

**Township of Parsippany
1001 Parsippany Blvd.
Parsippany, NJ 07054**

**REQUEST FOR PROPOSALS FOR
PROPERTY AND CASUALTY INSURANCE**

Submission Due: by 10:00 AM November 25th 2011

Proposals Received by:

Lawrence K. Graham, CIC
Risk Manager
Fairview Insurance Agency Associates, Inc
Verona, NJ 07044
lgraham@fairviewinsurance.com

BIDDER INFORMATION

Company Name: _____

Contact Person: _____

Address: _____

City, State, Zip: _____

Phone Number: _____

Email: _____

Fax: _____

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NOTICE OF REQUEST FOR PROPOSAL

The Township of Parsippany is soliciting Proposals through the competitive contracting process in accordance with EUS requirements pursuant to N.J.S.A. 40A: 11-5(1)(m) for:

PROPERTY AND CASUALTY INSURANCE

Sealed responses to the Request for Proposals will be received no later than 30 Days at 10 AM from the date of advertisement at Fairview Insurance Agency Associates, 25 Fairview Ave Verona, NJ 07044. The Proposals shall be clearly marked and dated accordingly.

The Request for Proposals may be obtained through the Parsippany website at <http://www.parsippany.net>

Respondents shall comply with all requirements as set forth in the Proposal.

Lawrence K. Graham, CIC
Risk Manager
Fairview Insurance Agency Associates, Inc
Verona, NJ 07044
lgraham@fairviewinsurance.com

Publication Date: October 26th 2011

A. GENERAL TERMS & CONDITIONS

1. The Township of Parsippany wishes to obtain Proposals for its Property, Casualty, Workers Compensation Insurance and related services from qualified insurance companies, joint insurance funds, or other qualified organizations renewable annually. The process will be administered by Fairview Insurance Agency Associates, Inc. as the Risk Management Consultant/Broker/Agent to the Township. These policies will be effective on January 1, 2012 and the initial term is for one year with renewals for an additional two years. The Township is currently a member of a Joint Insurance Fund for its primary and excess Property and Casualty insurance. A summary of current coverages and limits is attached. The Township is seeking Proposals for coverage that is either equal to or better than its current policy. Any deviation from the current policy should be very clearly stated.
2. A Proposal must remain valid until the inception date of the policies.
3. The Township of Parsippany may cancel this RFP, in whole or in part, at any time whenever such an act is deemed in its best interest.
4. The Township of Parsippany will not be responsible for any costs incurred by a proposer in preparing and submitting a Proposal in response to this RFP.
5. While it is preferred and intended that all related lines of insurance will be purchased from one source, each policy will be considered a separate contract and coverages by line of insurance will be considered severable. Any proposed coverage that is dependent upon purchase of other coverage proposed must be specifically indentified. If there are any premium considerations for a "Package" format, please indicate this separately. In addition, the Township of Parsippany reserved the right to accept or reject any or all Proposals or portions of Proposals.

B. CONTENTS OF PROPOSALS

1. Non-Price Proposals:
 - a) Proposals must include the names of all Insurance Companies and copies of all applicable forms and endorsements. All policy forms must have approval from the appropriate state agencies.
 - b) Each Proposal must provide in a clear and understandable manner sufficient information so that the Township can evaluate how the Proposal meets the valuative criteria written in the specifications. Failure to address each criterion directly and adequately may result in disqualification of the Proposal.

2. Price Proposal:
Must indicate unit costs, discounts, dividends, audit rates and the like specifically for each line of coverage. Also include method of payment since cash flow is an important consideration. Also include prices or percentage ceilings for Subsequent years offered. Deductibles options can be quoted as follows:

Property/Boiler Machinery, Auto Physical Damage
\$1,000, \$2,500, \$5,000

Excess Workers Compensation SIR \$250,000, \$350,000 and \$400,000

Public Official Liability and Law Enforcement Liability deductible \$50,000 and \$100,000

Employment Practices Liability deductible – Quote various deductibles and co-insurance options if applicable.

(See attached Coverage Summary Sheet)

3. Both Non-Price and Price Proposals must be type written on letter size paper and must contain the following clause:
“The undersigned certifies under penalties of perjury that this Proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in the certification, the word “person” shall mean any natural person, business, partnership, corporation, unions, committees, clubs or other organizations, entities or group of individuals”.

C. SUBMISSION OF PROPOSALS

1. The Proposal must be received in a sealed envelope to the attention of:

Lawrence K. Graham, CIC
Risk Manager
Fairview Insurance Agency Associates, Inc
Verona, NJ 07044
lgraham@fairviewinsurance.com

Proposals will be received until 10:00 AM November 25th 2011

2. Modifications to Proposal:
 - a) Modifications to the Proposals may be submitted prior to the date and time specified for receipt of Proposals.

- b) Modifications must be submitted in sealed envelopes, clearly marked “Insurance Proposal Modification No. ___ “.
- c) Mark the outside envelope showing whether the enclosed modification refers to the price or the non-price portion of the Proposal.

D. UNDERWRITING INFORMATION

- 1. Underwriting, valuation, and the loss data, have been compiled and attached with attention to accuracy and are for the purpose of establishing a fair rating basis. Accuracy of all information, however, cannot be warranted.

All quotations must be based on the information in the documents unless proposers are advised otherwise. The successful proposer will be permitted, or required as the case may be, to make reasonable adjustments necessitated by their having based their quotation on information that was incorrect or has changed.

- 2. All questions concerning exposures, coverages, or insurance technicalities should be address in writing to:

Fairview Insurance Agency Associates
25 Fairview Ave
Verona, NJ 07044
Lawrence Graham CIC
Risk Management Consultant for Township of Parsippany Troy Hills
lgraham@fairviewinsurance.com

- 3. If it is necessary to inspect any locations for underwriting purposes or develop further information from within the Township of Parsippany, permission for such must be obtained in advance from:

Zach Edelman
Risk Manager
Fairview Insurance Agency Associates, Inc
Verona, NJ 07044
zedelman@fairviewinsurance.com

Information concerning questions which, in the opinion of the Township of Parsippany, would be valuable to all proposers will be distributed accordingly.

E. AWARD

The Township of Parsippany and Fairview Insurance Agency Associates, Inc. will evaluate the qualifications and capabilities of each proposer, taking into consideration the

Proposer's ability to perform the work as set forth in the RFP. Once all proposals have been received our evaluation process will begin and consist of analyzing the following criteria in order of importance: (1) cost, (2) coverage (3) financial stability, (4) Safety Services (5) Customer Service. Equal consideration will be given to all vendors delivering the requested Property and Casualty Insurance proposals. Once our evaluation has been completed we will generate an analysis spreadsheet for the township to review. Recommendations to the Township will be made from the analysis.

The Township of Parsippany reserves the right to reject any Proposal which, in its judgment, fails to meet the requirements of this RFP or which is incomplete, conditional or obscure; or which contains additions or deletions not called for, erasures, alterations, or other irregularities; or in which errors occur.

The Township of Parsippany reserves the right to waiver minor discrepancies or permits a proposer to clarify such discrepancies, provide cost adjustments, and so conduct discussions with all qualified proposers in any manner necessary to serve the best interests of the Township of Parsippany. The Township of Parsippany reserves the right to award a contract based on written Proposals received without prior discussions or negotiations.

F. COMPENSATION

1) Fairview Insurance shall be paid by the Joint Insurance Fund a fee as compensation for services rendered, an amount equal to six percent (6%) of the Township's annual assessment as promulgated by the Joint Insurance Fund. Said fee shall be paid to the Consultant within thirty (30) days of payment of the Township's assessment.

2) For any insurance coverages authorized by the Township to be placed outside the Joint Insurance Fund, Fairview Insurance shall receive as compensation an amount not to exceed the normal brokerage commissions paid by the insurance company. The premiums for said policies shall not be added to the Joint Insurance Fund's assessment in computing the fee outlined in F (2).

G. QUALIFICATIONS

Proposals must be from companies or organizations that are licensed to do business in the State of New Jersey and should have an A.M. Best's Rating of A or better. Current audited financial statements as well as history of dividends and assessments to its current clients must be included.

STATUTORY AND OTHER REQUIREMENTS

The following are mandatory requirements of this bid and contract.

1. MANDATORY AFFIRMATIVE ACTION CERTIFICATION MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE N.J.S.A.10:5-3 et seq. (P.L. 1975, C. 127)N.J.A.C. 17:27GOODS.PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

The provisions of Chapter 127. Public Laws of 1975 are applicable to this contract. Bidders are required to familiarize themselves and comply with the requirements of this statute. **Prospective submitters must answer the attached questionnaire and as applicable, complete the Affirmative Action Affidavit or comply with other requirements of the law.**

2. AMERICANS WITH DISABILITIES ACT OF 1990 (See Appendix A)

Discrimination on the basis of disability in contracting for the purchase of goods and services is prohibited. Bidders are required to read Americans with Disabilities language that is included as Appendix A of this specification and agree that the provisions of Title II of the Act are made a part of the contract. The Contractor is obligated to comply with the Act and to hold the owner harmless.

3. STOCKHOLDER DISCLOSURE

N.J.S.A. 52:25-24.2 provides that no corporation or partnership shall be awarded any contract for the performance of any work of the furnishing of any goods and services, unless, prior to the receipt of the bid or accompanying the bid of said corporation or partnership, Bidders shall submit a statement setting forth the names and address of all stockholders in the corporation or partnership who own ten percent or more or its stock of any class, or of all individual partners in the partnership who own a ten percent or greater interest therein. The included Statement of Ownership shall be completed and attached to the bid Proposal. This requirement applies to all forms of corporations and partnerships, including but not limited to, limited partnerships, limited liability corporations, limited liability partnerships and Subchapter S corporations. Failure to submit a stockholder disclosure document shall result in rejection of the bid.

4. PROOF OF BUSINESS REGISTRATION

N.J.S.A 52:32-44 requires that each Bidder (Contractor) submit proof of business registration with the bid Proposal. Proof of registration shall be a copy of the Bidder's Business Registration Certificate (BRC). A BRD is obtained from the New Jersey Division of Revenue. Information on obtaining a BRC is available on the internet at:

www.nj.gov/njbgs or by phone at (609) 292-1730. N.J.S.A. 52:32-44 imposes the following requirements on Contractors and all sub-contractors that **knowingly** provide goods or perform services for a Contractor fulfilling this contract:

- 1) The Contractor shall provide written notice to its sub-contractors and suppliers to submit proof of business registration to the Contractor.
- 2) Prior to receipt of final payment from a contracting agency, a Contractor must submit to the contracting agency an accurate list of all sub-contractors or attest that none were used;
- 3) During the term of this contract, the Contractor and its affiliates shall collect and remit, and shall notify all sub-contractors and their affiliates that they must collect and remit to the Director, New Jersey Division of Taxation, the use tax due pursuant to the Sales and Use Tax Act, (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered from this State.

A Contractor, sub-contractor or supplier who fails to provide proof of business registration or provides false business registration information shall be liable to a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration not properly provided or maintained under a contract with a contracting agency. Information of the law and its requirements is available by calling (609) 292-1730.

5. NON-COLLUSION AFFIDAVIT

By the submission of this required affidavit, the submitter certifies that the Proposal has been arrived at independently and submitted without collusion with any other Bidder, and that the contents of the Proposal have been communicated by the Bidder, nor to the best of their knowledge and belief, by any one of its agents, to any person not an employee or an agent of the submitter or its surety on any bond furnished herewith and will not be communicated to any person prior to the official opening of the Proposal/bid.

6. PAY TO PLAY

Pursuant to the recent Senate Bill (S-2) that has been signed into law into the State of New Jersey concerning “Pay-to-Play” issues, all Contractors are being placed on notice of the following:

The bill prohibits a county or municipality from entering into a contract having an anticipated value in excess of \$17,500 with a business entity, except a contract that is awarded pursuant to a fair and open process, if that business entity has made a reportable contribution, in the case of a county to any county committee of a political party in that county, if a member of that political party is serving in an elective public office of that county when the contract is awarded, or to any candidate committee of any person serving in an elective public office of that county when that contract is awarded. In the

case of a municipality, to any municipal committee of a political party in that municipality if a member of that political party is serving in an elective public office of that municipality when the contract is awarded, or to any candidate committee of any person serving in an elective public office of that municipality when that contract is awarded. A business entity that enters into such a contract with a county or municipality would be prohibited from making a contribution to any of these committees during the term of the contract. **(See attached Local Pay to Play Ordinance for additional compliance)**

7. INDEMNIFICATION

Bidder shall indemnify and hold harmless the township from all claims, suits or actions, and damages or costs of every name and description to which the owner may be subjected or put by reason of injury to the person or property of another, or the property of the owner, resulting from negligent acts or omissions on the part of the Contractor, the Contractor's agents, servants or sub-contractors in the delivery of goods and services, or in the performance of the work under the Contractor.