

**DIVISION OF LOCAL GOVERNMENT SERVICES**

**SHARED SERVICES AGREEMENT**

**COVER SHEET**

PROVIDER: Township of Lovett COUNTY: Cape May

RECIPIENT: Lovett Twp. Municipal Utilities Authority COUNTY: Cape May

**BRIEF DESCRIPTION OF SERVICE:**

Sharing of Equipment / Manpower / Maintenance / Road Restoration

EFFECTIVE DATE: 8/30/2018

EXPIRATION DATE: 12/31/2027

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](mailto: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 #2018-263

Title:

A RESOLUTION AUTHORIZING A SHARED SERVICE AGREEMENT BETWEEN THE TOWNSHIP OF LOWER AND THE LOWER TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

WHEREAS, pursuant to N.J.S.A. 40A:65-1 et seq., the Township of Lower and LTMUA desire to enter into a Shared Service Agreement pursuant to the terms and conditions set forth on EXHIBIT A attached hereto and by this reference made a part hereof (the "Agreement").

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Lower, County of Cape May, State of New Jersey, that the Shared Service Agreement, a copy of which is attached hereto as EXHIBIT A, is hereby approved.

BE IT FURTHER RESOLVED that the Lower Township Mayor and Clerk are hereby authorized and directed to execute the Agreement and that the Township Manager is hereby authorized and directed to take any and all action necessary to effectuate and implement the terms and conditions thereof.

BE IT FURTHER RESOLVED that the attached Shared Service Agreement shall remain in full force and effect until the expiration of said agreement on December 31, 2027, unless terminated by either party in accordance with the early termination provisions set forth therein.

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

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 August 20, 2018.

  
Julie A Picard, Township Clerk

**SHARED SERVICE AGREEMENT  
BY AND BETWEEN THE TOWNSHIP OF LOWER,  
THE LOWER TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

This Shared Service Agreement ("Agreement") is made as of this 20 day of August, 2018 by and between the Township of Lower, a municipal corporation of the State of New Jersey whose administrative offices are located at 2600 Bayshore Road, Villas, New Jersey 08251 (hereinafter referred to as the "Township") and the Lower Township Municipal Utilities Authority, a duly-organized Municipal Utilities Authority with offices located at 2900 Bayshore Road, Villas, New Jersey 08251 (hereinafter referred to as the "MUA"). The Township and the MUA may collectively be denominated as the "Parties" or "Units" in this Agreement and may each be called, separately, a "Party" or "Unit."

**WHEREAS**, N.J.S.A. 40A:65-1, et seq., provides that local governmental entities can enter into the said Agreement and further provides that upon consent these local Units being a municipality and a municipal utilities authority meet the definition of local Units within N.J.S.A. 40A:65-3; and

**WHEREAS**, the Township and the MUA perform similar tasks, duties, and utilize various similar equipment, to provide services to the residents of Lower Township, where sharing services between the Parties will result in cost savings to the residents by lower taxes or lower water and sewer utility rates and is encouraged by the State of New Jersey; and

**WHEREAS**, the Township and MUA both agree to participate in such a shared services program to save the residents of Lower Township expenses related to the daily operations and projects of the Township and the MUA for such staff employees, services and equipment including but not limited to those listed below:

MUA Engineering Employees  
Administrative Employees MUA  
Operation Employees  
Operation Services  
Equipment Purchases  
Equipment Use  
Equipment Maintenance  
Road Restoration  
Leaf and Brush Operations

**WHEREAS**, upon prior approval of the Township Manager and the MUA Executive Director, the Township and the MUA may share resources for certain projects and daily operations.

**NOW, THEREFORE, THE PARTIES HERETO** agree, to the following terms and conditions of this Agreement:

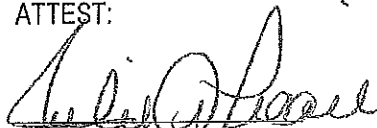
1. Sharing employees for certain projects must have prior approval of the Township Manager and the MUA Executive Director or their designated representatives of each Party and scheduled so as not to interfere with the Parties daily operations.
2. The Township and the MUA agree that both Township employees and MUA employees may be cross-assigned from one to the other for specific projects and the cost of each said employee cross-assigned shall be computed and reimbursed from one to the other in accordance with the actual cost of salary incurred by the paying Party.
3. The Township and the MUA agree that both Township employees and MUA employees may perform routine tasks for each Party including but not limited to: snow removal, mechanic work, road repairs, equipment operations; and the salary cost of each said employee shall be paid by the employees Party.
4. When an employee has been cross-assigned, they shall continue to be an employee of his/her respective employer and shall follow all rules and regulations of said employer and shall continue to receive all benefits of the employee's Party.
5. Sharing equipment for certain projects must have prior approval of both the Township Manager, and the MUA Executive Director or their designated respective representatives and scheduled as not to interfere with either Parties daily operations.
6. When equipment is being shared, all cost of operating the equipment , including, but not limited to, transportation, fuel, and parts, shall be paid by the Party utilizing the equipment.
7. When equipment is being shared, the insurance coverage for that equipment shall continue in full effect by the Party owning the equipment; however, the insurance policy covering the equipment owned by the respective Party shall name the other Party as an additional insured.
8. When equipment is being shared and a breakdown occurs, parts and labor for that equipment shall be computed and shared based on a formula allocating use of the equipment prior to the breakdown. For example, if one Party owns the equipment and uses it 90% of the time with the other Party using it the other 10% of time and the cost for parts and labor total \$10,000, the Party owning the equipment shall pay \$9,000 and the other Party shall pay \$1,000. If it is determined that abuse of the equipment is the cause of the breakdown then all repair expenses, including labor shall be paid by the Party abusing the equipment.
9. The Township and the MUA agree that when Township employees or MUA employees perform specific routine tasks from one to the other, any cost for parts or supplies shall be computed and reimbursed from one to the other in accordance with the actual cost of the parts and supplies incurred by the paying Party.
10. Sharing equipment purchases must have prior approval of both the Township Manager, and the MUA Executive Director and be proposed prior to the annual budget deadlines of December 1<sup>st</sup> for the Township and September 1<sup>st</sup> for the MUA.

11. When equipment is purchased on a shared basis, all maintenance, repairs and update items shall be shared equally between both Parties.
12. The MUA agrees to pay the Township for Street Opening Permits of which the fee is to be calculated by the MUA for all utility openings used to install new water or sewer services to any residential or commercial properties within the Township.
13. The MUA agrees to reimburse the Township for the cost of repairs to all utility openings with a Street Opening Permit used to install a new water or sewer service to any residential or commercial properties within the Township in accordance with present day practice. The MUA agrees to be responsible for maintenance of the street opening until the Township completes the permanent asphalt repairs. Maintenance of the street opening means preparing the opening, backfilling, compacting, and saw cutting edges.
14. The Township agrees to repair all street openings created by the MUA employees for the purpose of repairing water or sewer main breaks within the Township at no charge to the MUA. The MUA agrees to be responsible for maintenance of the street opening until the Township completes the permanent asphalt repairs. Maintenance of the street opening shall include preparing the opening, backfilling, compacting, and saw cutting edges.
15. The MUA shall continue to provide a parcel of property in the front portion of the MUA property for the Township recreational facility. The size and location of parcel shall be determined by the MUA.
16. The MUA shall not collect rents or payments from the Township for the use of the parcel for recreation as set forth in paragraph 15 above.
17. The Township shall be required to obtain insurance and hold the MUA harmless for the operation of the recreational facility as well as name the MUA as an additional insured.
18. The MUA shall continue to provide a parcel of property in the rear portion of the MUA property for the Township to conduct brush and leaf recycling. The size and location of parcel shall be determined by the MUA.
19. The MUA shall not collect rents or payments from the Township for the use of the parcel of property used for brush and leaf recycling as set forth in paragraph 18 above.
20. The Township shall be required to obtain insurance and hold the MUA harmless for the operation of the brush and leaf recycling as well as name the MUA as an additional insured.
21. The Township shall be required to obtain any and all Federal, State, and County permits to operate the brush and leaf recycling center.
22. The Township and the MUA shall secure the area of the recycling center and shall not allow individuals other than Township employees, MUA employees or County employees to enter the premises for any reason other than official business.

23. The Parties acknowledge that the Township and the MUA are entering into this Agreement upon passage of a Township Resolution and an MUA Resolution.
24. The terms of this Agreement shall commence on January 1, 2018 and shall continue for a period of ten (10) years, terminating on December 31, 2027. Either party may terminate this Agreement, for any reason or no reason, by providing ninety (90) days written notice to the other.
25. The MUA agrees to provide sanitary manhole and water valve riser rings for sanitary manholes and water valves in township roadways at no charge to the Township.
26. The Township and the MUA agree to participate in a Reverse 911 resident notification system currently in place. The Parties agree to share the annual cost of the system and is shared 50/50. The terms and cost of the of the system shall be automatically extended annually unless either Party notifies the other Party by written notice of termination ninety (90) days prior to the date of expiration.

INWITNESS WHEREOF, THE PARTIES HERETO; set their hand and seal :

ATTEST:

  
Julie A Picard, Clerk  
Township of Lower

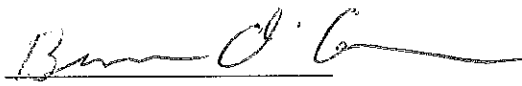
Date: 8/20/2018

  
ERIK SIMONSEN, Mayor  
Township of Lower

ATTEST:

  
Sharron Otto, Secretary  
Lower Township MUA

Date: 9-5-18

  
Chairperson  
Lower Township MUA

## RESOLUTION NO. 121-2018

### AUTHORIZING SHARED AGREEMENT WITH THE TOWNSHIP OF LOWER

**WHEREAS**, the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, *et seq.* (the "Act"), authorizes local governmental units to enter into agreements for the exchange of services; and

**WHEREAS**, both the Lower Township Municipal Utilities Authority (the "Authority") and the Township of Lower ("Township") are local units as defined in the Uniform Shared Services and Consolidation Act, specifically, at N.J.S.A. 40A:65-3; and

**WHEREAS**, from time to time in the past the Authority and the Township have found it to be beneficial, financially and otherwise, for the Authority and the Township to cooperate by providing to each other the assignment of manpower, equipment, supplies and other assistance when needed and mutually beneficial; and

**WHEREAS**, the Authority and Township each are satisfied that the exchange of such services will be fair and equitable, will serve to save each respective party substantial sums of money and will serve the best interests and the health and welfare of the residents of each party's respective jurisdiction;

**NOW, THEREFORE, BE IT RESOLVED**, by the Members of the Lower Township Municipal Utilities Authority in the Township of Lower, in the County of Cape May and State of New Jersey as follows:

- 1) All of the statements of the preamble are incorporated herein by this reference thereto as though the same were set forth at length.
- 2) On behalf of the Lower Township Municipal Utilities Authority, the Executive Director and Authority Secretary hereby are authorized to execute the Shared Services Agreement annexed as Exhibit "A, which has been approved by the governing body of the Township of Lower pursuant to Resolution 263-2018, adopted August 20, 2018.
- 3) All appropriate Lower Township Municipal Utilities Authority officials be and they hereby are authorized and directed to take such actions as are necessary and proper to effectuate the purposes and intent of this Resolution.

RESOLUTION NO. 121-2018

	BITTING	HENDERSON	O'CONNOR	SHEFTZ	LAMBERT
MOTION		X			
SECOND	X				
AYES	X	X	X		X
NAY					
ABSENT				X	
ABSTAIN					

I hereby certify that the foregoing is a true and exact copy of a resolution introduced and adopted by the Township of Lower Municipal Utilities Authority at a meeting held on September 5<sup>th</sup>, 2018

*Sharon Otto*

Sharon Otto, Authority