable Services and further requires that the contract itself must be available for public inspection; and

**WHEREAS**, the Municipal Council adopted the Contractor Pay-to-Play Reform Ordinance, 6PSF-a, August 1, 2012, which forbids the award of a contract to a Business Entity as defined therein, which has made or solicited political contributions to Newark Municipal Candidates, office holders having ultimate responsibility for the award of a contract; candidate committees of the aforementioned candidates; and political or political party committees of the City of Newark or County of Essex and continuing political committees or political action committees regularly engaged in the support of the City of Newark municipal or County of Essex elections; and certain other political party or candidate committees, in excess of certain threshold.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor and/or his designees, the Business Administrator or the Personnel Director, are authorized to execute a contract with Frenkel Benefits, LLC, 210 Hudson Street, Suite 601, Jersey City, New Jersey 07311, to provide health insurance consulting/brokerage services, including, more specifically for retiree benefits for the City of Newark, for the period of one year commencing January 5, 2018 through January 4, 2019, for an amount not to exceed \$150,000.00.
2. The Municipal Council waives the competitive contracting requirements set forth in City Ordinance 2:4-22E for this contract.
3. The contract is ratified from January 5, 2018 through the date of adoption of this authorizing resolution.
4. A Certification of Extraordinary Unspecifiable Service and Determination of Value are attached

and shall be filed with the Office of the City Clerk.

5. Pursuant to *N.J.A.C. 5:30-5(a)*, Temporary Budget, attached is the Chief Finance Officer's Certification, which states partial funds in the amount of \$25,000.00 are available in the 2018 Temporary Budget, Fund 011-200-2001-60210, B2018, the balance to be provided in the 2018 Adopted Budget. The Certification shall be filed, along with the original resolution and the executed contract in the Office of the City Clerk.
6. There shall be no amendments or changes to the contract without approval of the Municipal Council.
7. A copy of this executed contract herein authorized shall be filed in the Office of the City Clerk by the Business Administrator and shall be made available for public inspection.
8. A notice of this action shall be published in the newspaper authorized by law to publish a legal advertisement and as required by law within 10 days of its passage.

### **STATEMENT**

This resolution ratifies and authorizes the Mayor and/or his designees, the Business Administrator or the Personnel Director, pursuant to *N.J.S.A. 40A:11-5 (m)* and *N.J.S.A. 40A:11-5(1) (a) (ii)*, to execute and enter into a contract with Frenkel Benefits, LLC, 210 Hudson Street, Suite 601, Jersey City, New Jersey 07311, to provide health insurance consulting/brokerage services including, more specifically for retiree benefits for the City of Newark, in the amount of \$150,000.00 for the period of one year commencing January 5, 2018 through January 4, 2019.