



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

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**File #:** 14-0288, **Version:** 1

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**Dept/ Agency:** Law

**Action:** ( ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Exception to Public Bidding - Insurance Consultant Services per N.J.S.A. 40A:11-5(1)(m);

**Purpose:** Authorizing Competitive Contracting per N.J.S.A. 40A:11-4.1(i) and City of Newark Ordinance 2:4-22E (Procurement of Insurance Brokerage Services Through Competitive Contracting Processes)

**Entity Name:** N/A

**Entity Address:** N/A

**Contract Amount:** N/A

**Funding Source:** Insurance Fund Commission

**Contract Period:** N/A

**Contract Basis:** ( ) Bid ( ) State Vendor ( ) Prof. Ser. ( ) EUS  
( ) Fair & Open ( ) No Reportable Contributions ( ) RFP ( ) RFQ  
( ) Private Sale ( ) Grant ( ) Sub-recipient (x) n/a

**Additional Information:**

Workers' Compensation Third-Party Claims Administration (including Cost Containment) Services)

Whereas, the Legislature, has provided municipalities with the ability to procure insurance, including the purchase of insurance coverage and consultant services, as an exception to the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-5(1)(m); and

**WHEREAS**, N.J.S.A. 40A:11-4.1(i), specifically authorizes municipalities to use competitive contracting for any goods or services that is exempt from bidding pursuant to N.J.S.A. 40A:11-5; and

**WHEREAS**, the Municipal Council has also adopted R. O. 2:4-22E (Procurement of Insurance Brokerage Services Through Competitive Contracting Processes), which requires the use of the competitive contracting process set forth in N.J.S.A. 40A:11-4.3, 4.4 and 4.5, for insurance consulting services, which includes by definition therein "risk management or administrative services, and claims processing or administration services..."; and

**WHEREAS**, the City of Newark is in need of Workers' Compensation Third-Party Claims Administration (including Cost Containment) Services to assist the City of Newark through its Insurance Fund Commission, with the administration of its self-insured workers' compensation program; and

**WHEREAS**, pursuant to N.J.S.A. 40A:11-4.3(a) and R. O. 2:4-22E (Procurement of Insurance Brokerage Services Through Competitive Contracting Processes), in order to initiate competitive contracting, the Municipal Council must pass a resolution authorizing the use of competitive contracting each time specialized goods or services are desired to be contracted; and

**WHEREAS**, the competitive contracting process shall be administered by the Corporation Counsel, on behalf of the Insurance Fund Commission, pursuant to N.J.S.A. 40A:11-4.3(b) and any contract awarded under this process shall be made by resolution of the Municipal Council, subject to the provisions of Subsection e. of N.J.S.A. 40A:11-4.5.

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

1. The Municipal Council hereby authorizes the use of competitive contracting, pursuant to N.J.S.A 40A:11-4.1 *et seq.*, and City of Newark R. O. 2:4-22E (Procurement of Insurance Brokerage Services Through Competitive Contracting Processes), to procure Workers' Compensation Third-Party Claims Administration (including Cost Containment) Services.
2. The award of such a contract or contracts shall be by resolution of the Municipal Council.
3. The competitive contracting process shall be administered by the Corporation Counsel, pursuant to N.J.S.A. 40A:11-4.3(b) and in compliance with the City of Newark R. O. 2:4-22E (Procurement of Insurance Brokerage Services Through Competitive Contracting Processes),

and any contract awarded under this process shall be made by resolution of the Municipal Council, subject to the provisions of Subsection e. of N.J.S.A. 40A:11-4.5.

### **STATEMENT**

Resolution authorizing the use of competitive contracting pursuant to N.J.S.A. 40A:11-4.1, et seq., and City of Newark R. O. 2:4-22E (Procurement of Insurance Brokerage Services Through Competitive Contracting Processes), to procure Workers' Compensation Third-Party Claims Administration (including Cost Containment) Services to assist the City with its self-insured workers' compensation program.