

DIVISION OF LOCAL GOVERNMENT SERVICES

SHARED SERVICES AGREEMENT

COVER SHEET

PROVIDER: Township of Lower COUNTY: Cape May

RECIPIENT: Cape May County COUNTY: Cape May

BRIEF DESCRIPTION OF SERVICE:

HEAVY Equipment / Fleet Maintenance

EFFECTIVE DATE: 4/16/2018

EXPIRATION DATE: 12/31/2022

ESTIMATED COST SAVINGS
TO BE ACHIEVED OVER THE TERM OF THE AGREEMENT _____

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.

TOWNSHIP OF LOWER, COUNTY OF CAPE MAY, STATE OF NEW JERSEY

RESOLUTION #2018-152

Title: A RESOLUTION AUTHORIZING A SHARED SERVICE AGREEMENT WITH THE COUNTY OF CAPE MAY FOR HEAVY EQUIPMENT FLEET MAINTENANCE

WHEREAS, pursuant to the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, et seq. (the "Inter-local Services Act"), any local government unit may enter into a contract with any other local government unit to provide and receive any service that each unit is empowered to provide and receive within its own jurisdiction; and

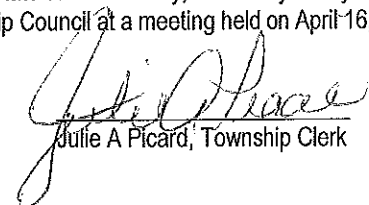
WHEREAS, the County of Cape May County ("County") desires to enter into a Shared Services Agreement with the Township of Lower ("Township") and permit the Township to provide Heavy Equipment Fleet Maintenance as outlined in the attached agreement, and

WHEREAS, the Township of Lower desires to enter into a Shared Services Agreement with the County of Cape May to provide Heavy Equipment Fleet Maintenance.

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Lower, County of Cape May, State of New Jersey that Lower Township is hereby authorized and empowered to enter into a Shared Services Agreement with the "County", a copy of which is attached hereto as EXHIBIT A, pursuant to the provisions of Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, et seq. the Township shall provide Heavy Equipment Fleet Maintenance to the County as described in EXHIBIT A.

	MOTION	SECOND	AYE	NAY	ABSTAIN	ABSENT
CONRAD			X			
PERRY		X	X			
ROY			X			
SIPPEL	X		X			
SIMONSEN			X			

I, Julie A. Picard, Township Clerk of the Township of Lower, County of Cape May, State of New Jersey, do hereby certify the foregoing to be a true and exact copy of a resolution duly authorized by the Township Council at a meeting held on April 16, 2018.


Julie A. Picard, Township Clerk

HEAVY EQUIPMENT FLEET MAINTENANCE

SHARED SERVICES AGREEMENT

THIS AGREEMENT, made this 16 day of April, 2018, between the COUNTY OF CAPE MAY, a body politic and corporate of the State of New Jersey (hereinafter referred to as "County"), whose address is 4 Moore Road, Cape May Court House, NJ 08210, and the TOWNSHIP OF LOWER (hereinafter referred to as "the Municipality"), whose address is 2600 Bayshore Road, Villas, New Jersey 08251:

WITNESSETH

WHEREAS, the County Department of Public Works ("Public Works") owns various equipment and employs a variety of personnel to provide general fleet maintenance and related services for all County-owned heavy equipment; and

WHEREAS, the County, in the face of a 2% state mandated budget cap and in the interest of reducing costs and maintaining critical services; is desirous of entering into an agreement with the Municipality for heavy equipment fleet maintenance; and

WHEREAS, the Municipality is desirous of providing the service to the County for a fee as outlined in Schedule A and pursuant to this Shared Services Agreement; and

WHEREAS, the Uniform Shared Services Act (N.J.S.A. 40A:65-1, et seq.) authorizes and empowers the County and the Municipality to enter into this Agreement.

NOW, THEREFORE, it is agreed, stipulated and understood between the parties in consideration of the mutual promises contained herein, as follows.

1. Scope of Services

- A. Heavy equipment shop related vehicles may be large trucks, loaders, tractors, mowers, street sweepers, vacuum trucks, trailers, etc. A listing of vehicles is provided in Schedule B attached. Older vehicles and equipment may be retired and new vehicles added throughout the life of the contract. The County agrees to provide updates and revisions to Schedule B as needed and communicated these changes to the municipality.

- B. The County will transport County Heavy Equipment Shop related vehicles to the Municipality for service. Service may include typical routine preventative maintenance, may be in response to a fault found during a pre-trip inspection, or may involve more in depth service as may be necessary and as the Municipality may be capable of providing.
- C. The County will be responsible for mounting plows and spreaders to the vehicles. The Municipality will then perform an inspection and service of the vehicles with mounted components.
- D. The County will provide to the Municipality mounted tires and miscellaneous parts as are currently stocked by the County. Any mounted tires or parts not used during the course of this agreement shall be returned to the County upon termination of this agreement.
- E. The Municipality will additionally provide yearly vehicle safety inspections, as requested by the County, for vehicles listed in Schedule B. The vehicle safety inspection shall be performed to USDOT Federal Motor Carrier Safety Administration standards of the periodic inspection also known as: Appendix G to Subchapter B – Minimum periodic inspection standards: 49 CFR Subtitle B Chapter III Subchapter B Appendix G. The completed inspection will be forwarded to the County with the monthly billing statement. A form will be provided by the County to the Municipality. This inspection is considered to be preventive maintenance.
- F. The County anticipates and expects that our equipment will be maintained in a manner and timeframe comparable to industry best practices and standards, and comparable to that which the Municipality provides for its own vehicles.
- G. The Municipality will provide emergency road service to County heavy equipment vehicles as needed within or near the boundaries of their normal service area. If this service occurs after hours, the County will be billed at the multiplier recognized by the Municipality's Labor Contract as applied to the hourly rate in Schedule A.
- H. The Municipality will provide a mechanic on a stand-by basis at the request of the County. The stand-by mechanic shall provide priority repairs to County equipment during off-hours. If this service occurs after hours, the County will be billed at the

multiplier recognized by the Municipality's Labor Contract as applied to the hourly rate in Schedule A.

- I. The Municipality will have the authority to remove a County vehicle from service if, as a result of a safety inspection, critical faults are found which lead the Municipality to believe the vehicle poses a potential hazard to the driver or to the public. The vehicle will be considered removed from service until such time as the necessary repairs can be made or the County authorizes the release in writing. An email or fax represents the acceptable form of written authorization.
- J. The County and the Municipality in performing the services under this contract, shall have full power and authority to undertake any ancillary operation reasonably necessary or convenient to carry out its duties, responsibilities, and obligations under the contract. Any repair estimated to exceed \$1,000.00 requires prior approval by the County Public Works Supervisor or designee.
- K. The principle managing parties of this agreement will meet as needed, but minimally every quarter during the first year, to discuss the effectiveness of this agreement. Any service changes recommended as a result of these meeting will be incorporated into this agreement as appendices by mutual approval of the County and the Municipality.

2. Term

This Agreement shall extend from January 1st 2018 to December 31st 2022. The term shall be extendable for an additional five years (through December 31st 2027) upon resolution of both parties. Either party may cancel this Agreement upon 90 day's written notice to the other.

3. Billing and Compensation

The County will pay the Municipality a Shop Impact Incentive Payment, fund an escrow account, and pay an hourly rate for service provided above the anticipated preventive maintenance service hours as indicated on the fee schedule attached as "Schedule A". The hourly rate will increase 2% per year, effective January 1st of each contract year. The hourly rate will be used to calculate the annual Shop Impact Incentive Payment, based on a yearly allotment of 610 service hours per year. The County will pay cost on any parts necessary for repair of County vehicles or the parts vendor can bill the County directly. The Municipality will provide an itemized bill to the County along with

a signed voucher on a monthly basis. For ease of record keeping and billing, daily communication between the Municipality and County regarding work completed may be necessary. The County agrees to promptly process the Municipality's vouchers for payment and to pay all bills within 45 days of submission by the Municipality to the County. The bill sent by the Municipality to the County will include a detailed description of work performed and parts used, listed by the County's vehicle service center (SC) identification number. It will also include any parts warranties as appropriate.

Shop Impact Incentive Payment: Payable by the County to the Municipality in annual installments in March of each year and refundable in a weekly pro-rated fashion if either party cancels the agreement prior to the end of the term. This payment is based on the anticipated preventive maintenance hours listed in Schedule A, but buys the County that amount of billable hours indicated with indifference to the type of maintenance work being performed.

Advance Payment Escrow: Payable by the County to the Municipality in annual installments in April of each year and any unused portion fully refundable if either party cancels the agreement prior to the end of the term. The escrow is to be applied to the March payment and is meant to give the municipality working capital to provide this service.

Hourly Rate: Payable by the County to the Municipality based on actual hours worked by municipal workers on County vehicles. This rate is to be applied to any billable hours beyond the number of hours purchased through the Shop Impact Incentive Payment. The billable rate will be broken into quarter hours.

Parts Rate: Payable by the County to the Municipality and based on the actual price of the vehicle part. Purchase receipts and warranties will be included with billing documentation submitted to the County for payment.

4. Contact Person

The contact person for the County, for issues related to this contract, will be the Supervisor of the Road Department or designee. The primary contact for scheduling of service, repairs and billing issues will be the County Fleet Maintenance Coordinator.

- a. Road Department Supervisor: Timothy Donohue
 - i. Phone Number: 609-465-1035 ext. 4341

- ii. Fax Number: 609-465-1418
- iii. Email: timothy.donohue@co.cape-may.nj.us
- b. Fleet Maintenance Coordinator: Shannon Chiera
 - i. Phone Number: 609-465-5823 ext. 3801
 - ii. Fax Number: 609-463-1825
 - iii. Email: shannon.chiera@co.cape-may.nj.us

The Municipality agrees to assign a person to serve as the "Fleet Maintenance Contact Person" hereinafter referred to as the "Contact Person" between the County and the Municipality in order to support and facilitate the orderly and efficient implementation of this Agreement, including the distribution of service requests and related relevant information. The Municipality's Contact Person will be:

- iv. Primary Contact Person: Gary Douglass
- v. Phone Number: 609 884-0898
- vi. Fax Number: 609 884-7578
- vii. Email: gdouglass@townshipoflower.org
- viii. Secondary Contact Person: _____
- iv. Phone Number: _____
- v. Fax Number: _____
- vi. Email: _____

The parties shall immediately notify each other in the event of any change in their respective designated Contact Person.

5. Effective Date

This Agreement shall become effective as of 06/01/2011 upon passage of an authorizing Resolution by the Municipality and Resolution by the County as required by the Uniform Shared Services Act (N.J.S.A. 40A:65-1, et seq.).

6. Level of Service

The County and the Municipality agree to provide all services in a professional and workmanlike manner in accordance with applicable regulations, industry standards and best practices.

7. Other Agreements

The County and the Municipality reserve the right to enter into any other contract with other public or private entities for the performance of any service or services which may be included with the scope of services provided in this Agreement.

8. Indemnification

No party shall be liable for any negligent, reckless or intentional acts or omissions of any other(s) and each shall indemnify, defend and hold the other(s) harmless from all losses, injuries or damages caused by the negligent, reckless or intentional acts or omissions of itself or any of its respective employees or independent contractors in rendering the services set forth in this Agreement. Such indemnification shall include payment of reasonable attorney's fees and costs in the defense of any claim made by a third person incident to such negligent, reckless or intentional acts or omissions. The terms and conditions of this paragraph shall survive the execution, delivery, and performance of this Agreement and any succeeding documents, shall be binding upon the heirs, successors, administrators and assigns of each of the parties hereto. No party to this Agreement waives immunity to which it may be entitled pursuant to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq.

9. Insurance

It is recognized and understood that the County is currently insured through St. Paul/Travelers Insurance Company, and the Municipality is currently insured through the Municipal Joint Insurance Fund. The Municipality agrees that it will name the County as an additional insured on any insurance policies it separately maintains. These policies shall include, without limitation, comprehensive general liability, garage liability, automobile liability, errors and omissions and workers compensation with limits and deductibles as mutually agreed upon. Each party shall provide the others with certificates of insurance setting forth the above coverage and naming the other as additional insured promptly upon the execution of this Agreement, and providing that said policies cannot be cancelled except upon sixty (60) days' notice to the County. In the event either party ceases to participate in its insurance program as is in effect on the date of this Agreement, such party shall provide alternative insurance comparable to the coverage in effect on the date of this

Agreement subject to the approval of the other parties, which approval shall not be unreasonably withheld, conditioned or delayed.

10. Miscellaneous

This Agreement may only be modified in writing, duly authorized and signed by the parties' authorized representatives. All notices, statements or other documents required by this Agreement shall be hand-delivered or mailed to the following addresses:

For the Municipality:

Gary Douglass
Public Works Superintendent
Lower Township
2600 Bayshore Road
Villas, NJ 08251

with a copy to:

Jim Ridgeway
Township Manager
Lower Township
2600 Bayshore Road
Villas, NJ 08251

For the County:

Timothy Donohue,
Road Supervisor
County of Cape May
Department of Public Works
4 Moore Road
Cape May Court House, NJ 08210

with a copy to:

Michael Laffey
Director of Operations
County of Cape May
4 Moore Road
Cape May Court House, NJ 08210

13. Authorization

Each party represents and warrants to the other that all municipal or county action necessary to enter into and perform all obligations required by this Agreement has been validly taken and that the undersigned are authorized to execute this Agreement.

14. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

15. No Assignments

One party without the written consent of the other may not assign this Agreement.

16. Entire Agreement

This Agreement sets forth the entire understanding of the parties hereto with respect to the Transactions contemplated herein. No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all the parties hereto


17. Severability

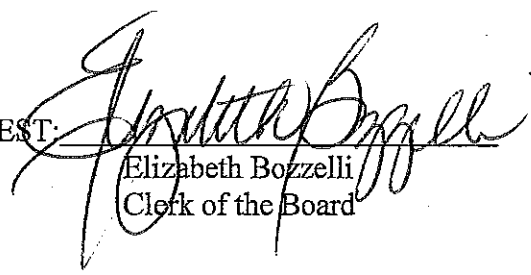
If any clause, sentence, paragraph, section or part of this Agreement shall be adjudged to be invalid by any court of competent jurisdiction, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section, or part thereof, directly involved in the controversy in which such judgment shall have been rendered.

IN WITNESS WHEREOF, the parties affix their signatures to this Agreement, intending to be legally bound. If a party is a corporation, this Agreement is signed by its proper corporate officers and its corporate seal is affixed.

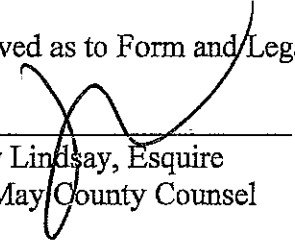
COUNTY OF CAPE MAY

10 April 2018
Date

By: 
Gerald M. Thornton
Director, Board of Chosen Freeholders

ATTEST: 
Elizabeth Bozzelli
Clerk of the Board


Approved as to Form and Legality:

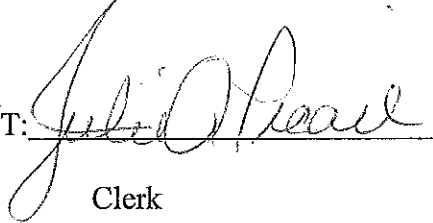

Jeffery Lindsay, Esquire
Cape May County Counsel

Res # 2018-152
4/16/2018

MUNICIPALITY

4/16/2018
Date

By: 
Erik Simonsen
Mayor, Township of Lower

ATTEST: 
Clerk

Approved as to Form and Legality:


Township Solicitor