

DIVISION OF LOCAL GOVERNMENT SERVICES

SHARED SERVICES AGREEMENT

COVER SHEET

PROVIDER: Borough of Butler COUNTY: Morris

RECIPIENT: Borough of Riverdale COUNTY: Morris

BRIEF DESCRIPTION OF SERVICE:

Water and Sewer Billing and Collection services for a continuous five year period.

EFFECTIVE DATE: 1/7/14

EXPIRATION DATE: 1/6/19

Please submit this cover sheet with shared service agreement either via email to EGG@dca.state.nj.us or hard copies may be mailed to the Division of Local Government Services at PO Box 803, Trenton, NJ 08625-0803. Mailed correspondence should be sent to the attention of Shared Services.

WATER BILLING/COLLECTIONS AGREEMENT

BOROUGH OF RIVERDALE

BOROUGH OF BUTLER

This AGREEMENT, made this 21st day of January, 2014, between the BOROUGH OF RIVERDALE, a municipal corporation of the State of New Jersey, hereinafter called "RIVERDALE", having its municipal office at 91 Newark-Pompton Turnpike, RIVERDALE, New Jersey, 07457, and the BOROUGH OF BUTLER, a municipal corporation of the State of New Jersey, hereinafter called "BUTLER" having its municipal office at One Ace Road, Butler, New Jersey, 07405.

WITNESSETH:

In consideration of the mutual covenants contained herein, the parties agree as follows:

FIRST: BUTLER hereby agrees to supply RIVERDALE, for a continuous term of 5 years commencing in accordance with the provisions of Paragraph Eight hereof, Water and Sewer Billing and Collection Services as defined in this agreement.

SECOND: This Agreement shall be automatically renewable for an additional 5 year term unless either BUTLER or RIVERDALE serves written notice of its intent not to renew, which notice shall be served not less than six (6) months before the expiration date of the initial term of this Agreement.

THIRD: Services shall include:

- a) Entry of quarterly water meter readings. Riverdale shall read water meters and supply readings to Butler in a format compatible with Edmunds. Riverdale will supply and maintain reading equipment and Butler will load accounts into the equipment quarterly in preparation for Riverdale to read their accounts.
- b) Generation of Quarterly bills – Butler will generate and print Sewer and Water bills based on readings obtained by Riverdale according to the Riverdale rate ordinance in effect.

Billing will be generated and mailed by the 20th of the month in January, April, July, and October.

- c) Butler will fold bills and stuff envelopes (with the Borough of Butler return address) using the Butler bulk permit number. Riverdale will reimburse Butler for the actual cost of the postage costs.
- d) The second quarter bill mailing will include an insert of the Consumer Confidence Report. Riverdale is to provide enough copies of the report to cover the mailing. Butler will be responsible for folding and including the CCR with the 2nd quarter bill.
- e) For the 1st, 3rd and 4th quarter billings, the Borough of Butler will allow Riverdale to place a single double sided 8-1/2 x 11 flyer or newsletter into the water/sewer bills. Riverdale is to provide the appropriate number of copies to stuff into the bills. Butler will take responsibility for folding and stuffing the flyer into the same envelope as the quarterly bill.
- f) Final bills will be sent out as required. Riverdale shall provide Butler with the final readings and Butler will issue the final bill by mail.
- g) Corrections and adjustments will be handled by Butler with consent from Riverdale. A list of corrections with an explanation for each correction will be provided to Riverdale each quarter if desired.
- h) Butler will accept payments by mail at 1 Ace Road. All payments received will be deposited within 2 business days of receipt.
- i) Butler will accept payments in person at the utility counter at 1 Ace Road for Riverdale Water/Sewer.
- j) Butler will accept payments delivered to Butler from Riverdale. This service is to accommodate those Riverdale residents that may desire to continue to pay in person in Riverdale. Butler will treat these payments as though they came to Butler by mail. Cash will not be accepted for payments made at the Riverdale Borough Hall.
- k) Butler will deposit all Riverdale sewer/water revenue on a daily basis into a dedicated utility account provided by Riverdale. All funds will be deposited as required by statute within 2 business days. If a Riverdale Bank account is available in the same bank that Butler uses for deposit, Butler will provide transfer of the funds to the bank directly. If a different bank is selected by Riverdale, Riverdale is to supply a method to transport deposits to the bank.
- l) Reconciliation reports of the utility account will be provided by Butler monthly.
- m) A listing of delinquent accounts will be provided to Riverdale on a monthly basis. Riverdale will be responsible for turning off service and notifying Butler of any additional fees that need to be applied to an account as a result of actions taken by Riverdale.

- n) Utility searches will be handled by the Borough of Butler for Riverdale Water and Sewer accounts. A fee of \$2 will be charged for each account searched. This amount will be billed directly to the requestor.
- o) Butler will provide customer support by phone or at Butler's 1 Ace Road location, Monday through Friday 8:30AM – 4:30PM. This support will not be available on days the Borough of Butler is closed (i.e. holidays, emergencies, etc.) Riverdale customers will be handled by selected staff. During normal business hours, at least one of the selected staff will be available to handle customer support.
- p) Simple Rate changes on an annual basis are included as part of the annual fee. Any restructuring of the rate schedule which results in changes to the billing software will be billed on a time and material basis. Also, rate changes at a frequency greater than once per year may be billed on a time and material basis.
- q) Access to online inquiries by the Borough of Riverdale will be permitted. Butler will provide the software capability for Riverdale to access the Butler billing system but Riverdale will be responsible for providing its' own hardware (PC, modem, etc).
- r) Butler will be responsible for all software maintenance costs associated with the billing software.
- s) Butler will provide all billing stock. Stock shall be compatible with the Edmunds billing software.
- t) Butler will provide the envelopes necessary to send the bills out quarterly.
- u) Butler will be responsible for daily backup of the Riverdale Sewer/Water billing/collections data on the Butler computer system
- v) Butler's general utility billing number will be provided by the Borough of Butler for Riverdale Sewer/Water customers.
- w) In order to aid in bank account reconciliation each month, Butler will supply a list of all deposits that have been made for the month and will insure that the deposits prove out to the cash receipts in the Edmunds billing system.
- x) Riverdale is responsible for holding its own tax sale to collect delinquent balances. Butler shall provide a list of delinquent accounts to Riverdale upon request by Riverdale.

FOURTH: This Agreement is based on 2000 water/sewer accounts. If the customer base increases beyond 2200 accounts, this Agreement shall be increased at the start of the following year

by an amount equal to the percentage increase over 2200 accounts. For example if the number of active accounts on December 31st 2015 is 2400, the annual billing fee shall be raised $(2400/2200) * \$30,000 = \$32,727$.

FIFTH: After hours support, if requested by Riverdale, will be billed at an hourly rate equal to 1-1/2 times the employee's hourly rate.

SIXTH: The fee for the billing and collection services listed above shall be \$30,000 payable in two equal quarterly installments (March 1st and September 1st). The annual fee will increase by 2% beginning with year 3 (January 1, 2016) of the contract. This increase is independent of the calculation listed in paragraph four.

SEVENTH: Butler will cover startup fees required by Edmunds up to a maximum of \$3,000. Startup Fees beyond this shall be borne by Riverdale and shall be payable in year one of the contract. The fees exceeding \$3000 shall be mutually negotiated and agreed upon between Butler and Riverdale prior to being expended. The fees shall be paid as an actual expense by Riverdale. It should be noted that startup fees are not expected to exceed \$3000.

EIGHTH: This Agreement shall become effective on the date upon which it is fully executed by all parties.

NINTH: This Agreement shall bind and inure to the benefit of the parties hereto, their successors and assigns, for the full term of 5 years as herein before stated, and for any renewal of such term.

TENTH: There shall be no assignment of this agreement without written consent.

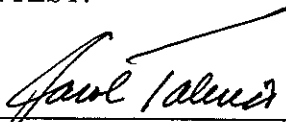
ELEVENTH: All modifications to this contract must be in writing and signed by both parties.

TWELFTH: Notices must be directed to the Borough Administrator in Butler and to the Municipal Clerk in Riverdale in at the Municipal Building of each municipality.

THIRTEENTH: Either party may terminate this agreement at the end of a calendar year by certified mail on or before September 30.

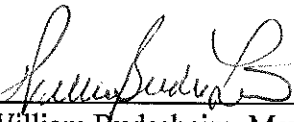
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their duly authorized officers, and have affixed their corporate seals, the day and year first above written.

ATTEST:



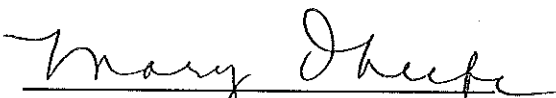
Carol Talerico, Borough Clerk

BOROUGH OF RIVERDALE

By: 

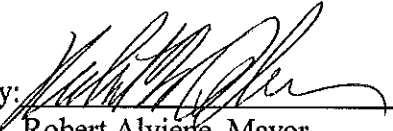
William Budenheim, Mayor

ATTEST:



Mary O'Keefe, Borough Clerk

BOROUGH OF BUTLER

By: 

Robert Alvierie, Mayor