

NEW JERSEY TURNPIKE AUTHORITY

Procurement and Materials Management Department

P.O. Box 5042

Woodbridge, NJ 07095-5042

Tel. 732-750-5300 Ext. x 8628

Fax.732-750-5399

mcnally@njta.com

Contact: Angela McNally
Requisition # RM-160288

Date: October 7, 2020

REQUEST FOR QUOTATION
THIS IS NOT AN ORDER

SUBJECT: ACTUARIAL SERVICES FOR OCIPS

PLEASE RETURN BY: OCTOBER 22, 2020 VIA FAX OR E-MAIL

TO: ALL BIDDERS:

THIS SOLICITATION IS BEING CONDUCTED PURSUANT TO NJSA 27:23-6.1, NJAC 19:9-2.1 et seq., AND THE AUTHORITY'S INSTRUCTIONS TO BIDDERS WHICH PROVIDE THE APPLICABLE TERMS AND CONDITIONS FOR THE RESULTING CONTRACT.

(SEE ATTACHED INSTRUCTIONS TO BIDDERS AVAILABLE ONLINE AT:
<https://www.njta.com/doing-business/goods-and-services>)

Please print your information requested below with submission of price quote.

Company Name: _____

Address: _____

Telephone No.: _____ Fax No.: _____

E-Mail Address: _____

FEDERAL TAX I.D NO: or TAXPAYER I.D. NO:

BUSINESS CORPORATION

PARTNERSHIP

INDIVIDUAL

DIVISION OF REVENUE REGISTRATION:

DIVISION OF REVENUE REGISTRATION-Pursuant to the terms of N.J.S.A. 52:32-44, bidders are required to submit to the Authority proof of valid business registration with the New Jersey Division of Revenue in the Department of Treasury, prior to entering into a contract with the Authority. No contract shall be entered into by the Authority unless the bidder first provides proof of valid business registration. In addition, bidders are required to provide to the Authority proof of valid business registration with the Division of Revenue for any and all subcontractors that will be used to provide goods or services under the contract. A copy of the bidder's and any subcontractor's valid Certificate of Registration should be included with the bid submission and must be in effect prior to the contract award.

All questions regarding this requirement should be referred to the Division of Revenue hotline at (609)-292-9292 or/online: <http://www.nj.gov/treasury/revenue/forms/njreg.pdf>

SMALL BUSINESS ENTERPRISE / MINORITY BUSINESS / WOMAN OWNED BUSINESS:

If your firm is registered with the State of New Jersey as a Small Business Enterprise (SBE), Certified as a Woman Business Enterprise (WBE) or Minority Business Enterprise (MBE) you must send a copy of the Registration / Certification Form with your quotation. Please check off the gross receipt category of your business if registered as an SBE

SBE CATAGORY 1	\$0- \$500,000	_____
SBE CATAGORY 2	\$500,001 thru \$5,000,000	_____
SBE CATAGORY 3	\$5,000,001 thru \$33,500,000	_____
NOT APPLICABLE	_____	

SBE Registration # _____

Please check below if applicable:

Woman Business Enterprise _____ Minority Business Enterprise _____

Code of Ethical Standards:

The Proposers are advised that the Authority has adopted the New Jersey Uniform Code of Ethics, a copy of which can be viewed by going to the following web site: <http://nj.gov/ethics/docs/ethics/uniformcode.pdf> By submitting a Bid, the Proposer agrees to be subject to the intent and purpose of said Code and to the requirements of the Division on Ethical Standards of the State of New Jersey.

Intention:

It is the intention of the Authority to issue a one-year Price Agreement for the procurement of Actuarial Services. Services under this Agreement will be delivered as directed by the Authority. The term of the contract shall be for one year with the option to extend for three (3) additional one-year terms at the Authority's discretion and Consultant's concurrence. Please contact Angela McNally with any questions regarding this procurement contract at 732-750-5300 extension 8628 or mcnally@njta.com.

ANY INQUIRIES CONCERNING THIS SOLICITATION MUST BE SENT VIA FAX OR EMAIL NO LATER THAN THREE (3) BUSINESS DAYS BEFORE RECEIPT OF QUOTATIONS.

BID SUMMARY SHEET

SUBJECT: ACTUARIAL SERVICES FOR OCIPS

Item	Quantity	Description	Total Price
1	1	OCIP with insurance provided by Old Republic Insurance Company, as per the attached Specifications	\$
2	1	Rolling OCIP underwritten by AIG, as per the attached Specifications	\$
Grand Total			\$

Award will be made to the lowest, responsible bidder for the total price.

The Fee shall include all professional, administrative and clerical services and all out-of-pocket expenses incurred in connection with the completion of the Services required herein. Travel time or costs are not reimbursable.

CONTRACT PERIOD: The contract shall be for a term of one (1) year. At the expiration of this contract, providing the consultant services have been satisfactorily performed in the sole opinion of the Authority and the consultant is willing to continue under the same terms and conditions, the Authority reserves the right to make three (3) extensions of this contract for not more than one year each. Quotation should not include Federal Excise Tax or N.J. State Sales & Use Tax as the Authority is exempt from payment of same.

BIDS WILL BE CONSIDERED FIRM FOR A PERIOD OF SIXTY (60) BUSINESS DAYS FOLLOWING THE RETURN DATE

PLEASE FAX OR EMAIL YOUR QUOTATION, DO NOT MAIL.

Electronic Payment: The successful proposer will be required to receive their payment(s) electronically via automatic deposit from the Authority, see Exhibit M in the Instructions to Bidders on the Authority's website: <https://www.njta.com/doing-business/goods-and-services>.

DATE: _____

AUTHORIZED SIGNATURE

(PRINT NAME)

Very truly yours,



Dale Barnfield, Director
Procurement and Materials Management

**New Jersey Turnpike Authority
Scope of Work for Actuarial Services
FOR ITS TWO (2) OWNER CONTROLLED INSURANCE PROGRAMS (OCIPs)**

A. Introduction:

The New Jersey Turnpike Authority (the "Authority") plans to retain an actuarial firm (the "Actuary") to value the Authority's ultimate losses with respect to the two (2) Owner Controlled Insurance Programs (collectively, the "OCIPs"): **(1)** an OCIP, with insurance provided by Old Republic Insurance Company, Inc., that provides General Liability, Workers Compensation, and other coverages to an approximate \$2.5 billion construction program which widened the New Jersey Turnpike ("NJT") between Exits 6 and 9 (the "6 to 9 OCIP"). Construction is complete on this OCIP, and enrollments ceased after March 31, 2014; and **(2)** a "Rolling" OCIP, which terminated on July 15th, 2017, where construction is 99% complete. The Rolling OCIP, underwritten by AIG, provides, among other coverages, Workers' Compensation and General Liability coverage. The construction value of the Rolling OCIP is approximately \$2.2 billion, representing construction and maintenance work (other than work covered by the 6 to 9 OCIP) along the entire length of both the NJT and the Garden State Parkway. The Authority is seeking independent actuarial services to forecast point estimates for a number of parameters for its OCIP, more fully described herein.

B. Required Services:

1. The Actuary shall prepare and provide to the Authority with a valuation report as of September 30, 2016. The valuations must include the following:
 - (a) Ultimate loss frequency and severity by line of coverage, by each of the years for each of the OCIPs;
 - (b) Ultimate loss frequency by line in the aggregate for each of the OCIP programs; and
 - (c) Ultimate loss frequency across both lines in the aggregate, for each OCIP program.

All forecasts shall provide 5% confidence intervals ranging from 5% to 95% for losses by line in the aggregate. All valuations must be conducted in accordance with the Requirements of the Governmental Accounting Standards Board ("GASB"). The study should also provide the trend and development factors that were used including loss triangles by line and in the aggregate. The materials and data that will be provided to the Actuary shall be reports and data as are currently available to the Authority from its brokers and underwriters.

2. The Actuary shall submit the draft of the valuation report by December 1, 2020 and submit the final version by December 31, 2020. **It is imperative that the Bidder understands the time sensitive nature of these services, and can ensure that these deadlines are met.**
3. Each bidder shall submit at least three (3) references which demonstrate specific experience with loss forecasting under an OCIP. At a minimum, information for each reference shall

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include the name of the entity (preferably similar in size to the Authority), the contact person and contact information.

4. The bidder must submit evidence that the Actuary's employee who will be preparing the valuation is qualified to perform the services and sign the work product. These credentials should include, for example, that the employee is a member of either the Casualty Actuarial Society, American Academy of Actuaries or equivalent organization, possessing any of the following certifications: ACAS; FCAS; MAAA; or approved equivalent.
5. Quoted price shall be a flat fee, shall be all-inclusive and shall include all costs and expenses related to providing the services.

New Jersey Turnpike Authority

Draft Agreement
ACTUARIAL SERVICES

THIS AGREEMENT, dated _____, 2020, by and between the New Jersey Turnpike Authority, a body corporate and politic of the State of New Jersey having its principal office at 1 Turnpike Plaza, Woodbridge, New Jersey (the "Authority") and _____ having principal offices located at _____ "Consultant").

WITNESSETH, that the said Consultant, for and in consideration of the payments hereinafter specified, hereby covenants, and agrees to furnish the Actuarial Services specified in this contract in strict conformance with scope of work attached hereto and made a part hereof. Defined terms used herein carry the same meaning as defined in the scope of work.

The term of the Agreement shall commence on the date of the Agreement and terminate one (1) year therefrom, unless earlier terminated. The Authority may opt, at its sole discretion, to renew this Agreement for three (3) additional one (1) year terms.

The Consultant agrees to defend, indemnify and save harmless the Authority, its officers, agents and employees and each and every one of them against and from, and to make payment of all or completed actions, suits, demands for damages or costs of every kind and description actually and reasonably incurred (including attorneys' fees and costs and court costs) (collectively "Liabilities") including, without implied limitations, Liabilities for damage to property or Liabilities for injury or death of the officers, agents and employees of the Consultant or of its sub consultants or of the officers, agents and employees of the Authority), resulting from any act or omission or from the willful misconduct of the Consultant or of any of its officers, agents, employees or sub consultants or of the Authority, its officers, agents, and employees, in any manner related to the subject matter of this Agreement. Any money due to the Consultant under and by virtue of this Agreement as shall be considered necessary by the Authority may be retained by the Authority and held until any and all Liabilities shall have been settled and suitable evidence to that effect furnished to the Authority. The obligations in this Section shall survive the termination, expiration or rescission of this Agreement.

In consideration of the premises, the Authority hereby agrees to pay, as sole compensation for the performance of the Agreement, payments for the actual quantity of authorized work performed, as provided in the scope of work, at the prices for the Scheduled Items of Work in the Proposal.

This Agreement is to be binding upon the Authority, its successor or successors, and upon the Consultant and its heirs, executor, administrators, successor or successors, and is voidable and may be terminated by the Authority, in accordance with the terms of the scope of work, or upon violation by the Consultant of any statute relative thereto.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this agreement and to affix their respective corporate seals thereto on the day and year first above written.

ATTEST:

NEW JERSEY TURNPIKE AUTHORITY

Kim Schurman
Secretary to the Authority

BY _____
John M. Keller
Executive Director

[Corporate Seal]

ATTEST:

Name / Title

BY _____
Name / Title

[Corporate Seal]