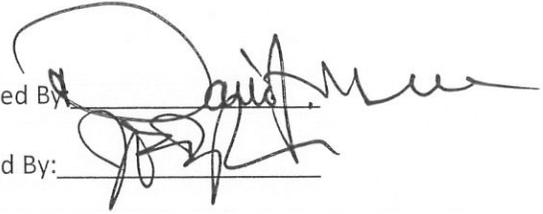


Introduced By: \_\_\_\_\_

Seconded By: \_\_\_\_\_



**CITY OF HOBOKEN**  
**RESOLUTION NO: \_\_\_\_\_**

**RESOLUTION ADDRESSING THE RECOMMENDATIONS OF THE HOBOKEN PLANNING BOARD IN  
REGARDS TO THE "REDEVELOPMENT PLAN: NEUMANN LEATHERS REHABILITATION AREA" DATED  
OCTOBER 15, 2015**

**WHEREAS**, the City Council adopted a Resolution on November 4, 2015, referring the proposed "Redevelopment Plan: Neumann Leathers Rehabilitation Area", dated October 15, 2015 ("Plan") to the Hoboken Planning Board ("Board") in accordance with the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-7(e) for the purpose of obtaining the report of the Board as to whether the Plan is substantially consistent with the municipal Master Plan or is designed to effectuate the Master Plan, and any recommendations regarding any other matters the Board deemed appropriate; and

**WHEREAS**, at a public meeting on November 10, 2015, the Hoboken Planning Board considered (i) the report of the Board's Conflict Planner, Jessica L. Giorgianni, P.P., A.I.C.P., of H2M Associates, concluding that the Plan is consistent with and designed to effectuate the Hoboken Master Plan of 2004, as updated by the Reexamination Report of 2010, (ii) comments from the general public and (iii) comments from the members of the Board, and thereafter adopted a Resolution entitled: "RESOLUTION MEMORIALIZING REVIEW AND RECOMMENDATIONS TO CITY COUNCIL REGARDING AN ORDINANCE ADOPTING REDEVELOPMENT PLAN: NEUMANN LEATHERS REHABILITATION AREA" ("Planning Board Resolution") that was transmitted to the City Council on November 17, 2015; and

**WHEREAS**, in addition to determining that the Plan is consistent with the Master Plan, the Board also included in the Planning Board Resolution ten (10) non-binding recommendations ("Recommendations") to be considered by the City Council, several of which, if accepted, would legally require revisions to the Plan, but the remaining Recommendations relate to the implementation of the Plan or other matters outside the function of the Plan, and would not require that the Plan be revised; and

**WHEREAS**, on December 2, 2015 the City Council at its regularly scheduled meeting received public comment and thereafter the members of the City Council engaged in an extensive discussion of the Recommendations; and

**WHEREAS**, the City Council wishes to acknowledge the deliberations of the Board and to set forth on the record the City Council's conclusions regarding all of the Recommendations of the Board;

**NOW, THEREFORE**, it is hereby resolved by the City Council as follows:

1. A change shall be made in the Plan regarding Recommendation 1 "It is recommended that the rents be determined through a financial analysis at the time of negotiating a redevelopment agreement, but not to exceed the regional market rate based on use and unit size, rather than

specifying the rent amount in the Plan.” This is regarding the rents for non-residential uses in the buildings to be retained. The language under subsection Bonuses, Repair and Relocation on page 32 of the Plan shall be replaced with the language in Exhibit “A” attached hereto.

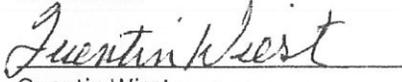
2. A change shall be made in the Plan regarding Recommendation 2, “The Plan should incorporate the new complete street standards and design standards.” This amended language, as attached to this Resolution as Attachment B, will be incorporated into the Plan to require compliance with any complete street standards adopted by the City of Hoboken.
  
3. No change shall be made in the Plan regarding Recommendation 3, “For the Grand Street extension, the City Council should consider flexibility in the use of the street for pedestrians and bicycles.” This can be addressed at the time of negotiating a redevelopment agreement and determining the appropriate circulation for this roadway extension, in coordination with Hudson County as this would connect to County-owned rights of way.
  
4. A change shall be made in the Plan regarding Recommendation 4, “It is recommended that the City Council add to the Plan the City’s new wayfinding signage guidelines. Also, with regard to signage, add provisions encouraging interpretive signage in plazas that recalls Hoboken’s industrial heritage and prior uses of the site. Finally, an art element acknowledging that this is a building supporting the arts should also be incorporated.” This amended language, as attached to this Resolution as Attachment C, will be incorporated into the Plan to require compliance with any wayfinding standards and interpretive signage for historical significance and arts.
  
5. A change shall be made in the Plan regarding Recommendation 5, “The Plan should have requirements for provision of indoor bike parking and encourage the redeveloper to provide bike share stations and car sharing spaces for those programs.” This amended language, as attached to this Resolution as Attachment D, will be incorporated into the Plan to address these transportation demand management techniques.
  
6. A change shall be made in the Plan regarding Recommendation 6, “It is recommended that the image in the presentation by Maser Consulting regarding the buildings to remain be corrected and added to the Plan to clarify, along with a list of the buildings to remain and a list of types of

elements to be preserved." The image has been revised, as attached to this Resolution as Attachment E.

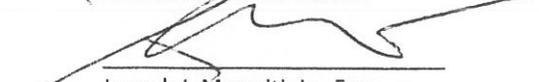
7. A change shall be made in the Plan regarding Recommendation 7, "The Plan should address loading docks with more specificity." This amended language, as attached to this Resolution as Attachment F, will be incorporated into the Plan to clarify loading issues.
8. No change shall be made in the Plan regarding Recommendation 8, "The City Council should consider the accommodation of dog parks." There are parks planned in the near vicinity that will include dog runs. As well, dog accommodations to provide for the demand from the infill development may be included as a part of the infill building can be negotiated in the redevelopment agreement.
9. No change shall be made in the Plan regarding Recommendation 9, "It is recommended that the City Council consider modifying the ABC ordinance to effectuate a restaurant row type of atmosphere." Because the Alcoholic Beverage Control (ABC) Regulations are separate and apart from the redevelopment planning process, this will not be addressed in the Plan. The City Council may consider reviewing the ABC Regulations separately.
10. No change shall be made in the Plan regarding Recommendation 10, "Implementation of this Plan should be coordinated with the construction of other plans in the area to address conflicts." This is addressed generally on page 34 under subsection Other Plans where it states, "The overall strategy for the improvement and upgrading of on-site and off-site infrastructure should be coordinated with the adjacent redevelopment area plans and addressed in the Redevelopment Agreement(s)." As part of the negotiation of a redevelopment agreement, the timing of completion of the project should include this coordination.
11. A certified copy of this Resolution shall be forwarded to the Hoboken Planning Board.
12. This Resolution shall take effect immediately.

Meeting date: December 2, 2015

APPROVED:

  
Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:

  
Joseph J. Maraziti, Jr., Esq.  
Special Redevelopment Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	✓			
Peter Cunningham	✓			
James Doyle	✓			
Jen Giattino	✓			
Elizabeth Mason				✓
David Mello	✓			
Tim Occhipinti	✓			
Michael Russo	✓			
Ravi Bhalla, Council President	✓			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON:

DEC 02 2015

  
CITY CLERK

## ATTACHMENT A

Under **Bonuses, Repair and Relocation** on page 32 of the draft Redevelopment Plan for the Neumann Leathers Rehabilitation Area dated October 15, 2015 the text shall be revised as follows, with deletions noted in ~~strikethrough~~ format and additions noted in underline format:

### **Bonuses, Repair and Relocation:**

The designated redeveloper shall upgrade all the major mechanical systems of the existing buildings to be rehabilitated (see Figure 6), including the repair of the windows and facades. The redeveloper shall be required to maintain the rent levels in those buildings required to be preserved per Section 7.2 such that at least 50% of the total square footage is set aside for Industrial/Industrial Arts uses as defined in this Plan. Rents for all tenants in those buildings required to be preserved shall not exceed the regional market rate, and a discounted rent shall be established based on use and unit size as evaluated in a financial analysis, and a resulting rent schedule shall be included in a Redevelopment Agreement. ~~industrial/industrial arts and fine arts tenants to the pre-development levels for existing tenants to a maximum base rent of \$16 per leasable square foot, calculated based on 2015 dollars and adjusted annually by the Consumer Price Index. Tenants for the remainder of the space shall not be required to pay more than the market rate for industrial arts space in the Metro NY/NJ region. The Redevelopment Agreement shall include a project financial proforma with a rent schedule for existing and anticipated industrial arts and fine arts tenants.~~ Where relocation of tenants is required, such tenants shall be first relocated on-site if they so wish. The redeveloper shall pay all relocation costs.

## ATTACHMENT B

Under **Other Plans** on page 34 of the draft Redevelopment Plan for the Neumann Leathers Rehabilitation Area dated October 15, 2015 the text shall be revised as follows, with deletions noted in ~~striketrough~~ format and additions noted in underline format:

### **Other Plans:**

The overall strategy for the improvement and upgrading of on-site and off-site infrastructure should be coordinated with the adjacent redevelopment area plans and addressed in the Redevelopment Agreement(s). Sustainable and progressive green techniques as discussed in the 2010 Master Plan Reexamination Report should be utilized to guide and develop the improvements necessary to address both climate change and stormwater related issues. A comprehensive area and ultimately city-wide approach to stormwater mitigation efforts should be developed. This includes, but is not limited to the following improvements both in the streets and within the City ROW's: stormwater tree trenches, planters, and bump-outs; pervious/porous asphalt and concrete; rain gardens, green roofs, cisterns and rain barrels. Additional harvesting and the creative reuse of waters (gray, storm, waste), should be employed to the greatest extent possible. Sections 7.4.4 and 7.5 provide more detail on this issue.

On-site and off-site improvements required shall comply with any Complete Streets Guidelines adopted by the City of Hoboken.

## ATTACHMENT C

Under **Signage** on page 43 of the draft Redevelopment Plan for the Neumann Leathers Rehabilitation Area dated October 15, 2015 the text shall be revised as follows, with deletions noted in ~~strikethrough~~ format and additions noted in underline format:

### **7.5.3 Signage**

Existing historic signs contribute to the character of the complex and shall be maintained and preserved; new signage shall respond to context in compliance with municipal regulations. A signage plan for the entire site is to be submitted for review by the City and included in the Redevelopment Agreement(s).

#### **1. Guiding Principals**

- a. Preserve historic signage
- b. Respect historic context; utilize historically appropriate materials
- c. Reinforce pedestrian scale
- d. Avoid sign clutter
- e. Encourage involvement by resident artists in signage design

#### **2. Requirements**

a. Signs are an element of planning and design review and shall comply with municipal standards.

b. Historic signs, such as 'ghost signs' or other signs characteristic of the complex's historic past, shall be maintained, preserved and repaired in kind if disturbed by required building rehabilitation.

c. New signage shall comply with municipal standards but shall be fabricated in materials and styles consistent with and compatible to the historic industrial character of the site.

d. Resident artists shall be consulted by the redeveloper for creative signage concepts and the Planning Board may approve such signage in lieu of strict application of City signage standards.

e. No new signage shall obscure historic features.

f. Signs shall not be internally lit and shall employ historically appropriate and compatible glare free lighting.

g. New directional signage and public signage shall comply with the City of Hoboken adopted Wayfinding Signage Guidelines.

h. Interpretive signage shall be provided in plazas that recalls Hoboken's industrial heritage and prior uses of the site.

i. An art element or sign acknowledging that this is a building supporting the arts shall be incorporated into the site.

## ATTACHMENT D

Under **Transportation Demand Management** on page 32 of the draft Redevelopment Plan for the Neumann Leathers Rehabilitation Area dated October 15, 2015 the text shall be revised as follows, with deletions noted in ~~strikethrough~~ format and additions noted in underline format:

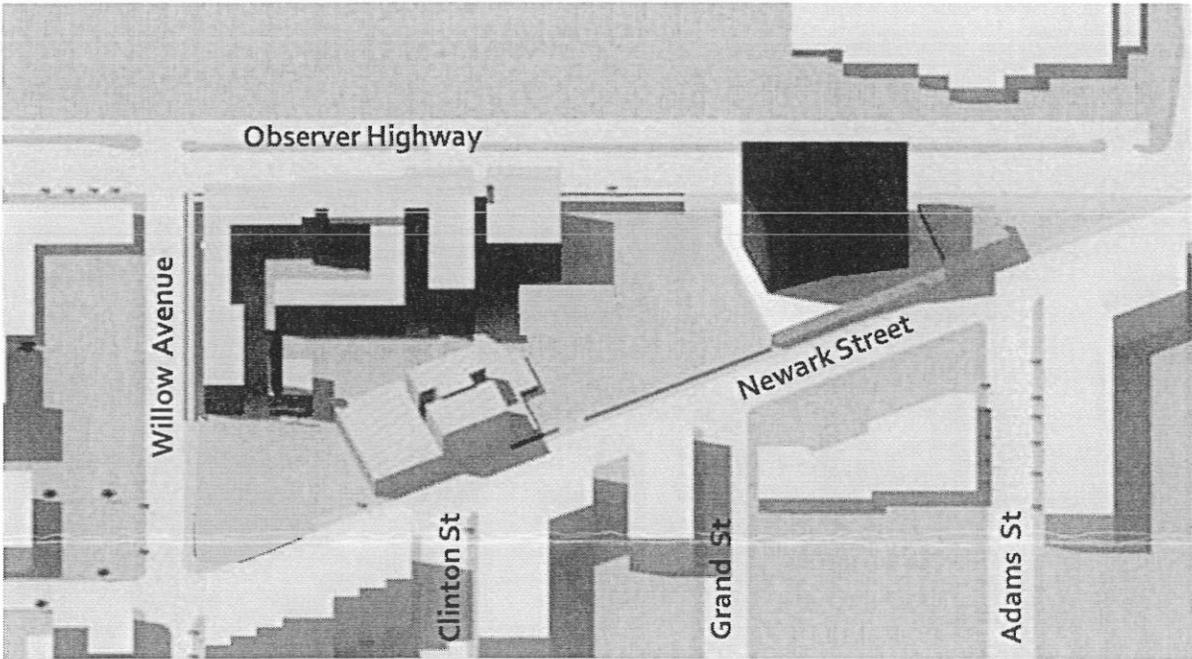
### **Transportation Demand Management**

The Neumann Leathers Rehabilitation Area is located in the most transit-rich community in New Jersey and the future redevelopment of the Rehabilitation Area and the surrounding neighborhood will benefit from maximizing the use of transit and minimizing the use of the automobile. Therefore, in addition to careful planning for parking and loading needs of the variety of commercial and residential users of the site, this Plan requires that a Transportation Demand Management (TDM) Plan be developed to incorporate car sharing, bike sharing, coordination with the "HOP" shuttle to the Hoboken Terminal, etc. Reduction in the residential parking requirements may be authorized in the Redevelopment Agreement based on the details of an approved TDM Plan that is incorporated therein to amend the express requirements set forth in Section 7.2 under Off Street Parking Minimum Requirements.

The TDM Plan must include a provision for indoor bike parking and provide bike share stations and car sharing spaces for those programs.

ATTACHMENT E

New Image of buildings to be retained:



## ATTACHMENT F

Under **Loading** on page 32 of the draft Redevelopment Plan for the Neumann Leathers Rehabilitation Area dated October 15, 2015 the text shall be revised as follows, with deletions noted in ~~strikethrough~~ format and additions noted in underline format:

### **Loading:**

The existing loading facilities currently serving tenants within the Neumann Leathers property shall be retained or replaced with suitable loading facilities. New residential and retail development within the block will be required to be designed for sufficient loading and unloading off the street, accessed from the new Grand Street extension, accessible from a service drive located so that it does not interrupt the retail street frontage along Newark Street. Residential and retail loading should be separate from the loading for the buildings to be retained. Not more than two designated loading zones may be permitted along the Newark Street side of the Rehabilitation Area, excluding 301 Newark Street as approved by the Zoning Board of Adjustment and not more than one loading zone permitted along the Willow Avenue side of the Rehabilitation Area, excluding 301 Newark Street as approved by the Zoning Board of Adjustment. Final determination of loading docks and loading zones shall be ~~considered~~ determined in the Redevelopment Agreements.

INTRODUCED BY \_\_\_\_\_  
SECONDED BY: \_\_\_\_\_

CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_

RESOLUTION AWARDING A CHANGE ORDER TO THE CONTRACT TO ABSOLUTE FIRE PROTECTION FOR THE PURCHASE OF ONE (1) FIRE APPARATUS (E-ONE CYCLONE II), AS CHANGE ORDER NUMBER 1, IN AN INCREASED AMOUNT NOT TO EXCEED \$1,876.00 (=0.40% INCREASE) FOR A TOTAL NOT TO EXCEED AMOUNT OF \$592,465.00

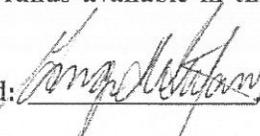
WHEREAS, the City of Hoboken requires additional unforeseen goods and services under the contract to purchase one (1) Fire Apparatus (E-One Cyclone II) ; and,

WHEREAS, the Administration intends to continue to use Absolute Fire Protection for said services and provisions; and,

WHEREAS, in accordance with the direction of the Administration, the City Council is asked to award a change order (#1) to the contract to Purchase one (1) Fire Apparatus (E-One Cyclone II) to Absolute Fire Protection for a total increase in the contract amount by One Thousand Eight Hundred Seventy Six Dollars (\$1,876.00) which equals 0.4% of the total contract amount, for a total not to exceed amount of Five Hundred Ninety Two Thousand Four Hundred Sixty Five Dollars (\$592,465.00) of which the change order (#1) to the contract shall be for purchases and modifications in accordance with the proposal provided by the vendor, dated 11/10/2015; and,

WHEREAS, certification of funds is available as follows:

I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$1,876.00 is available in the following appropriations: C-04-60-715-212 in the CY2015 budget; and I further certify that this commitment together with all previously made commitments and payments does not exceed the funds available in said appropriation for the CY2015; and I further certify that the funds available in the said appropriation are intended for the purpose herein committed.

Signed:  12/1/2015  
George DeStefano, CFO

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hoboken that a change order (#1) to the contract to Purchase one (1) Fire Apparatus (E-One Cyclone II) to Absolute Fire Protection for a total increase in the contract amount by One Thousand Eight Hundred Seventy Six Dollars (\$1,876.00)(0.4% of total contract amount), for a total not to exceed amount of Five Hundred Ninety Two Thousand Four Hundred Sixty Five Dollars (\$592,465.00) of which the change order (#1) to the contract shall be for purchases and modifications in accordance with the proposal provided by the vendor, dated 11/10/2015; and,

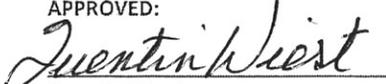
1. The above recitals are incorporated herein as though fully set forth at length.
2. Aside from the increase in amount, the terms of the referenced contract shall govern, and no changes may be made without the prior written consent of both parties.
3. Any change orders which shall become necessary hereafter shall be subject to the City's ability to appropriate sufficient funds, which appropriation shall be at the sole discretion of the City Council.
4. The Council hereby authorizes the Mayor, or her designee to execute any and all documents and take any and all actions necessary to complete and realize the intent and purpose of this resolution.
5. The Mayor, or her designee, is hereby authorized to execute an agreement, for the

above referenced goods and/or services based upon the following information:

Absolute Fire Protection  
P.O. Box 497  
2800 Hamilton Boulevard  
South Plainfield, NJ 07080-0497

Meeting date: December 2, 2015

APPROVED:

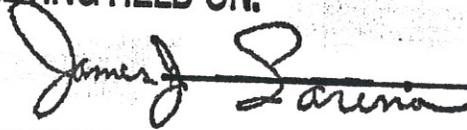
  
Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:

  
Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President				

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON: DEC 02 2015



CITY CLERK

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Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
C-04-60-715-212 Z-361 Acquisition Fire Ladder Truck	Encumbrance	CFO CERT FOR MEETING DEC 2, 2015	1,876.00	1

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Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
	c-04	0.00	0.00	0.00	0.00	0.00	1,876.00
Total Of All Funds:		0.00	0.00	0.00	0.00	0.00	1,876.00

	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	1	1,876.00
Total:	1	1,876.00

There are NO errors in this listing.

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	Updated Entries	Updated Amount
Reimbursements:	0	0.00
Expenditures:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00

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Encumbrances:	1	1,876.00
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Batch: GDS	Updated Entries:	1	Updated Amount:	1,876.00	Ref Num:	3825
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CHANGE 1

Absolute Fire Protection Co., Inc.

2800 Hamilton Blvd., South Plainfield, N.J. 07080  
908 - 757- 3600 \* FAX 908 - 757 3616

QUOTATION

TO: Hoboken Fire Dept.

DATE: 11/10/2015

SALES REP: Chris DuBois

PERSON: Chief Peskins

QUOTATION VALID: 30 DAYS

TITLE: \_\_\_\_\_

F.O.B.: \_\_\_\_\_

PHONE: \_\_\_\_\_

FAX: \_\_\_\_\_

TERMS: Net 30

ITEM	QTY.	Part No.	DESCRIPTION	UNIT PRICE	TOTAL PRICE	DEL. TIME
1	1	E1-CST	Add Exhaust Modification at Factory to bring vertical exhaust down to ground level (traditional exit) style pipe includes Tip for Plymovent System	\$ 1,876.00	\$ 1,876.00	
2					\$ -	
3					\$ -	
4					\$ -	
5					\$ -	
6					\$ -	
7					\$ -	
8					\$ -	
9					\$ -	
10					\$ -	
11					\$ -	
12					\$ -	
13					\$ -	
14					\$ -	
15					\$ -	
16					\$ -	
17					\$ -	
18					\$ -	
19					\$ -	
20					\$ -	
21					\$ -	
22					\$ -	
23					\$ -	
24					\$ -	
25					\$ -	
26					\$ -	
27					\$ -	
28					\$ -	
29					\$ -	
30					\$ -	
<b>TOTAL</b>					<b>\$ 1,876.00</b>	

Q15.  
*[Signature]*  
11/12/15

BY Chris DuBois  
REPRESENTATIVE

Introduced by \_\_\_\_\_  
Seconded by: \_\_\_\_\_



**CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AWARDING A CONTRACT TO HARLEY DAVIDSON OF BERGEN, INC. FOR THE PROVISIONS OF THREE (3) 2016 HARLEY DAVIDSON FLHP LAW ENFORCEMENT MOTORCYCLES IN ACCORDANCE WITH THE CITY'S BID NO. 15 - 32 IN THE TOTAL AMOUNT NOT TO EXCEED \$56,874.30**

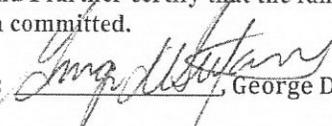
WHEREAS, one (1) proposal was received for Bid Number 15-32 for the provisions of three (3) 2016 Harley Davidson FLHP Law Enforcement motorcycles for the Hoboken Police Department HPU; and,

<u>VENDOR</u>	<u>UNIT PRICE</u>	<u>EXTENDED TOTAL</u>
Harley Davidson of Bergen, Inc. 124 Essex Street Rochelle Park, NJ 07662	\$18,958.10	\$56,874.30

WHEREAS, pursuant to the recommendation of the Purchasing Department (attached hereto) the City wishes to contract for the goods and services specified in Bid No. 15-32, and Harley Davidson of Bergen Inc. submitted a responsible, and responsive bid for the unit and extended price,

WHEREAS, certification of funds is available as follows:

I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$56,874.30 is available in the following appropriations: 5-01-25-242-020 in the CY2015 budget; and I further certify that this commitment together with all previously made commitments and payments does not exceed the funds available in said appropriation for the CY2015; and I further certify that the funds available in the said appropriation are intended for the purpose herein committed.

Signed:  George DeStefano, CFO

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hoboken as follows:

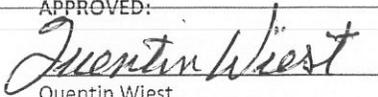
- A. This resolution awards a contract to Harley Davidson of Bergen, Inc. for the unit price times three (3) units plus accessories of Bid No. 15-32, in the total amount of Fifty Six Thousand Eight Hundred Seventy Four Dollars and Thirty Cents (\$56,874.30).
- B. If the contract, as provided by the City of Hoboken, is not executed by the vendor within 21 days of execution of this award, the City may cancel this award and rebid the contract.
- C. The contract shall be in accordance with the terms of the specifications and the vendor's corresponding bid proposal documents. No exceptions were noted in the Purchasing Agent's recommendation; therefore, none will be accepted in performing obligations under the bid.

D. The Mayor or her agent is hereby authorized to enter into an Agreement with the vendor for said purchase and sale.

E. This resolution shall take effect immediately upon passage.

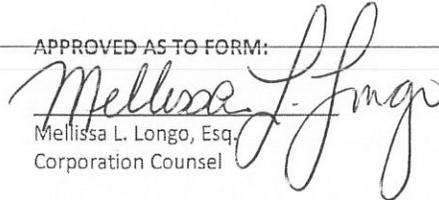
Meeting date: December 2, 2015

APPROVED:



Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:

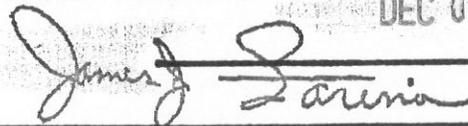


Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON:

DEC 02 2015



CITY CLERK

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Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
5-01-25-242-020 Acquisition of Pol Vehicles	Encumbrance	CFO Cert for meeting Dec 2, 2015	56,874.30	1

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Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
CURRENT FUND	5-01	0.00	0.00	0.00	0.00	0.00	56,874.30
Total of All Funds:		<hr/> 0.00	<hr/> 0.00	<hr/> 0.00	<hr/> 0.00	<hr/> 0.00	<hr/> 56,874.30

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	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	1	56,874.30
Total:	1	56,874.30

There are NO errors in this listing.

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	Updated Entries	Updated Amount		
Reimbursements:	0	0.00		
Expenditures:	0	0.00		
Transfer In:	0	0.00		
Transfer Out:	0	0.00		
Cancel:	0	0.00		

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Encumbrances:	1	56,874.30		
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Batch: GDS      Updated Entries:    1    Updated Amount:    56,874.30    Ref Num:    3833

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**Bid Proposal**  
**Bid Number: 15 - 32**  
**2016 Harley-Davidson FLHP Road King Solo Law Enforcement Motorcycles**  
**(or Equivalent)**

The undersigned proposes to furnish and deliver the goods/services pursuant to the bid specifications and made part hereof:

**Base Bid:**

QTY	Description	Unit Price	Extended Price
3 EA	2016 Harley-Davidson FLHP Road King Solo Law Enforcement Motorcycles (birch white with black saddle bags)	\$ <u>16,000</u>	\$ <u>48,000.00</u>
3 EA	Accessory (Tour Pak with lights, Blue/red and windshield lights, blue and red)	\$ <u>2958.10</u>	\$ <u>8874.30</u>

Total Bid Price \$ 56874.30

fifty six thousand eight hundred + seventy four <sup>30</sup>/<sub>100</sub>  
 (Total Bid price in Words)

Estimated Delivery Date after receipt of purchase order: 100 days

**WARRANTY:** The Bidder should state the warranty period which shall cover the vehicle. The warranty shall commence upon delivery and acceptance of the vehicle by the City of Hoboken Police Department.

We the undersigned propose to furnish and deliver the above item pursuant to the bid specification and made part Hereof:

Signature Phil DiGennaro Date 11/24/15  
 Print Name Phil DiGennaro Title/Position Sales Manager  
 Bidder/Company Bergen County HARLEY DAVIDSON  
 Company Address 124 Essex St Rochelle Park NJ 07662  
 Telephone # (201) 843 6936 Fax # (201) 368-0317  
 Email Address Phil@bergenharley.com

Note: The above individual must be authorized to sign on behalf of company submitting bid proposal.

## EXCEPTIONS TO SPECIFICATIONS

Bid Number: 15 - 32

Three (3) EA 2016 Harley-Davidson FLHP Road King Solo Law Enforcement  
Motorcycles (Or Equivalent)

COMPANY NAME Harley-Davidson of Bergen, Inc.

ADNE!

# CITY OF HOBOKEN

## Division of Purchasing

**DAWN ZIMMER**  
Mayor



**AL B. DINEROS, QPA**  
Purchasing Agent

Date: November 25, 2015

To: Quentin Wiest, Business Administrator  
Corporation Counsel

From: AL B. Dineros

**Subject: Subject: Resolution to Award the Contract to Purchase Three  
(3) 2016 Harley Davidson Police Motorcycles (Bid 15 – 32)**

One (1) sealed bid out of four (4) vendors receiving the complete bid packages were received and opened at City Hall on November 25, 2015.

I reviewed all bid documentations submitted by the bidder and it appears that they have a complete submission in accordance with the instruction to bidders and all current regulations.

I recommend awarding the contract to the lowest, responsive and responsible bidder, the vendor will be:

**Harley Davidson of Bergen, Inc.**  
124 Essex Street  
Rochelle Park, NJ 07662

**Unit Price: \$ 18,956.10 (EA) Total Bid: \$56,874.30 (3 Each)**

Introduced by: \_\_\_\_\_

Seconded by: \_\_\_\_\_



CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AWARDING A CONTRACT TO GEORGES KOUSTAS PAINTING & CONSTRUCTION, LLC FOR THE PROVISIONS OF INTERIOR RENOVATIONS OF 1313 WASHINGTON STREET FIREHOUSE IN ACCORDANCE WITH THE CITY'S BID NO. 15-31 IN THE TOTAL NOT TO EXCEED AMOUNT OF \$87,500.00**

WHEREAS, bids were received for Interior Renovations at 1313 Washington Street Firehouse project, as specified in Bid Number 15 - 31; and,

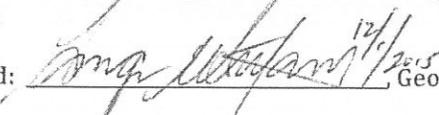
WHEREAS, eleven (11) bids were received. The four (4) lowest bidders being:

<u>VENDOR</u>	<u>TOTAL BID</u>
1. George Koustas Construction, LLC. 70 Beechwood Ave W.L.B, NJ 07764	\$87,500.00
2. Salazar & Associates, Inc. 625 Rahway Avenue, Suite 1A Union, NJ 07083	\$90,000.00
3. SH Dimitrakis Construction Corp. 260 Fresh Ponds Road Monroe, NJ 08831	\$90,000.00
4. Billy Contracting & Restoration, Inc. 12 Maple Ave, Bldg F Pine Brook, NJ 07058	\$98,000.00

WHEREAS, pursuant to the recommendation of the City Architect (attached hereto) the City wishes to contract for the services specified in Bid No. 15-31, and Georges Koustas Painting & Construction, LLC submitted the lowest, responsible, and responsive bid in the amount of \$87,500.00 ; and,

WHEREAS, certification of funds is available as follows:

I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$87,500.00 is available in the following appropriations: C-04-60-715-216 and I further certify that this commitment together with all previously made commitments does not exceed the appropriation balance available for this purpose for the CY2015 budget; and I further certify that the funds being appropriated are intended for the purposes herein authorized.

Signed:  12/1/2015, George DeStefano, CFO

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hoboken as follows:

- A. This resolution awards a contract to Georges Koustas Painting & Construction, LLC for Bid No. 15-31, in the total amount of Eighty Seven Thousand Five Hundred Dollars (\$87,500.00) for Interior Renovations at 1313 Washington Street Firehouse Project ; and said contract shall be to Georges Koustas Painting & Construction, LLC in accordance with the specifications as set forth in Bid No. 15-31.
- B. If the contract, as provided by the City of Hoboken, is not executed by the vendor within 21 days of execution of this award, the City may cancel this award and rebid the project.
- C. The contract shall be in accordance with the terms of the specifications and the vendor's corresponding bid proposal documents. No exceptions were noted in the City's Engineer's recommendations; therefore, none will be accepted in performing obligations under the bid.
- D. Any change orders required shall be subject to formal City Council authorization, and the City shall not be held liable for any amounts above the within contracted amounts unless/until same is authorized and appropriated by formal resolution of the City Council.
- E. Pursuant to the provisions of N.J.S.A. 40A:11-11(5), the Mayor or her agent is hereby authorized to enter into an Agreement with the vendor for said purchase and sale.
- F. This resolution shall take effect immediately upon passage.

Meeting date: December 2, 2015

APPROVED:

*Quentin Wiest*  
 Quentin Wiest  
 Business Administrator

APPROVED AS TO FORM:

*Melissa L. Longo*  
 Melissa L. Longo, Esq.  
 Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano			/	
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

**A TRUE COPY OF A RESOLUTION ADOPTED BY  
 THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
 AT A MEETING HELD ON: DEC 02 2015**

*James J. Savino*

CITY CLERK

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Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
C-04-60-715-216 Z-361 Renovations/Improve Fire Dept Bldg	Encumbrance	CFO CERT FOR MEETING DEC 2, 2015	87,500.00	1

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Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
	c-04	0.00	0.00	0.00	0.00	0.00	87,500.00
Total of All Funds:		0.00	0.00	0.00	0.00	0.00	87,500.00

	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	1	87,500.00
Total:	1	87,500.00

There are NO errors in this listing.

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	Updated Entries	Updated Amount		
Reimbursements:	0	0.00		
Expenditures:	0	0.00		
Transfer In:	0	0.00		
Transfer Out:	0	0.00		
Cancel:	0	0.00		

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Encumbrances:	1	87,500.00		
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Batch: GDS	Updated Entries:	1	Updated Amount:	87,500.00	Ref Num:	3826
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# CITY OF HOBOKEN

## Division of Purchasing

DAWN ZIMMER  
Mayor



AL B. DINEROS, QPA  
Purchasing Agent

Date: November 23, 2015  
To: Quentin Wiest, Business Administrator  
Corporation Counsel  
From: Al B. Dineros

**Subject: Resolution to Award the Contract for Bid 15 - 31-  
Interior Renovations at 1313 Washington Street Firehouse**

Eleven (11) bids were received for subject on November 20, 2015. I inspected all submitted bid documents by the four lowest bidders and were satisfied that it met the intent of the specifications and are in compliance with current regulations.

I recommend awarding the contract to the lowest, responsible and responsive bidder.

Total amount of the contract is not to exceed \$87,500.00. The vendor will be:

1. George Koustas Painting & Construction, LLC.  
70 Beechwood Avenue  
West Long Branch, NJ 07764

BID PROPOSAL

Bid Number: 15-31

Based upon the specification herein provided, the following is the proposal for this project: Int. Renovation At 1313 Washington St. Firehouse  
City of Hoboken, NJ.

(GK)

Please write out the number. (Total Amount including Base Bid and Alternates/Deducts as applicable)

Eighty Seven Thousand five hundred  
Dollars.

Name of Firm: George Konstas p/b + Constr. LLC.

For the Firm: + George Konstas

Print Name: George Konstas

Title: owner

Date: 11-20-15

Base Bid: \$ 65,000

Allowance: (ADD) \$ 9,500

Alt #1: (ADD) \$ 13,000

TOTAL: \$ 87,500.00

(GK)

Introduced by: \_\_\_\_\_  
Seconded by: \_\_\_\_\_

**CITY OF HOBOKEN  
RESOLUTION NO. :\_\_**

**RESOLUTION TO AUTHORIZE AN AMENDMENT TO THE CONTRACT WITH RSC ARCHITECTS FOR PROFESSIONAL ARCHITECTURAL SERVICES TO THE CITY OF HOBOKEN FOR THE MULTI-SERVICE CENTER FLOOD DAMAGE REPAIRS TO EXPIRE UPON COMPLETION, BUT NOT LATER THAN DECEMBER 2, 2016, AND FOR AN INCREASE IN THE NOT TO EXCEED AMOUNT BY \$19,800.00 DOLLARS, FOR A TOTAL NOT TO EXCEED AMOUNT OF \$135,000.00**

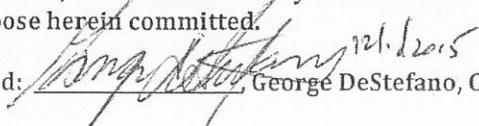
**WHEREAS**, the City entered into a contract with RSC Architects in February of 2013, as amended in September of 2013, for architectural services at the Multi-Service Center, and the City now seeks to further amend that contract to include additional work for additional payment; and,

**WHEREAS**, the City wishes to increase the not to exceed amount of the contract in an amount of not to exceed amount by \$19,800.00 dollars, for a total not to exceed amount of \$135,000.00; and,

**WHEREAS**, RSC Architects is hereby required to continue to abide by the "pay-to-play" requirements of the Hoboken Public Contracting Reform Ordinance, codified as §20A-11 *et seq.* of the Administrative Code of the City of Hoboken as well as the Affirmative Action laws and policies under which the City operates; and,

**WHEREAS**, certification of funds is available as follows:

**I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$19,800.00 is available in the following appropriation G-55-56-CD3-301 in the CY2015 budget; and I further certify that this commitment together with all previously made commitments and payments does not exceed the funds available in said budget for the CY2013; and I further certify that the funds available in the said appropriation are intended for the purpose herein committed.**

Signed:  12.1.2015  
George DeStefano, CFO

**NOW THEREFORE, BE IT RESOLVED**, (a majority of the full membership voting affirmatively) that the contract with RSC Architects to provide the City with architectural services for repair of the Multiservice Center, be amended in accordance with the attached proposal, for a term to expire upon completion of the project, but in no event later than December 2, 2016, to increase the not to exceed amount of the contract in an amount of not to exceed amount by \$19,800.00 dollars, for a total not to exceed amount of \$135,000.00; and

**BE IT FURTHER RESOLVED**, no additional fees or invoices shall be allowable under this agreement unless prior approval is provided by the City in accordance with all legal guidelines; and,

**BE IT FURTHER RESOLVED** that the City Council of the City of Hoboken specifically finds that compliance with Hoboken Ordinance #DR-154 (codified as §20A-1 *et seq.* of the Code of the City of Hoboken), and any and all state Pay to Play laws, is a continuing obligation of the vendor; and

**BE IT FURTHER RESOLVED** the City Clerk shall publish this resolution as required by law and keep a copy of the resulting contract on file in accordance with N.J.S.A. 40A:11-1 *et seq.*; and,

**BE IT FURTHER RESOLVED** that a certified copy of this resolution shall be provided to Mayor Dawn Zimmer and Corporation Counsel for action in accordance therewith and to take any other actions necessary to complete and realize the intent and purpose of this resolution; and,

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

**Meeting date: December 2, 2015**

APPROVED:

*Quentin Wiest*  
Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:

*Melissa L. Longo*  
Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	✓			
Peter Cunningham	✓			
James Doyle	✓			
Jen Giattino	✓			
Elizabeth Mason	✓			
David Mello	✓			
Tim Occhipinti	✓			
Michael Russo	✓			
Ravi Bhalla, Council President	✓			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON: **DEC 02 2015**

*James J. Sorensen*  
\_\_\_\_\_  
CITY CLERK

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Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
G-55-56-CD3-301 Multi Service Center Improve	Encumbrance	CFO CERT for meeting dec 2, 2015	19,800.00	1

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Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
	G-55	0.00	0.00	0.00	0.00	0.00	19,800.00
Total Of All Funds:		0.00	0.00	0.00	0.00	0.00	19,800.00

	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	1	19,800.00
Total:	1	19,800.00

There are NO errors in this listing.

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	Updated Entries	Updated Amount			
Reimbursements:	0	0.00			
Expenditures:	0	0.00			
Transfer In:	0	0.00			
Transfer Out:	0	0.00			
Cancel:	0	0.00			

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Encumbrances:	1	19,800.00			
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Batch: GDS	Updated Entries:	1	Updated Amount:	19,800.00	Ref Num:	3834
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November 9, 2015

Mr. Quentin Wiest  
Business Administrator  
City of Hoboken  
94 Washington Street  
Hoboken, NJ 07030

**Re: Proposal for Architectural Services for the  
Exterior Improvements to the  
Hoboken Multi-Service Center  
124 Grand Street, Hoboken  
RSC M785**

Dear Mr. Wiest:

RSC Architects is pleased to submit our Proposal for Architectural services for the exterior improvements to the Hoboken Multi Service Center located at 124 Grand Street.

**Description of Project:**

The exterior of the facility reflects a variety of improvements that were constructed over the years. There are several different types of materials including brick, stucco, metal panels, and storefront system. Some metal panels have been replaced with unfinished wood. The exterior windows are uninsulated and in disrepair. There are areas of missing or damaged flashing at the second floor gymnasium roof.

The multiservice center façade upgrade will improve the overall aesthetic and image of the facility and create a weather tight enclosure. The improvements shall include window replacement and new exterior stucco, new doors, and storefronts.

RSC understands that the funding available for the project is limited. A portion of the finances will be part of a grant from Hudson County. RSC will plan the improvements with a priority to Grand and 2<sup>nd</sup> Street elevations. The new windows will provide energy savings to the operational costs for the center.

**Scope of Services:**

RSC Architects shall provide basic services for the Project as follows:

**Pre-Design Phase:**

RSC Architects shall gather sufficient information to effectively execute the design of the Project. This phase will identify the client's needs and preferences for the Project. RSC Architects shall review the site conditions. We will attend client meetings to review and refine the client programming criteria. RSC Architects shall reach an understanding with the Owner regarding the requirements of the Project.

**Schematic Design Phase:**

Schematic drawings will be developed based on the mutually agreed upon scope of work, schedule and construction budget. These documents shall establish the conceptual design of the Project, illustrating the scale and relationship of the Project components. RSC Architects will submit a preliminary estimate of the construction cost based on the area unit cost. All documents shall be reviewed and approved by the Owner.

**Contract Document Phase:**

Based on the approved Schematic Design Documents and Owner approvals, RSC Architects shall prepare Construction Documents consisting of drawings and specifications setting forth in detail the requirements of the construction of the Project. RSC Architects will advise the Owner of any adjustments to the previous preliminary estimate, and will assist the Owner in development and preparation of bidding and procurement information, conditions of the contracts for construction and the project manual.

**Bidding Phase**

RSC Architects shall assist the Owner in obtaining either competitive bids or negotiated proposals. We will answer Contractor questions and issue addenda as may be required during the bidding process. RSC Architects will assist the Owner in reviewing and evaluating the construction bids.

**Construction Administration Phase**

RSC Architects proposes to provide services to review shop drawings and samples, attendance at job meetings with contractor with a maximum of (6) visits, preparation of meeting minutes and limited observation of construction, on the occasions of such site visits only. Any additional submittal review or attendance at meetings/visits beyond that described herein shall be billed for hourly based on the attached Fee Schedule. RSC shall prepare a punch list, substantial completion forms, and a final sign off of construction.

**Fees:**

RSC Architects shall perform these services for a lump sum fee as follows:

Pre-Design Phase	\$ 4,000.00
Schematic Design Phase	\$ 4,800.00
Construction Document Phase	\$ 7,000.00
Construction/Administration Phase	<u>\$ 4,000.00</u>
<b>Total Fee:</b>	<b>\$ 19,800.00</b>

**Out of Scope Services:**

While we believe the intent of the Scope of Basic Services is clear and limited, from time to time a reading of these services may infer a broader scope than was intended. In order to help clarify the scope of basic services, we point out that the above listed basic services do not include the following services, the need for; which may be anticipated on this project. If you would like RSC Architects to furnish these, or any other Out-of-Scope Services we would be pleased to discuss a mutually agreeable Scope of Services and fee arrangements. RSC Architects will not provide Out-of-Scope Services without your written approval.

- Site surveying
- Environmental engineering
- Fees for applications for approvals, building permits and all other fees as required.
- Changes or revisions beyond our control, changes or supplemental services as may be required by the Municipality, or other regulatory review agencies beyond that indicated in this proposal, or made necessary by ordinance or regulations, or changes in basic project concept after initial design has commenced.
- Construction Management, Construction/Contractor Supervision
- Means and Methods of Construction (Contractor's Responsibility)

**Payments:**

RSC Architects shall invoice monthly for fees and expenses incurred with payment due upon receipt of invoice. We request that you review each invoice upon receipt and inform us as to any discrepancies or other problems within fifteen (15) days of receipt. If no comment is received within

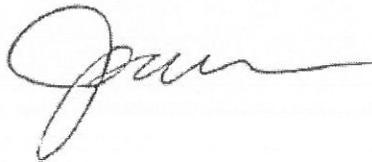
this period, the invoice will be considered correct, approved and payable. All outstanding balances beyond thirty (30) days of the invoice shall be subject to a late fee of 1 ½% per month. If the Owner fails to make payments within sixty (60) calendar days, RSC Architects reserves the right to suspend Professional Services under this Agreement. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damages, in any way caused by or resulting from such suspension of services. If the Project is suspended and/or abandoned, in whole or in part, RSC Architects shall be compensated for all services rendered, and all expenses incurred, prior to receiving written notice from Owner advising of such suspension and/or abandonment and, in the case of abandonment or suspension for more than two (2) months, shall be paid/reimbursed all reasonable termination costs and expenses.

Our intent is to meet the same conditions as our client and if the Scope described in this Proposal differs from your needs, please notify this office and we will reconcile the Proposal. This Proposal is based upon the express understanding that, if it is accepted, the parties will subsequently execute a contract using the AIA B101 Owner/Architect Agreement. We trust this Proposal meets with your approval. We look forward to working with you on this Project.

We look forward to working with you on this very interesting project when we receive your authorization to proceed. Should you have any questions or require additional information, please feel free to contact this office.

Very truly yours,

**RSC ARCHITECTS**

A handwritten signature in black ink, appearing to read 'Jeff Schlecht', with a long horizontal flourish extending to the right.

Jeff Schlecht, A.I.A.  
Senior Project Manger

Cc: Mr. L.Pellegrini, Hoboken

INTRODUCED BY: \_\_\_\_\_  
SECONDED BY: \_\_\_\_\_



**CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AWARDING A NON-FAIR AND OPEN  
PROFESSIONAL SERVICE CONTRACT TO USA ENVIRO  
FOR DESIGN AND CONSTRUCTION OVERSIGHT TO THE  
CITY OF HOBOKEN FOR THE PROPOSED BOATHOUSE AT  
1601 PARK AVENUE IN AN AMOUNT NOT TO EXCEED  
\$14,850.00 FOR A TERM TO COMMENCE DECEMBER 3, 2015  
AND EXPIRE DECEMBER 2, 2016**

WHEREAS, the City of Hoboken has a need to obtain professional services for the design and maintenance of the construction of the proposed Hoboken Cove Boathouse, as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and,

WHEREAS, the City's Purchasing Agent has determined and certified in writing that the value of the services, combined with all other services of this vendor over a twelve month period, will exceed \$17,500.00; and,

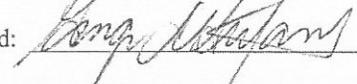
WHEREAS, the anticipated term of this contract is project based, terminating upon completion, but in no event greater than one (1) year, December 2, 2016; and

WHEREAS, USA Environmental has submitted a proposal dated July 15, 2015 indicating they will provide aid services for the maintenance of the construction of the proposed Hoboken Cove Boathouse for the amount not to exceed \$14,500.00; and

WHEREAS, USA Environmental has completed and submitted a Business Entity Disclosure Certification which certifies that the vendor has not made any reportable contributions to a political or candidate committee in the City of Hoboken in the previous one year, and that the contract will prohibit the vendor from making any reportable contributions through the term of the contract, and has submitted a Business Registration Certificate, a Stockholder Disclosure Statement, and all necessary EEOC forms, prior to consideration of this resolution; and,

WHEREAS, certification of funds is available as follows:

I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$18,500.00 is available in the following appropriations 5-01-21-181-036 in the City's CY2015 budget; and I further certify that this commitment together with all previously made commitments does not exceed the appropriation balance available for this purpose.

Signed: , George DeStefano, CFO

NOW THEREFORE, BE IT RESOLVED *(a majority of the full council voting in the affirmative)* that the City Council of the City of Hoboken authorizes the Mayor to enter into a contract with USA Environmental, as described herein, for the services described in their attached July 15, 2015 proposal for a term to expire upon completion of the project, but in no event later than December 2, 2016, and for an amount not to exceed \$14,500.00; and,

BE IT FURTHER RESOLVED that the Business Disclosure Entity Certification, Stockholder Disclosure Certification, all other accompanying business and contract compliance documentation, and the Determination of Value be placed on file with this resolution; and,

BE IT FURTHER RESOLVED that the City Clerk shall publish this resolution in the City's

official newspapers immediately; and,

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately, subject to the following conditions:

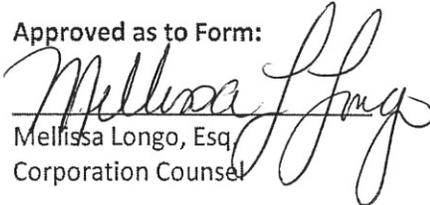
1. The above recitals are incorporated herein as though fully set forth at length.
2. The terms of USA Enviro's proposal shall govern the contract, and no changes may be made without the prior written consent of both parties.
3. Any change orders which shall become necessary shall be subject to the City's ability to appropriate sufficient funds, which appropriation shall be at the sole discretion of the City Council.
4. The Council hereby authorizes the Mayor, or her designee to execute any and all documents and take any and all actions necessary to complete and realize the intent and purpose of this resolution.
5. The Mayor, or her designee is hereby authorized to execute an agreement, for the above referenced goods and/or services based upon the following information:

USA Environmental Management, Inc.  
344 West State Street  
Trenton, NJ 08618

Reviewed:

  
Quentin Wiest  
Business Administrator

Approved as to Form:

  
Melissa Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano		/		
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason		/		
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON:

DEC 02 2015

  
CITY CLERK

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Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
5-01-21-181-036 Professional Services - Redevelopment	Encumbrance	CFO CERT FOR MEETING OF DEC 2, 2015	18,500.00	1

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Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
CURRENT FUND	5-01	0.00	0.00	0.00	0.00	0.00	18,500.00
Total Of All Funds:		0.00	0.00	0.00	0.00	0.00	18,500.00

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	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	1	18,500.00
Total:	1	18,500.00

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There are NO errors in this listing.

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	Updated Entries	Updated Amount
Reimbursements:	0	0.00
Expenditures:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00

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Encumbrances: 1 18,500.00

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Batch: GDS Updated Entries: 1 Updated Amount: 18,500.00 Ref Num: 3827

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**USA Environmental Management, Inc.**  
**Environmental ♦ Engineering ♦ Construction**

July 15, 2015

Brandy Forbes [bforbes@hobokennj.gov](mailto:bforbes@hobokennj.gov)  
City of Hoboken  
94 Washington Street  
Hoboken, NJ 07030

Re: Proposal for Engineering Design and Construction Oversight  
Proposed Boathouse at 1601 Park Avenue Hoboken NJ

Dear Ms. Forbes,

USA Environmental Management Inc. (USAEMI) is pleased to present our proposal for the design and project management for the construction of proposed Boathouse at 1601 Park Avenue Hoboken, New Jersey. The basis for our proposal is a basic description of the City's requirements and our experience in performing design services for similar project located within the State of New Jersey. All engineering work will be supervised, or performed by an engineer licensed in New Jersey.

**Project Administration**

USAEMI will utilize our in-house project management system to create project schedules related to human resource utilization, scheduling field visits, principal review, correspondence, reporting and invoicing. This system has been used successfully by us for many years. We will prepare a project schedule that will cover all of the work listed below with a reasonable expectation for the duration of each project activity. The schedule will be updated as the project progresses.

**Preliminary Design**

Following a site visit by our engineer, USAEMI will begin to develop a design concept that matches the City's requirements and the State and City building codes. Our design will encompass details regarding the siting, building, foundation, boat racks, electrical, stormwater management, site security and access, and operations and maintenance of the proposed facility.

The preliminary design will be in the form of draft plans and specifications. It will be approximately 65% to 75% complete. It is anticipated that the preliminary design will be submitted to the City within 2 weeks of acceptance of our offer to per this project.

**Permitting**

Once the design concept, by mans of the preliminary design submission, is accepted by the City, USAEMI will apply for state and local permits for the proposed construction. It is anticipated that the state permit will consist of a Tideland Use permit issued by NJDEP's Bureau of Land Use Regulation.

It is anticipated that the local permit for construction will consist of a building permit with the design undergoing a review of building, electrical, fire, and mechanical aspects of the project.



## USA Environmental Management, Inc. Environmental ♦ Engineering ♦ Construction

### Final Design

Once the final permits are secured (approximately 30-90 days), USAEMI will finalize the design. We anticipate that the final design will be the preliminary design with the modifications requires by the NJDEP and the City's code enforcement. We will complete the final design within 1 week of the acceptance of the permits for the City and the NJDEP.

### Construction Cost Estimate

As part of the final design process, USAEMI will prepare a cost estimate (engineer's estimate) for the construction of the proposed project. The estimate will include costs for the major portions of the site work plus administrative and contingency costs. The estimate will be submitted with the final design.

### Bid Package

Once the City has reviewed and approved the final design and the cost estimate, USAEMI will prepare a bid package for the construction of the proposed facility. The bid package will include the final design elements, bid forms, and contract terms required to evaluate the successful bidder for the project.

### Bid Administration

USAEMI will manage the bid process for the City. This process will include conducting a pre-bid meeting, responding to technical inquiries regarding the project, attendance at the bid opening, reviewing the bids, making a written recommendation for the successful bidder.

### Project Administration

Once the City has issued a Notice-to-Proceed to the successful contractor, USAEMI will manage the project for the City. This process includes contractor's submission review, conducting a pre-construction meeting, periodic site inspections, critical step inspections, contractor invoice review, response to inquiries from the contractor, monitoring of the project schedule, and review of site safety procedures.

### Project Close-out

When the contractor has achieved substantial completion, USAEMI will perform the project close-out procedures for the City. These procedures will include a punch list inspection, punch list preparation, review of final paperwork, warranty review and acceptance, review of the contractor's final report and a final inspection and invoice review.

### Exclusions

- State Permit & Use Fees are not included.
- No more than 8 days for Construction Administration

### Fees:

1. Preliminary Design/Permitting (State Fees Excluded)	\$4,850.00
2. Final Design/Estimates/Bid Package	\$5,500.00
3. Bid Administration/Closeout	\$4,500.00
4. Lump Sum Total	<u>\$14,850.00</u>



**USA Environmental Management, Inc.**  
**Environmental ♦ Engineering ♦ Construction**

We trust the information contained herein is as requested. Should you have any questions and/or require additional information, please feel free to contact me. Should you wish to move forward with this work, please sign the proposal acceptance sheet attached to this proposal and send it to my attention.

We thank you for the opportunity and look forward to being of continued assistance.

Respectfully,

JOHN T. DUGGAN, JR.  
Regional Manager



**USA Environmental Management, Inc.**  
**Environmental ♦ Engineering ♦ Construction**

***PROPOSAL ACCEPTANCE AND AGREEMENT***

YOUR SIGNATURE INDICATES ACCEPTANCE OF THE PROPOSAL REFERENCED ABOVE, THE CONTRACT DOCUMENTS AND THE TERMS AND CONDITIONS UNLESS EXPRESSLY MODIFIED IN WRITING.

Proposal: Proposal for Engineering Design and Construction Oversight  
Proposed Boathouse at 1601 Park Avenue Hoboken NJ

Proposal Date: July 15, 2015

Proposal No: 15-07-03a

Client: City of Hoboken  
94 Washington Street  
Hoboken, NJ 07030

For: **City of Hoboken**

By:

Signature: \_\_\_\_\_

Name: (please print) \_\_\_\_\_

Title: (please print) \_\_\_\_\_

For: **USA Environmental Management, Inc.**

By:



Signature: \_\_\_\_\_

Name: (please print) John T. Duggan, Jr.

Title: (please print) Regional Manager

# CITY OF HOBOKEN

## Division of Purchasing

**DAWN ZIMMER**  
Mayor



**AL B. DINEROS, QPA**  
Purchasing Agent

Date: November 23, 2015

To: Quentin Wiest, Business Administrator  
Corporation Counsel, City of Hoboken

From: AL B. Dineros

Subject: **DETERMINATION OF VALUE FOR NON FAIR AND OPEN CONTRACT AWARD**

Contract For: Proposal for Engineering Design and Construction  
Oversight for the Proposed Boathouse at 1601 Park  
Avenue Hoboken NJ

Contract to be awarded to: USA Environmental Management, Inc.

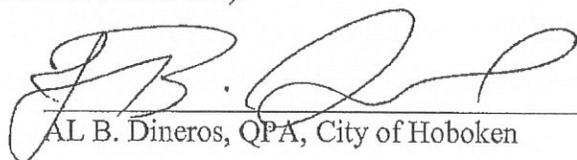
Contract Period: Upon completion of the project – No later than July 8, 2016

### CERTIFICATION

I hereby certify that the amount of the contract, in aggregation with the outstanding current contracts, for this vendor exceed \$17,500 over a twelve month period.

I hereby further certify that funds to cover the expenditures for the above-reference contracts will be encumbered by purchase orders on an as-needed basis (as required pursuant to N.J.A.C. 5:30-5.4.).

By

  
AL B. Dineros, QPA, City of Hoboken

Certified Date:

11/23/2015

I certify that no one stockholder and/or interest holder owns 10% or more of the issued and outstanding stock and/or interests of the undersigned

Check the box that represents the type of business organization:

- Partnership                       Corporation                       Sole Proprietorship  
 Limited Partnership               Limited Liability Corporation    Limited Liability Partnership

Subchapter S Corporation

Sign and notarize the form below, and, if necessary complete the stockholder list below.

Stockholders / Interest Holders:

Name:	Tracy L. Smith	Name:
Home Address:	1204 Limberlost Gladwyne, PA	Home Address:
Name:		Name:
Home Address:		Home Address:
Name:		Name:
Home Address:		Home Address:

Subscribed and sworn before me on this 20 day of November 2015

*James Mscisz*  
(Notary Public)

My commission expires

December 12, 2015

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal  
James M. Mscisz, Notary Public  
City of Philadelphia, Philadelphia County  
My Commission Expires Dec. 12, 2015

MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

*John Degan*  
(Affiant)  
John T. Degan, Jr  
(Print name & title of affiant)  
Regional Manager

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Required Pursuant To N.J.S.A. 19:44A-20.26

This form or its permitted facsimile must be submitted to the local unit no later than 10 days prior to the award of the contract.

Part I – Vendor Information

Vendor Name:	USA Environmental Management, Inc.	
Address:	344 West State Street	
City: Trenton	State: NJ	Zip: 08618

The undersigned being authorized to certify, hereby certifies that the submission provided herein represents compliance with the provisions of N.J.S.A 19:44A-20.26 and as represented by the Instructions accompanying this form.

Signature:  Printed Name: John T. Duggan, Jr. Title: Regional Manager

PART II – Contribution Disclosure

Disclosure requirement: Pursuant to N.J.S.A. 19:44-20.26 this disclosure must include all reportable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit. ***\*\*If your response is N/A or NONE please write same hereunder – blank sections will be returned as incomplete.\*\****

Check here if disclosure is provided in electronic form.

Contributor Name	Recipient Name	Date	Dollar Amount
<i>NONE</i>			

STOCKHOLDER/INTERESTHOLDER DISCLOSURE CERTIFICATION

Name of Business: USA ENVIRONMENTAL MANAGEMENT, INC.

I certify that the list below contains the names and home addresses of all stockholders and/or interest holders which hold 10% or more of the issued and outstanding stock of the undersigned

OR

Introduced by: \_\_\_\_\_  
Seconded by: \_\_\_\_\_

**CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_**

**AUTHORIZATION FOR THE CITY OF HOBOKEN TO ENTER INTO THE ATTACHED AMENDED  
THIRD PARTY ADMINISTRATION AGREEMENT**

**BE IT RESOLVED**, that the City Council of the City of Hoboken (the "City") hereby approves the attached amended and revised Third Party Administration Agreement, which has been revised slightly from the originally authorized version approved by the City Council Resolution No. 4 on October 21, 2015; and

**BE IT FURTHER RESOLVED** that the Mayor is hereby authorized to execute said revised and amended Agreement, as attached, and the City's Administration and Corporation Counsel are directed to take any and all action necessary to effectuate the terms of the Agreement.

**BE IT FURTHER RESOLVED** that certified copies of this Resolution shall be forwarded to all parties in the administration of this action.

Meeting date: December 2, 2015

APPROVED:

Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:

Melissa L. Longo, Esq.  
Corporation Counsel

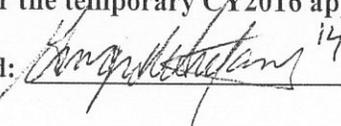
Councilperson	Yea	Nay	Abstain	No Vote
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

\*AS AMENDED\*

CITY OF HOBOKEN

THIS IS TO CERTIFY TO THE CITY COUNCIL THAT:

I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$1,477,314.00 is available as follows: \$200,000.00 is available currently in the following appropriation account 5-01-30-400-030 in the CY2015 appropriations; and I further certify that this commitment together with all previously made commitments does not exceed the appropriation balance available for this purpose for the temporary CY2015 appropriations; and I further certify that I will review the availability of funds for the remaining \$1,277,314.00 upon adoption of the CY2015 budget and upon adoption of temporary CY2016 appropriations and will prepare a certificate of available funds for the remaining balances and file same with the original resolution, or advise the Business Administrator in writing if the City Council fails to appropriate the necessary funds in the CY2016 budget and/or the temporary CY2016 appropriations.

Signed:  <sup>12/1/2015</sup>, George DeStefano, CFO

CITY OF HOBOKEN

THIS IS TO CERTIFY TO THE CITY COUNCIL THAT:

*\$200,000*

I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$1,477,314.00 is available as follows: ~~\$1,281,604.16~~ is available currently in the following appropriation account ~~5-01-30-400-030~~ in the ~~CY2015~~ appropriations; and I further certify that this commitment together with all previously made commitments does not exceed the appropriation balance available for this purpose for the temporary CY2015 appropriations; and I further certify that I will review the availability of funds for the remaining \$195,709.84 upon adoption of the CY2015 budget and upon adoption of temporary CY2016 appropriations and will prepare a certificate of available funds for the remaining balances and file same with the original resolution, or advise the Business Administrator in writing if the City Council fails to appropriate the necessary funds in the CY2016 budget and/or the temporary CY2016 appropriations.

Signed: *George DeStefano* <sup>12/1/2015</sup>, George DeStefano, CFO

*\$1,277,314*

---

Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
5-01-30-400-030 MEDICAL	Encumbrance	amended CFO CERT FOR MEETING DEC 2	1,281,604.16-	1
5-01-30-400-030 MEDICAL	Encumbrance	amended CFO CERT FOR MEETING DEC 2	200,000.00	2

Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
CURRENT FUND	5-01	0.00	0.00	0.00	0.00	0.00	1,081,604.16-
Total of All Funds:		0.00	0.00	0.00	0.00	0.00	1,081,604.16-

	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	2	1,081,604.16-
Total:	2	1,081,604.16-

There are NO errors in this listing.

---

	Updated Entries	Updated Amount
Reimbursements:	0	0.00
Expenditures:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrances:	2	1,081,604.16-

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Batch: GDS      Updated Entries:    2    Updated Amount:    1,081,604.16-    Ref Num:    3838

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**ADMINISTRATIVE SERVICES AGREEMENT**

**BY AND BETWEEN**

**HORIZON HEALTHCARE SERVICES, INC. d.b.a.,  
HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY**

Three Penn Plaza East  
Newark, New Jersey 07105

**AND**

**CITY OF HOBOKEN**

94 Washington Street  
Hoboken, New Jersey 07030

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**EFFECTIVE DATE:** December 1, 2015

## TABLE OF CONTENTS

SECTION 1: PURPOSE.....	3
SECTION 2: DEFINITIONS.....	3
SECTION 3: RELATIONSHIP OF THE PARTIES .....	5
SECTION 4: CONTRACT HOLDER RESPONSIBILITIES.....	6
SECTION 5: ENROLLMENT AND ELIGIBILITY .....	8
SECTION 6: ADMINISTRATIVE SERVICES.....	9
SECTION 7: CLAIMS FIDUCIARY AND PLAN BENEFITS LITIGATION.....	13
SECTION 8: BLUE CARD® PROGRAM.....	14
SECTION 9: FEES AND PAYMENT.....	21
SECTION 10: TAXES AND ASSESSMENTS.....	24
SECTION 11: RECORDS AND REPORTS .....	24
SECTION 12: CONFIDENTIALITY OF INFORMATION.....	25
SECTION 13: AUDITS .....	25
SECTION 14: AMENDMENTS AND MATERIAL ENVIRONMENTAL CHANGES.....	27
SECTION 15: TERM, RENEWAL, AND TERMINATION.....	27
SECTION 16: INDEMNIFICATIONS.....	28
SECTION 17: MISCELLANEOUS PROVISIONS.....	29

## EXHIBITS

EXHIBIT A: SCHEDULE A-FINANCIAL TERMS	
EXHIBIT B: SUMMARY OF BENEFITS AND COVERAGE ADDENDUM	
EXHIBIT C: SCHEDULE C - PERFORMANCE GUARANTEES	
EXHIBIT D: BUSINESS ASSOCIATE ADDENDUM	
EXHIBIT E: STOP LOSS INTERFACE ADDENDUM	

## SECTION 1: PURPOSE

- 1.1 **THIS AGREEMENT** entered into this December 1, 2015 (“Effective Date”) is by and among the City of Hoboken, having its principal place of business at 94 Washington Street, Hoboken, New Jersey 07030 (“Contract Holder”) and Horizon Healthcare Services, Inc., d.b.a. Horizon Blue Cross Blue Shield of New Jersey with its principal place of business at Three Penn Plaza East, Newark, NJ 07105 (“Horizon BCBSNJ”).
- 1.2 Contract Holder is an employer or an entity that has established and operates a self-funded medical expense plan(s) (the “Plan”) for the benefit of its eligible Participants and Beneficiaries (collectively “Plan Participants”) and the Plan is: (a) an employee welfare benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or (b) a benefit plan that is otherwise governed by applicable state or federal laws.
- 1.3 Horizon BCBSNJ possesses the administrative resources to assist Contract Holder in providing its Plan Participants with Plan benefits.
- 1.4 Contract Holder desires to enter into this Agreement with Horizon BCBSNJ and Horizon BCBSNJ is willing to provide specified administrative services in connection with Contract Holder’s Plan benefit for good and valuable consideration.

## SECTION 2: DEFINITIONS

In addition to terms defined elsewhere in this Agreement, the following definitions of words and terms shall apply wherever they appear in this Agreement:

- 2.1 **Capitation.** A system of payment used to reimburse certain providers and/or facilities. Reimbursement is made at a predetermined monthly rate based on the number of enrolled Plan Participants. The rate of Capitation is paid regardless of actual services rendered by a provider to a Plan Participant. Capitation payments shall be deemed to be a Claim(s).
- 2.2 **Claim(s).** Payments made in connection with services, supplies, and health care service provider’s management of such services and supplies as it relates to benefits covered under Contract Holder’s Plan. Such expenses may include, but are not limited to: 1) fee-for-service payments; 2) Capitation payments; 3) care coordination fees; 4) outcome based performance or shared savings payments to providers of health care services that is based upon quality and/or cost effectiveness measures; and 5) costs associated with Horizon BCBSNJ’s Network Provider Programs (as such term is defined in Section 6.3.1) that is designed to reduce overall medical expenses and the rate of growth in such expenses. Details on specific payments and programs are available upon request. .
- 2.3 **CMS.** The federal Centers for Medicare and Medicaid Services.
- 2.4 **HIPAA.** The Health Insurance Portability and Accountability Act of 1996, as amended.
- 2.5 **Incur(s)/Incurred.** When used with reference to health care services or supplies, this means the time when the services have been rendered, or the supplies provided, to or on behalf of a Plan Participant under Contract Holder’s Plan. Additionally, any payments made by Horizon BCBSNJ to Network Providers under Network Provider Programs shall be deemed to have been Incurred in the time period for which Horizon BCBSNJ based the payment (for example, a retrospective quality incentive or shared

savings payment paid to a Network Provider based on meeting or exceeding quality metrics or cost effectiveness measures shall be deemed to have been Incurred in the attributable days and months as opposed to the date payment is made).

2.6 **Provider Network(s)**. The various Network Providers that Horizon BCBSNJ makes available to self-insured clients and that have entered into or are governed by contractual arrangements under which they agree to provide health care services to Plan Participants and to accept negotiated fees for those services.

2.7 **Material Environmental Change**. A Material Environmental Change can occur if:

- (a) a new federal or state law becomes effective;
- (b) an existing law is changed; or
- (c) there is a new interpretation of an existing law by a court or other governmental authority of competent jurisdiction.

If the occurrence of subsections (a), (b) or (c) could reasonably be expected to prohibit, restrict or in any way materially and adversely change: (i) the method or manner in which Horizon BCBSNJ conducts its business; (ii) its ability to carry out the transactions of this Agreement; (iii) its ability to receive the economic benefits contemplated by this Agreement; or (iv) if a court of competent jurisdiction holds that a material provision of this Agreement is invalid, void or unenforceable, it is a "Material Environmental Change".

2.8 **Network Access Fee**. The charge, if applicable, for the development and maintenance of Horizon BCBSNJ's Provider Network(s).

2.9 **Network Provider(s)**. Physicians, other medical professionals and healthcare facilities that participate in Horizon BCBSNJ's Provider Network(s).

2.11 **Paid**. The time at which Horizon BCBSNJ has paid for the health care services rendered, or health care supplies provided, to a Plan Participant.

2.11 **Party/Parties**. Party shall mean either Contract Holder or Horizon BCBSNJ. Parties shall mean, collectively, Contract Holder and Horizon BCBSNJ.

2.12 **Plan**. The medical benefits provided by Contract Holder for the benefit of Plan Participants and administered for Contract Holder by Horizon BCBSNJ pursuant to this Agreement.

2.13 **Plan Administrator**. The Contract Holder.

2.14 **Plan Participant(s)**. Participants and Beneficiaries of the Plan as defined in the Plan's Plan Document.

2.15 **Plan Document**. The written document detailing the benefits provided to Plan Participants through the Plan. Where applicable, the Plan Document shall conform to the minimum requirements of ERISA and Contract Holder shall be responsible for compliance with any applicable requirements.

2.15 **Projected Claims**. The dollar amount of Claims which Horizon BCBSNJ estimates Plan Participants will incur during each year, month or week during the Term(s) of this Agreement.

2.16 **Proprietary Business Information**. Information about Horizon BCBSNJ's or Contract Holder's business that is confidential, proprietary, a trade secret or is not readily available to the general public, including information that has been designated by Horizon BCBSNJ or Contract Holder as being confidential or proprietary.

- 2.17 **Related Entities.** A corporation or other lawful entity that: (a) is Contract Holder's subsidiary or affiliate; (b) meets Horizon BCBSNJ's underwriting requirements for participation under the terms of this Agreement; and (c) has been specifically approved by Horizon BCBSNJ to participate in this Agreement.
- 2.18 **Taxes and Assessments.** A charge that is imposed, anticipated, assessed or levied by any federal, state, local or other governmental entity and that is applicable to the Plan or any function undertaken by Horizon BCBSNJ under this Agreement. This shall include any interest, fines, or penalties relating to such charges, unless caused by Horizon BCBSNJ's unreasonable determination to dispute the charges. This shall not include any charges or taxes imposed on Horizon BCBSNJ's net income.
- 2.19 **Utilization Review Services.** The following Utilization Review Services will be provided by Horizon BCBSNJ pursuant to this Agreement to the extent they are provided for in the Contract Holder's Plan:
- (a) **Admission Review** - The review which occurs within 48 hours of an emergency admission or nonscheduled obstetrical inpatient admission (excluding caesarian sections) to help determine the medical necessity of a Plan Participant's inpatient admission.
  - (b) **Concurrent Review** - The review of medical necessity conducted during a Plan Participant's inpatient admission to help determine the necessity of his/her inpatient stay at a given level of care.
  - (c) **Estimated Length of Stay** - An estimated number of days of inpatient stay, assigned based upon admission information regarding the Plan Participant and his/her diagnosis that should not be exceeded without review and approval.
  - (d) **Outpatient Procedure Certification** - The prospective review of surgical, diagnostic, or therapeutic outpatient procedures recommended for the Plan Participant which occurs prior to the applicable procedure to help determine its medical necessity.
  - (e) **Pre-Admission Review** - The review which occurs prior to a Plan Participant's nonemergency, or scheduled, inpatient admission to help determine the admission's medical necessity.
  - (f) **Mental, Alcohol and Substance Abuse Services Review** - The review to help determine the medical necessity and medical appropriateness of mental, alcohol and substance abuse services recommended for a Plan Participant.

### SECTION 3: RELATIONSHIP OF THE PARTIES

- 3.1 **Nature of this Agreement.** The relationship of Contract Holder and Horizon BCBSNJ shall be governed solely by this Agreement. Contract Holder delegates to Horizon BCBSNJ certain powers and responsibilities as specifically provided for in this Agreement and the Parties further agree as follows:
- 3.1.1 This Agreement provides for administrative services only. Horizon BCBSNJ does not assume any financial risk or obligation with respect to Claims and shall not be obligated to disburse more in Claims than Contract Holder agrees to reimburse Horizon BCBSNJ. This Agreement shall not be deemed an agreement of insurance or prepaid benefit plan under the laws of New Jersey or any other jurisdiction;
  - 3.1.2 Any function not specifically delegated to and assumed by Horizon BCBSNJ in this Agreement shall remain the sole responsibility of Contract Holder;
  - 3.1.3 Horizon BCBSNJ shall not be responsible for any delay in the performance of this Agreement or for the non-performance of this Agreement, which delay or non-performance is caused by or contributed to by Contract Holder's failure to provide any information or Contract Holder's undertaking actions or activities or failing to undertake actions or activities so that Horizon BCBSNJ is or would be prohibited from the due observance or performance of any material covenant, condition or agreement contained in this Agreement; and

- 3.1.4 Horizon BCBSNJ is not a provider of medical services, advice, or supplies, nor does it provide compliance or related legal services in connection with Contract Holder's Plan.
- 3.2 **Eligibility of Contract Holder.** Contract Holder agrees and understands that it is a legal entity which conducts current business or other lawful activities and has the legal capacity to enter into this Agreement. Determination of group eligibility is at the sole discretion of Horizon BCBSNJ based on its interpretation of the applicable laws, application of its underwriting or contracting criteria, and any other pertinent rules.
- 3.3 **Eligibility of Related Entities.** Contract Holder agrees that to the extent that Related Entities participate in this Agreement, Contract Holder shall act for them and shall be deemed the legally authorized entity to make contractual decisions. Contract Holder also represents that together Contract Holder and the Related Entities covered under the Plan make up a single "control group" as defined by ERISA.
- 3.4 **Parties to this Agreement.** Contract Holder agrees and understands that this Agreement is solely between Contract Holder and Horizon BCBSNJ.
- 3.5 **Liability for Benefits.** Contract Holder is liable for and shall underwrite all of the Plan benefits provided to its Plan Participants under the Plan. Horizon BCBSNJ does not insure, guarantee, or otherwise underwrite any Plan benefits.
- 3.6 **Subcontractors.** Horizon BCBSNJ's services under this Agreement may be performed wholly or in part by subcontractors of its choice. Horizon BCBSNJ shall remain responsible for any failure of a subcontractor to perform as required pursuant to this Agreement.
- 3.7 **Regulatory Compliance.** Contract Holder and Horizon BCBSNJ shall each comply with state and federal laws, rules, and regulations, now and hereafter, where applicable to the subject matter of this Agreement. The Parties shall agree to comply with any newly applicable state and federal laws, rules and regulations in accordance with *Section 4.6 – Compliance with Laws*.
- 3.8 **Independent Contractors.** The relationship between Contract Holder and Horizon BCBSNJ is that of independent contracting Parties. Contract Holder and Horizon BCBSNJ shall not be deemed to be partners, joint venturers, or otherwise considered to be the employee or agent of one another. Further, the Parties expressly acknowledge that each party is at all times acting and performing as an independent contractor with respect to the other party. It is further expressly agreed that no work, act, commission or omission of either party (or any of its agents or employees) pursuant to the terms and conditions of this Agreement, shall be construed to make or render such party (or any of its agents or employees) an agent, servant, representative, or employee of, such other party.

#### SECTION 4: CONTRACT HOLDER RESPONSIBILITIES

- 4.1 **Contract Holder as Plan Administrator.** Contract Holder acknowledges that it is the Plan Administrator of the Plan. In no event shall Horizon BCBSNJ be deemed the Plan Administrator of the Plan. Horizon BCBSNJ provides specified administrative services under this Agreement and any reference to Horizon BCBSNJ's administration of the Plan is descriptive only. The administration of the Plan shall not confer to Horizon BCBSNJ any Plan fiduciary responsibility except to the extent this Agreement specifically requires Horizon BCBSNJ to have the fiduciary responsibility for a Plan administrative function.
- 4.2 **Plan Description.** To enable Horizon BCBSNJ to provide its administrative services in connection with the Plan as of this Agreement's Effective Date, Contract Holder will prepare a description of the

Plan's benefit design, including any exclusion, with the assistance of Horizon BCBSNJ. Such Plan description shall be agreed to and expressly endorsed by Contract Holder as consistent with the Plan Document(s) and shall be part of the Central Product Library. Horizon BCBSNJ will administer the Plan in accordance with the plan description as provided by the Contract Holder.

- 4.3 **Plan Consistent with this Agreement.** Contract Holder agrees that any Plan Document, "summary plan description" within the meaning of ERISA or any other benefit summary document describing the Plan's benefits, exclusions, and other pertinent information shall be consistent with the terms of this Agreement.
- 4.4 **Information about Plan Changes.** Contract Holder agrees to furnish Horizon BCBSNJ with prompt notification of any changes to the Plan or materials connected with it, so that Horizon BCBSNJ can determine the effect of such changes, if any, on the services provided. If such services are affected, any change in the services must be mutually agreed to in writing prior to its implementation. If Horizon BCBSNJ cannot implement the change, or if the change affects the Administrative Charges for the services, Horizon BCBSNJ will so notify Contract Holder within 30 days after being notified of the change.
- 4.5 **Notices to Plan Participants.** Contract Holder shall provide Plan Participants with the information and documents necessary to access Plan benefits and Horizon BCBSNJ shall provide reasonable assistance, subject to Horizon BCBSNJ's approval. Further, Contract Holder understands that it shall remain solely responsible for complying with the notice requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), HIPAA and other relevant laws. Horizon BCBSNJ assumes no responsibility for COBRA compliance under the Plan, except insofar as Horizon BCBSNJ continues to process and make payments for Claims with respect to former Plan Participants whose coverage under the Plan continues pursuant to COBRA.
- 4.6 **Compliance with Laws.** Except as otherwise provided in this Agreement, Contract Holder is solely responsible for complying with all applicable provisions of ERISA, the Affordable Care Act, or other governing state and/or federal laws and regulations. This includes the fiduciary responsibilities of structuring the Plan and maintaining adequate funding to support the Plan and any employer reporting obligations as may be promulgated under the Affordable Care Act or other applicable federal or state laws. Contract Holder is also responsible for providing Plan Participants with copies of the ERISA Plan Document describing the Plan and with copies of a Summary Plan Description, Summary of Benefits and Coverage, or other document describing the Plan's benefits, limitations, exclusions, and waiting periods, unless otherwise agreed to by the Parties. Such documents shall be shared with Horizon BCBSNJ upon reasonable request.
- 4.7 **Medicare Secondary Payer Mandatory Reporting.** As an administrator of Contract Holder's Plan, Horizon BCBSNJ is obligated to report certain information to CMS under the Medicare Secondary Payer Mandatory Reporting Provisions in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007. This information includes, but is not limited to, Employer Tax Identification Numbers, employer size, employer address, and Social Security numbers for all Plan Participants. Contract Holder agrees to provide this information to Horizon BCBSNJ, and to periodically verify said information as requested by Horizon BCBSNJ, to meet these reporting requirements.
- 4.8 **Liability for Claims by Governmental Programs and Agencies.** Contract Holder acknowledges and agrees that Contract Holder shall at all times remain liable for the payment and satisfaction of demands for repayment asserted by Medicare, Medicaid or other similar government or medical assistance programs, including those asserted by governmental agencies such as the United States Department of Veteran Affairs. Contract Holder agrees to indemnify and hold Horizon BCBSNJ harmless from any such demands. Indemnification for said liabilities shall be inclusive of all demands which predate the Effective Date of this Agreement and shall survive the termination of this Agreement.

## SECTION 5: ENROLLMENT AND ELIGIBILITY

- 5.1 **Offer of Coverage.** Contract Holder agrees to offer coverage under the Plan administered by Horizon BCBSNJ under this Agreement to all eligible Plan Participants under terms and conditions no less favorable than the Plan administered by another administrator. Horizon BCBSNJ understands that Contract Holder's eligibility rules shall determine participation in the Plan.
- 5.2 **Enrollment Periods.** Contract Holders shall conduct regular enrollment periods in accordance with the Plan's customary practices and in accordance with its Plan Document. Enrollment transactions with respect to Plan Participants shall include:
- 5.2.1 Additions if newly hired or otherwise becoming eligible for coverage;
  - 5.2.2 Changes in coverage type for purposes of adding or deleting a dependent(s) from coverage; and
  - 5.2.3 Coverage termination.
- 5.3 **Eligibility Information.** Contract Holder agrees that Horizon BCBSNJ, in administering the Plan, will rely on the most current information provided to it by Contract Holder with respect to the persons who are Plan Participants, and that any changes in this information will be provided promptly. Contract Holder further agrees to process all enrollment transactions in a timely manner/within seven (7) business days after receipt of the enrollment information, and that all enrollment information, including any copies of enrollment applications received from its Plan Participants, will be maintained for seven (7) years in auditable form accessible by Horizon BCBSNJ.

Horizon BCBSNJ will make reasonable efforts to identify invalid eligibility information provided by Contract Holder, but Horizon BCBSNJ will not be responsible nor be held liable for eligibility errors related to any eligibility information provided by Contract Holder. Contract Holder agrees to hold harmless and indemnify Horizon BCBSNJ for all costs and expenses associated with its reliance on the enrollment information provided by Contract Holder, unless such costs and expenses resulted substantially from Horizon BCBSNJ's error.

- 5.4 **Enrollment Reports.** If Contract Holder requests, Horizon BCBSNJ will provide monthly enrollment reports indicating all of the enrollment transactions processed by Horizon BCBSNJ during the prior month. Contract Holder agrees to review the reports' accuracy and to process any additional transactions as needed to correct any errors within thirty (30) days from receipt.
- 5.5 **Notice of Change of Status.** Contract Holder shall promptly notify Horizon BCBSNJ of any changes that occur that impact the coordination of benefits under the Medicare Secondary Payer laws (e.g., a Plan Participant's employment or Medicare status).
- 5.6 **Plan Participant Termination and Retroactive Changes to Enrollment.** Horizon BCBSNJ's services to a Plan Participant will end as of the time specified by Contract Holder in writing or by other documented communication to Horizon BCBSNJ. Contract Holder shall remain responsible for all charges and Claims for which Horizon BCBSNJ has paid or otherwise Incurred for Plan Participant until the date Horizon BCBSNJ receives appropriate notice of the Plan Participant's termination date. Contract Holder shall also remain responsible for all charges and Claims when, under certain conditions detailed in the Plan Document or other summary information of the Plan, benefits continue beyond the Plan Participant termination date.

Subject to all of the requirements of this Agreement regarding Plan Participant enrollment and eligibility, Horizon BCBSNJ shall permit retroactive additions and terminations of the Plan Participants for a period not to exceed sixty (60) days prior to the date on which Horizon BCBSNJ receives notice of such additions or terminations under the following conditions:

- 5.6.1 Contract Holder acknowledges that it shall assume responsibility for all Claims Incurred by the Plan Participant subsequent to the effective addition date and prior to the effective termination date, except where there is a conflict, the retroactive termination date may be adjusted to the date of last Paid Claim;
- 5.6.2 Contract Holder agrees to be solely responsible for notifying the affected Plan Participants of the effect of any retroactive addition or termination; and
- 5.6.3 Contract Holder shall indemnify and hold harmless Horizon BCBSNJ for any such retroactive additions or terminations in accordance with the terms of *Section 15.2 – Indemnification by Contract Holder*.

## SECTION 6: ADMINISTRATIVE SERVICES

- 6.1 **Horizon BCBSNJ's Responsibility.** In the exercise of Horizon BCBSNJ's performance under this Agreement, Horizon BCBSNJ shall use the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

Contract Holder also acknowledges and agrees that, except as this Agreement otherwise provides, no person, entity or organization other than Horizon BCBSNJ shall be held liable to Contract Holder for any of Horizon BCBSNJ's obligations under this Agreement to Contract Holder. This paragraph shall not create any additional obligations on the part of Horizon BCBSNJ other than those expressed under this Agreement.

- 6.2 **Authority to Make Claims Determination.** Contract Holder hereby delegates to Horizon BCBSNJ authority to make initial Claims determinations on Contract Holder's behalf with respect to Claims for benefits under the Plan. Except as otherwise specified in this Agreement and subject to the results of any independent external review process, it is the right of Contract Holder to make the final decision with respect to an adverse benefit determination and to that extent Horizon BCBSNJ shall not have discretionary responsibility to make final Claims decisions and Contract Holder shall be deemed the named ERISA fiduciary. Any such final decision shall be promptly communicated to Horizon BCBSNJ.
- 6.3 **Claims Administration.** As a standard administrative service, Horizon BCBSNJ will administer, and pay Claims for, the benefits described in the Plan description prepared by Horizon BCBSNJ, based on information provided by Contract Holder and confirmed in writing by Contract Holder. Additionally, Contract Holder shall be responsible for promptly providing to Horizon BCBSNJ any information reasonably requested for it to properly administer the Plan.

The charges on which benefits will be based must be Incurred after the Effective Date of this Agreement and prior to its termination. Any such Claim for benefits must be received within 18 months, or as otherwise specified in the applicable Central Product Library, after the date the charges were Incurred and while this Agreement is in effect, unless otherwise provided in this Agreement. Further, no action may be brought against Horizon BCBSNJ for a failure to provide benefits unless it is brought within two years from the time the cause of action arises.

In applying the Plan's provisions, Horizon BCBSNJ will use Claim procedures and standards that it has developed for Claims administration. If Horizon BCBSNJ determines that a benefit is payable, including any determination that the benefit is medically necessary or otherwise available for a Plan Participant's Claim, Horizon BCBSNJ will appropriately reimburse the Plan Participant or his/her healthcare provider, as the case may be, less any applicable deductibles, copayments, and/or coinsurance. It is understood and agreed that Horizon BCBSNJ provides administrative Claims payment services only and does not assume any financial risk or obligation with respect to Claims.

- 6.3.1. Services of Network Providers.** Horizon BCBSNJ will administer Contract Holder's Plan in a manner consistent with its agreements with Network Providers that participate in Horizon BCBSNJ's Provider Network(s). This includes the application of Network Provider discounts and other negotiated arrangements. Such negotiated arrangements may include programs that allow for risk-based, quality, or cost effectiveness payments made to Network Providers (such programs shall be collectively referred to as "Network Provider Programs"). Network Provider Programs may include, but are not limited to, accountable care organizations, global payment/total cost of care arrangements, episodes of care, patient centered medical homes, and shared savings arrangements.

Contract Holder specifically agrees to fund Horizon BCBSNJ's Network Provider Programs to the same extent as Horizon BCBSNJ does for its actively marketed fully-insured health benefits plans. Network Provider Programs may be billed as part of, or separately from, the price of the Claim. Contract Holder also agrees to the payment of reasonable program costs associated with Horizon BCBSNJ's Network Provider Programs in addition to any Charges pursuant to *Section 2.2 - Claims*. Horizon BCBSNJ will inform Contract Holder, from time to time, of material changes to its Network Provider Programs.

Notwithstanding anything to the contrary, Contract Holder acknowledges and agrees that: (a) Horizon BCBSNJ has not been engaged to negotiate such discounts and arrangements with Network Providers on Contract Holder's behalf; (b) Contract Holder accepts them as they are; and (c) Horizon BCBSNJ is not a fiduciary for the purpose of negotiating them.

Horizon BCBSNJ's invoiced Claim payments will reflect applicable discounts, negotiated arrangements, and adjustments as they exist at the time the Claim is adjudicated, however, they will not include either positive or negative effects of any later settlements or negotiations with the Network Providers. Additionally, any applicable Plan Participant coinsurance or liabilities will be calculated at the time the Claim is adjudicated based on then in force and available Network Provider discounts or negotiated arrangements.

- 6.3.2. Services of Non-Network Providers.** If benefits are provided under Contract Holder's Plan for the services of providers with whom Horizon BCBSNJ does not have negotiated arrangements ("Non-Network Provider"), Horizon BCBSNJ will make its Claim payments directly to the Plan Participant unless otherwise required by applicable Horizon BCBSNJ policy(ies). If there is any difference between that payment and the Non-Network Provider's billed charge, it shall be the responsibility of the Plan Participant. Further, Horizon BCBSNJ will make payment for Non-Network Providers' services ("Out-of-Network Claims") at the payment level selected and endorsed by Contract Holder in the National Account Enrollment Group Summary(ies), Benefit Information Forms, or the Central Product Library, as applicable (such benefit summaries referred to as "Plan Benefit Descriptions"). Such Plan Benefit Descriptions shall serve as the sole source of the appropriate Out-Of-Network Claim payment amounts.

- 6.3.3. Claims Re-Pricing and Negotiation Services.** If benefits are provided under Contract Holder's Plan for which services were delivered or otherwise provided by a Non-Network Provider, Horizon BCBSNJ may negotiate and/or re-price Claims for such Non-Network Provider services through the use of internal or external resources of its choice to make available savings in Out-of-Network Claims (such savings realized to be referred to as "Out-of-Network Claims Savings"). The re-pricing and negotiation service provided in connection with such Out-of-Network Claims Savings shall be at the applicable charge(s) set forth in *Exhibit A: Schedule A - Financial Terms ("Schedule A")*.

- 6.4 **Claim Appeals and External Appeals.** Horizon BCBSNJ will administer the appeals procedure described in Contract Holder's Plan Document, summary plan description or other material that describes the Plan, subject to the right of Contract Holder to make final Claims determination. If a summary plan description or other descriptive material is not available, Horizon BCBSNJ will conduct the appeals procedure in accordance with its interpretation of applicable federal requirements. If, in accordance with those requirements, a Plan Participant is entitled to an independent external review of an adverse benefit determination, Horizon BCBSNJ will arrange for such a review upon Contract Holder's request and subject to the payment of the applicable additional charge set forth in *Schedule A*.
- 6.5 **Changes in Law Affecting Plan Administration.** In the event the Plan becomes subject to federal or state laws or regulations mandating changes in the benefits or in the eligibility of the Plan Participants, Horizon BCBSNJ will implement such mandatory change at the time the law becomes effective with respect to the Plan, unless the Plan notifies Horizon BCBSNJ that, in the opinion of Contract Holder's legal counsel, which opinion shall be final, such laws or regulations are not applicable to the Plan, Plan Participants, or any benefits therein. Contract Holder agrees to indemnify, and hold harmless Horizon BCBSNJ against any losses which result from actions taken in reliance upon Contract Holder's legal counsel's opinion on such matter. In the event such mandatory changes are necessary, effective as of the date the modified Plan takes effect, Horizon BCBSNJ shall modify applicable charges, including Claims payable, Administrative Fees, and other costs, as are necessary to reflect the increased or decreased costs resulting from such changes in the benefits or in the eligibility of Plan Participants. The charges shall be subject to *Schedule A*.
- 6.6 **Explanations of Adverse Benefit Determinations.** As a standard administrative service, Horizon BCBSNJ will furnish each claimant an explanation of an adverse benefit determination, describing the specific reason for the determination.
- 6.7 **Claim Recoveries.** As part of Horizon BCBSNJ's normal Claim adjudication processes, Horizon BCBSNJ will, where practicable, pursue Claim recoveries pursuant to the application of the coordination of benefits and workers' compensation provisions of the Plan. Horizon BCBSNJ will also pursue the recovery of payments made on Claims that are or may be fraudulent. In the process of pursuing any such recoveries, Horizon BCBSNJ shall not be required to bring suit and shall be permitted to use both internal and external resources of its choice. But if Horizon BCBSNJ elects to sue, Contract Holder hereby consents to the suit.
- 6.7.1. **Fraudulent Claims.** Contract Holder acknowledges and agrees that Horizon BCBSNJ will deduct twenty percent (20%) of any recovered amount in pursuing fraudulent Claim recoveries on Contract Holder's behalf, regardless of how such recoveries were made.
- 6.7.2. **Coordination of Benefits and Worker's Compensation.** Contract Holder also acknowledges and agrees that Horizon BCBSNJ will deduct its reasonable internal and external administrative expenses incurred in pursuing Claim recoveries pursuant to the application of the coordination of benefits ("COB") and the worker's compensation ("WC") provisions of the Plan. Where applicable, such charges shall be as set forth in *Schedule A*. The COB and WC recoveries herein is strictly limited to information made available by the Plan to Horizon BCBSNJ and does not include COB and WC recoveries based on data mining, member outreach, or other advanced analytics, which shall be governed by Section 6.7.3.
- 6.7.3. **Recovery Activities.** Horizon BCBSNJ may, at its option and where practicable, elect to engage in Claims recoveries on Incurred Claims, either on a prospective or retrospective basis, through recovery activities such as negotiations with, including audits of, various third parties and providers of health care services and benefits under the Plan as well as through data mining, analytics, and member outreach to obtain current benefit coordination information (collectively, such actions being referred to as "Recovery Activities"). Recovery Activities are separate and

apart from routine recoveries based on Plan provided information as specified under Sections 6.7.1 and 6.7.2.

Horizon BCBSNJ will credit Contract Holder's account with amounts recovered from such Recovery Activities, less a reasonable percentage of the recovered amounts as a deduction representing Horizon BCBSNJ's reasonable cost to provide such Recovery Activities. Any credited amount, less the applicable recovery fee or costs, is the full and final amount Contract Holder will receive from Horizon BCBSNJ related to each specific recovery amount. Deductions for Recovery Activities are made only if the recoveries are not attributable to an underlying Horizon BCBSNJ error. Horizon BCBSNJ's deductions represent contingency payments to external vendors, Horizon BCBSNJ's internal and external administrative expenses in pursuing such Claim recoveries, and is inclusive of attorney fees, court fees, and other expenses. Where Recovery Activities are initiated but does not result in a recovery, Horizon BCBSNJ will not charge Contract Holder for any costs associated with that recovery.

- 6.8 Subrogation.** With respect to the application of the Plan's subrogation provision, Horizon BCBSNJ will use external vendor(s) for assistance in making these recoveries. Accordingly, Contract Holder agrees that the applicable vendor, for its services to the Plan in making these recoveries, may retain a percentage of any recovered amount, but not more than 28%. This percentage may be prospectively changed from time to time upon written agreement of Contract Holder and Horizon BCBSNJ. Contract Holder also agrees to share in any reasonable internal administrative expenses that Horizon BCBSNJ incurs in pursuing Claim recoveries pursuant to the application of the Plan's subrogation provision. In the process of pursuing any such recoveries, Horizon BCBSNJ shall not be required to bring suit. But if Horizon BCBSNJ elects to sue, Contract Holder hereby consents to the suit.
- 6.9 Identification Cards.** As a standard administrative service, Horizon BCBSNJ will provide Plan Participants with appropriate identification (ID) cards that will enable them to access the Plan's benefits.
- 6.10 Additional Administrative Services.** If Contract Holder requests, and subject to the payment by Contract Holder of the appropriate fees as may be listed in *Schedule A* or other document(s), Horizon BCBSNJ will perform any one or more of the following additional administrative services in connection with the Plan:
- 6.10.1 Summary Plan Descriptions:** If requested by Contract Holder, Horizon BCBSNJ will, for an additional fee, print and if requested, distribute to Plan Participants, summary plan descriptions. Notwithstanding the above, Contract Holder acknowledges that Horizon BCBSNJ does not produce or prepare summary plan descriptions on behalf of Contract Holder per Section 4.6. Any draft provided by Horizon BCBSNJ is solely for informational purposes.
- 6.10.2 Certificates of Creditable Coverage:** To the extent that HIPAA, if applicable, requires the issuance of certificates of creditable coverage, Horizon BCBSNJ will produce them for Contract Holder's former Plan Participants. Such certificates will reflect only the period that the former Plan Participant had creditable coverage under the terms of this Agreement. Horizon BCBSNJ will issue such a certificate to a person requesting it within the time frame established pursuant to federal guidelines. Horizon BCBSNJ reserves the right to discontinue this service with 30 days notice to Contract Holder.
- 6.10.3 Utilization Review Services:** Horizon BCBSNJ will provide Utilization Review Services, as defined in "Section 2: Definitions".
- 6.10.4 Ancillary Services:** (a) chronic care management services; and other ancillary services as may be described in any applicable *Schedule A* for the corresponding terms.

Subject to the mutual agreement of the Parties, Horizon BCBSNJ may perform additional administrative services in connection with the Plan.

## SECTION 7: CLAIMS FIDUCIARY AND PLAN BENEFITS LITIGATION

- 7.1 **Final Claims Determination.** Contract Holder delegates to Horizon BCBSNJ the authority to make final claims determinations and decide initial and final claims appeal on Contract Holder's behalf with respect to Claims payable under the Plan to Plan Participants.

In the course of making final Claims determinations and initial and final Claims appeal, Horizon BCBSNJ shall have the authority to make all interpretive and factual determinations as to all questions arising in connection with the administration and application of the Plan. Any construction of the terms of the Plan and any determination of fact adopted by Horizon BCBSNJ herein shall be final and legally binding on all Parties.

- 7.2 **Claims Fiduciary.** Horizon BCBSNJ in its capacity as the Claims administrator making final claims determination and initial and final Claims appeal, shall be a Named ERISA Fiduciary ("Claims Fiduciary") within the meaning of Section 3(21)(A) of ERISA, but not beyond the minimum extent required by ERISA. Horizon BCBSNJ's responsibilities as a Claims Fiduciary under this Agreement is hereby defined as Claims administration, including case management and Claims processing services to the extent delegated with respect to Claims submitted to Horizon BCBSNJ by or on behalf of Plan Participants.

Contract Holder understands that Horizon BCBSNJ's responsibility as a Claims Fiduciary is strictly limited to Claims administration functions defined in this Agreement and Horizon BCBSNJ expects the Plan and Plan Administrator to continue as is until such time it notifies Horizon BCBSNJ in writing. Further, Horizon BCBSNJ is not responsible for matters not specifically delegated under this Agreement, for the actions or inaction's of any other fiduciary.

Horizon BCBSNJ shall not be deemed a party to the Plan and Horizon BCBSNJ shall not have any obligations to independently determine that any person is a Plan Participant, or is, in fact, eligible for benefits or participation under the Plan in exercising its obligation as the Claims Fiduciary. Horizon BCBSNJ relies solely on the Plan's eligibility information provided under *Section 5.3 – Eligibility Information*.

Notwithstanding Horizon BCBSNJ's appointment as Claims Fiduciary, in the event Contract Holder reviews a Claim or makes a benefit determination, Contract Holder shall be deemed to be the Named ERISA Fiduciary, where applicable, for purposes of that particular Claim review. In such instance, Contract Holder shall forward its determination in writing to Horizon BCBSNJ.

- 7.3 **Claims Fiduciary Standard of Care.** Horizon BCBSNJ shall act with the care, prudence and diligence that a prudent person acting in like capacity and familiar with such matters would use under similar circumstances and in such manner as to comply with ERISA and other applicable laws. Horizon BCBSNJ shall be fully protected in acting upon any advice, representation or instrument executed by the Plan Sponsor or by the Plan Administrator, provided Horizon BCBSNJ has acted in accordance with the standard of care described herein. In no event shall Horizon BCBSNJ be responsible for any lack or failure of proper authority in the establishment or maintenance of the Plan.

- 7.4 **Plan Benefits Litigation.** If Horizon BCBSNJ determines that a Claim should be rejected, rejects such Claim, in whole or in part, and, following exhaustion of all appeals under the Plan, a suit is brought with respect to such Claim against either Horizon BCBSNJ, Contract Holder, or both, the Parties shall agree to do the following:

- 7.4.1. If the suit is brought against Horizon BCBSNJ, and Contract Holder or the Plan, each party shall be solely responsible to arrange for its own defense at its own cost and expense;
- 7.4.2. If the suit is brought against Contract Holder or the Plan and Horizon BCBSNJ is not a party, Horizon BCBSNJ shall be available to review the complaint with Contract Holder, but Contract Holder shall be solely responsible to arrange for its own defense at its own cost and expense;
- 7.4.3. In any event, Horizon BCBSNJ shall not be responsible for the cost and expense, or for any judgment, arising out of a Material Environmental Change, which has been applied retroactively to a Claim Incurred prior to the effective date of such Material Environmental Change.
- 7.4.4. In all situations, Contract Holder or the Plan shall be responsible for funding any and all Claims that are to be paid. No judgment, settlement, or award shall reduce the Claims payment obligation of the Plan.

## SECTION 8: BLUECARD® PROGRAM

The below provisions within Section 8 apply solely with respect to the BlueCard® Program.

### 8.1 BlueCard® Program Definitions.

For the purposes of any BlueCard® Program provisions, the following definitions shall apply:

**Accountable Care Organization (ACO):** A group of healthcare providers who agree to deliver coordinated care and meet performance benchmarks for quality and affordability in order to manage the total cost of care for their member populations.

**Care Coordination:** Organized, information-driven care activities intended to facilitate the appropriate responses to a Subscriber's healthcare needs across the continuum of care.

**Care Coordinator:** An individual within a provider organization who facilitates Care Coordination for patients.

**Care Coordinator Fee:** A fixed amount paid by a Blue Cross and/or Blue Shield Plan to providers periodically for Care Coordination under a Value-Based Program,

**Global Payment/ Total Cost of Care:** A payment methodology that is defined at the patient level and accounts for either all patient care or for a specific group of services delivered to the patient such as outpatient, physician, ancillary, hospital services, and prescription drugs.

**Negotiation Arrangement a.k.a., Negotiated National Account Arrangement:** An agreement negotiated between a Control/Home Licensee and one or more Par/Host Licensees for any National Account that is not delivered through the BlueCard Program.

**Patient-Centered Medical Home (PCMH):** A model of care in which each patient has an ongoing relationship with a primary care physician who coordinates a team to take collective responsibility for patient care and, when appropriate, arranged for care with other qualified physicians.

**Provider Incentive:** An additional amount of compensation paid to a healthcare provider by a Blue Cross and/or Blue Shield Plan, based on the provider's compliance with agreed-upon procedural and/or outcome measures for a particular group of covered persons.

**Shared Savings:** A payment mechanism in which the provider and payer share cost savings achieved against a target cost budget based upon agreed terms and may include downside risk.

**Value-Based Program (VBP):** An outcomes-based payment arrangement and/or a coordinated care model facilitated with one or more local providers that is evaluated against cost and quality metrics/factors and is reflected in provider payment.

## 8.2 Out-of-Area Services.

### Overview

Horizon BCBSNJ has a variety of relationships with other Blue Cross and/or Blue Shield Licensees referred to generally as “Inter-Plan Arrangements.” These Inter-Plan Arrangements operate under rules and procedures issued by the Blue Cross Blue Shield Association (“Association”). Whenever Subscribers access healthcare services outside the geographic area we serve, the claim for those services may be processed through one of these Inter-Plan Arrangements. The Inter-Plan Arrangements are described generally below.

Typically, when accessing care outside the geographic area we serve, Subscribers obtain care from healthcare providers that have a contractual agreement (“participating providers”) with the local Blue Cross and/or Blue Shield Licensee in that other geographic area (“Host Blue”). In some instances, Subscribers may obtain care from healthcare providers in the Host Blue geographic area that do not have a contractual agreement (“nonparticipating providers”) with the Host Blue. Horizon BCBSNJ remains responsible for fulfilling our contractual obligations the Contract holder. Horizon BCBSNJ’s payment practices in both instances are described below.

This disclosure describes how claims are administered for Inter-Plan Arrangements and the fees that are charged in connection with Inter-Plan Arrangements. Note that Dental Care Benefits except when not paid as medical claims/benefits, and those Prescription Drug Benefits or Vision Care Benefits that may be administered by a third party contracted by Horizon BCBSNJ to provide the specific service or services are not processed through Inter-Plan Arrangements.

8.2 **BlueCard® Program.** The BlueCard® Program is an Inter-Plan Arrangement. Under this Arrangement, when Subscribers access covered healthcare services within the geographic area served by a Host Blue, the Host Blue will be responsible for contracting and handling all interactions with its participating healthcare providers. The financial terms of the BlueCard Program are described generally below.

### 8.2.1 Liability Calculation Method Per Claim- In General.

a. Subscriber Liability Calculation

Unless subject to a fixed dollar copayment, the calculation of the Subscriber liability on claims for covered healthcare services will be based on the lower of the participating provider’s billed covered charges or the negotiated price made available to Horizon BCBSNJ by the Host Blue.

b. Contract Holder’s Liability Calculation

The calculation of Contract Holder’s liability on claims for covered healthcare services processed through the BlueCard Program will be based on the negotiated price made available to Horizon BCBSNJ by the Host Blue under the contract between the Host

Blue and the provider. Sometimes, this negotiated price may be greater for a given service or services than the billed charge in accordance with how the Host Blue has negotiated with its participating healthcare provider(s) for specific healthcare services. In cases where the negotiated price exceeds the billed charge, the Contract Holder may be liable for the excess amount even when the Subscriber's deductible has not been satisfied. This excess amount reflects an amount that may be necessary to secure (a) the provider's participation in the network and/or (b) the overall discount negotiated by the Host Blue. In such a case, the entire contracted price is paid to the provider, even when the contracted price is greater than the billed charge.

**8.2.2 Claims Pricing.** Host Blues determine a negotiated price, which is reflected in the terms of each Host Blue's provider contracts. The negotiated price made available to us by the Host Blue may be represented by one of the following:

- (i) An actual price. An actual price is a negotiated rate of payment in effect at the time a claim is processed without any other increases or decreases; or
- (ii) An estimated price. An estimated price is a negotiated rate of payment in effect at the time a claim is processed, reduced or increased by a percentage to take into account certain payments negotiated with the provider and other claim- and non-claim-related transactions. Such transactions may include, but are not limited to, anti-fraud and abuse recoveries, provider refunds not applied on a claim-specific basis, retrospective settlements and performance-related bonuses or incentives; or
- (iii) An average price. An average price is a percentage of billed covered charges in effect at the time a claim is processed representing the aggregate payments negotiated by the Host Blue with all of its healthcare providers or a similar classification of its providers and other claim- and non-claim-related transactions. Such transactions may include the same ones as noted above for an estimated price.

The Host Blue determines whether it will use an actual, estimated or average price. The use of estimated or average pricing may result in a difference (positive or negative) between the price the Contract Holder pays on a specific claim and the actual amount the Host Blue pays to the provider. However, the BlueCard Program requires that the amount paid by the Subscriber and the Contract Holder is a final price; no future price adjustment will result in increases or decreases to the pricing of past claims.

Any positive or negative differences in estimated or average pricing are accounted for through variance accounts maintained by the Host Blue and are incorporated into future claim prices. As a result, the amounts charged to the Contract Holder will be adjusted in a following year, as necessary, to account for over- or underestimation of the past years' prices. The Host Blue will not receive compensation from how the estimated price or average price methods, described above, are calculated. Because all amounts paid are final, neither positive variance account amounts (funds available to be paid in the following year), nor negative variance amounts (the funds needed to be received in the following year), are due to or from the Contract Holder. If the Contract Holder terminates, the Contract Holder will not receive a refund or charge from the variance account.

Variance account balances are small amounts relative to the overall paid claims amounts and will be liquidated over time. The timeframe for their liquidation depends on variables, including, but not limited to, overall volume/number of claims processed and variance account balance. Variance account balances may earn interest at the federal funds or similar rate. Host Blues may retain interest earned on funds held in variance accounts.

### **8.2.3. BlueCard Program Fees and Compensation**

The Contract Holder understands and agrees to reimburse Horizon BCBSNJ for certain fees and compensation which Horizon BCBSNJ is obligated under the BlueCard Program to pay to the Host Blues, to the Association and/or to vendors of BlueCard Program-related services. BlueCard Program Fees and compensation may be revised from time to time as described in section 8.10 below.

### 8.3 Special Cases: Value- Based Programs.

#### *Value-Based Programs Overview*

The Contract Holder's Subscribers may access covered healthcare services from providers that participate in a Host Blue's Value-Based Program. Value-Based Programs may be delivered either through the BlueCard Program or a Negotiated Arrangement. These Value-Based Programs may include, but are not limited to, Accountable Care Organizations, Global Payment/Total Cost of Care arrangements, Patient Centered Medical Homes and Shared Savings arrangements.

#### *Value-Based Programs under the BlueCard Program*

##### *Value-Based Programs Administration*

Under Value-Based Programs, a Host Blue may pay providers for reaching agreed-upon cost/quality goals in the following ways: as retrospective settlements, Provider Incentives, share of target savings, Care Coordinator Fees and/or other allowed amounts.

The Host Blue may pass these provider payments to Horizon BCBSNJ, which Horizon BCBSNJ will pass directly on to the Contract Holder as either an amount included in the price of the claim or an amount charged separately in addition to the claim.

When such amounts are included in the price of the claim, the claim may be billed using one of the following pricing methods, as determined by the Host Blue:

- (i) **Actual Pricing:** The charge to accounts for Value-Based Programs incentives/Shared Savings settlements is part of the claim. These charges are passed to the Contract Holder via an enhanced provider fee schedule.
- (ii) **Supplemental Factor:** The charge to accounts for Value-Based Programs incentives/Shared Savings settlements is a supplemental amount that is included in the claim as an amount based on a specified supplemental factor (e.g., a small percentage increase in the claim amount). The supplemental factor may be adjusted from time to time.

When such amounts are billed separately from the price of the claim, they may be billed as follows:

- **Per Member Per Month (PMPM) Billings:** Per Member Per Month billings for Value-Based Programs incentives/Shared Savings settlements to accounts are outside of the claim system. Horizon BCBSNJ will pass these Host Blue charges directly through to the Contract Holder as a separately identified amount on the group billings.

The amounts used to calculate either the supplemental factors for estimated pricing or PMPM billings are fixed amounts that are estimated to be necessary to finance the cost of a particular

Value-Based Program. Because amounts are estimates, there may be positive or negative differences based on actual experience, and such differences will be accounted for in a variance account maintained by the Host Blue (in the same manner as described in the BlueCard claim pricing section above) until the end of the applicable Value-Based Program payment and/or reconciliation measurement period. The amounts needed to fund a Value-Based Program may be changed before the end of the measurement period if it is determined that amounts being collected are projected to exceed the amount necessary to fund the program or if they are projected to be insufficient to fund the program.

At the end of the Value-Based Program payment and/or reconciliation measurement period for these arrangements, Host Blues will take one of the following actions:

- Use any surplus in funds in the variance account to fund Value-Based Program payments or reconciliation amounts in the next measurement period.
- Address any deficit in funds in the variance account through an adjustment to the PMPM billing amount or the reconciliation billing amount for the next measurement period.

The Host Blue will not receive compensation resulting from how estimated, average or PMPM price methods, described above, are calculated. If the Contract Holder terminates, the Contract Holder will not receive a refund or charge from the variance account. This is because any resulting surpluses or deficits would be eventually exhausted through prospective adjustment to the settlement billings in the case of Value-Based Programs. The measurement period for determining these surpluses or deficits may differ from the term of this Agreement.

Variance account balances are small amounts relative to the overall paid claims amounts and will be liquidation over time. The timeframe for their liquidation depends on variables, including, but not limited to, overall volume/number of claims processed and variance account balance. Variance account balances may earn interest, and interest is earned at the federal funds or similar rate. Host Blues may retain interest earned on funds held in variance accounts.

Note: Subscribers will not bear any portion of the cost of Value-Based Programs except when a Host Blue uses either average pricing or actual pricing to pay providers under Value-Based Programs.

#### *Care Coordinator Fees*

Host Blues may also bill Horizon BCBSNJ for Care Coordinator Fees for provider services which we will pass on to the Contract Holder as follows:

1. PMPM billings; or
2. Individual claim billings through applicable care coordination codes from the most current editions of either Current Procedural Terminology (CPT) published by the American Medical Association (AMA) or Healthcare Common Procedure Coding System (HCPCS) published by the U.S. Centers for Medicare and Medicaid Services (CMS).

As part of this Agreement, Horizon BCBSNJ and the Contract Holder will not impose Subscriber cost sharing for Care Coordinator Fees.

#### *Value-Based Programs under Negotiated Arrangements*

If Horizon BCBSNJ has entered into a Negotiated Arrangement with a Host Blue to provide Value-Based Programs to the Contract Holder's Subscribers, Horizon BCBSNJ will follow the same procedures for Value-Based Programs administration and Care Coordination Fees as noted in the BlueCard Program section.

*Exception.* For negotiated arrangements, when Control/Home Licensees have negotiated with accounts to waive member cost sharing for care coordinator fees, the following provision will apply: As part of this Agreement, Horizon BCBSNJ and the Contract Holder may agree to waive Subscriber cost sharing for care coordinator fees.

- 8.4 **Return of Overpayments.** Recoveries of overpayments from a Host Blue or its participating and nonparticipating providers can arise in several ways, including, but not limited to, anti-fraud and abuse recoveries, audits, utilization review refunds and unsolicited refunds. Recoveries will be applied so that corrections will be made, in general, on either a claim-by-claim or prospective basis. If recovery amounts are passed on a claim-by-claim basis from a Host Blue to Horizon BCBSNJ they will be credited to the Contract Holder's account. In some cases, the Host Blue will engage a third party to assist in identification or collection of overpayments. The fees of such a third party may be charged to the Contract Holder as a percentage of the recovery.

Unless otherwise agreed to by the Host Blue, for retroactive cancellations of membership, Horizon BCBSNJ will request the Host Blue to provide full refunds from participating healthcare providers for a period of only one year after the date of the Inter-Plan financial settlement process for the original claim. For Care Coordinator Fees associated with Value-Based Programs, Horizon BCBSNJ will request such refunds for a period of only up to ninety (90) days from the termination notice transaction on the payment innovations delivery platform. In some cases, recovery of claim payments associated with a retroactive cancellation may not be possible if, as an example, the recovery (a) conflicts with the Host Blue's state law or healthcare provider contracts, (b) would result from Shared Savings and/or Provider Incentive arrangements or (c) would jeopardize the Host Blue's relationship with its participating healthcare providers, notwithstanding to the contrary any other provision of this Agreement.

- 8.5 **Inter-Plan Programs: Federal/State Taxes/ Surcharges/ Fees.** In some instances federal or state laws or regulations may impose a surcharge, tax or other fee that applies to self-funded accounts. If applicable, Horizon BCBSNJ will disclose any such surcharge, tax or other fee to the Contract Holder, which will be the Contract Holder's liability.

- 8.6 **Nonparticipating Providers Outside Our Service Area.**

8.6.1 **Subscriber Liability Calculation.**

- a. In General

When covered healthcare services are provided outside of Horizon BCBSNJ's service area by nonparticipating providers, the amount(s) a Subscriber pays for such services will be based on either the Host Blue's nonparticipating healthcare provider local payment or the pricing arrangements required by applicable state law. In these situations, the Subscriber may be responsible for the difference between the amount that the nonparticipating provider bills and the payment Horizon BCBSNJ will make for the covered services as set forth in this paragraph. Payments for out-of-network emergency services will be governed by applicable federal and state law.

- b. Exceptions

In some exception cases, at the Contract Holder's direction Horizon BCBSNJ may pay claims from nonparticipating healthcare providers outside of Horizon BCBSNJ's service area based on the provider's billed charge. This may occur in situations where a Subscriber did not have reasonable access to a participating provider, as determined by Horizon BCBSNJ in Horizon BCBSNJ's sole and absolute discretion or by applicable state law. In other exception cases, at the Contract Holder's direction Horizon BCBSNJ may pay such claims based on the payment Horizon BCBSNJ would make if Horizon BCBSNJ were paying a nonparticipating provider inside of Horizon BCBSNJ's service area, as described elsewhere in this Agreement. This may occur where the Host Blue's corresponding payment would be more than Horizon BCBSNJ's in-service area nonparticipating provider payment. Horizon BCBSNJ may choose to negotiate a payment with such a provider on an exception basis.

Unless otherwise stated, in any of these exception situations, the Subscriber may be responsible for the difference between the amount that the nonparticipating healthcare provider bills and the payment Horizon BCBSNJ will make for the covered services as set forth in this paragraph.

**8.7 Fees and Compensation.** The Contract Holder understands and agrees to reimburse Horizon BCBSNJ for certain fees and compensation which Horizon BCBSNJ is obligated under applicable Inter-Plan Arrangement requirements to pay to the Host Blues, to the Association and/or to vendors of Inter-Plan Arrangement-related services. The specific fees and compensation that are charged to the Contract Holder are set forth Schedule A, if applicable. Fees and compensation under applicable Inter-Plan Arrangements may be revised from time to time as provided for in section 8.10 below.

## **8.8 BlueCard Worldwide® Program**

**8.8.1 General Information.** If Subscriber are outside the United States, the Commonwealth of Puerto Rico and the U.S. Virgin Islands (hereinafter: "BlueCard service area"), they may be able to take advantage of the BlueCard Worldwide Program when accessing covered healthcare services. The BlueCard Worldwide Program is unlike the BlueCard Program available in the BlueCard service area in certain ways. For instance, although the BlueCard Worldwide Program assists Subscribers with accessing a network of inpatient, outpatient and professional providers, the network is not served by a Host Blue. As such, when Subscribers receive care from providers outside the BlueCard service area, the Subscribers will typically have to pay the providers and submit the claims themselves to obtain reimbursement for these services.

- **Inpatient Services**

In most cases, if Subscribers contact the BlueCard Worldwide Service Center for assistance, hospitals will not require Subscribers to pay for covered inpatient services, except for their cost-share amounts. In such cases, the hospital will submit Subscriber claims to the BlueCard Worldwide Service Center to initiate claims processing. However, if the Subscriber paid in full at the time of service, the Subscriber must submit a claim to obtain reimbursement for covered healthcare services. Subscribers must contact Horizon BCBSNJ to obtain precertification for non-emergency inpatient services.

- **Outpatient Services**

Physicians, urgent care centers and other outpatient providers located outside the BlueCard service area will typically require Subscribers to pay in full at the time of service. Subscribers must submit a claim to obtain reimbursement for covered healthcare services.

- Submitting a BlueCard Worldwide Claim

When Subscribers pay for covered healthcare services outside the BlueCard service area, they must submit a claim to obtain reimbursement. For institutional and professional claims, Subscribers should complete a BlueCard Worldwide International claim form and send the claim form with the provider's itemized bill(s) to the BlueCard Worldwide Service Center address on the form to initiate claims processing. The claim form is available from Horizon BCBSNJ, the BlueCard Worldwide Service Center, or online at [www.bluecardworldwide.com](http://www.bluecardworldwide.com). If Subscribers need assistance with their claim submissions, they should call the BlueCard Worldwide Service Center at 1.800.810.BLUE (2583) or call collect at 1.804.673.1177, 24 hours a day, seven days a week.

**8.8.2 BlueCard Worldwide Program-Related Fees.** The Contract Holder understands and agrees to reimburse Horizon BCBSNJ for certain fees and compensation which Horizon BCBSNJ is obligated under applicable Inter-Plan Arrangement requirements to pay to the Host Blues, to the Association and/or to vendors of Inter-Plan Arrangement-related services. The specific fees and compensation that are charged to the Contract Holder under the BlueCard Worldwide Program are set forth in *Schedule A*, where applicable. Fees and compensation under applicable Inter-Plan Arrangements may be revised from time to time as provided for in section 8.10 below.

**8.9 Modifications or Changes to Inter-Plan Arrangement Fees or Compensation.** Modifications or changes to Inter-Plan Arrangement fees are generally made effective Jan. 1 of the calendar year, but they may occur at any time during the year. In the case of any such modifications or changes, Horizon BCBSNJ shall provide the Contract Holder with at least thirty (30) days' advance written notice of any modification or change to such Inter-Plan Arrangement fees or compensation, but only to the extent where such fees and compensation are specifically set forth in *Schedule A*, describing the change and the effective date thereof and the Contract Holder's right to terminate this Agreement without penalty by giving written notice of termination before the effective date of the change. If the Contract Holder fails to respond to the notice and do not terminate this Agreement during the notice period, the Contract Holder will be deemed to have approved the proposed changes, and Horizon BCBSNJ will then allow such modifications to become part of this Agreement.

**8.10 BlueCard® Program Amendments.** Notwithstanding anything within this Agreement to the contrary, Horizon BCBSNJ may amend the terms of any BlueCard Program provisions of this Agreement by providing written notice to the Contract Holder. Any such amendment as it pertains to the BlueCard Program shall become effective upon the date of such written notice provided by Horizon BCBSNJ.

## SECTION 9: FEES AND PAYMENT

**9.1 Administrative Fee and Other Fees.** Contract Holder agrees to pay to Horizon BCBSNJ the "Administrative Fee", which shall represent the standard benefit Claims administrative charge, set forth in *Schedule A*.

In addition to the Administrative Fee, Contract Holder agrees to pay to Horizon BCBSNJ "Other Fees", which shall represent the appropriate fee for some of Horizon BCBSNJ's additional administrative services that Contract Holder has requested. Any such additional administrative services and their respective fees shall be as set forth in *Schedule A*, unless otherwise stated as part of a duly executed amendment, document or an Exhibit to this Agreement.

**9.2 Working Capital Amount.** Contract Holder also agrees to provide Horizon BCBSNJ with a "Working Capital Amount", an amount necessary for, and held by, Horizon BCBSNJ to cover costs for services

Horizon BCBSNJ provides, such as Claims payment to Network Providers and other health care service providers for the benefit of Plan Participants, prior to billing or invoicing Contract Holder for such Claims or costs. The Working Capital Amount for the Initial Term and any subsequent Term(s) of this Agreement is as set forth in *Schedule A* and shall be remunerated to Horizon BCBSNJ with the entire amount on or before the due date stated on the invoice as presented by Horizon BCBSNJ.

If this Agreement terminates, Horizon BCBSNJ will retain the Working Capital Amount for a period of three months after the end of the post termination administration period (i.e. run-out period) set forth in Section 15.6. During this period, Horizon BCBSNJ will invoice Contract Holder for continuing Claims that are Contract Holder's liability. Contract Holder must remunerate the total amount of the invoice in accordance with the billing terms of this Agreement. Thereafter, the Working Capital Amount will be applied to adjudicate any continuing Claims that are Contract Holder's liability. If there is a balance at the end of the reasonable period after the termination date for which Horizon BCBSNJ retains part or all of the remaining Working Capital Amount, it will be returned to Contract Holder. If there is a balance due from Contract Holder at the end of such reasonable period after the termination date, Contract Holder must pay it to Horizon BCBSNJ.

- 9.3 **Network Access Fee.** Contract Holder agrees to pay a monthly "Network Access Fee", if applicable, for the development and maintenance of Horizon BCBSNJ's Provider Network(s). This shall be calculated as a flat charge per Plan Participant per month. The Network Access Fee applicable during the Initial Term and any subsequent Term(s) of this Agreement is set forth in *Schedule A*.
- 9.4 **Plan Participant Contributions.** Contract Holder shall be solely responsible, unless otherwise agreed to in writing signed by an authorized representative of Horizon BCBSNJ, for collecting any charges that it may assess from Plan Participants as mandatory contributions for coverage under the Plan.
- 9.5 **Adjustments to Fees.** Horizon BCBSNJ will communicate any changes in Administrative Fees, Network Access Fee, and Other Fees (such fees collectively known as "Charges"), whether positive or negative, at each renewal of Term(s) or at the end of any period for which such Charges have been guaranteed by mutual agreement of the Parties, which such period shall be so stated on *Schedule A*. Horizon BCBSNJ shall adjust the Working Capital amount annually and changes to the Working Capital Amount will be communicated on an annual basis. Applicable changes shall be issued by Horizon BCBSNJ via an amended *Schedule A* at least thirty (30) days prior to the applicable renewal date.

Additionally, Horizon BCBSNJ shall have the automatic right to immediately adjust the Charges and the Working Capital Amount at its sole discretion, with such adjustment taking effect on the same date as the incident(s) giving rise to the changes, upon the following circumstances:

**For Charges:**

- 9.5.1. A change in the Plan's benefits or type of product administered by Horizon BCBSNJ;
- 9.5.2. A change in Contract Holder's Plan eligibility rules;
- 9.5.3. A change in enrollment of more than 10% or of more than 200 Plan Participants;
- 9.5.4. A change in a federal or state law or regulation that materially impacts the benefits or terms of Plan administration;
- 9.5.5. A change in Horizon BCBSNJ's vendor agreements that result in additional costs to Horizon BCBSNJ.

**For Working Capital Amount**

- 9.5.6. A change in the Plan's benefits or type of product administered by Horizon BCBSNJ;
- 9.5.7. A change in Contract Holder's Plan eligibility rules;
- 9.5.8. A change in enrollment of more than 10% or of more than 200 Plan Participants; or

- 9.5.9. In the event Projected Claims do not accurately reflect actual Claims on a routine basis.
- 9.6. **Billing Practices.** Horizon BCBSNJ will invoice Contract Holder for all the Claims paid by Horizon BCBSNJ during a particular period on behalf of Contract Holder's Plan Participants, and the applicable Charges as may be specified in *Schedule A*. Horizon BCBSNJ's invoice will also consist of positive or negative effects of later settlements, Claims, and Charges provided for in this Agreement. Contract Holder must remunerate the total amount of the invoice in accordance with the billing terms specified in *Schedule A*.
- 9.7. **Billing Disputes.** If Contract Holder disputes a Claim payment or any Charges, including any changes in the Working Capital Amount that is included on an invoice, Contract Holder must still pay the amount invoiced and notify Horizon BCBSNJ of the disputed amounts. If Horizon BCBSNJ verifies that the disputed amount, or any part thereof, is not Contract Holder's responsibility, Horizon BCBSNJ will credit Contract Holder's subsequent invoices with the disputed amount, or, if after the termination of this Agreement, Horizon BCBSNJ will pay the amount in cash at a mutually agreed upon schedule. All Claims payment disputes shall be brought within twenty-four (24) months of the original date of invoice and all disputes pertaining to Charges shall be made within sixty (60) days of the Administrative Fee Payment Due Date as specified in *Schedule A*. This provision shall survive the termination of this Agreement and shall not be construed to reduce the Claims payment obligation of the Plan.
- 9.8. **Limitation on Reconciliation.** In no event shall Horizon BCBSNJ be responsible to adjust or reconcile the invoiced Claims payment or any Charges beyond 24 months after the date of invoice. This provision shall survive the termination of this Agreement and shall not be construed to reduce the Claims payment obligation of the Plan.
- 9.9. **Late or Overdue Claim Payments.** If Horizon BCBSNJ does not receive Contract Holder's payments for all Claims, Administrative Fees, and other charges by the due date indicated on the invoices, Horizon BCBSNJ may charge a late fee. On the amount overdue, Horizon BCBSNJ will assess an interest charge of 1.5 points above the Prime Rate taken from the Federal Reserve Statistical Release Form H.15(519). This charge shall be assessed each month until Horizon BCBSNJ receives the amount due. Alternatively, Horizon BCBSNJ may terminate this Agreement as provided in *Section 15: Term, Renewal, and Termination*.
- 9.10. **Broker Payment Administration.** Where applicable, Horizon BCBSNJ administers payment of broker commissions ("Broker Payments") on Contract Holder's behalf to Contract Holder's commissioned broker ("Broker of Record"). Broker Payments are specifically directed, approved, and authorized by Contract Holder. Horizon BCBSNJ provides administrative services only in making Broker Payments and does not independently make commission payments to Contract Holder's Broker of Record.
- 9.10.1. In the event Contract Holder identifies the Broker of Record, Horizon BCBSNJ shall make payment to the Broker of Record in accordance with Contract Holder's written request. Contract Holder shall remain solely responsible for the proper and lawful identification of the Broker of Record and any subsequent modification of such information.
- 9.10.2. Contract Holder acknowledges that Horizon BCBSNJ's administration of Broker Payments shall be in accordance with Horizon BCBSNJ's applicable broker payment policy/ies, which is available upon request. Horizon BCBSNJ's payment to, and acceptance of any change in Broker of Record identified by Contract Holder is subject to such applicable broker payment policy/ies.
- 9.10.3. Any applicable Broker Payments for which Contract Holder is responsible for shall be as stated in *Schedule A*. Broker Payments may be subject to disclosure on Schedule C of the ERISA

Form 5500 for customers governed by ERISA and Horizon BCBSNJ shall provide reasonable cooperation to Contract Holder for the production of such report(s).

9.10.4. Contract Holder acknowledges that it shall be solely responsible for contracting with and maintaining its relationship with the Broker of Record. Horizon BCBSNJ is not a party to such relationship, nor does it have any implicit or explicit relationship with such Broker of Record for purposes of this Agreement.

## SECTION 10: TAXES AND ASSESSMENTS

- 10.1 **Payment of Taxes and Assessments.** Contract Holder agrees to remain responsible for any Taxes and Assessments imposed, anticipated, assessed, or levied by any federal, state, local, or other governmental entity that is applicable to the Plan or any function undertaken by Horizon BCBSNJ under this Agreement. This shall include interest, fines, or penalties relating to such Taxes and Assessments, unless caused by Horizon BCBSNJ's unreasonable determination to dispute the Taxes and Assessments. Contract Holder shall reimburse Horizon BCBSNJ, either retrospectively, concurrently, or prospectively, in a manner Horizon BCBSNJ specifies, for any Taxes and Assessments. Horizon BCBSNJ shall annually, or at other practical periods, reconcile the amount collected for payment of such Taxes and Assessments. Horizon BCBSNJ shall have the authority and discretion to reasonably decide whether such Taxes and Assessments are legally levied and determine whether they shall be paid or disputed. Contract Holder's payment for such Taxes and Assessments shall occur in accordance with *Section 9.6 – Billing Practice* or in a manner specified by Horizon BCBSNJ.
- 10.2 **Contract Holder's Dispute of Taxes and Assessments.** Horizon BCBSNJ's discretion to reasonably decide the legality of any Taxes and Assessments shall not apply if Contract Holder notifies Horizon BCBSNJ that, in the opinion of Contract Holder's legal counsel, which opinion shall be final, such Taxes and Assessments have not been legally levied against the Plan. Contract Holder further agrees to hold harmless from, and indemnify Horizon BCBSNJ for, any losses which result from Horizon BCBSNJ's action taken in reliance upon Contract Holder's legal counsel's opinion on such matter.

This provision applies to any amounts imposed, now or later, including any penalties, interest, and fines under the authority of any federal, state, or local taxing jurisdiction. Notwithstanding the above, this indemnification shall not apply to any Taxes and Assessments, including penalties and interest, or any other amounts, which would not be payable had Contract Holder and Horizon BCBSNJ not entered into this Agreement. This provision shall continue in effect after termination of this Agreement for any reason.

## SECTION 11: RECORDS AND REPORTS

- 11.1 **Monthly Claims Listings.** Upon request, Horizon BCBSNJ will provide Contract Holder with a copy of monthly Claims listings. Such listings will show the Claims paid during the specified month and year, itemized by identification numbers, patient name, and the dates of service, the Claim numbers and the amounts paid. Horizon BCBSNJ retains the right to mask or otherwise remove information that discloses or reveals Horizon BCBSNJ Proprietary Business Information, including trade secrets such as proprietary Network Provider discount data (i.e. the allowed amount).
- 11.2 **Other Information.** Other information available under this Agreement may include copies of rate quotations and membership lists. If Contract Holder requests and Horizon BCBSNJ agrees, Horizon BCBSNJ may provide additional information (e.g. cost utilization reports for benefit management). Subject to *Section 12 – Confidentiality of Information*, this Agreement does not provide for disclosure of other medical, Claims processing or Claims payment data to Contract Holder or to any third party beyond that contained in the monthly Claims listing.

## SECTION 12: CONFIDENTIALITY OF INFORMATION

- 12.1 Confidentiality of Medical Information.** Any examination of individual benefit payment records will be carried out in a manner agreed to between the Parties, designed to protect the confidentiality of medical information. Contract Holder and Horizon BCBSNJ shall disclose only the minimum necessary information to carry out such examination and shall design their examination protocols to comply with applicable federal and state laws and regulations
- 12.2 Right to Documents.** Unless otherwise provided, all documents relating to the payment of Claims shall be Contract Holder's property except to the extent it includes Horizon BCBSNJ's Proprietary Business Information. To that end, Horizon BCBSNJ retains the right to refuse the disclosure of, and transmittal of, any of its Proprietary Business Information. In the event such documents include Horizon BCBSNJ Proprietary Business Information, and Horizon BCBSNJ agrees to the release or disclosure of same, Contract Holder shall safeguard such information in accordance with *Sections 12.5 and 12.6* and shall cause its subcontractors, consultants and agents to do the same.
- 12.2 Sharing of Information with Government Programs and for Health Care Quality and Cost Containment.** Contract Holder acknowledges and agrees that Horizon BCBSNJ shall have the right to share relevant information with the authorized administrators (or their agents) of state or federal government programs for the purpose of lawful reporting activities or in connection with third party liability recoveries. Further, notwithstanding any other provision in this Agreement, Contract Holder acknowledges and agrees that Horizon BCBSNJ shall have the right to share relevant Plan information, including Claims and eligibility information consisting of protected health information, with health care service providers for the purpose of administering health care quality or cost containment programs such as an organized health care arrangement.
- 12.4 Sharing of Information with Plan's Other Administrators.** Contract Holder acknowledges and agrees that Horizon BCBSNJ shall share necessary information, including protected health information, with authorized administrators, agents, or vendors (collectively the "Receiving Party") of the Plan upon Contract Holder's written or recorded direction ("Order to Disclose"). Contract Holder shall be solely responsible for ensuring the lawfulness of such disclosure, including compliance with HIPAA and other applicable laws and regulations, and indemnify, defend, and hold harmless Horizon BCBSNJ from any liability, claim, judgment, or threat of same proximately resulting from Horizon BCBSNJ's reliance on Contract Holder's Order to Disclose. Further, Contract Holder shall ensure that the Receiving Party use the disclosed information only for lawful purposes and safeguard Horizon BCBSNJ's Proprietary Business Information to the same extent required under this Agreement.
- 12.5 Confidentiality of Other Information.** Contract Holder agrees to use any information that Horizon BCBSNJ makes available solely for the purpose of administering Contract Holder's Plan. Contract Holder agrees to defend at Contract Holder's sole expense, indemnify and hold Horizon BCBSNJ harmless for any claim, action, or loss that may arise at any time in the future due to Contract Holder's unauthorized use or release of this information. Furthermore, Contract Holder's use of the information for another purpose will be deemed a material breach of this Agreement. This Agreement will then be subject to immediate termination. This provision will continue in effect after termination of this Agreement for any reason.
- 12.6 Proprietary Business Information.** Each Party will limit the use of the other's Proprietary Business Information to only the information required to administer the Plan, to perform under this Agreement, or as otherwise allowed under this Agreement. Each Party agrees to take reasonable measures to protect the secrecy of, and avoid disclosure and unauthorized use of, the other Party's Proprietary Business Information, and agrees to protect the confidentiality of the other Party's Proprietary Business Information in the same manner that it protects the confidentiality of its own Proprietary Business Information of like kind, but in no event shall either Party exercise less than reasonable care in

protecting the other Party's Proprietary Business Information. Each Party agrees that it will not disclose the other's Proprietary Business Information to any person or entity other than to the disclosing Party's employees, subcontractors or representatives needing access to such information to administer the Plan, to perform under this Agreement or as otherwise allowed under this Agreement or any of its amendments or addendums. This provision shall survive termination of this Agreement.

- 12.7 **Agreement Terms.** The terms and conditions of this Agreement shall be kept confidential by the Parties except to the extent required to be disclosed in connection with any audits or as requested by a governmental authority.
- 12.8 **Subpoenas or Required Disclosures.** If the Party receiving Proprietary Business Information ("Recipient") receives a subpoena or other validly issues administrative or judicial process demanding the Proprietary Business Information of the disclosing Party ("Discloser"), Recipient shall promptly notify the Discloser of such receipt and reasonably cooperate with the Discloser in seeking a protective order or otherwise protecting the confidentiality of such Proprietary Business Information, at the expense of the Discloser. Recipient shall thereafter, or sooner if so legally required, be entitled to comply with such subpoena or other process to the extent required by law.
- 12.9 **Injunctive Relief.** Since the violation by either Party of the provisions of this Section 12 would cause irreparable injury to the other Party and there is no adequate remedy at law for such violation, Horizon BCBSNJ an Contract Holder will have the right, in addition to any other remedies available to it at law or in equity, to seek injunctive or other equitable relief, including temporary injunctive relief until such time as a court of competent jurisdiction can hear an application of notice to the Party sought to be enjoined, for any failure of a Party to comply with express obligations under this Agreement or as otherwise provided in this Agreement.

### SECTION 13: AUDITS

- 13.1 **Audits of Claim Records.** During the term of this Agreement, Contract Holder or an authorized agent of Contract Holder, subject to Horizon BCBSNJ's reasonable approval, has the right to request a comprehensive audit of Horizon BCBSNJ's Claim payment records to assure that Horizon BCBSNJ's administration of the Plan is performed according to the terms of this Agreement. The information that was provided by and agreed to by Contract Holder, and that is included in the Central Product Library, shall serve as the sole source of benefit validation for the audit. Any such audit by an external auditor shall be by an auditor that the Parties mutually agree. Contract Holder shall be solely responsible for its costs associated with the audit. Contract Holder and its authorized agent or auditor shall treat all records disclosed by Horizon BCBSNJ in the course of an audit as Proprietary Business Information.
- 13.1.1. **Scope of Audit.** The audit will be limited to no more than three hundred (300) randomly selected Claims and must be free of bias, influence or conflict of interest. Contingency fee based audits are deemed to have an inherent conflict of interest and will not be agreed to, nor supported, by Horizon BCBSNJ.
- 13.1.2. **Audit Period and Frequency of Audit.** Contract Holder has the right to request a compressive audit of Horizon BCBSNJ's Claim payment records under this section once every twelve (12) month period, except as required by state or federal government agency or regulation. The audit period will be limited to Claims filed and processed within the twenty-four (24) month period prior to the date of the audit request, and according to the audit procedures mutually agreed upon prior to the start of the audit.
- 13.1.3. **Audit Plan, Coordination of Audit, and Audit Report.** Contract Holder or its authorized agent shall submit to Horizon BCBBSNJ a written audit plan together with a request for audit. The audit plan shall include the purpose, scope, timetable, location and records requested for

review. The audit plan is subject to Horizon BCBSNJ's reasonable approval. Horizon BCBSNJ will provide reasonable audit assistance but will not provide access to any of its program source codes, including real-time or historical access to its computer or claims adjudication system, unless otherwise agreed to by Horizon BCBSNJ which approval shall not be unreasonably withheld. Contract Holder shall provide Horizon BCBSNJ with a copy of any audit reports within thirty (30) days after receipt of the audit reports.

- 13.2 Financial Audits.** Contract Holder may request and perform an annual financial audit to validate funding. The conditions for such an audit are the same as described above Section 13.2, except that the randomly selected Claims shall be limited to those filed and processed within the eighteen (18) month period before the date of request and to no more than three hundred (300) Claims per financial audit.
- 13.3 Correction of Errors.** Horizon BCBSNJ is responsible only for the correction of actual errors identified in specific Claims payment and any other Claims with the same error that were adjudicated within the twenty-four (24) month period prior to the date of the audit request. Errors calculated or identified on the basis of sampling techniques will not be corrected. Extrapolation methodologies under which errors are imputed to a population of Claim payments based on a sample drawn from that population will not be used as the basis for correcting Claims. Extrapolation methodologies are appropriate only to calculate Claim measures, such as financial accuracy. Horizon BCBSNJ shall have the right to control its administrative practices in correcting any errors identified pursuant to this Section, except to the extent modified by this Section. Horizon has the right to implement reasonable administrative practices in the administration of this Agreement.
- 13.4 Advance Notice.** Contract Holder must provide ninety (90) days prior written notice of an intention to have an audit conducted. Any audit which was requested prior to the effective date of termination of this Agreement shall nevertheless be performed.

#### **SECTION 14: AMENDMENTS AND MATERIAL ENVIRONMENTAL CHANGES**

- 14.1 Amendment.** Except as otherwise specified in this Agreement, this Agreement may be amended only by the written agreement of both Parties executed by duly authorized person(s). However, Horizon BCBSNJ may adjust any existing financial terms pursuant to *Section 9.5 - Adjustment to Fees*. If Contract Holder does not agree to the amendment or the change in charges, if any, Horizon BCBSNJ can terminate this Agreement in accordance with *Section 15.2 Termination without Cause*.
- 14.2 Material Environmental Change.** In the event of a Material Environmental Change, the Parties shall negotiate in good faith for not less than thirty (30) days to amend the provisions of this Agreement and specifically, without limitation, *Schedule A*, to the extent necessary to accommodate such Material Environmental Change in a manner which substantially preserves for Horizon BCBSNJ the economic benefits of this Agreement, as they existed immediately prior to the occurrence of such Material Environmental Change. Any such mutually agreed upon change in the terms of this Agreement shall take effect as of the effective date of the Material Environmental Change. If such mutual agreement cannot be reached, Horizon BCBSNJ reserves the right to terminate this Agreement pursuant to the aforementioned "Termination without Cause" provision.

#### **SECTION 15: TERM, RENEWAL, AND TERMINATION**

- 15.1 Term and Renewal.** The initial term of this Agreement shall be the twelve (12) months commencing on the Effective Date, from December 1, 2015 through November 30, 2016 (the "Initial Term"). Thereafter, subject to the mutual agreement of the Parties, this Agreement may be renewed for a further period of twelve (12) consecutive months, or for a mutually agreed duration (collectively any such duration, including the Initial Term referred to as "Term(s)"), subject to negotiation of financial terms.

- 15.2 **Termination without Cause.** Except as provided in the following subsections, either party to this Agreement can end it by giving 60 days prior written notice to the other party.
- 15.3 **Termination for Non-Payment.** If any payment(s) required by Horizon BCBSNJ pursuant to the terms of this Agreement are not made by Contract Holder by the due date indicated on Horizon BCBSNJ's invoice, Horizon BCBSNJ will suspend all Claim payments. If full payment is not received within thirty (30) days after the due date, Contract Holder shall be deemed in breach of this Agreement, and Horizon BCBSNJ may immediately terminate this Agreement at its sole discretion.
- 15.4 **Termination for Material Breach.** If either party is in material breach of the terms of this Agreement (other than in connection with non-payments), and does not correct the breach within thirty (30) days of being so notified by the other party, the other party can terminate this Agreement immediately after the expiration of such thirty (30) day period.
- 15.5 **Contract Holder Liability after Termination.** If this Agreement terminates, Contract Holder remains liable for all Claims Incurred prior to the date of termination, including for any retrospectively calculated payments arising out of Network Provider Programs, plus administrative fees and charges, late interest fees and all other unpaid expenses and charges. Any such payments must be paid by Contract Holder as billed by Horizon BCBSNJ.
- 15.6 **Post-termination Administration.** If this Agreement terminates in whole or in part for any reason, Horizon BCBSNJ shall continue to provide its services, in accordance with the terms of this Agreement, with respect to those Claims that were Incurred prior to the termination of this Agreement for a period of 24 months, or such shorter period as Contract Holder shall determine in its sole discretion. Such services shall include Horizon BCBSNJ's help to develop and implement a transition plan to move the business to a successor.
- During this period of continued services, Horizon BCBSNJ will not charge Contract Holder for adjudicating such Claims. However, Contract Holder must maintain an appropriate Working Capital Amount, as determined by Horizon BCBSNJ, during such period of continued services.
- 15.7 **Transition Assistance.** If this Agreement terminates in whole or in part, Horizon BCBSNJ shall, subject to the terms of this Agreement and if Contract Holder requests, cooperate with any successor administrator by producing and transferring data files or other mutually agreed upon material that contains information and enrollment data requested by Contract Holder. In this event, Horizon BCBSNJ reserves the right to charge an appropriate additional fee, to be negotiated with Contract Holder.

## SECTION 16: INDEMNIFICATIONS

- 16.1 **Indemnifications in General.** In addition to any other indemnifications set forth in this Agreement, the following indemnifications shall apply with respect to this Agreement.
- 16.2 **Indemnification by Contract Holder.** Contract Holder agrees to defend, at Contract Holder's sole expense, indemnify and hold Horizon BCBSNJ harmless against all claims, including legal fees, judgments, administrative expenses, and benefit payment requirements, that may result at any time arising from or due to Contract Holder's failure to comply with the terms of Contract Holder's Plan, or any applicable laws or regulations. This includes, but is not limited to, any non-compliance with COBRA, HIPAA, mandated benefits provisions and the Medicare secondary payer provisions, except where Contract Holder has informed Horizon BCBSNJ, in writing prior to Horizon BCBSNJ's payment, that Contract Holder's Plan should have been the primary payer with respect to a Plan Participant entitled to Medicare benefits.

In the event Horizon BCBSNJ is assessed any fines or penalties under the Medicare Secondary Payer Mandatory Reporting Provisions in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007, due to:

16.2.1 Horizon BCBSNJ's reporting of erroneous information and it is determined that the failure to report or the erroneous reporting was due to:

- (a) Contract Holder's failure to provide the information to Horizon BCBSNJ; or
- (b) Contract Holder's reporting to Horizon BCBSNJ of incorrect information,

then Contract Holder agrees to reimburse, indemnify and hold Horizon BCBSNJ harmless for any such fines or penalties.

This indemnification provision will continue in effect after termination of this Agreement for any reason.

16.3 **Indemnification by Horizon BCBSNJ.** Horizon BCBSNJ agrees to indemnify and hold harmless Contract Holder, Contract Holder's directors, officers and employees, and the Plan against any loss, costs, liabilities and expenses (including, but not limited to, attorneys' fees and court costs) resulting from or in connection with any function Horizon BCBSNJ has undertaken, or which is required of Horizon BCBSNJ, pursuant to this Agreement, and the liability therefor was the result of Horizon BCBSNJ's: gross negligence, imprudence; willful misconduct; malfeasance; fraudulent acts; or breach of this Agreement or applicable law. However, Contract holder agrees that Contract Holder shall remain liable for the payment of all Claims under the Plan. No termination of this Agreement shall reduce Horizon BCBSNJ's obligations under this provision.

## SECTION 17: MISCELLANEOUS PROVISIONS

17.1 **Assignments.** This Agreement, including the rights and obligations hereunder, shall not be assignable by either party without the prior written consent of the other party, and any attempted non-permitted assignment shall be void.

17.2 **Waiver and Estoppel.** Nothing in this Agreement shall be deemed waived by any party unless such waiver is received in writing and signed by an authorized representative of both Parties. The Parties also acknowledge the following:

17.2.1 A waiver of one portion of the Agreement shall not constitute a waiver of any other;

17.2.2 A waiver of any breach of this Agreement shall not be construed to be a continuing waiver for similar breach(es); and

17.2.3 Failure of either party to enforce at any time any of the provisions of this Agreement shall not in any way be construed to be a waiver of such provisions of this Agreement.

17.2 **Governing Law.** This Agreement is made in the State of New Jersey and any litigation or arbitration shall be brought exclusively in the State of New Jersey. Except to the extent ERISA shall control the interpretation of this Agreement, the laws of New Jersey shall control its interpretation without regards to the conflicts of laws principles.

17.2 **Severability.** In the event any provision of this Agreement is finally adjudged to be invalid or unenforceable, all other provisions shall remain in full force and effect.

17.3 **Survival of Rights and Obligations.** The rights and obligations of the Parties hereto shall survive the termination of this Agreement to the extent necessary to effectuate the intent of the Parties as expressed herein.

- 17.4 **Use of Name and Logo.** Any provision of this Agreement to the contrary notwithstanding, neither Contract Holder nor Contract Holder's delegate or a delegate of Horizon BCBSNJ may use Horizon BCBSNJ's name or logo without Horizon BCBSNJ's permission.
- 17.5 **Independent Licensee of the Blue Cross and Blue Shield Association.** This Agreement is between Contract Holder and Horizon BCBSNJ only. Horizon BCBSNJ is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association"). This license permits Horizon BCBSNJ to use the Blue Cross and Blue Shield Service Marks in New Jersey ("Service Area"). Horizon BCBSNJ is not an agent of the Association and neither the Association nor any other independent Blue Cross and/or Blue Shield Plan are a party to this Agreement. Contract Holder further acknowledges that this Agreement has not been entered into based upon representations by any person other than Horizon BCBSNJ, and no other person shall be held liable to Contract Holder for any of the obligations undertaken by Horizon BCBSNJ in this Agreement. This section does not add any obligations to this Agreement.
- 17.6 **Entire Agreement.** This Agreement, together with its exhibits, constitutes the entire agreement between Contract Holder and Horizon BCBSNJ governing the subject matter of this Agreement. This Agreement replaces and supersedes all prior representations and understandings, whether oral or written. The headings and titles within this Agreement are for convenience only and are not part of the Agreement. The Parties also acknowledge and agree that it has each been represented by counsel; neither Contract Holder nor Horizon BCBSNJ shall be deemed the drafter of this Agreement.
- 17.7 **Lack of Governing Document.** The Parties acknowledge that where a governing agreement memorializing prior representations or understandings on the subject matter of this Agreement is lacking, this Agreement's terms and conditions control with respect to any disputes arising out of a Claim, Charge, or from each Party's performance or conduct prior to the Effective Date of this Agreement.
- 17.8 **Counterparts and Conflicts.** This Agreement may be executed in any number of counterparts by the authorized representatives of the Parties. Each such counterpart shall be deemed an original and shall constitute one and the same instrument. In the event of a conflict between the terms of this Agreement and a later executed counterpart, the terms of such Exhibit, Amendment, or counterpart shall govern.
- 17.9 **Force Majeure.** Neither party to this Agreement shall be held responsible for any delay or failure in performance of any part of this Agreement to the extent such delay or failure is caused by fire, flood, strike, civil, governmental or military authority, act of God, or other similar causes beyond its control and without the fault or negligence of the delayed or nonperforming party or its subcontractors.
- 17.10 **Notices.** Any notices, demands, or other communications required under this Agreement shall be in writing and be mailed by first class mail (postage paid) or delivered by hand as follows:

To: Horizon Blue Cross Blue Shield of New Jersey  
3 Penn Plaza East, PP-13-C  
Newark, New Jersey 07115-2200  
Attention: Vice President, Commercial and Major Account Markets

To: City of Hoboken  
94 Washington Street  
Hoboken, New Jersey 07030  
Attention: Quentin Wiest, Business Administrator

Notice made herein shall be deemed received upon actual receipt.

**NOW, THEREFORE**, in consideration of the mutual promise stated herein and intending to be legally bound, Contract Holder and Horizon BCBSNJ enter into this Agreement.

**City of Hoboken**

**Horizon Blue Cross Blue Shield of New Jersey**

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A: SCHEDULE A – FINANCIAL TERMS**

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<b>Group Name:</b>	City of Hoboken
<b>Term:</b>	12/1/2015 – 11/30/2016
<b>Group Number:</b>	8501J
<b>Current Enrollment:</b>	990

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**SECTION A-1: FEES**

**A-1.1 Administrative Fees and Other Fees.** The following charges shall be in effect for the Terms specified hereunder based on Contract Holder's Current Enrollment:

*Administrative Fees:*

Health	\$36.00 per contract per month
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*Other Fees:*

Utilization Review Charge:	Included in above Administrative Fee
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Claims Fiduciary Charge:	\$1.25 per contract per month
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Stop Loss Interface Fee:	
Enhanced Reporting	\$2.50 per contract per month
	Refer to the Stop Loss Interface Addendum for details

*Ancillary Services Fees:*

1. Chronic Care Management Charge      \$4.00 per contract per month  
    \*\* *Chronic Care Management (formerly Disease Management) services include:  
    Asthma, Diabetes, COPD, CAD, CHF, and ESRD.*
2. Medical Injectables Program      Included in above Administrative Fee
3. 24 Hour Nurse Line      Included in above Chronic Care Management Charge  
    \*\* *Provides members with access to a registered nurse who can answer health related questions  
    twenty four hours a day seven days a week via telephonic and online resources.*

BlueCard® Program Access Fees:	<i>Included as part of Contract Holder's incurred Claims</i>
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Summary Plan Description:	If applicable, reasonable printing and postage cost incurred by Horizon BCBSNJ.
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**A-1.2 Working Capital Amount.** The following Working Capital Amount shall be in effect for the stated period:

*Working Capital Amount:* \$463,700

Contract Holder shall remunerate to Horizon BCBSNJ the stated Working Capital Amount in accordance with the Agreement. Horizon BCBSNJ has the right to annually adjust the Working Capital Amount in accordance with the terms of this Schedule A.

**A-1.3 External Appeals.** To the extent that Contract Holder's Plan is grandfathered, as that term is defined in the Patient Protection and Affordable Care Act ("Affordable Care Act"), Horizon BCBSNJ understands that the Plan is not subject to that Affordable Care Act's provisions with respect to required external appeals for as long as the Plan's grandfathered status is maintained.

If Contract Holder's Plan is not grandfathered, Contract Holder may elect to have Horizon BCBSNJ, for the fee of, up to, \$450 per external appeal, administer such external appeals in cooperation with Horizon BCBSNJ's designated Independent Review Organizations (IROs). If Contract Holder elects not to do so, Contract Holder shall be solely responsible for the administration of such external appeals, in which event there shall be no charge for the Claims data and supporting documentation Horizon BCBSNJ provides to Contract Holder's selected IROs.

**A-1.4 Claims Re-Pricing and Negotiation Services.** If benefits are provided under Contract Holder's Plan for which services were delivered or otherwise provided by a Non-Network Provider, Horizon BCBSNJ may negotiate and/or re-price Claims for such Non-Network Provider services through the use of internal or external resources of its choice to make available savings in Out-of-Network Claims (such savings realized to be referred to as "Out-of-Network Claims Savings").

*Claims Re-Pricing and Negotiation Fee(s):* At reasonable Horizon BCBSNJ internal and external administrative cost not to exceed the Out-of-Network Claims Savings.

**A-1.5 Broker Payment Administration.** Where applicable, Horizon BCBSNJ administers payment of broker commissions ("Broker Payments") as specifically directed by Contract Holder as follows:

*Producer Compensation:* \$0.00 per contract per month

## SECTION A-2: BILLING TERMS

**A-2.1 Billing of Claims.** The following billing terms shall apply to with respect to the Plan's Claims:

**(Weekly)**

Horizon BCBSNJ will provide Contract Holder with weekly invoices of Paid Claims for the prior week's Monday through Sunday. Contract Holder shall remit payment of the amount due ("Claims Due") within one banking day of the invoice date via bank wire or ACH electronic funds transfer to a Horizon BCBSNJ designated bank account.

Administrative Service Agreement Exhibit A

**A-2.2 Reconciliation of Billed Claims.** Horizon BCBSNJ agrees to conduct a monthly reconciliation of Contract Holder’s Claims payment for the preceding calendar month, subject to the Agreement. Any additional amounts due to Horizon BCBSNJ shall be included in Contract Holder’s first next payment made in accordance with Section A-2.1. Any amount due by Horizon BCBSNJ shall be deducted from Contract Holder’s first next payment.

**A-2.3 Billing of Administrative Fees and Other Fees.** Horizon BCBSNJ will invoice Contract Holder monthly for the applicable Administrative Fees based on the Plan’s enrollment as of the fifteenth (15<sup>th</sup>) calendar day of the corresponding month together with all other charges, including Network Access Fees and Other Fees as applicable under this Agreement. Horizon BCBSNJ will use its best efforts to reconcile any such invoice on a monthly basis, subject to the Agreement.

Contract Holder shall remunerate to Horizon BCBSNJ the amount due no later than thirty-one (31) calendar days following the first calendar day of the following month in which the services are provided (the “Administrative Fee Payment Due Date”) by bank wire to Horizon BCBSNJ’s designated bank account. For example, fees originating from services provided by Horizon BCBSNJ in the month of June shall be due by July 31.

Notwithstanding the above, if Contract Holder elects to self-bill, or otherwise invoice itself the applicable Administrative Fees, Contract Holder shall be solely responsible for verifying the enrollment report for its Plan Participants and remunerate such applicable Administrative Fees to Horizon BCBSNJ on the payment schedule specified in this Schedule, and such amount shall be deemed final unless disputed by either Contract Holder or Horizon BCBSNJ within [24] months.

**A-2.4 Conflicts.** This Schedule incorporates the terms and conditions of the entered into between the parties. In the event of a conflict between the terms of the Agreement and the terms of this Schedule A, this Schedule A shall govern if it is a later executed counterpart to the Agreement.

**NOW, THEREFORE,** Contract Holder represents to Horizon BCBSNJ that it accepts this Schedule, including the above fees, terms and conditions and acknowledges that this Schedule incorporates the terms and conditions of any prior Schedule A. In the event of a conflict between this Schedule and any prior schedules the provisions of this Schedule shall govern and supersede any conflicting provisions. Contract Holder further represents that the person signing this Schedule is an authorized representative of Contract Holder with sufficient legal authority.

City of Hoboken

Horizon Blue Cross Blue Shield of New Jersey

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Printed: Joseph J. Albano

Title: \_\_\_\_\_

Title: Vice President, Commercial and Major

Date: \_\_\_\_\_

Date: Accounts

## EXHIBIT B

### SUMMARY OF BENEFITS AND COVERAGE ADDENDUM

by and between

Horizon Healthcare Services, Inc., d/b/a Horizon Blue Cross Blue Shield of New Jersey

and

City of Hoboken (the "Group")

This Addendum, together with any exhibits attached hereto, (collectively the "Addendum"), dated December 1, 2015 (the "Effective Date"), is entered into by and between City of Hoboken, on behalf of itself, the Plan Sponsor, and the Plan Administrator (collectively the "Group"), and Horizon Healthcare Services, Inc., d/b/a Horizon Blue Cross Blue Shield of New Jersey ("Horizon BCBSNJ"), on behalf of itself and its subsidiaries and affiliates, including Horizon Healthcare of New Jersey, Inc.

Capitalized terms used herein but not otherwise defined in the Agreement shall have the meaning given to them in 29 CFR Part 2590, 26 CFR Parts 54 and 602, and 45 CFR Part 147 (collectively the "Final Rule").

WHEREAS, the Group has established a group health plan within the meaning of the Employee Retirement Income and Security Act or a health benefits plan for its Participants and Beneficiaries;

WHEREAS, Horizon BCBSNJ and the Group are parties to the Agreement under which Horizon BCBSNJ provides certain administrative services in connection with the Group's benefit plan(s); and

WHEREAS, Horizon BCBSNJ and the Group wish to amend the Agreement as provided for in this Addendum.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, Group and Horizon hereby agree as follows:

#### SECTION 1: Production and Delivery of Summary of Benefits and Coverage by Horizon BCBSNJ

- 1.1 Horizon BCBSNJ shall produce a complete and accurate Summary of Benefits and Coverage ("SBCs") for the health insurance coverage(s) that it administers on behalf of the Group pursuant to the Agreement. The production of SBC on behalf of the Group, and the delegation of such obligation to produce the SBC, shall be subject to the applicable charges in Attachment A ("Summary of Benefits and Coverage Financial Terms").
- 1.2 Horizon BCBSNJ shall deliver to the Group representative applicable SBC(s) within thirty (30) calendar days from the date all required paperwork has been completed. Required paperwork includes the written request from the group for the SBC to be created, the finalized benefits for the applicable design and all other necessary documentation as prescribed by Horizon BCBSNJ. Delivery of SBC(s) to the Group representative pursuant to this clause shall be in physical form only, unless otherwise agreed to by Horizon BCBSNJ or where electronic delivery is made available. Pursuant to Attachment A, Group shall be responsible for any reasonable administrative cost Horizon BCBSNJ may incur in producing and delivering any requested physical copies of the SBC. Such reasonable charges incurred may include printing, postage, and other administrative costs reasonably incurred by Horizon BCBSNJ.
- 1.3 Horizon BCBSNJ shall prepare and deliver to the Group representative a culturally and linguistically appropriate SBC, which such culturally and linguistically appropriate manner shall be in conformance with the Final Rule, upon request of the Group representative. Group shall be responsible for any reasonable administrative expense Horizon BCBSNJ incurs in producing the non-English, culturally and linguistically appropriate, SBC.

## **SECTION 2: Responsibility of Group**

- 2.1 The Group shall deliver to its Participants and Beneficiaries, including its employees and other persons eligible for coverage under the group health plan, (all such persons collectively known as "Eligible Persons") all enrollment and coverage information, including SBCs, as required by federal law and regulations in a timely manner. Group shall distribute applicable SBCs to all Eligible Persons with any written application materials for enrollment, including open enrollment and for special enrollees, and upon renewal of coverage.
- 2.2 The Group shall distribute applicable SBCs upon request and as required by law to its Eligible Persons.
- 2.3 Solely for the purpose of enrollment and delivery of SBC, Group shall allow Horizon BCBSNJ reasonable access to the Group's Eligible Persons.

## **SECTION 3: Non Horizon BCBSNJ Coverage**

- 3.1 If the Group purchases coverage, or contracts for administrative services, from a vendor other than Horizon BCBSNJ for the provision of benefits to its Participants and Beneficiaries and such coverage information is requested to be incorporated into the Group's SBC produced in accordance with Section 1.1, Horizon BCBSNJ agrees to incorporate such information, subject to additional charge(s). Services hereunder shall be subject to the applicable charges as described in Attachment A ("Summary of Benefits and Coverage Financial Terms"). Horizon BCBSNJ reserves the right to modify the applicable charges under Attachment A upon thirty (30) days prior written notice to the Group.
- 3.2 Horizon BCBSNJ does not assume any responsibility for the accurateness or the completeness of the information provided by the Group regarding coverage not administered by Horizon BCBSNJ. Horizon BCBSNJ expressly disclaims all liabilities in connection with such non-Horizon BCBSNJ administered coverage and Group shall hold harmless Horizon BCBSNJ from any claim, judgments, threats, and penalties relating to same.
- 3.3 Group shall provide Horizon BCBSNJ with minimum of thirty (30) days advance written notice, together with any coverage details required for incorporation.

## **SECTION 4: Indemnification**

- 4.1 Group shall agree to defend at its sole expense, indemnify, and hold Horizon BCBSNJ harmless against all claims, including legal fees, judgments, administrative expenses, and civil penalties that may result at any time arising from or due to the Group's failure to comply with the terms of the applicable laws or regulations regarding the subject matter of this Addendum. This includes, but is not limited to, the Group's non-compliance with applicable laws and regulation regarding Summary of Benefits and Coverage. This indemnification provision shall continue in effect after termination of this Addendum and the Agreement between the parties for any reason.

**SECTION 5: Term and Termination**

5.1 The term and termination of this Addendum, including Attachment A, shall be in accordance with, and shall be coterminous with, the Agreement.

**IN WITNESS WHEREOF**, the parties have caused this Addendum to be executed by their duly authorized representative as of the Effective Date.

**City of Hoboken**

**Horizon Healthcare Services, Inc.,  
d/b/a Horizon Blue Cross Blue Shield of New Jersey**

**BY:**

**BY:**

**NAME:**

**NAME: Joseph J. Albano**

**TITLE:**

**TITLE: Vice President, Commercial and Major  
Accounts**

Attachment "A"

SUMMARY OF BENEFITS AND COVERAGE FINANCIAL TERMS

**Group Name:** City of Hoboken

This Attachment shall supplement and be made a part of Schedule A ("Financial Terms") of the Administrative Service Agreement between the Group and Horizon BCBSNJ.

**Summary of Benefits and Coverage Administrative Fees:**

SBC for Horizon BCBSNJ only coverage(s):	Included
Translation Services:	At Reasonable Translation Cost Incurred by Horizon BCBSNJ
Bulk Delivery of SBC:	At Reasonable Printing and Postage Cost Incurred by Horizon BCBSNJ

**Carve-Out Arrangement Fee:**

Incorporation of Non-Horizon BCBSNJ coverage(s): \$1000 per "Plan Design"\*

*\*Subsequent modification to the non-Horizon BCBSNJ coverage(s) requiring new SBCs shall trigger additional Carve-Out Arrangement Fee(s). Plan Design for this purpose shall mean each distinct benefit design requiring a distinct Summary of Benefits and Coverage to be produced.*

**EXHIBIT C: SCHEDULE C- PERFORMANCE GUARANTEES**

**Group Name:** City of Hoboken  
**Term:** 12/1/2015 – 11/30/2016  
**Group Number:** 8501J

Category	Definition	Target	% of ASC Fee at Risk
<b>Financial Accuracy</b>	It is calculated by dividing the total dollars paid in a sample correctly by the total dollars of claims paid in sample.	99.0%	1.5%
<b>Procedural Accuracy</b>	It is calculated by the total number of claims paid correctly in the sample divided by the total number of claims in the sample.	95.0%	1.5%
<b>Average Speed of Answer (ASA)</b>	Measures ASA by weighting the average of calls handled by the IVR with those handled by a live representative.	35 seconds	1.5%
<b>Call Abandonment Rate</b>	Average of calls lost before connecting to the IVR or a “live” representative	5%	1.5%
<b>Claim Timeliness 14 day Non-Investigative</b>	Defined as claims adjudicated that do not require written request for additional information from outside the organization, measured from the date a claim is received to the date it is processed for payment, denied or pended for external information.	85%	1.5%
<b>Claim Timeliness 30 day Timeliness</b>	Defined as all claim adjudicated as measured from the date a claim is received to the date it is processed or denied for payment. Delays related to outside investigation are carved out of the timeliness calculation.	95%	1.0%
<b>Account management</b>	Client will utilize a scorecard to assure the performance of the vendor’s account management team during implementation as well as on an ongoing basis.	Meets Expectations	1.5%

A minimum of 950 contracts must be actively enrolled with Horizon BCBSNJ on the effective date of the agreement. Group enrollment will be reviewed quarterly, if the average group enrollment drops below 950 for the quarter, no Performance Guarantees will apply for that quarter.

All of the preceding performance guarantees are subject to re-evaluation and change at each renewal, or in the event that there is a change in enrollment by more than ten percent in total or by contract type

or if there is a change in the benefits or eligibility provided under the plan(s). In the event that Horizon BCBSNJ cannot operate at normal capacity due to a pandemic outbreak, natural disaster or any other event outside of the control of Horizon BCBSNJ, Horizon BCBSNJ retains the right to omit the results for the affected time period from annual PG calculations.

**Account Management**

On an annual basis Horizon BCBSNJ will release an account management evaluation form to the group administrator. The purpose of the form is to evaluate the group's overall satisfaction with account management performance. The annual evaluation form will be released within 30 days following close of contract year and is due back from the group within 30 days. If no response is received from the group within 30 days, no penalty will be applied.

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**NOW, THEREFORE,** Contract Holder represents to Horizon BCBSNJ that it accepts the above fees, terms, and conditions for the stated Term and that the person signing this Schedule is an authorized representative of Contract Holder with sufficient legal authority.

**City of Hoboken**

**Horizon Blue Cross Blue Shield of New Jersey**

By: \_\_\_\_\_  
Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Printed: Joseph J. Albano  
Vice President, Commercial & Major  
Title: Accounts  
Date: \_\_\_\_\_

## BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”) is entered into by and between Horizon Healthcare Services, Inc. and its Affiliates<sup>1</sup> (collectively, “Business Associate” or “BA”) and City of Hoboken (“Covered Entity”), effective on the last date written below or, if later, the date upon which the parties entered into a business relationship (“Effective Date”).

### RECITALS

A. The purpose of this Agreement is to comply with the “business associate” requirements of the privacy regulations and the “business associate” requirements of the security regulations promulgated by the United States Department of Health and Human Services (“DHHS”) pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) (“Privacy Regulations” and “Security Regulations,” respectively).

B. BA renders administrative services for or on behalf of Covered Entity that involve the use, disclosure and/or creation of certain Protected Health Information (“PHI”) (collectively, the “Services”).

C. The parties desire to enter into this Agreement to prescribe the manner in which PHI shall be handled by BA.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter addressed, the parties agree as follows:

1. **Definitions.** Capitalized terms used in this Agreement shall have the meaning ascribed to them in this Agreement or as set forth in HIPAA, the Privacy Regulations, or Security Regulations.

2. **Permitted Uses and Disclosures of PHI.** Except as otherwise limited in this Agreement, BA may use and disclose PHI to perform the Services for, or on behalf of, Covered Entity as specified in this Agreement, provided that such use or disclosure would not constitute a violation of HIPAA, the Privacy Regulations, or Security Regulations if so used or disclosed by Covered Entity. Unless otherwise limited herein, BA may:

a. Use PHI for the proper management and administration of BA or to carry out the legal responsibilities of BA;

b. Disclose PHI to third parties not employed by BA for the proper management and administration of BA or to carry out the legal responsibilities of BA if (i) the disclosure is Required by Law, or (ii) BA obtains reasonable assurances from the recipient of PHI that: (A) PHI shall be held confidential and shall be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the recipient, and (B) the recipient shall notify BA of any instances of which it is aware of a breach of confidentiality of PHI;

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<sup>1</sup> “Affiliates” means any corporation, company or other entity that directly or indirectly controls, is controlled by, or is under common control with, a party. For purposes of this definition, the word “control” shall mean the direct or indirect ownership of more than fifty percent (50%) of the outstanding voting stock of the corporation, company, or other entity.

c. Use PHI to provide data aggregation services related to the health care operations of Covered Entity; and

d. Use PHI for de-identification by BA in accordance with the requirements of 45 CFR § 164.514(b).

3. ***Obligations of Business Associate.*** With regard to the use and disclosure of PHI, BA hereby agrees as follows:

a. Use and Disclosure. BA shall not use or disclose PHI other than as permitted or required by this Agreement or as Required by Law.

b. Safeguards. BA shall implement and use appropriate safeguards to protect the privacy of PHI and to prevent any use or disclosure of PHI other than as permitted by the terms of this Agreement.

c. Agents and Subcontractors. BA shall enter into written agreements with all agents and subcontractors to whom BA provides PHI requiring the agents or subcontractors to agree to restrictions and conditions that are substantially similar or more protective than the restrictions and conditions that apply to BA under this Agreement with respect to PHI.

d. Access to PHI. If BA receives a request directly from any participant or beneficiary of Covered Entity for access to portions or all of his/her PHI in a Designated Record Set, BA shall, to the extent of PHI in its control, respond to the participant or beneficiary in a manner that would be in compliance with 45 CFR § 164.524 if done by Covered Entity. In the event that Covered Entity receives a request for access by a participant or beneficiary, the Covered Entity shall, within ten (10) days of receiving such a request, notify BA in writing if the request involves PHI in BA's control. Within forty-five (45) days of receiving such written notification from Covered Entity, BA shall respond directly to the participant or beneficiary with the PHI in BA's possession in accordance with 45 CFR § 164.524.

e. Amendment of PHI. If BA receives a request for amendment of PHI directly from a participant or beneficiary of Covered Entity, BA shall, with respect to relevant portions of the PHI which it holds, process the request in a manner that would be in compliance with 45 CFR § 164.526 if done by Covered Entity, except that BA shall not undertake to identify and notify other business associates of Covered Entity of that amendment. In the event the Covered Entity receives a request by a participant or beneficiary of an amendment for PHI within the control of BA, Covered Entity shall either make the determination on such request, in which event BA agrees to, upon receipt of written notification from Covered Entity, make any such amendment to PHI that Covered Entity determines to make or, within ten (10) days of receiving such a request, Covered Entity shall notify BA in writing in order that BA will make the determination upon the request. Within forty-five (45) days of receiving a written request from the Covered Entity for an amendment of PHI, BA, for relevant portions of the PHI which it holds, shall respond in accordance with 45 CFR § 164.526.

f. Accounting of Disclosures. If BA receives a request for an accounting of disclosures directly from a participant or beneficiary of Covered Entity, BA will respond directly to the participant or beneficiary with respect to information related to BA's disclosures. In accordance with 45 CFR § 164.528, BA shall provide to an individual in response to his/her proper request the following information with respect to each disclosure: (A) the date of disclosure, (B) the name of the recipient and, if known, the recipient's address, (C) a brief description of PHI disclosed, and (D) a brief statement of the purpose of the disclosure. In the event the Covered Entity receives a request by a participant or beneficiary for an accounting of disclosures, the Covered Entity shall, within ten (10) days of receiving such a request, notify BA of such request. After receiving such written request from Covered Entity, BA will respond directly to the participant or beneficiary in accordance with 45 CFR § 164.528. BA shall maintain the necessary records such that it can furnish relevant information with respect to a disclosure for six (6) years subsequent to a disclosure. If, during such period, the Services or this Agreement terminates, BA may, in its discretion, provide Covered Entity with all of the

information necessary such that Covered Entity could respond to an accounting request in the future relative to the periods of time during which BA provided Services. In addition, in the event that BA provides Covered Entity with notification of disclosures in accordance with this paragraph, after such disclosure BA shall not be obligated to maintain such information or provide such information again upon termination of the Services or this Agreement.

g. Personal Representatives. In the event that a participant or beneficiary makes use of a personal representative in the care or payment of his/her care or contacts BA directly with such a designation, or to terminate same, BA will exercise its own discretion in determining whether to treat such person as a personal representative (or terminate his/her representation) and shall, if appropriate and necessary, notify Covered Entity of BA's decision. In the event that an individual contacts Covered Entity to make such a designation (or terminate same), BA shall also treat as a personal representative (or terminated personal representative) any person so designated by the participant or beneficiary and accepted by Covered Entity, upon the written notification from Covered Entity of such designation, provided that such implementation is feasible for BA and provided that BA can implement such a designation without additional cost. The parties will negotiate as to the accommodation of any such request that increases BA's costs.

h. Confidential Communications. In the event that a participant or beneficiary contacts BA directly to request confidential communications (for alternative means or location of communication), BA will exercise its own discretion in determining whether to agree to such designation and shall, if appropriate and necessary, notify Covered Entity of BA's decision. In the event that an individual contacts Covered Entity directly for such a request, BA also agrees to communicate with a participant or beneficiary by alternative means or at alternative locations if such request is received by and approved by Covered Entity in accordance with 45 CFR § 164.522(b), upon the written notification from Covered Entity of such approval, provided that such implementation is feasible for BA and provided that BA can implement such a request without additional cost. The parties will negotiate as to the accommodation of any such request that increases BA's costs.

i. Restrictions. In the event that a participant or beneficiary contacts BA directly requesting a restriction of the Use and/or Disclosure of PHI for Treatment, Payment or Health Care Operations, BA will exercise its own discretion in determining whether to agree to such designation and shall, if appropriate and necessary, notify Covered Entity of BA's decision. In the event that an individual contacts Covered Entity directly for such a request, BA also agrees to any such restriction request that is received and approved by Covered Entity in accordance with 45 CFR § 164.522, upon the written notification from Covered Entity of such approval, provided that such implementation is feasible for BA and provided that BA can implement such a request without additional cost. The parties will negotiate as to the accommodation of any such request that increases BA's costs.

j. Authorizations. BA shall, in its discretion, obtain any necessary consents or authorizations required by the Privacy Rules that are necessary for BA to provide its Services to Covered Entity's participants and beneficiaries and to otherwise meet the covenants to provide privacy administrative services under this Agreement.

k. Complaints. In the event BA receives a complaint directly from a participant or individual relating to BA's treatment of that individual's PHI, BA shall investigate the complaint and respond in accordance with BA's privacy policies and procedures and shall, if appropriate and necessary, notify Covered Entity of BA's decision or any action taken with respect to such complaint. In the event Covered Entity receives a complaint directly from a participant or beneficiary relating to BA's privacy administrative services or its policies or procedures, BA shall, upon receipt of written notification of Covered Entity, investigate the complaint and respond in accordance with the above.

l. Disclosures to Secretary of DHHS. BA shall make all internal practices, books and records relating to the use and disclosure of PHI received or created by BA on behalf of Covered Entity available to the Secretary of DHHS.

m. Compliance with Security Regulations. If BA creates, receives, maintains or transmits Electronic Protected Health Information for or on behalf of Covered Entity (“EPHI”), BA shall (i) implement and utilize administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of EPHI that BA receives, creates, maintains or transmits for or on behalf of Covered Entity, (ii) report to Covered Entity’s Privacy Official in writing any material and successful Security Incident, as defined in 45 CFR § 164.304, as soon as reasonably possible after discovery of the Security Incident, but in no event later than sixty (60) days from the date of discovery of such Security Incident; provided, however, unsuccessful attempts shall be reported only upon written request by Covered Entity, and (iii) ensure that any agents, including subcontractors, to whom BA provides PHI implement the safeguards required by subsection (i) above. BA shall comply with the policies and procedures and documentation requirements of the Security Regulations including, but not limited to, 45 CFR § 164.316.

n. Minimum Necessary. BA shall request, use and disclose only the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure.

o. Breach of Unsecured Protected Health Information. BA shall provide written notice of any Breach of Unsecured Protected Health Information (“BA Notice”) to Covered Entity as soon as reasonably possible after discovery of a Breach, but in no event later than sixty (60) days from the date of discovery. The BA Notice shall include, to the extent known by BA, the following information: (i) the identification of each member whose Unsecured Protected Health Information has been, or is reasonably believed by BA to have been, accessed, acquired, used or disclosed during the Breach, (ii) a brief description of what happened, including the date of the discovery of the Breach, (iii) a description of the types of Unsecured Protected Health Information involved in the Breach, and (iv) any other relevant information. The parties understand that the initial reporting by BA to Covered Entity may not be complete, and that if it is not, it will be supplemented by BA, as needed, until all required information has been provided in writing to Covered Entity.

4. Responsibilities of Covered Entity. With regard to the Use and/or Disclosure of PHI by BA, Covered Entity hereby agrees and in addition to any responsibilities aforementioned:

a. that the notice of privacy practices (the “Notice”) that Covered Entity provides to participants and beneficiaries pursuant to 45 CFR § 164.520 includes and shall, throughout the term of this Agreement, give notice of all of the Uses and Disclosures which BA shall carry out pursuant to this Agreement, or are reflected in BA’s notice of privacy practices which Covered Entity has received; and Covered Entity shall not adopt privacy practices that are inconsistent with BA’s policies and procedures with respect to its Uses and Disclosures of PHI in the control of BA;

b. that it will designate in writing to BA persons to be regarded as participating in plan administration activities (including brokers) and the plan administration purposes for which such persons are acting so that, upon such designation, BA is authorized to make Disclosures to such persons of the PHI that is not in summary form, and such that BA can determine that those persons are receiving only the minimum necessary PHI for the proper and identified purposes;

c. that BA may treat requests for Disclosures by persons designated through the procedure described in Section 4.b as made consistent with Covered Entity’s duty, pursuant to 45 CFR § 164.514(d), to request only the minimum necessary information for the plan’s administrative purposes;

d. that, where any of the persons designated as described in Section 4.b are employees of the plan sponsor and are requesting any of the PHI other than summary PHI for the purposes set forth in 45 CFR § 164.504(f)(1)(ii), Covered Entity has taken such steps as are required by 45 CFR § 164.504(f)(2) prior to such request, and that it shall provide BA with a copy of the certification required by the Privacy Rules prior to any Disclosure of PHI to those persons by BA;

e. not to agree to restrictions on Use and/or Disclosure as provided for in 45 CFR § 164.522 for the PHI received or created by BA, unless agreed to by BA, or unless Covered Entity agrees to hold BA harmless from the financial impact of any such agreement by Covered Entity;

f. to notify BA in writing and in a timely manner of any confidential communications (alternative means or locations or communications) requested by a participant or beneficiary and agreed to by Covered Entity, but to hold BA harmless from the financial impact of any such agreement by Covered Entity;

g. that in implementing the provisions herein, and with respect to any determinations that BA makes in providing Services to Covered Entity or actions it takes under the Privacy Rules on behalf of Covered Entity, BA may and shall use BA's privacy policies and Third Party Privacy and Security Policy and Standards.

##### 5. *Term and Termination.*

a. Term. This Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to Section 4(b) below, shall continue in effect until the discontinuation of BA's provision of services to Covered Entity involving the use, disclosure or creation of PHI.

b. Termination. This Agreement may be terminated as follows:

i. Upon mutual written agreement of the parties; or

ii. If Covered Entity determines that BA materially breached any provision of this Agreement, Covered Entity shall either (A) provide BA with a written notice of breach and terminate the Agreement if BA does not cure the breach within thirty (30) calendar days of receiving such notice, or (B) immediately terminate this Agreement if cure is not possible; or

iii. If BA determines that Covered Entity materially breached any provision of this Agreement, BA shall either (A) provide Covered Entity with a written notice of breach and terminate the Agreement if Covered Entity does not cure the breach within thirty (30) calendar days of receiving such notice, or (B) immediately terminate this Agreement if cure is not possible.

c. Effect of Termination. Upon termination of this Agreement, BA shall return to Covered Entity or destroy all PHI in whatever form or medium (including in any electronic medium under BA's custody or control). If such return or destruction is infeasible, the obligations set forth in this Agreement with respect to PHI shall survive termination and BA shall limit any further use and disclosure of PHI to the purposes that make the return or destruction of PHI infeasible.

6. **Indemnification.** Each party shall indemnify and hold harmless the other party and its Affiliates, directors, officers, employees and agents against any and all claims, causes of action, losses, liabilities, judgments, penalties, damages, costs or expenses, including attorneys' fees and court or proceeding costs, arising out of or in connection with the indemnifying party's breach of this Agreement.

7. **Amendment.** This Agreement may be modified or amended only upon mutual written consent of the parties. If any changes or modifications of applicable state or federal law would require modification to this Agreement, the parties shall mutually agree to make such modification provided that, if such change has an adverse financial effect on BA, appropriate fees will be agreed to by the parties.

8. **Entire Agreement; Assignment.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other agreements, communications or understandings either oral or in writing, between the parties to this Agreement with respect to the subject matter hereof. Neither party may not assign its rights and obligations under this Agreement without the prior written consent of the other party.

9. **Notices.** Any notices to be given hereunder shall be deemed effectively given when personally delivered one (1) business day after being sent to the recipient by electronic means (including facsimile) or overnight courier, or four (4) business days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Business Associate:

Horizon Blue Cross Blue Shield of New  
Jersey  
Three Penn Plaza East, PP-16  
Newark, NJ 07105-2200  
Attn: Privacy Official  
Telephone: 973-466-8715

With a copy to:

Horizon Blue Cross Blue Shield of New  
Jersey  
Three Penn Plaza East, PP-16  
Newark, NJ 07105-2200  
Attn: General Counsel

If to Covered Entity:

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **ADMINISTRATIVE SERVICES AGREEMENT**

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10. **No Third Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended to confer, nor anything herein shall confer, upon any person other than the parties hereto any rights, remedies, obligations or liabilities whatsoever.

11. **Waiver.** A waiver by either party of a breach or failure to perform hereunder shall not constitute a waiver of any subsequent breach or failure.

12. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same instrument. This Agreement may be executed by facsimile or PDF signature and any such signature shall be deemed an original.

13. **Governing Law; Venue.** This Agreement shall be governed by, construed, interpreted and enforced under the laws of the State of New Jersey, without regard to its choice of law provisions. The parties hereby consent to the jurisdiction and venue of the state and federal courts located in Essex County, New Jersey.

14. **Conflicts and Severability.** The terms and conditions of this Agreement shall override and control any conflicting terms or conditions of any other agreement between the parties to the extent such conflict involves an issue related to HIPAA, the Privacy Regulations, and/or the Security Regulations. If any provision(s) of this Agreement shall be held to be invalid, illegal or unenforceable, the same shall be deemed to be severable and deleted from this Agreement, and the remaining provisions construed so as to most nearly effectuate the original intention of the parties and HIPAA, the Privacy Regulations, and the Security Regulations.

**SIGNATURE PAGE FOLLOWS**

**ADMINISTRATIVE SERVICES AGREEMENT**

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IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

**CITY OF HOBOKEN**

**HORIZON HEALTHCARE SERVICES, INC. d/b/a  
HORIZON BLUE CROSS BLUE SHIELD OF NEW  
JERSEY**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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## ADMINISTRATIVE SERVICES AGREEMENT

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### STOP LOSS INTERFACE ADDENDUM

by and between

**Horizon Healthcare Services, Inc., d/b/a Horizon Blue Cross Blue Shield of New Jersey**

And

**City of Hoboken (the "Group")**

This Addendum, together with any exhibits attached hereto, (collectively the "Addendum"), dated December 1, 2015 (the "Effective Date"), is entered into by and between City of Hoboken, on behalf of itself, the Plan Sponsor, and the Plan Administrator (collectively the "Group"), and Horizon Healthcare Services, Inc., d/b/a Horizon Blue Cross Blue Shield of New Jersey ("Horizon BCBSNJ"), on behalf of itself and its subsidiaries and affiliates, including Horizon Healthcare of New Jersey, Inc.

**WHEREAS**, the Group has established a group health plan within the meaning of the Employee Retirement Income and Security Act or a health benefits plan for its Participants and Beneficiaries;

**WHEREAS**, Horizon BCBSNJ and the Group are parties to the Agreement under which Horizon BCBSNJ provides certain administrative services in connection with the Group's benefit plan(s); and

**WHEREAS**, Horizon BCBSNJ and the Group wish to amend the Agreement as provided for in this Addendum.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, Group and Horizon hereby agree as follows:

#### **SECTION 1: Responsibilities of Horizon BCBSNJ**

- 1.1** Subject to the terms and conditions of this Addendum and upon Group's request, Horizon BCBSNJ shall produce and provide to Group certain stop loss reports in the manner described below ("Stop Loss Reports"):
- i. **Standard Reports:** Comprised of monthly, flat data files that provide paid claim details for members who have reached fifty percent (50%) of their specific stop loss deductible.
  - ii. **Enhanced Reports:** Provide, depending on the terms of the Group's stop loss contract
    - a. Aggregate Reporting (if applicable)
    - b. Incorporation of third party Rx claim data into medical reporting (if applicable)
    - c. Fifty Percent (50%) notice preparation

## ADMINISTRATIVE SERVICES AGREEMENT

- d. Disclosure reporting for the stop loss renewal, which typically includes case management notes and specific diagnosis reports.
- e. Final disclosure reporting 30 days after the stop loss renewal

### iii. Stop Loss Renewal Reporting

- a. **Disclosure Report**– Summary of all individuals at Twenty Four Percent (24%) of Specific attachment with Horizon BCBSNJ ID, Employee Last and First Name, Claimant Name, DOB, Effective Date of Coverage, Coverage Status (Active/Terminated), ICD-9 code (and ICD Code Description when the accumulated Paid dollars exceed Five Thousand Dollars (\$5,000)); Paid YTD Medical and/or Prescription dollars; Case Management Notes.
- b. **Catastrophic Diagnosis Report** – This report captures stop loss carrier-defined catastrophic diagnoses regardless of amount paid. The report lists: Horizon ID number, Employee Last Name, Claimant First Name, ICD Code, ICD description **and Last Date of Service for each reported diagnosis.**

**Transplant Report** –Listing of individuals who are on a pre- and post-transplant waiting list, including the last date Horizon was updated by the patient’s Transplant Team; any individual post-transplant; cancelled transplant authorizations; transplant IP and OP Authorizations

- 1.2 Horizon BCBSNJ shall deliver to the Group Stop Loss Reports within a reasonable amount of time upon receiving Groups written request for reports. Delivery of stop loss reports to the Group representative pursuant to this clause shall be by electronic delivery, unless otherwise agreed to by Horizon BCBSNJ. Pursuant to Attachment A, Group shall be responsible for any reasonable administrative cost Horizon BCBSNJ may incur in producing and delivering any requested physical copies of the stop loss report. Such reasonable charges incurred may include printing, postage, and other administrative costs reasonably incurred by Horizon BCBSNJ.

## 2 SECTION 2: Responsibilities of Group

- 2.1 Group shall provide to Horizon BCBSNJ a complete copy of the most current executed stop loss agreement, including any amendments and exhibits, between Group and their stop loss vendor.
- 2.2 Group shall provide to Horizon BCBSNJ the name and contact information for Group’s designated stop loss vendor (“Stop Loss Vendor”) to whom Horizon BCBSNJ may directly deliver Stop Loss Reports.
- 2.3 Group and its Stop Loss Vendor shall be responsible for validation of the information provided by Horizon BCBSNJ in the Stop Loss Reports.
- 2.4 Group shall be solely responsible for filing any and all claims with its Stop Loss Vendor.

## ADMINISTRATIVE SERVICES AGREEMENT

### **SECTION 3: Stop Loss Interface Fees**

- 3.1 Horizon BCBSNJ will invoice the Group for the applicable fees in accordance with the applicable charges described in Exhibit A: Schedule A - Financial Terms. Group agrees to make payment in accordance with the terms of the invoice.
- 3.2 **Stop Loss Interface Fee Computation – Change Of Stop Loss Interface Fee**  
The Stop Loss Interface Fee due on each Stop Loss Interface Fee Due Date is determined at the periodic intervals established by Horizon. Horizon shall have the right to change Stop Loss Interface Fees as of: (1) any anniversary date; (2) any date the enrollment deviates from enrollment on the Effective Date or last anniversary date by more than 10%; (3) any date the enrollment deviates by enrollment type from enrollment on the Effective Date or last anniversary date by more than 10%; and (4) any date the extent or nature of the risk under this Contract is changed: (i) by amendment of this Contract or of the Contract Holder's Plan of Benefits; or (ii) by reason of any provision of law or any governmental program or regulation. Horizon BCBSNJ will give the Contract Holder at least 60 days advance notice whenever a change in the Stop Loss Interface Fee is to be made.
- 3.3 **Stop Loss Interface Fee Due Dates:** The Stop Loss Interface Fee shall be due in accordance with the terms and conditions set forth in the Agreement and Schedule A.

### **SECTION 4: No Representation or Warranty**

- 4.1 Horizon BCBSNJ does not guarantee or make any representation with respect to the accuracy of Stop Loss Reports. Group acknowledges that the information provided in the report is provided on an "as is" basis without any warranty of satisfactory quality or fitness for a particular purpose or use or any other warranty, express or implied.

### **SECTION 5: Confidentiality**

- 5.1 Group acknowledges and agrees that Horizon BCBSNJ shall share necessary information, including protected health information, with authorized administrators, agents, or vendors, including Stop Loss Vendor (collectively the "Receiving Party") of the Plan upon Group's written or recorded direction ("Order to Disclose"). Group shall be solely responsible for ensuring the lawfulness of such disclosure, including compliance with HIPAA and other applicable laws and regulations, and indemnify, defend, and hold harmless Horizon BCBSNJ from any liability, claim, judgment, or threat of same proximately resulting from Horizon BCBSNJ's reliance on Group's Order to Disclose. Further, Group shall ensure that the Receiving Party use the disclosed information only for lawful purposes and safeguard Horizon BCBSNJ's Proprietary Business Information to the same extent required under the Agreement as well as the Confidentiality and Non-Disclosure Agreement between Group, Horizon BCBSNJ and any Receiving Party.

## **ADMINISTRATIVE SERVICES AGREEMENT**

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### **SECTION 6: Indemnification**

6.1 Each party agrees to defend at its sole expense, indemnify, and hold the other party harmless against all claims, including legal fees, judgments, administrative expenses, and civil penalties that may result at any time arising from or due to the negligence or willful misconduct of the indemnifying party. This indemnification provision shall continue in effect after termination of this Addendum and the Agreement between the parties for any reason.

### **SECTION 7: Fiduciary Responsibility**

7.1 Horizon BCBSNJ shall not assume any plan fiduciary responsibility by providing to Group certain stop loss reports under this Addendum.

### **SECTION 8: Termination**

- 8.1 The term and termination of this Addendum, shall be in accordance with, and shall be coterminous with, the Agreement.
- 8.2 Group may terminate this Addendum with thirty (30) days written notice to Horizon BCBSNJ, upon Group's intent to change its Stop Loss Vendor.
- 8.3 Upon termination of the Administrative Services Agreement, Horizon BCBSNJ may continue to provide certain Stop Loss Reports to Group for a fee mutually agreed to by the parties.

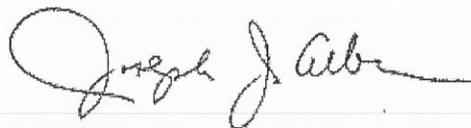
**ADMINISTRATIVE SERVICES AGREEMENT**

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IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their duly authorized representative as of the Effective Date.

**City of Hoboken**

**Horizon Blue Cross Blue Shield of New Jersey**



By: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Printed: Joseph J. Albano

Title: \_\_\_\_\_

Title: Vice President, Commercial and Major

Date: \_\_\_\_\_

Date: Accounts  
\_\_\_\_\_

8  
Introduced by: Occhipinti  
Seconded by: Mello

**CITY OF HOBOKEN**  
**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION URGING THE COUNTY OF HUDSON TO TAKE IMMEDIATE AND EFFECTIVE ACTION TO RESURFACE AND REPAVE THE ENTIRETY OF FIRST STREET IN THE CITY OF HOBOKEN DUE TO THE TRAFFIC HAZARDS SAID ROADWAY CURRENTLY HARBORS, AND THE CURRENTLY APPROPRIATE TIMING OF RESURFACING FIRST STREET IN CONNECTION WITH THE FIRST STREET RIGHT OF WAY IMPROVEMENTS AND THE REHABILITATION OF OBSERVER HIGHWAY**

**WHEREAS**, the entirety of First Street in the City of Hoboken is a county road; and,

**WHEREAS**, First Street is currently undergoing a project for curb bump outs, new tree pits, way finding, and the like, and the road is riddled with pot holes and in dire need of resurfacing; and,

**WHEREAS**, a large portion of First Street is in a business district where many small local businesses operate, and the City of Hoboken has long sought to support small business and help them prosper;

**WHEREAS**, for traffic safety reasons, as well as to effectuate an overall successful transit community in Southern Hoboken, the roadway on First Street is in immediate and dire need of resurfacing and repaving, in its entirety; and,

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The City Council of the City of Hoboken does hereby request urgent action by the County of Hudson to effectuate resurfacing and repaving of the entirety of First Street in the City of Hoboken, as described and for the reasons detailed during CY2016. *of any other county owned roads in dire need of repair*
2. The City Council hereby authorizes the Mayor, or her lawfully appointed designee, to take any and all actions necessary to complete and realize the intent and purpose of this resolution.
3. The City Clerk shall submit a certified copy of this resolution to the Clerk to the Board of Freeholders of the County of Hudson.
4. This resolution shall take effect immediately.

**Meeting date: December 2, 2015**

**APPROVED:**

Quentin Wiest  
Quentin Wiest  
Business Administrator

**APPROVED AS TO FORM:**

Melissa L. Longo  
Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON: DEC 02 2015

James J. Savino

CITY CLERK

SPONSORED: \_\_\_\_\_  
SECONDED: \_\_\_\_\_

**CITY OF HOBOKEN  
RESOLUTION NO. \_\_**

**RESOLUTION GRANTING SETTLEMENT/RELEASE AUTHORITY IN THE MATTER OF  
K.K. V. CITY OF HOBOKEN, DOCKET NO. HUD-L-921-15, IN AN AMOUNT UP TO THE  
AMOUNT SUGGESTED BY THOMAS HANRAHAN, ESQ. IN HIS EMAIL TO MELLISSA  
LONGO ON 11/19/2015**

**WHEREAS**, the City of Hoboken is currently involved in pending litigation known as K.K. v. City of Hoboken et al., **DOCKET NO. HUD-L-921-15**; and,

**WHEREAS**, Thomas Hanrahan, Esq. has recommended a settlement/release in the amount described to Mellissa Longo in the 11/19/2015 email; and,

**WHEREAS**, after legal guidance, the City Council finds the settlement to be reasonable, and in the best interest of the City.

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Hoboken, that Thomas Hanrahan, Esq. is hereby authorized to enter into the settlement of the matter of K.K. v. City of Hoboken **DOCKET NO. HUD-L-921-15** in an amount up to the monetary amount suggested in his email to Mellissa Longo on 11/19/2015;

**BE IT FURTHER RESOLVED**, the Mayor, or her legally authorized designee, are hereby authorized to execute a settlement agreement on behalf of the City, as described herein.

Meeting date: December 2, 2015

APPROVED:  
*Quentin Wiest*  
Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:  
*Mellissa Longo*  
Mellissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

**A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON:**

DEC 02 2015

*James J. Sarasin*  
\_\_\_\_\_  
CITY CLERK

Introduced by:   
Seconded by: \_\_\_\_\_

**CITY OF HOBOKEN**  
**RESOLUTION NO. \_\_\_\_\_**

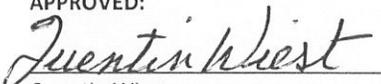
**AUTHORIZATION FOR THE CITY OF HOBOKEN TO ENTER INTO THE ATTACHED MEMORANDUM OF AGREEMENT AMONG THE NEW JERSEY STATE REVOLVING FUND PROGRAM, THE NEW JERSEY STATE HISTORIC PRESERVATION OFFICER, AND THE CITY OF HOBOKEN, NEW JERSEY REGARDING THE HOBOKEN SOUTHWEST PARK PROJECT, CITY OF HOBOKEN, HUDSON COUNTY, NEW JERSEY**

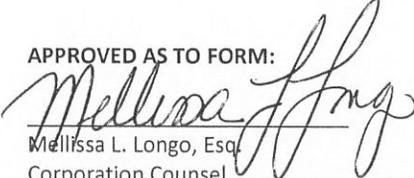
**BE IT RESOLVED**, that the City Council of the City of Hoboken (the "City") hereby approves the attached Memorandum of Agreement among the New Jersey State Revolving Fund Program, the New Jersey State Historic Preservation Officer, and the City of Hoboken, New Jersey regarding the Hoboken Southwest Park Project, City of Hoboken, Hudson County, New Jersey; and

**BE IT FURTHER RESOLVED** that the Mayor is hereby authorized to execute said Agreement, and the City's Administration and Corporation Counsel are directed to take any and all action necessary to effectuate the terms of the Agreement.

**BE IT FURTHER RESOLVED** that certified copies of this Resolution shall be forwarded to all parties in the administration of this action.

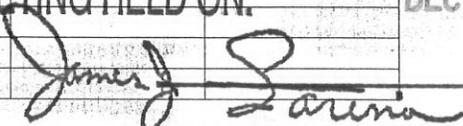
**Meeting date: December 2, 2015**

**APPROVED:**  
  
Quentin Wiest  
Business Administrator

**APPROVED AS TO FORM:**  
  
Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain	No Vote
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

**A TRUE COPY OF A RESOLUTION ADOPTED BY THE COUNCIL OF THE CITY OF HOBOKEN, N.J. AT A MEETING HELD ON: DEC 02 2015**



**CITY CLERK**

**MEMORANDUM OF AGREEMENT  
AMONG THE NEW JERSEY STATE REVOLVING FUND PROGRAM,  
THE NEW JERSEY STATE HISTORIC PRESERVATION OFFICER, AND  
THE CITY OF HOBOKEN, NEW JERSEY**

**REGARDING THE HOBOKEN SOUTHWEST PARK PROJECT,  
CITY OF HOBOKEN, HUDSON COUNTY, NEW JERSEY**

**WHEREAS**, the Municipal Finance and Construction Element (MFCE) of the New Jersey Department of Environmental Protection (NJDEP) is responsible for the administration of New Jersey's State Revolving Fund (SRF) program; and

**WHEREAS**, the MFCE is responsible to implement Section 106 of the National Historic Preservation Act (NHPA) of 1966, pursuant to the *Programmatic Agreement among the Environmental Protection Agency, the Advisory Council on Historic Preservation, and the National Conference of State Historic Preservation Officers Concerning Compliance with the National Historic Preservation Act under EPA's State Water Pollution Control Revolving Fund Program*, dated March 1991; and

**WHEREAS**, the New Jersey Historic Preservation Office (NJHPO) of the NJDEP is responsible for administering the programs of the New Jersey State Historic Preservation Officer under NHPA (16 U.S.C § 470); and

**WHEREAS**, the MFCE proposes to provide financing to the City of Hoboken in order to construct a 1.24 acre public park containing stormwater management features, including rain gardens, bioswales, pervious pavement, and subsurface detention basins; and

**WHEREAS**, this project is located on Block 12, Lots 1-7, 9, and 12-18 in the City of Hoboken, Hudson County, New Jersey; and

**WHEREAS**, a report entitled "Phase IB Archaeological Survey for Proposed Stormwater Retention Park, Block 12; Lots 1-7, 8, 12-18, 57 Harrison Street, Hoboken, Hudson County, New Jersey" was prepared to assess the potential for the proposed project to impact resources listed or eligible for nomination to the National Register of Historic Places, and pursuant to 36

C.F.R. §800.4; and

**WHEREAS**, the Phase IB survey identified several potential historic resources within the proposed project area, including a footing associated with the former North Hudson County Elevated Railway, two intact building foundations, and a Belgian block (“cobblestone”) road segment dating to the early 20<sup>th</sup> century, all of which will be removed and/or altered during construction for the project; and

**WHEREAS**, following the review of the Phase IB survey report, the MFCE determined that the historic resources are potentially eligible for listing on the New Jersey and National Registers of Historic Places, and that the proposed project would result in an adverse effect on historic properties; and

**WHEREAS**, the MFCE, the NJHPO, and the City of Hoboken have engaged in consultation pursuant to 36 C.F.R. §800 regulations implementing Section 106 of the NHPA (16 U.S.C § 470); and

**WHEREAS**, the NJHPO concurred with the MFCE’s Determination of Adverse Effect; and

**WHEREAS**, in accordance with 36 C.F.R. §800.6(a)(1), the MFCE has notified the Advisory Council on Historic Preservation (ACHP) of its adverse effect determination with specified documentation and the ACHP has chosen not to participate in the consultation pursuant to 36 C.F.R. §800.6(a)(1)(iii); and

**NOW, THEREFORE**, the MFCE, the NJHPO, and the City of Hoboken agree that, upon the MFCE’s decision to proceed with the funding of the Southwest Park Project, the City of Hoboken shall ensure that the following stipulations are implemented in order to take into account the effects of the undertaking on historic properties.

## **STIPULATIONS**

The City of Hoboken shall ensure that the following stipulations are implemented:

1. BACKGROUND HISTORICAL RESEARCH: A qualified consulting historian or architectural historian who meets, at minimum, the Secretary of the Interior's Professional Qualifications Standards (48 FR 44 738-9), will conduct historical research on the North Hudson County Elevated Railway and its significance to the City of Hoboken and the surrounding region, and on the history of the project area, including title, map, and census research. This research should be compiled and included in a report along with the results of the archaeological monitoring.
2. ARCHAEOLOGICAL MONITORING: A consulting archaeologist (archaeologist) who meets, at minimum, the Secretary of the Interior's Professional Qualifications Standards (48 FR 44 738-9), will be present during all phases of ground disturbance to identify and document all archaeological remains, including features associated with the Railway, building foundations, and any other previously unidentified archaeological remains.
  - a. Upon execution of the MOA but at least 9 weeks prior to initiation of construction, the City will submit an archaeological monitoring plan for review and comment by MFCE and the NJHPO.
  - b. The City of Hoboken will contact the MFCE and the NJHPO and the archaeologist at least three weeks prior to the initiation of construction/excavation activities at the site in order to enable the archaeologist to make arrangements to be on site and perform the required monitoring and documentation.
  - c. The archaeologist will investigate archaeological remains uncovered during construction in order to make a recommendation to the MFCE and the NJHPO about the eligibility of any identified or previously unidentified resources for listing on the New Jersey and National Registers of Historic Places. If the MFCE determines that the remains are not eligible, the archaeologist will take photographs and record their locations, but no artifacts will be collected or retained and no further archaeological documentation will be needed. For any remains the MFCE determines are eligible, the archaeologist must document the discovery in accordance with the Secretary of the Interior's *Standards for Archaeological Documentation*.

- d. The City of Hoboken shall ensure that any artifact collection associated with eligible historic properties that were identified as part of the discovery shall be curated in accordance with 36 CFR Part 79.
  - e. The construction contractor will immediately flag or fence off the archaeological discovery location and secure the site to prevent any further work, transit across the area, and/or access by unauthorized persons.
  - f. Any discovery made on a weekend will be protected until all appropriate parties are notified of the discovery and an appropriate course of action identified.
  - g. The construction contractor will not restart work in any of the areas in which archaeological remains have been identified until the MFCE has granted permission to the City of Hoboken.
3. BELGIAN BLOCK (“COBBLESTONE”) ROADWAY: The cobblestones will be removed, cleaned, and reset in a new pattern, in the same general location.
4. DOCUMENTATION AND PUBLIC OUTREACH:
- a. All phases of the archaeological survey and reporting will need to be in keeping with the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation and comply with N.J.A.C. 7:4-8.4 through 8.5 ([http://www.nj.gov/dep/hpo/2protection/register\\_historic\\_places09\\_29\\_08.pdf](http://www.nj.gov/dep/hpo/2protection/register_historic_places09_29_08.pdf)). Evaluations to determine the National Register eligibility of archaeological sites must be in keeping with the National Park Service’s 2000 National Register Bulletin, Guidelines for Evaluating and Registering Archeological Properties.
  - b. One or more moisture, weather, and UV resistant and/or otherwise protected interpretive signs shall be placed in the Southwest Park, near the location of one or more of the railway footings. One or more signs shall include a summary history and representative images of the North Hudson County Elevated Railway and the significance of the railway to the City of Hoboken, and the history of other eligible buildings formerly located in the park. All interpretive content and signage will be reviewed and approved by the MFCE before fabrication.

- c. The archaeologist will submit two (2) copies of a single draft report to the MFCE that will include both the background history and the results of the archaeological monitoring.
  - d. Upon approval of the draft report by the MFCE, a minimum of four (4) copies of the final report will be produced and shall be retained on the state and local level and shall be submitted to the following entities: two (2) copies to the MFCE, one (1) copy to the New Jersey State Library, and one (1) copy to the Hoboken Public Library. The MFCE will work with the City to identify additional repositories, if any, to whom the City will provide copies of the technical report.
  - e. The City of Hoboken will post a link to the final approved report on its official website, with a brief summary of the project.
5. DISPUTE RESOLUTION: All disputes will be resolved in accordance with 36 CFR Parts 800.6 and 800.7.
  6. AMENDMENTS: Any signatory to this MOA may request that it be amended, whereupon all the parties will consult in accordance with 36 CFR Part 800.6 to consider such amendment.
  7. DURATION: This MOA will continue in full force and effect until the construction of the Project is complete and all items of this MOA are met, unless the Project does not receive funding from the SRF. If the above Stipulations have not been implemented within five years after execution of this agreement, the parties to this agreement shall review this agreement to determine whether revisions are needed. If revisions are needed, the parties to this agreement will consult in accordance with 36 CFR Part 800 to make such revisions. Execution and implementation of this MOA is evidence that the MFCE has afforded the Council an opportunity to comment on the Hoboken Southwest Park and its effects on historic properties, and that the MFCE has taken into account the effects of the Hoboken Southwest Park on historic properties.

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Eugene Chebra, P.E.  
Assistant Director

NEW JERSEY STATE HISTORIC PRESERVATION OFFICER

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Daniel Saunders  
Deputy State Historic Preservation Officer

THE CITY OF HOBOKEN

By: \_\_\_\_\_ Date: \_\_\_\_\_  
The Honorable Dawn Zimmer  
Mayor, City of Hoboken

Introduced by: \_\_\_\_\_  
Seconded by: \_\_\_\_\_

**CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE ADMINISTRATION TO SETTLE ANY  
PENDING WORKERS COMPENSATION OR NOTICE OF TORT CLAIM (JIF  
OR NON JIF) LITIGATION WITHOUT CITY COUNCIL APPROVAL FOR ALL  
SUCH MATTERS SETTLING ON BEHALF OF THE CITY OF HOBOKEN IN AN  
AMOUNT EQUAL TO OR LESS THAN TWENTY ONE THOUSAND FIVE  
HUNDRED DOLLARS (\$21,500.00)**

**WHEREAS**, the process by which the City of Hoboken settles pending workers compensation lawsuits and tort claims (JIF and non-JIF) currently requires formal City Council approval, via a resolution, prior to formally settling any matter regardless of the extent of City liability paid out in the settlement; and,

**WHEREAS**, in an effort to promote prompt settlement of claims and to increase efficiency in the worker's compensation litigation and tort claim processes, the City Council believes that for those such matters in which the City's liability laid out in the settlement is less than or equal to Twenty One Thousand Five Hundred Dollars (\$21,500.00), the Administration is capable of making decisions which are in the best interest of the City without the need for formal City Council action authorizing the terms of the settlement, subject to the restrictions herein; and,

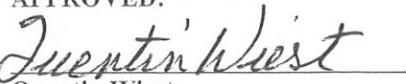
**WHEREAS**, in 2015 the City Council passed a resolution providing for the same process for worker's compensation claims, for a one year period, and seeks to add tort claims to this authority and extend this authority for an additional year.

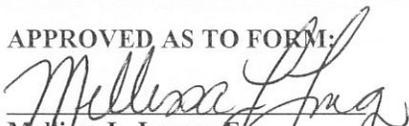
**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Hoboken as follows:

- A. The Administration shall have the authority to settle any and all then pending worker's compensation litigation or tort claims in which the City's financial liability is equal to or less than Twenty One Thousand Five Hundred Dollars (\$21,500.00) so long as the majority of the City's Corporation Counsel, Business Administrator, and Mayor agree in writing that the settlement is in the best interest of the City; and,
- B. In any instance where a majority, as described above, does not agree in writing that the settlement is in the best interest of the City, in order to enter into the settlement, formal action of the City Council authorizing the settlement shall be required, regardless of the amount in controversy or the City's financial liability upon settlement.
- C. The Administration shall, on a periodic basis, via its Corporation Counsel, provide a brief description of each matter that was settled, including the settlement terms, and the reason(s) why same were in the best interest of the City, to the City Council for review.
- D. This resolution shall take effect immediately upon passage.
- E. This resolution shall expire on December 31, 2016.

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

Dated: December 2, 2015

**APPROVED:**  
  
Quentin Wiest  
Business Administrator

**APPROVED AS TO FORM:**  
  
Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	✓			
Peter Cunningham	✓			
James Doyle	✓			
Jen Giattino	✓			
Elizabeth Mason	✓			
David Mello	✓			
Tim Occhipinti	✓			
Michael Russo	✓			
Ravi Bhalla, Council President	✓			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
 THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
 AT A MEETING HELD ON: DEC 02 2015

*James J. Sarina*

CITY CLERK

Introduced by: \_\_\_\_\_  
Seconded by: \_\_\_\_\_

**CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING AN AMENDMENT OF THE NON FAIR  
AND OPEN CONTRACT FOR BANISCH ASSOCIATES FOR SERVICES  
AS PROFESSIONAL PLANNER FOR A PLANNER REPORT FOR  
BLOCK 12, LOTS 1-7; 12-18 TO INCREASE THE NOT TO EXCEED  
AMOUNT BY \$18,000.00**

**WHEREAS**, the City of Hoboken has a need to amend the professional planning services of the vendor for purposes of the creation of a planning report for Block 12, Lots 1-7; 12-18, as a non fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and,

**WHEREAS**, the City's Purchasing Agent has determined and certified in writing that the value of the amended services will exceed Seventeen Thousand Five Hundred Dollars and Zero Cents; and,

**WHEREAS**, the anticipated term of this contract shall remain unchanged; and,

**WHEREAS**, Banisch Associates has submitted an amended proposal dated November 10, 2015 indicating they will provide planning services for the Block 12 proceedings for an additional \$18,000 to the total not to exceed amount; and,

**WHEREAS**, Banisch Associates had completed and submitted a Business Entity Disclosure Certification which certifies that Banish Associates had not made any reportable contributions to a political or candidate committee in the City of Hoboken in the previous one year, and that the contract will prohibit the Banish Associates from making any reportable contributions through the term of the contract; and,

**WHEREAS**, certification of funds is available as follows:

**I, George DeStefano, Chief Financial Officer of the City of Hoboken, hereby certify that \$18,000.00 is available in the following appropriations C-04-60-711-120 in the City's capital accounts; and I further certify that this commitment together with all previously made commitments does not exceed the appropriation balance for this purpose.**

Signed: \_\_\_\_\_ 12/1/2015  
George DeStefano, CFO

**NOW, THEREFORE, BE IT RESOLVED** (a majority of the full council voting in the affirmative), that the City Council of the City of Hoboken authorizes the Mayor to enter into an amended contract with Banisch Associates as described herein, for the services described in their attached November 10, 2015, amended proposal, for an increase in the not to exceed amount by \$18,000.00, for a total not to exceed amount of Fifty Seven Thousand Dollars and Zero Cents (\$57,000.00)(\$ 10,199.00 of the previous \$39,000.00 remained as of 11/23/2015); and,

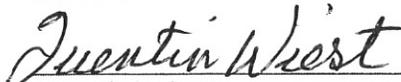
**BE IT FURTHER RESOLVED**, that the Business Disclosure Entity Certification, Stockholder Disclosure Certification, all other accompanying business documentation, and the Determination of Value be placed on file with this resolution; and,

**BE IT FURTHER RESOLVED**, that the City Clerk shall publish this resolution in the City's official newspapers immediately; and,

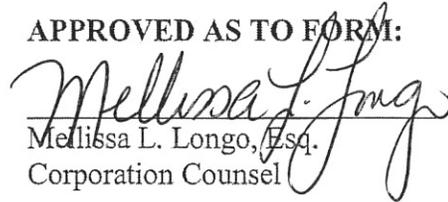
**BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately.

Meeting date: December 2, 2015

**APPROVED:**

  
 Quentin Wiest  
 Business Administrator

**APPROVED AS TO FORM:**

  
 Melissa L. Longo, Esq.  
 Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
 THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
 AT A MEETING HELD ON:

DEC 02 2015

  
 CITY CLERK

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Batch Id: GDS      Batch Date: 12/01/15      Batch Type: Standard

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Account No. Account Description	Type	Entry Description	Amount	Seq
C-04-60-711-120 Parks Acq Ord Z-94 40A:2-20 Cost	Encumbrance	CFO CERT FOR MEETING DEC 2 2015	18,000.00	1

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Fund Description	Fund	Expenditures	Reimbursements	Transfer In	Transfer Out	Cancel	Encumbrances
	C-04	0.00	0.00	0.00	0.00	0.00	18,000.00
Total of All Funds:		0.00	0.00	0.00	0.00	0.00	18,000.00

	Entries	Amount
Expenditures:	0	0.00
Reimbursements:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00
Encumbrance:	1	18,000.00
Total:	1	18,000.00

There are NO errors in this listing.

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	Updated Entries	Updated Amount
Reimbursements:	0	0.00
Expenditures:	0	0.00
Transfer In:	0	0.00
Transfer Out:	0	0.00
Cancel:	0	0.00

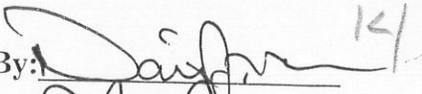
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Encumbrances: 1 18,000.00

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Batch: GDS Updated Entries: 1 Updated Amount: 18,000.00 Ref Num: 3828

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Introduced By:  12/

Second By: 

**CITY OF HOBOKEN  
RESOLUTION NO. \_\_\_\_\_  
RESOLUTION AUTHORIZING THE REFUND OF TAX OVERPAYMENTS**

**WHEREAS**, an overpayment of taxes has been made on property listed below; and

**WHEREAS**, Sharon Curran, Collector of Revenue recommends that refunds be made;

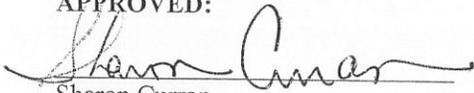
**NOW THEREFORE BE IT RESOLVED**, that a warrant be drawn on the City Treasury made payable to the following totaling \$4,454.02

<u>NAME</u>	<u>BL/LT/UNIT</u>	<u>PROPERTY</u>	<u>QTR/YEAR</u>	<u>AMOUNT</u>
200 Washington St LLC c/o UFVS Management Company 287 Bowman Ave. Purchase, NY 10577-2568	201/28/B02	200 Washington St	3/15	\$ 743.50
200 Washington St LLC c/o UFVS Management Company 287 Bowman Ave. Purchase, NY 10577-2568	201/28/B01	200 Washington St	3/15	\$ 743.50
Michael & Jessica Walker 64 Monroe Street #2 Hoboken, NJ 07030	15/30/C0002	64 Monroe St	1/15	\$1,504.76
Eugene Park 1125 Maxwell Lane #811 Hoboken, NJ 07030	261.03/1/CP207	1125 Maxwell Lane	3/15	\$ 137.03

<u>NAME</u>	<u>BL/LT/UNIT</u>	<u>PROPERTY</u>	<u>QTR/YEAR</u>	<u>AMOUNT</u>
Specialized Loan Servicing 1 Corelogic Way Westlake, TX 76262	34/1/C005B	101 Willow Ave.	3/15	\$1,325.23

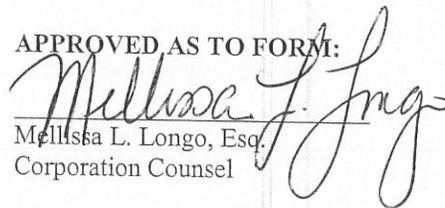
Meeting date: December 2, 2015

APPROVED:



Sharon Curran  
Tax Collector

APPROVED AS TO FORM:



Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Jen Giattino		/		
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Ravi Bhalla, Council President	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.

AT A MEETING HELD ON:

DEC 02 2015

  
CITY CLERK

Sponsored by: Russ B. NB  
 Seconded by: \_\_\_\_\_

16

City of Hoboken  
 Resolution No.: \_\_\_\_\_

**RESOLUTION AUTHORIZING SUSPENSION OF PARKING FEES FOR ALL CITY OWNED PUBLIC PARKING FACILITIES TO INCENTIVIZE LOCAL HOLIDAY SHOPPING WITHIN THE CITY OF HOBOKEN EVERY SATURDAY AND SUNDAY FROM 12:01AM DECEMBER 5, 2015 THROUGH 11:59PM JANUARY 3, 2016, AND EVERYDAY FROM 12:01AM DECEMBER 21, 2015 THROUGH 11:59PM DECEMBER 25, 2015**

WHEREAS, the City wishes to incentivize local shopping during the holiday season, and seeks to suspend parking fees in city owned public garages, for up to four hours per day which must be within a single parking session, subject to providing receipts showing at least \$25.00 worth of food and/or retail purchases within the City of Hoboken on that specific day; and,

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Hoboken, County of Hudson, hereby authorizes suspension of parking fees in city owned public garages, for up to four hours per day which must be within a single parking session, subject to providing receipts showing at least \$25.00 worth of food and/or retail purchases within the City of Hoboken on that specific day, **EVERY SATURDAY AND SUNDAY FROM 12:01AM DECEMBER 5, 2015 THROUGH 11:59PM JANUARY 3 2016; AND EVERYDAY FROM 12:01AM DECEMBER 21, 2015 THROUGH 11:59PM DECEMBER 25, 2015**

Dated: December 2, 2015

Reviewed:

*Quentin Wiest*  
 Quentin Wiest  
 Business Administrator

Approved as to form:

*Melissa Longo*  
 Melissa Longo, Esq.  
 Corporation Counsel

Councilperson	Yea	Nay	Abstain	No Vote
Ravi Bhalla	/			
Theresa Castellano	/			
Peter Cunningham	/			
James Doyle	/			
Elizabeth Mason	/			
David Mello	/			
Tim Occhipinti	/			
Michael Russo	/			
Jen Giattino	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
 THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
 AT A MEETING HELD ON:

*James J. Sarino* DEC 02 2015

CITY CLERK

SPONSORED: \_\_\_\_\_  
SECONDED: \_\_\_\_\_



**CITY OF HOBOKEN  
RESOLUTION NO. \_\_**

**RESOLUTION APPROVING AJM'S REQUEST FOR A CONSTRUCTION NOISE  
WAIVER FOR THEIR WORK ON BEHALF OF THE COUNTY UNDER THE  
OBSERVER HIGHWAY ROAD IMPROVEMENT PROJECT, IN ACCORDANCE  
WITH HOBOKEN CODE SECTION 133-9(C)**

**WHEREAS**, according to the City of Hoboken's Code § 133-9(C), "[a]ll construction and demolition activity, excluding emergency work, shall not be performed between the hours of 6:00 p.m., and 8:00 a.m. on weekdays or at any time during weekends and federal holidays. Work crews may be on site between 7:00 a.m. and 8:00 a.m. to do preparatory work, but no motorized equipment, including but not limited to pile drivers, jackhammers, riveters, stone breakers, cranes, earthmoving equipment, compressors, saws and cutting equipment, and any other such equipment that is plainly audible beyond the real property line, shall be operated before 8:00 a.m. Work may take place after hours and on weekends only with express authorization from the approving Board and only after a noise mitigation plan has been submitted to that Board"; and,

**WHEREAS**, the County of Hudson authorized a contract for construction services to AJM for the Observer Highway Road Improvement Project; and

**WHEREAS**, due to the recent water main breaks in Hoboken, the construction project has been significantly delayed, and therefore the City Administration and AJM now seek to obtain approvals to begin construction activity on the site at 7:00AM and end all construction activity by 8PM on weekdays for the next four weeks, as opposed to the presently codified time of 8:00AM on weekdays, and from 8AM to 4PM on Saturdays, so that they may catch up to the original work schedule, and the City seeks to provide for said waiver for the benefit of the City and of the City's project.

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Hoboken, that the Council hereby accepts receipt of AJM's request for a construction noise waiver pursuant to Hoboken Code Section 133-9(c); and,

**BE IT FURTHER RESOLVED** that the City Council approval of AJM's waiver request shall be subject to the following conditions:

1. The contractor herein may conduct construction activity, in addition to the City's codified hours, on weekdays from 7:00 a.m. to 8:00 a.m. and until 8PM in the evening, as well as from 8AM to 4PM on Saturdays, for a period of four weeks beginning on December 3, 2015 or until the project is completed, whichever occurs first.

- a. By utilizing the within waiver, both the contractor agrees to indemnify and hold the City of Hoboken and its officers, employees and agents harmless from any and all claims which relate in any way to the within waiver.
- b. This waiver is only valid for construction activity related to the contractor's contract Observer Highway Road Improvements.
2. If AJM fails to abide to the terms and conditions in this resolution, the construction noise waiver granted herein shall immediately become null and void.
3. If the contract between the County and AJM is terminated, for any reason, during the waiver period, the waiver shall become null and void immediately upon termination of the underlying contract.
4. During the daily period of 7:00AM through 8:00AM and in the evening until 8PM, and for the entire period allowed on Saturdays, the contractor shall take all industry reasonable standards to control and maintain the lowest decibel level possible for safe performance of the contract. In no event shall pile drivers, jackhammers, or riveters be utilized during these periods.

**BE IT FURTHER RESOLVED**, this resolution shall be effective immediately upon adoption.

Meeting date: December 2, 2015

APPROVED:

*Quentin Wiest*

Quentin Wiest  
Business Administrator

APPROVED AS TO FORM:

*Melissa L. Longo*

Melissa L. Longo, Esq.  
Corporation Counsel

Councilperson	Yea	Nay	Abstain/Present	Absent
Theresa Castellano		/		
Peter Cunningham	/			
James Doyle	/			
Jen Giattino	/			
Elizabeth Mason		/		
David Mello		/		
Tim Occhipinti		/		
Michael Russo	/			
Ravi Bhalla, Council President	/			

A TRUE COPY OF A RESOLUTION ADOPTED BY  
THE COUNCIL OF THE CITY OF HOBOKEN, N.J.  
AT A MEETING HELD ON: DEC 02 2015

*James J. Savino*

CITY CLERK