

RESOLUTION NO. 17 - 42

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR
ARBITRAGE REBATE COMPLIANCE SERVICES**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") is authorized to make and enter all contracts necessary or incidental to the performance of its duties pursuant to N.J.S.A. 58:11B-5(d); and

WHEREAS, there is a need for the New Jersey Environmental Infrastructure Trust (the "Trust") to engage a firm to perform arbitrage rebate compliance services.

NOW THEREFORE BE IT RESOLVED THAT the Trust hereby authorizes the Executive Director to competitively procure Arbitrage Rebate Compliance Services pursuant to Environmental Infrastructure Trust Policy and Procedure number 4.00, "Purchase of Goods and Services;" and

BE IT FURTHER RESOLVED, the Executive Director is authorized to solicit proposals, establish a Committee to review all proposals received, and to make a report and recommendation as to the selection of an Arbitrage Rebate Compliance Services firm to the Trust Board for approval of a two-year contract with an option for one (a) additional one-year period upon approval by the Board.

Adopted Date: August 10, 2017

Motion Made By: Mark Longo

Motion Seconded By: Timothy Cunningham

Ayes: 5

Nays: 0

Abstentions: 0



Request for Proposals

Arbitrage Rebate Compliance Services

Issued by the
New Jersey Environmental Infrastructure Trust

Date Issued:
September 1, 2017

RFP Questions Cut-Off Date:
September 11, 2017

Proposals Due Date:
September 27, 2017

In the Office of the Chief Budget Officer
3131 Princeton Pike, Building 4, Suite 216
Lawrenceville, NJ 08648
(609) 219-8600

Please Label Proposals with Firm's Name and
"Proposal for Arbitrage Rebate Compliance Services"

**NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
REQUEST FOR PROPOSALS
FOR ARBITRAGE AND REBATE COMPLIANCE SERVICES**

I. OBJECTIVE

The New Jersey Environmental Infrastructure Trust (“NJEIT”) is looking to procure the services of an Arbitrage and Rebate Compliance Firm. Pursuant to this request for proposal, the NJEIT shall select an Arbitrage and Rebate Compliance Firm from the list of responsive bidders as prescribed in Section IV.

II. NJEIT / PROGRAM BACKGROUND

a. Powers and Structure

The NJEIT was organized pursuant to N.J.S.A. 58:11B-1 et seq., in 1986 as an independent State Financing authority. The NJEIT's enabling legislation requires extensive legislative oversight of the NJEIT, including fiscal accountability and control over its operating expenses, loan and debt guarantee activities, and borrowing and debt obligations. No funds from State or federal sources or State bond issues are made available to the NJEIT absent legislative appropriation.

Through the New Jersey Environmental Infrastructure Financing Program (“NJEIFP” or “Financing Program”), the Department of Environmental Protection (“DEP”) and the NJEIT jointly issue short-term and long-term loans to provide funding for all aspects, phases and components of designing and building environmental infrastructure projects. NJEIFP Loans are issued upon approval of applicable NJEIFP program requirements for costs incurred for designing and constructing projects (and land preservation) that enhance and protect ground and surface water resources, ensure the safety of drinking water, and facilitate responsible, sustainable economic development. Generally, either the NJEIT or the Department may finance up to 75% of the allowable project costs. Legislative amendments to the NJEIT Enabling Act establish the New Jersey Transportation Infrastructure Financing Program to make loans to finance the cost of transportation projects. The Trust anticipates that the New Jersey Transportation Infrastructure Financing Program may issue one or more series of bonds within the next two years.

b. Financing History

General - Since its inception, the Financing Program has issued roughly 1,200 loans totaling over \$6.6 billion, with approximately \$2.7 billion funded from the NJEIT and the remaining \$3.8 billion funded from the DEP. Presently, the NJEIT has 38 outstanding publicly issued Revenue Bond Series totaling \$1.2 billion with maturities spanning over 30 years. As of June 30, there are 96 projects under construction from previously issued bond series.

The Financing Program is transitioning to fund all projects with short-term loans through

the completion of construction. Long-Term loans are largely a mechanism to refinance previously issued short-term loans once a percentage of construction is completed. With limited exception, all relevant Program terms and conditions are established at the time of issuance of the short-term loans. For example, the Trust to DEP Fund loan (Fund) ratio (e.g., 25% Trust / 75% Fund); credit worthiness approval; Division of Local Government Services approval; the State's commitment of long-term funding at the time of certification of each operable project segment; and the applicability of all program benefits.

Each loan is funded from one or more of the following sources: 1) United States Environmental Protection Agency (USEPA) capitalization grants issued pursuant to the Water Pollution Control Act Amendments of 1972 and Safe Drinking Water Act Amendments of 1996; 2) various state bond issues; 3) loan repayments; 4) interest earnings; 5) Trust bond proceeds; 6) Trust operating revenues; and 7) Trust Commercial Paper or Line of Credit. In addition, special appropriations through the Disaster Relief Emergency Appropriations Act of 2013 (PL 2013-2) are utilized for Superstorm Sandy Loans.

Long-Term Financing – Generally, the NJEIT issues revenue bonds to refinance its portion of the short-term loan and repay the source of funds that had been utilized for the short-term loan. Simultaneously, borrowers receive a long term loan from the DEP for its portion of the short-term loan. Borrower loan repayments are received one month prior to the debt service payment date on outstanding NJEIT bonds attributable to each loan (March 1st and September 1st) with repayments to the DEP loans remitted to the Master Program Trustee. DEP Loan Repayments are held in the Master Program Trust Account for six (6) months plus one (1) day to provide additional collateral for principal and interest payments to the bond investors. Each loan issued by the NJEIT and the DEP pursuant to loan agreements between the Borrower and NJEIT or the DEP is evidenced by a bond from each Borrower. The Trust issues multiple Series (tax-exempt, AMT and taxable) of long term bonds based upon the pool of borrowers. It is anticipated that the trust will issue bonds twice a year in SFY2018 and SFY2019.

Repayments – Each NJEIT Bond Series is issued under and pursuant to a separate NJEIT Bond Resolution. On each semi-annual loan repayment due date, a borrower makes one payment in an amount equal to the NJEIT loan repayment (principal and interest), the NJEIT semi-annual administrative fee payment, the State loan repayment and State administrative fee payment. Upon receipt of each such payment, the Loan Servicer applies it in accordance with the directions in the applicable bond resolution. A summary of the flow of funds may be found in the Official Statements for each Bond Series. A copy of the NJEIT's most recent Official Statement, the Series 2017A-1, is available on the NJEIT's website under "Finance/Official Statements"

c. Information Relevant to Customized Procurement

Pursuant to this Request for Proposals, the NJEIT shall select an Arbitrage and Rebate

Compliance Consultant for the purpose of providing complete arbitrage and rebate compliance services for all tax-exempt bonds included in Exhibit A “Schedule of Bonds”, and all tax-exempt bonds issued during the period of this contract.

Your proposals should address compliance with all arbitrage related requirements including, but not limited to: (i) determination of applicability of any exceptions to rebate; (ii) calculation and reporting of the rebate liability (a) annually as of each June 30, and (b) for fifth-year and final installment calculation dates; and (iii) compliance with and calculation of yield restriction/yield reduction payments for the fifth-year.

Fifth-year installment calculations and final calculations are required no later than four weeks prior to the dates payments are due to the I.R.S. Annual interim rebate calculations showing the accrued rebate liability as of each June 30, beginning June 30, 2018, are required no later than July 21 of each year. Interim calculations may be based upon investing activity occurring through the immediately preceding April 30, if necessary to meet the July 21 reporting deadline. A more detailed Scope of Services is set forth in Section IV – Scope of Services later in this RFP.

During the term of the contract, NJEIT may:

- Issue more than one pooled financing in any given year. Separate Tax-Exempt, Amt and Taxable bond issues may be necessary as well as separate bond issues for large complex projects and/or separate bond issues for the Transportation Infrastructure Financing Program.
- Issue refunding bonds when advisable to refund all or a portion of an outstanding bond Series.
- Periodically, the NJEIT will defease bonds in accordance with the IRS Code for the handling of unexpended funds or due to borrowers’ desire to prepay all or a part of their obligation.
- Issue commercial paper or similar vehicle (Tax-exempt or Taxable)

The Term of this procurement shall be (3) three years, commencing on January 1, 2018 and terminating on December 31, 2019.

d. Minimum Qualifications

To be considered for contract award, the Firm and/or Project Staff must demonstrate experience in each of the following areas:

1. Working with issuers performing all of the normal duties associated with arbitrage calculations and reporting to the Internal Revenue Service.
2. Advising issuers on matters related to compliance with IRS arbitrage yield restriction requirements.

3. Familiarity with appropriate sections of the Internal Revenue Code related to arbitrage.
4. Each Project Staff member shall have a minimum of (5) years experience within the last ten (10) years in arbitrage rebate calculations.
5. The Firm must be capable of servicing the account and meeting the required due dates for any number of issues (recent issuance has approximated two bond issues per year).
6. The Firm must be in sound financial condition.
7. The Firm must have professional errors and omissions liability insurance coverage with limits of at least \$1 million, underwritten by carriers acceptable to the Trust.
8. The Firm must have access to and/or affiliation with qualified tax attorneys.

SOLICITATION SCHEDULE/PROCUREMENT SCHEDULE (SUBJECT TO CHANGE AS REQUIRED)

RFP published and distributed:	September 1, 2017
Question Cut-Off Date:	5:00 pm EST September 11, 2017
Response to RFP Questions:	September 15, 2017
Proposals due:	12:00 noon EST, September 27, 2017
Finalists interviews in person or via conference call:	Week of September 30, 2017
Board of Directors approval:	October 12, 2017
Contract term:	January 1, 2018 to December 31, 2019 with a one-year option to renew

QUESTION AND ANSWER PROCEDURE

The Trust will accept questions pertaining to this RFP from all potential bidders electronically. Questions shall be directed to John Hansbury, Chief Budget Officer, at the following e-mail address:

RFP@NJEIT.ORG

Please note that the “subject” line of your e-mail must specifically reference this RFP as follows: “RFP for NJEIT Arbitrage and Rebate Compliance Services.”

Questions will be accepted until 5:00 pm EST September 11, 2017.

III. SCOPE OF WORK

The services to be provided for each issue of tax-exempt debt subject to the contract are as follows:

1. Determine the Gross Proceeds allocable to each issue of tax-exempt debt subject to the contract during each of the periods covered by the contract.
2. Calculate the rebatable arbitrage earnings through June 30 of each fiscal year or other designated time period for the issues listed on the attached schedule (Exhibit A), and any new bonds or commercial paper (or similar vehicle) issued by the Trust during the term of the contract. Present an interim rebate calculation report on each bond issue through June 30 of each fiscal year, and for fifth-year and final installment calculation dates. The report shall be delivered to the Trust by July 21, of each fiscal year or earlier if requested by the Trust. The report shall contain a summary of the liability for each bond issue; a summary of the computed bond yield for each bond issue; and a list of all assumptions used in computing the arbitrage rebate calculation.
3. Fifth year installment calculations and final calculations are required no later than four weeks prior to the dates payments are due to the I.R.S. Provide an aggregated rebate report of all reports presented in item 2 above (see attached example).
4. Provide appropriate documentation that supports all calculations. Provide all relevant data/calculations used to create the summary report in excel spreadsheet or similar format for the Trust to maintain its own data.
5. In the letter that accompanies each report, the Vendor is required to include a statement that each of the following funds was included in the calculation of arbitrage rebate or a statement why the funds were not included in the calculation of arbitrage rebate:
 - a. Project funds
 - i. Vendor may be required to track numerous project loan accounts. See attached summary for a breakdown of the amount of project loan accounts related to each transaction.
 - ii. Unspent project loan accounts (if any) are transferred to defeasance escrows.
 - b. Reserve funds
 - i. Reserve funds are funded by Sale Proceeds as well as other proceeds.

- c. Master Program Trust Account
 - i. The Master Program Trust Account is funded by loan repayments and operates as a commingled reserve fund, sinking fund, or replacement fund within the meaning of Treasury Regulations Section 1.148-6(e)(6). The Master Program Trust must be tracked and allocated to each bond issue in accordance with Treasury Regulations Section 1.148-6(e)(6).
 - d. Cost of issuance funds
 - e. Transferred proceeds
 - f. Debt service funds
 - i. Vendor is required to test the funds treated as used to pay debt service on each issue covered by the contract for the computation period to determine if the funds are excludable from gross proceeds as part of a bona fide fund. A copy of the test is required to be included with each calculation.
 - g. Refunding escrow funds
 - h. Capitalized interest accounts; and
 - i. Any other funds containing Gross Proceeds not otherwise covered or that get considered above.
6. Coordinate between the Bond Trustee, the Trust and bond counsel so all necessary information is provided to perform calculations accurately.
 7. Preparation of required Internal Revenue Service forms and returns.
 8. Assist the Trust as necessary in the event of an Internal Revenue Service inquiry involving the computation of rebate or yield restriction with respect to any computation covered by the contract.
 9. Assist the Trust in planning and budgeting for the arbitrage and rebate compliance services each fiscal year.
 10. The successful Firm shall obtain past tickler system information from the current contractor. The Firm shall maintain a tickler system which monitors critical deadlines for all NJEIT bond issues, including all calculation due dates, including interim calculation dates, fifth year anniversary dates and those relating to revised calculation dates when bonds have been refunded.
 11. Provide consultation to Trust staff as necessary on matters related to the Internal Revenue Code Rebate Provisions.
 12. Provide assistance and consultation as necessary for proper retention of arbitrage records and documentation by the Trust.

13. Provide a legal opinion from a nationally recognized bond counsel firm as to the liability due to the I.R.S. under any of the arbitrage regulations. The opinion must include a statement that the calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the Trust in determining its liability payments to the I.R.S.

The Firm's legal counsel is required to work with and be available to the Trust's legal counsel throughout the term of the contract at no additional cost.

IV. EVALUATION PROCEDURE and CRITERIA

- a. **Ranking Criteria** - The Trust has appointed a committee to review the proposals submitted in response to this request for proposals and to make recommendations to the NJEIT Board of Directors. The committee members will individually review all proposals considering the following major evaluation criteria, ranking each firm on a scale of 1 to 10 and assign the following weights for each such criterion:

- The Firm's proposal for arbitrage rebate compliance services which specifically addresses compliance with federal tax law, and experience with similar public programs (2)
- The relevant experience and qualifications of the team to provide service to the Trust including experience in managing similar State accounts (3)
- The Firm's experience and qualifications to efficiently manage arbitrage rebate compliance, and provide all required services, specifically Tax Law and Bond Law expertise (3)
- The Firm's reputation as a respected, nationally known, experienced Arbitrage Rebate Compliance consultant (2)
- The firm's presence in New Jersey, and the team's proximity to the NJEIT (2).

In addition, at the Trust's discretion;

- Presentation -- the firms having the highest preliminary rankings based on the above criteria, may, at the Trust's discretion, be invited to conduct a presentation of their proposals either in person or via conference call with

the Trust ((3) – to be additive to each Firm’s original score ranking).

- The proposed cost for services and the methodology stated for setting compensation. Fee Proposal (2)

Please be advised that cost will not be the sole determining factor.

Please Note: Joint ventures will not be considered.

b. Oral Presentation(s) and/or Clarification of Proposal

The firms’ team members may be required to make presentations to the Review Committee for the limited purpose of reviewing the previously submitted proposals. The NJEIT may ask firms being interviewed to provide professional references of the team members. The Review Committee may also submit written questions to a bidder requiring clarification of minor ambiguities in its proposal.

Original proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other proposals are permitted. Proposers may not attend presentations made by their competitors.

It is within the Review Committee’s discretion whether to require a proposer to give an oral presentation or require a proposer to submit written responses to questions regarding its proposal. Action by the Review Committee in this regard should not be construed to imply acceptance or rejection of a proposal.

If it is necessary to interview one or more firms, the interviews will take place on the week of September 30, 2017. You will be notified by phone if your firm needs to appear.

Appointment of the Arbitrage and Rebate Compliance Consultant by the Trust is contingent upon the execution of an Agreement for Arbitrage and Rebate Compliance Consultant Services.

c. Submission Requirements (# of copies, Addressee, etc.)

Five printed copies and one electronic “soft” copy (on a flash drive/stick) of your proposal should be delivered to David E. Zimmer, Executive Director, New Jersey Environmental Infrastructure Trust, 3131 Princeton Pike, Office Building 4, Suite 216, Lawrenceville, NJ 08648.

All proposals must be received by 12:00 noon, Wednesday, September 27, 2017. Proposals received after this date and time will not receive further consideration.

V. TECHNICAL PROPOSAL - INFORMATION REQUIRED TO BE PROVIDED BY BIDDER

It is the proposing firm's responsibility to provide all required information, including required attachments. No information beyond that specifically requested is required and proposing firms are requested to keep their submissions to the shortest length consistent with making a complete presentation of qualifications. To this end, the proposing firm shall complete and/or submit the following documents as part of his/her sealed proposal package presented in the following format and order. **Unless otherwise indicated, a proposal that does not provide all of the information requested below may be rejected.**

1. An Executive summary of not more than three (3) pages identifying and substantiating the basis of your contention that you are the best qualified firm to provide the requested services for the NJEIT. Please provide a brief history of your Firm's experience and expertise in providing arbitrage rebate services, including (i) financial and analytical expertise; (ii) tax law expertise, including the ability to provide a legal opinion; and (iii) bond law expertise. In addition, please address what it is that your firm offers to the NJEIT that competing firms cannot, a statement that the proposal is a firm and irrevocable offer for the engagement period. Include the signature of an authorized official of the firm who has been designated to submit the proposal on behalf of their firm. Provide the name and address of the firm, the name, telephone number, fax number, and e-mail address of individual or individuals responsible for the preparation of this proposal who may be contacted in the event of questions or notification, and the location of the office, if other than that shown above at which the services to be provided hereunder will be performed.
2. A staffing plan listing those persons who will be assigned to the engagement if your firm is selected, including the designation of the person who would be responsible for the engagement. (The "Proposed Team") This portion of the proposal should include the relevant resume information for the individuals who would be assigned. This information should include, at a minimum, a description of the person's relevant professional experience, years and type of experience, and number of years with the firm.
3. A description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Provide a copy of the firm's most recent audited financial statements.
4. A listing of all current public clients, including information on the type of engagement.

5. Six references, including at least three clients for whom services have been provided for at least three years. Provide the contact names, positions, email addresses, and phone numbers.
6. Describe the resources dedicated to risk management compliance at your firm. Describe the risk management system, specifically addressing who is responsible for risk management as well as the processes in place for the identification, resolution and notification of errors and policy warnings.
7. Provide a description of any pending or concluded claim, investigation or litigation involving your firm implicating a sum of \$5 million or more since January 1, 2012.
8. Describe any pending or concluded claim, investigation or litigation involving a Proposed Team member implicating the sum of \$100,000 or more since January 1, 2012.
9. Provide a listing of any and all suspensions or pending or concluded investigations or disciplinary actions by any regulatory agency of your firm or any of its personnel since January 1, 2012 with an explanation of the reason for any suspensions or expulsions and the time period for such actions.
10. Describe all regulatory, professional or business licenses held and maintained by your firm, its directors, or officers and principals and any of the individuals who will be responsible for providing the services described in this RFP that are required in order to do business in the State or elsewhere.
11. Please describe your firm's presence in New Jersey including location of offices.
12. Identify any existing or potential conflicts of interest, as well as your representation of parties or other relationships that might be considered a conflict of interest, that may affect or involve transactions for the NJEIT.

Note: The Trust reserves the right; 1) to reject any and all proposals or 2) to waive any informalities or irregularities therein. The award will be made to the firm whose appointment as Arbitrage and Rebate Compliance Consultant is deemed to be in the best interest of the Trust and the State.

VI. OTHER REQUIREMENTS

Attachments

a. Specific to RFP

Exhibits

Exhibit A - Schedule of Bonds

Exhibit B - Standard Terms and Form of Contract for Arbitrage Rebate Compliance Services

Exhibit C – State Required Forms

Exhibit D – Ranking Sheet

Exhibit E - Form Pricing Schedule

b. Required Forms

Please submit the following requirements. For those requirements that require completion of a form, the required forms are attached as ***Exhibit C – State Required Forms***.

1. Ownership Disclosure Form
2. Disclosure of Investigations/Actions
3. MacBride Principles Certification
4. Disclosure of Investment Activities in Iran
5. Affirmative Action Forms
6. Pursuant to, entities providing goods or services to the Trust must be registered with the New Jersey Department of the Treasury, Division of Revenue. Please provide a copy of your firm’s business registration certification (or interim registration) (N.J.S.A. 52:32-44). If the firm is not already registered with the New Jersey Division of Revenue, the form should be completed, online, at the Division of Revenue website: www.state.nj.us/treasury/revenue/index.html.
7. State agencies and independent authorities, such as the Trust, are limited in their ability to enter contracts with business entities that have made certain political contributions.
 - a. If your firm has not previously submitted the certification and disclosure form(s) pursuant to P.L. 2005, c. 51/Executive Order No. 117, they must be completed and are attached to this RFP. (see, P.L. 2005, c. 51, enacted March 22, 2005, which codified Executive Order No. 134 (McGreevey 2004), as amended by Executive Order No. 117 (Corzine 2008), (“P.L. 2005, c. 51/Executive Order No. 117”))
 - b. If your firm has previously submitted the certification and disclosure form(s) pursuant to P.L. 2005, c. 51/Executive Order No. 117 you are required only to submit the P.L. 2005, c. 51/Executive Order No. 117 “Certification of No Change,”
8. Firms are also advised of their responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the firm

receives contracts with public entities in excess of \$50,000 or more in the aggregate from public entities, such as the Trust, in a calendar year. It is the firm's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elect.state.nj.us.

9. In compliance with Executive Order No. 129 (McGreevey 2004) and P.L. 2005, c. 92, all service performed pursuant to this RFQ shall be performed within the United States.
10. Emergency Preparedness – To support continuity of operations during an emergency, including a pandemic, NJEIT needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential contracts that provide critical business services to NJEIT have planned for such an emergency and put contingencies in place to provide needed goods and services.
 - a. Describe how you anticipate such a crisis will impact your operations.
 - b. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of pandemic preparedness:
 - Employee training (describe your organization's training plan, and how frequently your plan will be shared with employees).
 - Identify essential business functions and key employees (within your organization) necessary to carry them out.
 - Contingency plans for:
 - How your organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
 - How employees in your organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
 - How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
 - How and when your emergency plan will be tested, and if the plan will be tested by a third-party.
11. Contractor's Insurance
 - 11.1 Any insurance company providing coverage must be authorized to do business in the State of New Jersey. The contractor shall not commence work under this contract until the contractor has obtained all insurance required under this paragraph and such insurance has been approved by the NJEIT, nor shall the Contractor allow any subcontractor to commence work, in his/her subcontract until all similar insurance required of the subcontractor has been so obtained and approved.

11.2 Insurance coverage shall remain in effect during the contract period. The Contractor shall furnish the NJEIT with proof of Insurance by execution of the Certificate of Insurance, of which a copy is included herein. The NJEIT shall be named additional insured. The Contractor's insurance shall apply to and provide coverage for all subcontractors and/or suppliers unless the Contractor forwards to the NJEIT the Certificate of Insurance for the subcontractor and/or supplier. The Contractor shall give the NJEIT 30 days written notice of any material change in, cancellation of, or expiration of the policies.

11.3 Certificates of the Required Insurance Certificates as listed below shall be submitted along with the contract as evidence covering Comprehensive General Liability, Comprehensive Automobile Liability, and where applicable, necessary Workers' Compensation and Employers' Liability Insurance. Such coverage shall be with acceptable insurance companies operating on an admitted basis in the State of New Jersey and shall name the NJEIT as an additional insured. The following types of insurance are required:

a. General Liability Insurance. This insurance shall have limits of not less than \$1,000,000 any one person and \$1,000,000 any one accident for bodily injury and \$2,000,000 aggregate for property damage and shall be maintained in force during the life of this contract by the bidder.

b. Automobile Liability Insurance. This insurance covering bidder for claims arising from owned, hired and non-owned vehicles with limits of not less than \$1,000,000 any one person and \$1,000,000 any one accident for bodily injury and \$1,000,000 each accident for property damage, shall be maintained in force during the life of this contract by the bidder.

c. Excess Liability

d. Workers' Compensation and Employers' Liability. This insurance shall be maintained in force during the life of this contract by the bidder covering all employees engaged in the performance of this contract in accordance with the applicable statute. Minimum Employers' Liability \$1,000,000.00.

12. **Applicable Law.** The Agreement, including this RFP and any and all litigation arising there from or related thereto shall be governed by the applicable laws, regulations, and rules of evidence of the State of New Jersey without reference to conflict of law principles. Any

litigation arising from this Agreement shall be under the jurisdiction of and filed in Mercer County, New Jersey.

13. **Claims.** All claims asserted against the NJEIT by any Bidder or Contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

NOTE: Each firm submitting a response to this RFP is required to provide the State with proof of business registration in New Jersey. Further, in compliance with Executive Order No. 129 issued September 9, 2004 each firm submitting a response to this RFP is required to indicate in their proposal the location by country where services under the contract will be performed.

FURTHER NOTE: The firm selected pursuant to this RFP will be required to comply with Executive Order 134 issued on September 22, 2004, limiting the ability of State agencies and independent authorities to enter contracts with business entities that have made certain political contributions.

VII. COST PROPOSAL – (Please include in a separate sealed envelope labeled Cost Proposal)

Provide a compensation schedule by providing the following information (see attached Pricing Schedule, this format must be used):

- Provide your methodology for calculation of fees.

The Cost Proposal shall be submitted in an envelope separately sealed from the technical proposal and labeled with the bidder's name and "Cost Proposal". The cost proposal shall be comprised of the bidder's completed Pricing Schedule which is attached as Exhibit E. Upon determination of the highest ranked technical bidder, the cost proposals shall be reviewed and a cost for providing services shall be negotiated with the highest ranked bidder. If an acceptable fee is unable to be negotiated, the Trust shall enter negotiations with the second highest ranked bidder. Please be advised that cost will not be the sole determining factor.

VIII. CONTRACT TERMS

1. Period of Services:

The term of the contract shall be for the period commencing on or about January 1, 2018 and shall continue until December 31, 2019. The Trust reserves the right, at the option of

the Trust Board of Directors, to extend the term of the contract one additional year, until December 31, 2020*.

2. Standard Terms and Conditions:

The attached Standard Contract Terms and Conditions (*Exhibit B*) are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of NJEIT’s terms and conditions, modification or exception in EIT’s terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.

All of NJEIT's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with NJEIT's, NJEIT's terms and conditions will prevail, unless the bidder is notified in writing of NJEIT's acceptance of the bidder's terms and conditions.

Dated: September 1, 2017

Fee Schedule

Part A – Provide a proposed fixed fee schedule for services associated with the Scope of Services with the following information:

Description	Proposed Fee
Engagement Fee:	\$
Base Report Fee:	\$
Extra Period Fee (For Reporting Periods in Excess of 12 months):	\$
Commingled Fund Adjustment Fee:	\$
Transferred Proceeds Fee:	\$
Variable Rate Fee:	\$
Yield Restriction Fee:	\$
Fee Per Additional Project Loan Account:	\$
Rebate Payment Filing Fee:	\$
Other (Describe):	\$