

TOWNSHIP OF FRANKLIN  
COUNTY OF GLOUCESTER  
R-16-2011

RESOLUTION APPOINTING A RISK MANAGEMENT CONSULTANT  
GLOUCESTER, SALEM, CUMBERLAND COUNTIES  
MUNICIPAL JOINT INSURANCE FUND

WHEREAS, the Governing Body of the Township of Franklin is a member of the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance fund, a self insurance pooling fund; and

WHEREAS, the Bylaws of said Fund require that each municipality appoint a RISK MANAGEMENT CONSULTANT to perform various professional services as detailed in the Bylaws; and

WHEREAS, the Bylaws indicate a fee not to exceed six percent (6%) of the municipal assessment which expenditure represents reasonable compensation for the services required and was included in the cost considered by the governing body; and

WHEREAS, NJSA 40A:11-5(1)(m) specifically exempts the hiring of insurance consultants from competitive bidding as an extraordinary unspecifiable service; and

WHEREAS, the experience, knowledge of public insurance and risk management issues and judgmental nature required of a Risk Management Consultant are clearly an extraordinary unspecifiable service which therefore render competitive bidding impractical;

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Township of Franklin, County of Gloucester, does hereby appoint THE NIA GROUP as its Risk Management Consultant in accordance with 40A:11-5; and

BE IT FURTHER RESOLVED that the governing body of the Township of Franklin, County of Gloucester, is hereby authorized and directed to execute the Consultant's Agreement annexed hereto and to cause a notice of this decision to be published according to NJSA 40A:11-5(1), (a), (i).

ADOPTED at a meeting of the Township Committee of the Township of Franklin held on January 1, 2011.

ATTEST:

TOWNSHIP OF FRANKLIN

\_\_\_\_\_  
Carolyn K. Toy, Clerk

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Patrick M. Dougherty, Mayor

CERTIFICATION

I, Carolyn K. Toy, Clerk of the Township of Franklin, in the County of Gloucester, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a meeting of the Franklin Township Committee held on January 1, 2011.

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Carolyn K. Toy, Clerk

## AGREEMENT

### RISK MANAGEMENT CONSULTANT GLOUCESTER, SALEM, CUMBERLAND COUNTIES MUNICIPAL JOINT INSURANCE FUND

This agreement, entered into this 1st day of January, 2011, between the Township of Franklin (hereinafter referred to as Municipality NIA GROUP of the State of New Jersey, having its principal office at 18000 Horizon Way, Suite 400, Mount Laurel, NJ 08054 (hereinafter referred to as the Consultant).

WHEREAS, the Consultant has offered to the Municipality professional risk management consulting services as required in the Bylaws of the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund; and

WHEREAS, the Municipality desires these professional services pursuant to the resolution adopted by the Mayor and Township Committee of the Township of Franklin at a meeting held on January 1, 2011.

NOW, THEREFORE, the parties in consideration of the mutual promises and covenants set forth herein, agree as follows:

1. The Consultant, for and in consideration of the amount stated hereinafter agrees to provide services to the Municipality as follows:
  - A. The Consultant shall assist the Municipality in identifying its insurable exposures and to recommend professional methods to reduce, assume or transfer the risk loss.
  - B. Assist the Municipality in understanding and selecting the various coverages available from the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund.
  - C. Review with the Municipality any additional coverages that the Consultant feels should be carried but are not available from the Fund and subject to the Municipality's authorization place such coverages outside the Fund.
  - D. Assist the Municipality in the preparation of applications, statements of values and similar documents requested by the fund, it being understood that this agreement does not include any appraisal work by the consultant.
  - E. Review the Municipality's assessment as prepared by the fund and assist the Municipality in the preparation of its annual insurance budget.
  - F. Review the loss and engineering reports and generally assist the safety committee in its loss containment objectives.
  - G. Assist where needed in the settlement of claims, with the understanding that the scope of the consultant's involvement does not include the work normally done by a public adjuster.
  - H. Any other services required by the Fund's Bylaws.
2. The term of this agreement shall be for one (1) year from the first day of January, 2011, or from the effective date of coverage, unless terminated as hereinafter provided in this agreement.
3. The Municipality authorizes the fund to pay its Consultant as compensation for services rendered an amount equal to six percent (6%) of the Municipality's annual assessment as promulgated by the Fund. Said fee shall be paid within 30 days of payment of the member's assessment. The consultant shall receive no other compensation or commission for the placement or servicing of any municipal coverage with the Fund.
4. For any coverages, authorized by the Municipality, to be placed outside of the Fund, the Consultant shall receive as his full compensation the normal brokerage commissions paid by the insurance company. The premiums for said policies shall not be added to the Fund's assessment in computing the fee outlined in Item 3 above.
5. Either party may cancel this Agreement at any time by mailing to the other written notice calling for termination at any time not less than ninety (90) days thereafter. Fees shall be prorated to the date of termination.

ATTEST:\_\_\_\_\_

MUNICIPALITY\_\_\_\_\_

ATTEST:\_\_\_\_\_

CONSULTANT\_\_\_\_\_

DATE:\_\_\_\_\_