

CERTIFICATE OF A DESIGNATED OFFICIAL

In accordance with N.J.A.C. 5:34-2.3, I, Richard Wright, Acting Township Administrator am the designated official of the Township of Franklin (hereinafter the "MUNICIPALITY"), and I am certifying to the governing body, in detail, why the Contract with the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund (hereinafter the "FUND"), meets the provisions of the statutes and the regulations and why the solicitation of competitive quotations is impracticable. The reasons are as follows:

- 1) The purchase of insurance coverage and insurance consultant services by the MUNICIPALITY requires a unique knowledge and understanding of the municipal exposures and risks associated with the operation of a municipal entity, and many insurance professionals are not qualified to assess these risks and exposures based upon their inherent complexity; and
- 2) Insurance coverage for municipal entities can vary greatly in the type, limits, and exceptions to coverage, and therefore particularized expertise in determining and obtaining the appropriate coverage is required to protect the MUNICIPALITY; and
- 3) It is the goal of the MUNICIPALITY to obtain a single integrated program to provide all types of insurance coverage with a plan to limit the MUNICIPALITIES exposure; and
- 4) The FUND has provided comprehensive insurance coverage to member municipalities since 1991; and
- 5) Since 1991, the Fund has continually refined all of the types of coverage that it provides to its members so that it offers comprehensive insurance coverage and limits to all members that is unique and cannot be purchased from a single entity in the commercial insurance market; and
- 6) The FUND has also developed and made available to its members Safety, Risk Management and Litigation Management programs that address the specific exposures and risks associated with municipal entities; and
- 7) The FUND provides the MUNICIPALITY with Fund Administration, Claims Review, Claims Processing, Claims Administration, Actuarial and Legal services; and
- 8) The FUND is one of the most financially sound Municipal Joint Insurance Funds in New Jersey, and the FUND operates with strong fiscal controls, member oversight, and meets all of the requirements promulgated by the New Jersey Department of Community Affairs and the Department of Banking and Insurance; and
- 9) As an existing member of the FUND, the MUNICIPALITY would be renewing its membership in an organization with experienced and dedicated FUND Professionals who provide specialized services to the members; and
- 10) The membership of the FUND includes many neighboring municipalities that have uniquely similar exposures to the MUNICIPALITY, and with whom the MUNICIPALITY has existing inter-local arrangements; and

- 11) The FUND has been organized pursuant to N.J.S.A. 40A:10-36 et seq., and as such is an agency of the municipalities that created it; and
- 12) N.J.S.A. 40A:11-5(2) also provides that a Contract which exceeds the bid threshold may be negotiated and awarded by the governing body without public advertising for bids and bidding therefor, if the Contract is entered into with a municipality or any board, body, officer, agency or authority thereof; and
- 13) The FUND meets the definition of an agency as set forth in N.J.S.A. 40A:11-5(2); and
- 14) The coverage and services provided under the Contract with the Fund cannot be duplicated, accounted for, accurately detailed, or described in a manner that truly depicts the value of the MUNICIPALITY'S membership in the FUND; and
- 15) It is impracticable for the MUNICIPALITY to seek competitive quotations for a Contract to provide the procurement of insurance coverage and consultant services.

Signature of Designated Official:

Dated:
