

Minutes of the New Jersey Health Care Facilities Financing Authority's Special Meeting held on March 12, 2010 on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, New Jersey.

The following **Authority Members** were in attendance:

Gus Escher, Public Member (Chairing by telephone); Ulysses Lee, Public Member (via telephone); Maryann Kralik, Designee of the Commissioner of Banking and Insurance (via telephone); and, William Conroy, Department of Health and Senior Services (via telephone);

The following **Authority staff members** were in attendance:

Mark Hopkins, Steve Fillebrown (via telephone), and Carole Conover.

The following **representatives from State offices and/or the public** were in attendance:

Cliff Rones, Deputy Attorney General; Tom Hower, Governor's Authorities Unit (via telephone).

CALL TO ORDER

Mr. Escher called the meeting to order at 10:05 a.m. and announced that this was a special meeting of the Authority. In accordance with the provisions of the Open Public Meetings Act and the Authority's By-laws, notice of this meeting was advertised in *The Star-Ledger* and the *Courier Post* forty-eight hours in advance of the meeting.

SELECTION OF CONSULTANT TO REVIEW HEALTH CARE SERVICES IN HUDSON COUNTY

Mr. Fillebrown reported that at the February Authority meeting, members approved the selection of Accenture to serve as the consultant to evaluate health care services in Hudson County. After sending a draft contract to Accenture, staff was told by Accenture representatives that the unlimited indemnification provision in the Standard Terms and Conditions was unacceptable.

Staff's position, supported by the Office of the Attorney General, was that because the Standard Terms and Conditions are part of the RFP itself, staff cannot make changes to them without rebidding the project. In addition, staff informed Accenture that several firms had asked about this particular provision prior to submitting bids and were told that it was not negotiable; even if the Authority were able or willing to make a change to this provision, staff would have to allow all firms to resubmit their bids. Staff also noted that the RFP specifically stated that "by submitting a response to this proposal, the bidder agrees to the provisions outlined in the attached Standard Terms and Conditions." Despite these points, Accenture decided it would not honor its bid.

In reviewing the bids, staff rated the proposal from Navigant Consulting, Inc. equal to Accenture's on all evaluation criteria except price. Since Accenture's bid was \$90,000 less than Navigant's, staff originally recommended Accenture. With Accenture unwilling to take the engagement, staff recommends selection of Navigant to perform the work. Navigant's professional fees will be \$432,675 plus expenses. Staff contacted the CEO or CFO of each of

the three hospitals and none objected to this choice. Navigant is also acceptable to the Department of Health and Senior Services.

When asked if the Authority would pursue Accenture for the difference in price, Mr. Hopkins replied that staff is looking into a couple of avenues of recourse with the Attorney General's Office.

Mr. Conroy moved to approve the selection of Navigant for the consulting engagement and to authorize the Executive Director to execute a contract between Navigant Consulting Inc. and the Authority. Ms. Kralik seconded. The vote was unanimous and the motion carried.

AB RESOLUTION NO. JJ-68

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the selection of Navigant Consulting Inc. for the consulting engagement and to authorize the Executive Director to execute a contract between Accenture and the Authority.

Mr. Escher noted that staff has requested an expedited review of these minutes. Mr. Lee moved to authorize the Assistant Secretary to execute a certified copy of the minutes from today's meeting to be forwarded to the Governor for his advanced consideration of these actions. Mr. Conroy seconded. The vote was unanimous and the motion carried.

As there was no further business to be addressed, following a motion by Mr. Conroy and a second by Ms. Kralik, the Members voted unanimously to adjourn the meeting at 10:20 a.m.

I HEREBY CERTIFY THAT THE
FOREGOING IS A TRUE COPY OF
MINUTES OF THE NEW JERSEY
HEALTH CARE FACILITIES
FINANCING AUTHORITY SPECIAL
MEETING HELD ON MARCH 12,
2010.

Carole A. Conover
Assistant Secretary