

RESOLUTION NO. 24 - 43

RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR ARBITRAGE COMPLIANCE SERVICES

WHEREAS, pursuant to Section 5 of the New Jersey Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (codified at N.J.S.A. 58:11B-1 et seq.), the New Jersey Infrastructure Bank (“I-Bank”) is authorized to enter agreements necessary to the performance of its duties; and

WHEREAS, as an issuer of tax-exempt government bonds, there is a need for the I-Bank to engage a firm to perform arbitrage compliance services; and

WHEREAS, the current contract for an arbitrage compliance services provider expires on December 31, 2024.

NOW THEREFORE BE IT RESOLVED, that the I-Bank Board of Directors (“Board”) hereby authorizes the Executive Director, in consultation with counsel, to prepare and distribute a Request for Proposals for a provider of arbitrage compliance services as may be determined in accordance with the provisions of I-Bank Policy and Procedure 4.00, “Purchase of Goods and Services” and the laws of the State of New Jersey; and

BE IT FURTHER RESOLVED, that the Executive Director is further authorized to establish a committee to review all proposals in accordance with the I-Bank’s Policy and Procedures and to make a report and recommendation to the Executive Director as to the selection of an arbitrage compliance services provider for a contract period of three years with the option for an additional two one-year periods upon approval by the Board; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to take all other actions consistent with approved procedures to procure the services of an arbitrage compliance services provider.

Adopted Date: September 12, 2024

Motion Made By: Mr. David Moore

Motion Seconded By: Mr. Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0



Request for Proposals (RFP)
Arbitrage Compliance Services

Issued by the
New Jersey Infrastructure Bank

Date Issued:
On or about September 27, 2024

Questions Regarding RFP Cut-Off Date:
12:00 pm EST, October 15, 2024

Response to Questions Posted:
October 17, 2024

Proposals Due Date:
12:00 pm EST, November 01, 2024

In the Office of the Executive Director and by Electronic Delivery
3131 Princeton Pike, Building 4, Suite 216
Lawrenceville, NJ 08648
(609) 219-8600

Proposals submissions must be labeled with:
Firm's Name, and
"Proposal for I-Bank Arbitrage Compliance Services"

New Jersey Infrastructure Bank
REQUEST FOR PROPOSALS
Arbitrage Compliance Services

I. OBJECTIVE

The New Jersey Infrastructure Bank (“I-Bank”) is seeking to procure the services of an Arbitrage Compliance Firm. Pursuant to this Request for Proposals (“RFP”), the I-Bank shall select an Arbitrage Compliance Firm for bonds issued by the New Jersey Environmental Infrastructure Financing Program (“Water Bank”), the Transportation Bank Financing Program (“Transportation Bank”) and any other I-Bank programs during the term of this contract. Pursuant to this RFP, the I-Bank shall select an Arbitrage Compliance Firm that demonstrates the qualifications, experience and abilities to perform the requested scope of work in this RFP.

II. I-BANK / PROGRAM BACKGROUND

A. Powers and Structure

The I-Bank was organized pursuant to N.J.S.A. 58:11B-1 et seq., in 1986 as an independent State financing authority. The purpose of the I-Bank is to provide financial assistance to New Jersey borrowers authorized to construct, operate, and maintain environmental and transportation infrastructure systems as well as hazard mitigation and resilience projects. The I-Bank participates with the New Jersey Department of Environmental Protection (“DEP”) in the Water Bank, the New Jersey Department of Transportation (“DOT”) in the Transportation Bank and the Office of Emergency Management in the Division of State Police in the Department of Law and Public Safety of the State of New Jersey (“OEM”) for hazard mitigation and resilience projects in the Resilience Infrastructure Bank (“Resilience Bank”). The I-Bank contracts to make loans to New Jersey local government units to finance the costs of environmental and transportation infrastructure system projects, and hazard mitigation and resilience projects that such local governmental units are authorized to undertake and which they may lawfully finance through borrowings. This procurement is to secure Arbitrage Compliance Services for both the Water Bank and the Transportation Bank. In the unlikely event other I-Bank programs issue bonds during the term of the contract, the Arbitrage Compliance Services provider selected by this procurement would also provide arbitrage services for these issues.

B. The Water Bank

Through the Water Bank, the DEP and the I-Bank issue short-term and long-term loans to provide funding for all aspects, phases and components of designing and building environmental infrastructure projects. Water Bank Loans are issued 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 upon approval of applicable Water Bank program requirements.

The Water Bank Financing Program funds projects with short-term loans through the completion of construction. Short-term loans are issued for the project’s construction period typically with

a maximum time frame of up to five fiscal years. Borrowers in the short-term loan program pay a blended interest rate which is set quarterly by the I-Bank Board of Directors. The Borrower is not obligated to repay principal or interest during the term of the short-term loan. These cost totals are rolled into the Borrower's long-term Financing Program loan. As of June 30, 2024, there are approximately 254 Water Bank projects under construction and being financed through the short-term loan program. The I-Bank utilizes an extendable commercial paper program to fund a component of the Short-Term Loan program.

The Water Bank's short-term construction loans are converted into two long-term loans, one issued by the I-Bank, and another issued by the DEP. The I-Bank utilizes revenue bonds to fund its loan with borrower loan repayments timed to pay the debt service (March 1st and September 1st). In addition to accessing the public bond markets, the I-Bank also funds its borrower loans utilizing funding through the federal Water Infrastructure Finance and Innovation Act of 2014 ("WIFIA") program pursuant to the terms of two loan agreements between the I-Bank and United States Environmental Protection Agency ("USEPA"), one dated April 29, 2022, as amended May 31, 2023, ("WIFIA Loan Agreement") and the other dated December 20, 2022 ("SWIFIA Loan Agreement"). On each semi-annual loan repayment due date, a borrower makes one payment in an amount equal to the I-Bank loan repayment (principal and interest), the I-Bank 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.

Loan repayments on the DEP loan serve as coverage for principal and interest payments due to bond investors. These repayments are held in the Master Program Trust Account for six (6) months plus one (1) day to provide additional coverage on the subsequent payment date. A summary of the flow of funds may be found in the Official Statements for each Bond Series. A copy of the I-Bank's most recent Official Statement, the Series 2024A-W1 (Green Bonds), is available at <https://www.njib.gov/nj/List+of+Official+Statements.8>.

Each Water Bank Long-Term loan is funded from one or more of the following sources: 1) USEPA capitalization grants issued pursuant to the Water Pollution Control Act Amendments of 1972 and Safe Drinking Water Act Amendments of 1996; 2) federal funding grants through the Bipartisan Infrastructure Law (P.L. 117-58) ("BIL") and the American Rescue Plan Act (P.L. 117-2) ("ARPA"); 3) various New Jersey state bond issues and New Jersey state appropriations; 4) loan repayments; 5) interest earnings; 6) I-Bank bond proceeds; 7) WIFIA loan proceeds; and 8) I-Bank operating revenues. In addition, special appropriations through the Disaster Relief Emergency Appropriations Act of 2013 (Pub. L. 113-2) are utilized for Superstorm Sandy Loans.

The I-Bank may issue multiple series (tax-exempt, AMT and taxable) of long-term bonds based upon the pool of borrowers as well as the availability of federal funds through the WIFIA Program. It is anticipated that the I-Bank will issue Water Bank bonds twice a year in SFY2025 and SFY2026. Since its inception, the Water Bank has issued roughly 1,565 long-term loans totaling over \$8.93 billion, with approximately \$3.59 billion funded from the I-Bank and the remaining \$5.34 billion funded from the DEP. As of June 30, 2024, the I-Bank has 40 outstanding revenue bond series totaling over \$1.15 billion with maturities spanning over 30 years.

C. The Transportation Bank

The Transportation Bank provides financial assistance to New Jersey local government units or consortia thereof, authorized to construct, operate and maintain transportation projects. The I-Bank works in conjunction with the New Jersey Department of Transportation (“DOT”) to co-administer the Transportation Bank. The I-Bank makes loans to finance all or a portion of the costs of transportation projects which may lawfully be financed through borrowings. The I-Bank receives State appropriations to fund the Transportation Bank.

The I-Bank has issued short-term loans for the Transportation Bank utilizing cash-on-hand, as the source of funds for projects eligible to receive Transportation Bank loans. The I-Bank is considering utilizing tax-exempt notes to fund a component of the Short-Term Loan program. Upon completion of construction, such financing is converted to long-term loans. The I-Bank has adopted a Master Transportation Bank Indenture pursuant to which supplemental indentures may be authorized to issue long-term bonds. To date, the I-Bank has issued long-term direct loans to convert short-term loans to long-term financing. Direct loans are included in the Master Transportation Bank Indenture in advance of a bond issuance. Upon the establishment of a critical mass of projects in the long-term program sufficient for a public bond offering, it is anticipated that long-term Transportation Bank loans will be made with funds from the State Transportation Infrastructure Bank Fund and proceeds from the issuance of bonds in a structure similar to the Water Bank. To the extent that the I-Bank leverages its transportation funds through the issuance of tax-exempt bonds, a portion of the transportation funds may be transferred to a bond trustee to serve as collateral. The Transportation Bank is expected to issue its first long-term loans in SFY2026.

D. Other Programs

NJ CHAMP resides within the Resilience Bank and is currently the only financing program in the Resilience Bank to have received funding. NJ CHAMP was established at the end of SFY2023 as a partnership with the NJOEM. The purpose of CHAMP is to provide financial assistance to local governments and nonprofit organizations for eligible hazard mitigation and resilience projects under the Federal Emergency Management Agency’s (“FEMA”) STORM Act, Pub. L. 116-284 (42 U.S.C. s. 5135), as amended or supplemented. CHAMP loans are available for hazard mitigation and resilience projects which have applied for FEMA grant funds and are aligned with the priorities and goals of the State’s or a local hazard mitigation plan. Each Project financed through NJ CHAMP receives financing which includes a draw period of up to five full fiscal years, similar to a Home Equity Line of Credit (HELOC), and a subsequent repayment period. During the draw period, interest is charged only on funds drawn against the loan amount based on costs incurred. Because the STORM Act limits interest rates on CHAMP loans to 1%, it is not currently anticipated that bonds will be issued to leverage these funds. However, in the event federal law changes and it becomes feasible to leverage the STORM funds and issue bonds, arbitrage services may be required.

III. INFORMATION RELEVANT TO CUSTOMIZED PROCUREMENT

Pursuant to this RFP, the I-Bank shall select an Arbitrage Compliance Consultant for the purpose of providing complete arbitrage compliance services for all tax-exempt bonds included in Attachment A “Schedule of Bonds”, and all tax-exempt bonds, and notes 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 and yield restriction liabilities (a) annually as of each June 30, and (b) for fifth-year and final installment calculation dates.

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 arbitrage calculations showing the accrued arbitrage liabilities as of each June 30, beginning June 30, 2025, 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 V – Scope of Work later in this RFP.

During the term of the contract, the I-Bank 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 I-Bank 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 three (3) years, commencing on January 1, 2025, and terminating on December 31, 2027. The I-Bank reserves the right to extend the term of the contract for two additional one-year terms, until December 31, 2029, at the option of the I-Bank's Board of Directors.

IV. 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 rebate and 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 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 approximately 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 I-Bank.
8. The Firm must have access to and/or affiliation with qualified tax attorneys.

V. SCOPE OF WORK

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

1. Within 40 days following a bond issuance,
 - (i) review the applicable indenture, official statement, tax certificate, Form 8038-G and such other relevant closing items that may be identified by the I-Bank as appropriate for review and consideration, and drafts of said documents as requested;
 - (ii) confer with the I-Bank's bond counsel, to (a) facilitate the efficient and accurate execution of ongoing arbitrage reports for such bonds on a timely basis through the maturity thereof, and (b) address any questions or concerns;
 - (iii) identify the applicable bond year in consultation with, and ultimately as directed by, the I-Bank; and
 - (iv) establish a template for arbitrage calculations for such bonds, and confer and coordinate, as and when necessary or appropriate, with the I-Bank's bond counsel to ensure that all accounts are properly reflected and classified in a manner consistent with the relevant provisions of the applicable indenture, official statement, tax certificate, Form 8038-G, and such other relevant closing items that may be identified by the I-Bank's bond counsel.
2. Within **XX** days prior to the conclusion of any computation period with respect to an issue of bonds, perform the arbitrage calculations for each bond issue for such computation period, and confer and coordinate, as and when necessary or appropriate, with the I-Bank's bond counsel to ensure all accounts are properly reflected and classified in a manner consistent with the relevant provisions of the applicable indenture, official statement, tax certificate, Form 8038-G, and such other relevant closing items that may be identified by the I-Bank's bond counsel.
3. 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.
4. Calculate the arbitrage earnings for the issues listed on the attached schedule (**Attachment A**), and any new tax-exempt bonds or commercial paper (or similar vehicle) issued by the I-Bank during the term of the contract as appropriate.
5. Present an interim arbitrage calculation report on each bond issue through June 30 of each fiscal year, and for fifth-year and final installment calculation dates. The June 30 reports shall be delivered to the I-Bank by July 21, of each fiscal year or earlier if requested by the I-Bank. 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 calculation. Fifth year installment calculations and final calculations are required no later than four weeks prior to the date's payments are due to the I.R.S. or earlier if requested by the I-Bank.
6. Provide an aggregated arbitrage report of all reports presented in item 5 above (see **Attachment A** for an example).
7. 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 I-Bank to maintain its own data.
8. 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 of 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
 - i. Any other funds containing Gross Proceeds not otherwise covered or that get considered by above.
- 9. Coordinate between the Bond Trustee, the I-Bank and bond counsel so all necessary information is provided to perform calculations accurately.
- 10. Preparation of required Internal Revenue Service forms and returns.
- 11. Assist the I-Bank 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.
- 12. Assist the I-Bank in planning and budgeting for the arbitrage compliance services each fiscal year.
- 13. 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 I-Bank 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.
- 14. Provide consultation to I-Bank staff as necessary on matters related to the Internal Revenue Code Provisions.
- 15. Provide assistance and consultation as necessary for proper retention of arbitrage records and documentation by the I-Bank.
- 16. 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 I-Bank 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 I-Bank's legal counsel regarding the above scope of work throughout the term of the contract and such cost shall be included in the bidder's Cost Proposal.

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

RFP published and distributed:	On or about September 27, 2024
Questions Cut-Off Date:	12:00 pm EST, October 15, 2024
Response to Questions Posted:	5:00 pm EST, October 17, 2024
Proposals due:	12:00 pm EST, November 1, 2024
Finalists' interviews in person or via conference call (if necessary):	Week of October 28, 2024
Board of Directors Authorization to Award Contract:	November 14, 2024
Contract Term:	January 1, 2025 – December 31, 2027

QUESTION AND ANSWER PROCEDURE

The I-Bank will only accept questions pertaining to this RFP from potential bidders electronically. Questions shall be directed to the following e-mail address:

PROCUREMENT@NJIB.GOV

Please note, the “subject” line of your e-mail must specifically reference this RFP as follows: “Proposal for I-Bank Arbitrage Compliance Services”.

Questions will be accepted until 12:00 pm EST on October 15, 2024.

Answers to questions will be posted in the Procurement section on <http://www.njib.gov/nj/Procurements.14> on or about the close of business on Thursday, October 17, 2024. It is the responsibility of the respondents to check our website regularly for updates, if any. All such answers to questions or addenda shall be incorporated into and made part of this RFP.

Addenda: Revisions to this RFP

In the event it becomes necessary to clarify or revise this RFP, such clarification or revision will be by Addendum. Any Addendum to this RFP will become part of this RFP and part of any contract awarded as a result of this RFP.

ALL RFP ADDENDA WILL BE POSTED ON THE I-BANK'S WEBSITE. TO ACCESS ADDENDA, THE PROPOSER MUST LOCATE THE PROPOSAL OF INTEREST AT:

<http://www.njib.gov/nj/Procurements.14>.

There are no designated dates for the release of Addenda. Therefore, all interested Proposers should check the I-Bank's “Procurements” page on its website (listed above), on a daily basis from the time of RFP issuance through the Proposal submission. It is the sole responsibility of the Proposer to be knowledgeable of all Addenda related to this procurement.

VII. EVALUATION PROCEDURE and CRITERIA

1. **Ranking Criteria** - The I-Bank has appointed a committee to review the proposals submitted in response to this RFP. 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 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 I-Bank including experience in managing similar State accounts **(4)**.
 - The Firm's resources, experience and qualifications specifically available to efficiently manage arbitrage compliance, and provide all required services, specifically tax law and bond law expertise relating to matters in this RFP **(3)**.
 - The Firm's reputation as a respected, nationally known, experienced Arbitrage Compliance consultant **(2)**.
 - The Firm's presence in New Jersey, and the team's proximity to the I-Bank **(2)**.
 - A cost proposal, submitted in sealed envelope (physical submission), and an electronic file (electronic submission) each separate from the Technical Proposal (such cost proposal shall be opened and considered by each member of the review committee after technical rankings. **(4)**

In addition, at the I-Bank's discretion:

- Presentation -- the firms having the highest preliminary rankings based on the above criteria, may, at the I-Bank's discretion, be invited to conduct a presentation of their proposals either in person or via conference call with the I-Bank **(3)** – to be additive to each Firm's original score ranking.

Please be advised that cost will not be the sole determining factor in the award of this procurement.

See **Attachment B** for a Sample Ranking Sheet.

Note: Joint ventures will not be considered.

2. **Submission Requirements (# of copies, Addressee, etc.)** - In order to be considered for selection, a firm must submit both an electronic copy (via e-mail) and one unbound original hard copy (via courier or overnight express mail) of your proposal, including all required Appendices and Forms, should be delivered to:

New Jersey Infrastructure Bank
Attn: David E. Zimmer, Executive Director
3131 Princeton Pike, Building 4, Suite 216
Lawrenceville, NJ 08648
procurement@njib.gov
(609) 219-8600

Attn: Proposals for I-Bank Arbitrage Compliance Services

All proposals must be received by 12:00 PM EST on November 1, 2024.

Proposals received after this date and time will not receive further consideration.

All documents and information submitted in response to this RFP generally shall be available to the public as required by applicable law and the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 *et seq.*, and applicable law.

*Communications with representatives of the I-Bank concerning this RFP, by your firm or on your firm's behalf, are **NOT** permitted during the submission and evaluation process (except as specified below). No telephone inquiries will be accepted. If you have questions or require clarification on any aspect of this RFP, please forward the request via email to procurement@njib.gov.*

Failure to adhere to these communication restrictions may result in the immediate rejection of your firm's proposals.

The I-Bank will not be responsible for any expenses in the preparation and/or presentation of the proposals and oral interviews, if any, or for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

Responding firms may withdraw their proposal at any time prior to the filing date and time by written notification signed by an authorized agent of the firm. The proposal may thereafter be resubmitted, but only up to the final filing date and time.

The responding firm assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after proposals are opened because of a firm's failure to be knowledgeable about all the requirements of this RFP. By submitting a proposal in response to this RFP, the firm represents that it has satisfied itself, from its own investigation, with all the requirements of this RFP.

The I-Bank reserves the right: (1) to reject any and all proposals; and/or (2) to waive any informalities or irregularities therein.

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

A bidder may be required to give an oral presentation to the Review Committee concerning its proposal. The Review Committee may also require a bidder to submit written responses to questions regarding its proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on 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. The Project Liaison will be the sole point of contact regarding any request for an oral presentation or clarification.

If it is necessary to interview one or more firms, the interviews will take place the week of October 28, 2024. The I-Bank will notify the contact individual listed by your firm in its Letter of Transmittal (VIII.2(a) below) by phone if your firm needs to appear.

Appointment of a Firm by the I-Bank is contingent upon the execution of an Agreement for Arbitration Compliance Services.

VIII. TECHNICAL PROPOSAL – INFORMATION REQUIRED TO BE PROVIDED BY BIDDER

1. Bidding firms shall provide a detailed proposal to perform the Scope of Work in this RFP. It is the proposing firm's responsibility to provide all required information, including required attachments. The Technical Proposal shall include responses to all of the information requested in this RFP. Each proposal should be economically prepared, with emphasis on completeness and clarity of content. A proposal, as well as any reference material presented, must be written in English. Charts, spreadsheets, and oversize exhibits are permissible. All proposal pages must be numbered. Proposals shall be limited to six **(6)** pages, written in Calibri (Body), size 12 font with one-inch text margins on all sides, excluding the Transmittal Letter, Resumes, any Appendices, and the Cost Proposal.
2. **Contents** – 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.
 - a. **Letter of Transmittal** – The proposing Firm shall submit a letter on its letterhead, signed by an authorized representative, stating its experience and qualifications in meeting the requirements of this RFP. The Letter of Transmittal shall contain:
 - Name and address of the proposing Firm and signature on the Letter of Transmittal by an authorized representative on behalf of the Firm;
 - Name(s), title(s), telephone number(s) and email address(es) of the individual(s) who are authorized to negotiate and execute the Contract;
 - Name, title, telephone number and email address of a contact person to which the I-Bank can address questions or issues related to this RFP; and
 - Location of the office at which the services to be provided hereunder will be performed.
 - b. **Executive Summary** – An Executive summary of not more than two **(2)** pages identifying and substantiating the basis of your contention that you are the best qualified firm to provide the requested services for the I-Bank. Please provide a brief history of your Firm's experience and expertise in providing arbitration 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 I-Bank that competing firms cannot, a statement that the proposal is a firm and irrevocable offer for the engagement period.

- c. **Resumes** – The proposing Firm shall submit resumes of the team members who will be assigned to the I-Bank. The Technical Proposal must provide the following information for those individuals who will be directly responsible for serving the I-Bank on a day-to-day basis as well as identification of the individual who will lead the consulting effort if selected. The brief resumes should include relevant experience for listed individuals which detail, at a minimum, a description of the person’s relevant professional experience, years and type of experience, number of years with the firm, and the following contact information:
- Names
 - Addresses
 - Telephone and facsimile numbers
 - E-mail addresses.
- d. **Proposal** – specific to this Scope of Work including the staff and its experience proposed to be assigned to this engagement.
- 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.
 - 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.
 - A listing of all current public clients, including information on the type of engagement.
 - 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.
 - 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.
 - 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, 2019.
 - 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, 2019.
 - 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, 2019 with an explanation of the reason for any suspensions or expulsions and the time period for such actions.
 - Please describe your firm's presence in New Jersey including location of offices.
 - In accordance with Section X(3) below, 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 I-Bank.

IX. COST PROPOSAL

Provide a compensation schedule, including the methodology for calculation of fees. The Cost Proposal shall be submitted in an envelope separately sealed from the technical proposal, as well as in a separate file in your electronic submission, 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 **Attachment C**. 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 I-Bank shall enter negotiations with the second highest ranked bidder. Please be advised that cost will not be the sole determining factor.

Cost proposals must be submitted using the Cost Proposal Form attached as **Attachment C**.

X. CONTRACT TERMS

1. **Period of Services** - The term of the contract shall be for the period commencing on or about January 1, 2025, through December 31, 2027, with an option to extend the contract for two additional one-year terms until December 31, 2029, upon approval of the I-Bank's Board of Directors.
2. **Standard Terms and Conditions** - The attached Standard Contract Terms and Conditions (**Attachment D**) are in addition to the terms and conditions set forth in this RFP and should be read in conjunction with same unless the RFP specifically indicates otherwise. **Questions regarding, and exceptions to, the I-Bank's Standard Terms and Conditions and mandatory requirements must be posed during the electronic Question and Answer period** and shall contain the Bidder's suggested changes and the reason(s) for the suggested changes.

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

3. **Conflicts of Interest** – Prior to assignment, firms will be required to identify any existing or potential conflicts of interest, as well as your firm's (or any affiliate of the firm) representation of parties or other relationships that might be considered a conflict of interest with this engagement, including any services performed for within the past two years. Please identify the scope of the work, the dates for which work was performed and whether there is any outstanding contract or services being provided. During the term of the contract, firms shall have a continuing responsibility to report any potential or actual conflicts of interest to the I-Bank in writing within seven (7) days' notice upon becoming aware of such conflict.
4. **Conference Call** – In the event the I-Bank determines that additional clarification to this RFP or additional information is necessary, the I-Bank reserves the right to hold a conference call with eligible firms for the purpose of providing the same.
5. **Applicable Law** – The Agreement, including this RFP and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations, and rules of evidence

of the State without reference to conflict of laws principles. Any litigation arising from this Agreement shall be under the jurisdiction of, and filed in, Mercer County, New Jersey.

6. **Claims** – All claims asserted against the I-Bank 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.*, notwithstanding the fact that such statute, by its express terms, would not apply to claims arising under contract with the I-Bank but for the provisions of this subsection.

XI. ATTACHMENTS

A. Forms and Other Requirements

The following documents must be completed, included, and submitted with the bid proposal. All forms listed below can be downloaded from the Department of Treasury website: <http://www.state.nj.us/treasury/purchase/forms.shtml>.

The required forms are also attached as **Attachment E – State Required Forms.**

1. Pursuant to N.J.S.A. 52:32-44, entities providing goods or services to the I-Bank 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). 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: <https://www.state.nj.us/treasury/revenue/busregcert.shtml>.
2. Ownership Disclosure Form (N.J.S.A. 52:25-24.2)
3. Disclosure of Investigations and Other Actions Involving Bidder Form
4. Disclosure of Investment Activities in Iran (N.J.S.A. 52:32-58) – The bidder must certify that neither the bidder nor, nor any of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(3)), is listed on the New Jersey Department of the Treasury’s List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and neither is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the bidder is unable to so certify, the bidder shall provide a detailed and precise description of such activities.
5. MacBride Principles Certification Form (N.J.S.A. 52:34-12.2)
6. Certification of Non-Involvement in Prohibited Activities in Russia or Belarus – The bidder certifies pursuant to N.J.S.A. 52:32-60.1 et seq. (P.L. 2002, c.3) that the bidder is not identified on the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list (<https://sanctionssearch.ofac.treas.gov/>) on account of activity related to Russia and/or Belarus.
7. Affirmative Action Form
8. Chapter 271 Vendor Certification and Disclosure of Political Contributions – Pursuant to Public Law 2005, Chapter 271 (“Chapter 271”), the firm is required to disclose its (and its principals’) political contributions within the immediately preceding twelve (12) month period prior to entering into a contract. No prospective firm will be precluded from entering a contract with the State by virtue of the information provided in the Chapter 271 disclosure provided the form is fully and accurately completed.

Note: The firm selected pursuant to this RFP shall be required to maintain compliance with Chapter 271 throughout the term of its engagement.

9. 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 in a calendar year the firm receives one (1) or more contracts with public entities valued in excess of \$50,000.00 or more in the aggregate from public entities, such as the I-Bank, 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.elec.state.nj.us.
10. In compliance with Executive Order No. 129 (McGreevey, 2004) and P.L. 2005, c. 92 (codified at N.J.S.A. 52:34-13.2), all service performed pursuant to this RFP shall be performed within the United States.
11. **Emergency Preparedness** – To support continuity of operations during an emergency, including a pandemic, I-Bank 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 I-Bank 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:
 - i. Employee training (describe your organization’s training plan, and how frequently your plan will be shared with employees).
 - ii. Identify essential business functions and key employees (within your organization) necessary to carry them out.
 - iii. Contingency plans for:
 1. How your organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
 2. How employees in your organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
 - c. 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.
 - d. How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

Attachments

- A. Schedule of Bonds (showing both rebate and yield restriction computations)
- B. Sample Ranking Sheet
- C. Cost Proposal Form
- D. Standard Form Contract and Standard Contract Terms and Conditions
- E. State Required Forms

Dated: September 27, 2024