



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 18-0323, Version: 1

Dept/ Agency: Administration/Division of Central Purchasing
Action: Ratifying Authorizing Amending
Type of Service: Extension of Emergency Contract #E-2018-02
Purpose: Continued RX Coverage for Retirees, increase duration and increase amount by \$2,000,000.00
Entity Name: Navitus
Entity Address: One Main Street, Madison, Wisconsin 53703
Contract Amount: Amount not to exceed \$5,000,000.00, original \$3,000,000.00 plus \$2,000,000.00 for emergency extension
Funding Source: 2018 Budget/ Department of Administration
Account Code Line: NW011-200-2001-60210-B2018
Contract Period: Emergency Contract Extended from April 3, 2018 through July 3, 2018
Contract Basis: Bid State Vendor Prof. Ser. EUS
 Fair & Open No Reportable Contributions RFP RFQ
 Private Sale Grant Sub-recipient N/A
Additional Information:
Extension of Emergency Contract #E-2018-02

WHEREAS, the Department of Administration requested the declaration of an Emergency Contract with Navitus, One Main Street, Madison Wisconsin, 53703 for RX coverage for retirees/Retiree Medical Coverage for the period of January 1, 2018 to April 2, 2018, at a cost not to exceed Three Million Dollars and Zero Cents (\$3,000,000.00); and

WHEREAS, N.J.S.A. 40A:11-6 provides that emergency contracts may be entered into when an emergency affecting the public health, safety or welfare requires the immediate delivery of goods or the performance of services; and

WHEREAS, N.J.A.C. 5:34-6.1(a)3 provides that the emergency purchasing procedure may be used when the need for such goods or services has arisen notwithstanding a good faith effort on the part of a municipality to plan for the purchase of any goods or services required by the municipality; and

WHEREAS, on February 9, 2018, pursuant to N.J.S.A. 40A:11-6 and N.J.A.C. 5:34-6.1(a)3, the Supervising Procurement Specialist, QPA, approved the aforementioned request and the Department of Administration entered into Emergency Contract #E-2018-02 with Navitus, One Main Street, Madison Wisconsin, 53703 for RX coverage for retirees/Retiree Medical Coverage for the period of January 1, 2018 to April 2, 2018, at a cost not to exceed \$3,000,000.00. A copy of said Emergency Contract # E-2018-02 is attached hereto and made a part hereof; and

WHEREAS, the City of Newark's Department of Administration continues to be in immediate and emergent need of RX prescription coverage for retirees/Retiree Medical Coverage for the period

between when the initial Emergency Contract #E-2018-02 that terminates on April 2, 2018 and when a permanent contract is authorized and takes effect; and

WHEREAS, The City of Newark was allowed to pull out of the State benefits for retirees and set up its own prescription plan. Navitus will cover prescriptions for retirees.

WHEREAS, the Director of the Department of Administration requests an extension of the emergency contract with Navitus to prevent the discontinuation of essential RX coverage for retirees/Retiree Medical Coverage pending the award of a permanent contract; and

WHEREAS, it is a matter of public health and welfare that the above-described emergency contract be extended because the City of Newark still needs to ensure adequate medical prescriptions for retirees, their families and dependents; and

WHEREAS, pursuant to N.J.S.A. 40A:11-6, notwithstanding a good faith effort by the contracting unit to provide medical coverage and prescriptions, the need has arisen for a continued emergency contract for RX coverage for retirees/Retiree Medical Coverage; and

WHEREAS, City Ordinance 6PSF-e April 6, 2011, Article 2:5-13.2 ((E) (1) (b), (c) limits the period of emergency contracts to ninety (90) days, and no extensions of emergency contracts shall be permitted without authorization by the Municipal Council by resolution; and

WHEREAS, the Department of Administration desires to extend Emergency Contract # E-2018-02 for an additional period from April 3, 2018 through July 3, 2018, at a cost not to exceed the \$5,000,000.00 (the original \$3,000,000.00 plus \$2,000,000.00 for the emergency extension) to the City of Newark.

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

1. The Mayor, and/or his designee, the Supervising Procurement Specialist, QPA, and/or the Director of the Department of Administration, are hereby authorized to execute an extension of Emergency Contract #E-2018-02 with Navitus, for RX prescription coverage for retirees/Retiree Medical Coverage for the period of April 3, 2018, through July 3, 2018, at a cost not to exceed \$5,000,000.00 to the City of Newark.
2. This extension will allow for the continued RX coverage for retirees/Retiree Medical Coverage for the period of April 3, 2018 through July 1, 2018.
3. The extension of Emergency Contract #E-2018-02 is ratified from April 2, 2018 to the date of adoption of this authorizing resolution and/or until the emergency is abated.
4. The Supervising Procurement Specialist, QPA, for the City of Newark has filed a copy of contract #E-2018-02, attached hereto, with the Office of the City Clerk.
5. Pursuant to N.J.A.C. 5:30-5.5, Temporary Budget, attached hereto is a partial certification of funds from the Director of Finance which states that funds in the amount of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) are available in the 2018 Temporary Budget

and the line appropriation which shall be charged is: Business Unit NW011; Dept. ID 200; Division 2001; Account # 60210, Budget Ref: B 2018. The remainder of the funding for this contract will be subject to appropriation in the 2018 Adopted Budget and included in a line item for the award of this contract and said funds will be certified prior to services being provided by the contractor. There will be no expenditure of funds authorized until a certification of funds is obtained and a copy filed with the City Clerk.

6. If required by State Law, the City Clerk shall provide the appropriate notice of the award of this contract to the State Comptroller no later than 20 business days following such award, in accordance with N.J.S.A. 52:15C-10 and the Notice of the Office of the State Comptroller dated May 7, 2008.

STATEMENT

This resolution ratifies and authorizes the Mayor and/or his designee, the Supervising Procurement Specialist, QPA, and/or the Director of the Department of Administration to extend Emergency Contract #E-2018-02 with Navitus, One Main Street, Madison Wisconsin, 53703 for the provision of RX prescriptions for retirees/Retiree Medical Coverage, from April 3, 2018 through July 3, 2018 or until such time as the emergency condition is abated, for an amount not to exceed \$5,000,000.00, cost to the City of Newark.