



# New Jersey Turnpike Authority

1 TURNPIKE PLAZA - P.O. BOX 5042 - WOODBRIDGE, NEW JERSEY 07095  
TELEPHONE (732) 750-5300

PHILIP D. MURPHY  
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February 9, 2021

## TO ALL PROPOSERS:

RE: Request for Proposals  
Financial Advisory Services  
RM-159267

### Responses to Inquiries

Dear Sir/Madam:

Below are the New Jersey Turnpike Authority's ("Authority") responses to inquiries received with respect to the above-referenced Request for Proposals ("RFP").

### **Responses to Inquiries:**

1. The Turnpike requested \$10 million in professional liability insurance in the financial advisor RFP. Can you reduce this requirement to \$2 million?

**ANSWER:** The Authority will reduce the professional liability insurance for this RFP to \$2 million. If the Proposer believes that his proposed insurance does not meet the requirement, he should so indicate in the response to the RFP; this explanation will be part of the evaluation of the entire proposal.

2. The Turnpike also requested \$10 million in cyber-crime insurance. Can you reduce this requirement to \$2 million also?

**ANSWER:** The Authority will reduce the cyber liability insurance for this RFP to \$2 million. If the Proposer believes that his proposed insurance does not meet the requirement, he should so indicate in the response to the RFP; this explanation will be part of the evaluation of the entire proposal.

3. Can commercial crime insurance be removed from the insurance requirements?

**ANSWER:** The Authority will reduce the commercial crime insurance for this RFP to \$2 million. If the Proposer believes that his proposed insurance does not meet the requirement, he should so indicate in the response to the RFP; this explanation will be part of the evaluation of the entire proposal.

4. Will joint responses be accepted, or must the proposer be a single entity?

**ANSWER: Yes, joint responses will be accepted.**

5. Page 6 of the RFP requests that the proposer provide one (1) original and five (5) copies of the Proposer's Proposal, as well as one (1) copy in an electronic format. Due to the current COVID environment, would NJTA consider eliminating the requirement for physical delivery of printed copies and require as an alternative that the proposal only be provided in an electronic format via email to the email address provided?

**ANSWER: Hard copies are preferred, but an electronic copy will be acceptable and must be received by the due date and time via email to [mcnally@njta.com](mailto:mcnally@njta.com).**

6. In the event that a Consultant subcontracts a portion of its obligations to this RFP and the subcontractor cannot meet insurance requirement, will the Authority waive the requirement for the Consultant to add the subcontractor to its policies as an additional insured?

**ANSWER: No.**

7. In the event that a Consultant subcontracts a portion of its obligations pursuant to this RFP to multiple subcontractors who cannot meet the insurance requirements (but have general liability/cybersecurity/professional liability insurance coverage currently at \$2 million each), will the Authority waive the requirement for the Consultant to add the subcontractor to its policies as an additional insured?

**ANSWER: No.**

8. Section IV B 3- In this section there is a 3-year window requirement for 3 specific types of transactions. In the requirements above there is already a 5 and 10 year experience requirement. There is nothing materially different about transactions done in the past three years versus the past 20 years and a firm with experience over time has more depth of knowledge than a firm which has only done these transactions in the last 3 years. The 3-year requirement also discriminates against bidders who have clients who have not issued within that period or have not chosen to use that type of financing. We request that the 3-year window be removed, and the overall experience be utilized instead.

**ANSWER: We will remove the 3-year window and allow proposer to instead provide examples without a time limitation.**

9. Section V A 5 -The \$10 million limit is excessive and discriminates against small businesses. This limit is much higher than of the requirements of the vast majority of bond issuers whose typical requirement is \$2-3 million, we would ask that this insurance limit be reduced to \$2 million. Keeping a higher limit would also raise costs to the Authority as the cost of the premium will be passed through in the cost of services.

**ANSWER: See question 1.**

10. Will you consider proposals for part of the scope of services (e.g. swap advisory and/or reinvest advisory) rather than for the full scope of services or are you only looking to hire one firm to provide all three?

**ANSWER: Yes, we will consider proposals for part of the scope of services.**

11. Can the insurance requirements be lowered for firms that act as a subcontractor, given that the scope of work will be limited compared to that of the main Proposer?

**ANSWER: No.**

12. We have reviewed the RFP insurance and we find that the requirements are significantly above what we typically see for similar proposals. Obtaining extra insurance would be prohibitively expensive for a small business firm. Would the Authority consider modifying the insurance requirements as follows:

- a. For General Liability insurance, reduce to \$1MM (from \$2MM)

**ANSWER: If the Proposer believes that his proposed insurance does not meet the requirement, he should so indicate in the response to the RFP; this explanation will be part of the evaluation of the entire proposal.**

- b. For Auto Liability insurance, reduce to \$1MM (from \$2MM)

**ANSWER: See question 12.a.**

- c. For Professional Liability, reduce to \$2MM (from \$10MM)

**ANSWER: See question 1.**

- d. For Cyber Liability, reduce to \$2MM (from \$10MM)

**ANSWER: See question 2.**

- e. For Workers Comp, reduce to \$500,000 (from \$1MM)

**ANSWER: See question 12.a**

- f. Remove the requirements for Crime Insurance, as for the most part the nature of advisory business operations does not require such insurance coverage

**ANSWER: See question 3.**

13. Are subcontractors required to comply with Exhibit A, Section 1, Subsections (i), (ii) or (iii)?

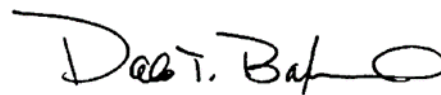
**ANSWER: Yes.**

14. Are subcontractors required to disclose political contributions pursuant to the New Jersey Election Law Enforcement Commission in accordance with N.J.S.A 19:44A-2027?

**ANSWER: Yes.**

**Proposals are due on Wednesday, February 17, 2021 at 4:00 PM EST.**

Very truly yours,

A handwritten signature in black ink, appearing to read "Dale T. Barnfield". The signature is fluid and cursive, with a large initial "D" and a stylized "B".

Dale Barnfield, Director  
Procurement and Materials Management

DB/am