

DIVISION OF LOCAL GOVERNMENT SERVICES
SHARED SERVICES AGREEMENT
COVER SHEET

PROVIDER: Township of Montgomery COUNTY: Somerset

RECIPIENT: Borough of Manville COUNTY: Somerset

BRIEF DESCRIPTION OF SERVICE:

To provide Chief Financial Officer, Qualified Purchasing Agent, Payroll and Accounting related services.

EFFECTIVE DATE: May 1, 2017

EXPIRATION DATE: April 30, 2020

ESTIMATED COST SAVINGS
TO BE ACHIEVED OVER THE TERM OF THE AGREEMENT \$80,000.00

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.

**RESOLUTION #17-4-106 - AUTHORIZING SHARED SERVICES AGREEMENT WITH THE BOROUGH OF
MANVILLE FOR CFO, QPA, PAYROLL AND ACCOUNTING SERVICES**

WHEREAS, The "Uniform Shared Services and Consolidation Act" N.J.S.A. 40A:65-1 through 40A:65-35 (the "Act"), authorizes local units of this State to enter into a contract with any other local unit or units for the joint provision within their several jurisdictions of any service which any party to the agreement is empowered to render within its own jurisdiction; and

WHEREAS, The Parties have identified an area where working together through shared services will result in positive outcomes for both municipalities; and

WHEREAS, The Parties wish to enter into a Shared Services Agreement ("Agreement") for Chief Financial Officer ("CFO"), Qualified Purchasing Agent ("QPA"), Payroll and Accounting related services; and

WHEREAS, N.J.S.A. 40A:9-140.10 requires each municipality to have its own CFO, but allows for the use of the same CFO under a shared services agreement with another municipality; and

WHEREAS, Montgomery has agreed to provide Manville with the services of its CFO, QPA, Payroll and Accounting, pursuant to the terms and conditions set forth in a Shared Services Agreement between the Parties.


NOW, THEREFORE, BE IT RESOLVED By the Township Committee of the Township of Montgomery, Somerset County, New Jersey, that the Township Committee approves the Township's participation in the shared services agreement with the Borough of Manville for CFO, QPA, Payroll and Accounting services; and further that the Mayor and Clerk are authorized and directed to execute the shared services agreement; and

BE IT FURTHER RESOLVED That a copy of the shared services agreement will be available, pursuant to N.J.S.A. 40A:65-5.b., at the offices of the Township Clerk for public inspection.

CERTIFICATION

**I HEREBY CERTIFY THE ABOVE TO BE A
TRUE COPY OF A RESOLUTION ADOPTED BY THE
TOWNSHIP COMMITTEE OF THE TOWNSHIP OF
MONTGOMERY AT A MEETING HELD**

April 20, 2017


Township Clerk

**SHARED SERVICES AGREEMENT FOR CHIEF FINANCIAL OFFICER,
QUALIFIED PURCHASING AGENT, PAYROLL/BENEFITS & PENSIONS AND
MUNICIPAL ACCOUNTING /TREASURER RELATED SERVICES**

THIS SHARED SERVICES AGREEMENT made this 11th day of April, 2017 (“Effective Date”) by and between **THE BOROUGH OF MANVILLE** (“Manville”), a borough in the County of Somerset, State of New Jersey, with principal offices located at 325 North Main Street, Manville, New Jersey, 08835, and **THE TOWNSHIP OF MONTGOMERY** (“Montgomery”), a township in the County of Somerset, State of New Jersey, with principal offices located at, 2261 Route 206, Belle Mead, New Jersey 08502. Manville and Montgomery will be collectively referred to herein as the “Parties.”

WITNESSETH:

WHEREAS, the “Uniform Shared Services and Consolidation Act” N.J.S.A. 40A:65-1 through 40A:65-35 (the “Act”), authorizes local units of this State to enter into a contract with any other local unit or units for the joint provision within their several jurisdictions of any service which any party to the agreement is empowered to render within its own jurisdiction; and **WHEREAS**, the Parties have identified an area where working together through shared services will result in positive outcomes for both municipalities; and **WHEREAS**, the Parties now wish to enter into a Shared Services Agreement (“Agreement”) for Chief Financial Officer (“CFO”) and Qualified Purchasing Agent (“QPA”) related services, in addition to payroll & benefits and municipal accounting services; and **WHEREAS**, N.J.S.A. 40A:9-140.10 requires each municipality to have its own CFO, but allows for the use of the same CFO under a shared services agreement with another municipality; and **WHEREAS**, Montgomery has agreed to provide Manville with the services of its CFO, QPA, payroll and benefits, and municipal accounting staff team pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, with the foregoing recital paragraphs incorporated herein by this reference and in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

1. Services Provided

- A. Chief Financial Officer (CFO) Services.** Montgomery shall provide Manville with the services of its CFO commencing May 1, 2017, who will also be officially appointed as Manville’s CFO on July 1, 2017 following the retirement of Manville’s existing CFO. The CFO shall provide all statutory duties of the CFO for Manville. Manville agrees to continually staff its Tax and Finance offices to ensure the CFO has appropriate and adequate personnel support onsite during the term of this Agreement. Manville shall be entitled to access the CFO during regular business hours by telephone or email through a dedicated Manville email address. The Borough of Manville’s IT Consultant will

provide remote access to the CFO via a laptop (provided by the Township of Montgomery); secure access to be provided remotely through VPN.

B. Qualified Purchasing Agent (QPA) Services. Montgomery shall provide Manville with the services of its QPA, who will also be appointed as Manville's QPA effective May 1, 2017 until this Agreement's expiration or termination. Manville will submit requests for QPA consultation and review services through Montgomery's CFO. Manville agrees to continually staff its Finance offices to ensure the QPA has appropriate and adequate personnel support onsite during the term of this Agreement.

C. Payroll/Benefits/Pensions Services – Montgomery will provide biweekly payroll services utilizing Manville's software service provider, ADP, and will provide monthly benefits/pensions reporting requirements to the State of NJ and other agencies as required. The Administrator will provide the HR Functions to Borough Staff on an as-needed basis. The Borough of Manville Administrator will provide the Human Resource functions to Borough of Manville staff as needed. Manville agrees to continually staff its Finance office to ensure the Payroll individual has appropriate and adequate personnel support onsite during the term of this Agreement. The Borough of Manville's IT Consultant will provide secure, remote access to the payroll employee via a laptop (provided by the Township of Montgomery); access to be provided remotely through VPN.

D. Treasurer and Other Non-Audit Accounting Services. Montgomery shall provide Manville with Treasurer and Other Non-Audit Accounting Services as needed effective May 1, 2017 until this Agreement's expiration or termination. Manville agrees to continually staff its Finance office to ensure the Treasurer has appropriate and adequate personnel support onsite during the term of this Agreement. The Borough of Manville's IT Consultant will provide secure, remote access to the Treasurer position via a laptop computer (provided by the Township of Montgomery).

2. Fees – Total fee for all services \$80,000

A. CFO/QPA Services. The fee for the CFO and QPA services provided shall be \$4,500 per month to be paid monthly by the last business day of each month by Manville to Montgomery. (work to be completed on-site and remotely.)

B. Payroll/Pensions Services. The fee for the biweekly payroll services to include pension services at an estimated 32 hours monthly (work to be completed on-site and remotely) for a total to be paid in the amount of \$1,467 monthly.

C. Treasurer and Other Non-Audit Accounting Services. The fee for the monthly treasurer and miscellaneous non-audit accounting services are estimated at 15 hours monthly (work to be completed on-site and remotely) and shall be paid in the amount of \$700.00 monthly.

D. Fee Escalation. All fees set forth in this section shall be reviewed at the end of each year and shall increase at the rate of 2% at the beginning of each new year of the Agreement.

3. Term

The term of this Agreement shall commence upon the final execution of the Agreement by the duly authorized representatives of both Parties, and shall continue until April 30, 2020 (the "Term") unless terminated sooner pursuant to the terms and conditions of Section 6 of this Agreement. Notwithstanding the foregoing, by resolutions of the governing bodies of both Parties, this Agreement may be extended for additional terms of three (3) years up to a total of nine (9) additional years. Manville will appoint the Montgomery CFO to an appropriate term, in accordance with state statute.

4. Indemnification

Manville agrees to hold Montgomery, its officers, employees and agents harmless from any and all claims of whatever nature or type arising from the provision of the services by Montgomery to Manville and its residents pursuant to this Agreement. Montgomery shall likewise hold Manville, its officers, employees and agents harmless from any and all claims of whatever nature or type arising from the provision of the services contained in this agreement. Such indemnification shall include payment of reasonable attorneys' fees and costs in the defense of any claim made by a third person.

5. Insurance

It is recognized and understood that Manville and Montgomery participate in a Joint Insurance Fund ("JIF"). Final approval of this Agreement by Manville and Montgomery is subject to each obtaining assurance of coverage by their respective JIF and that each will name the other as additional insured on any commercial general liability insurance policies it separately maintains. Additional policies shall include business automobile liability with mutually agreed upon deductibles. Montgomery shall provide workers' compensation coverage as the CFO, QPA and Payroll Clerk and Accountant/Treasurer shall remain employees of Montgomery. Each of the Parties shall provide the other with a Certificate of Insurance setting forth the above coverage and naming the other as additional insured promptly upon the execution of this Agreement. In the event either Manville or Montgomery ceases to participate in a JIF, such party shall provide alternative insurance comparable to the JIF coverage and subject to the reasonable approval of the other party. A periodic review of insurance requirements, including an expansion of these requirements relative to a specific new Addendum, is necessary and understood by parties to this agreement. Any changes to this Agreement, including an Addendum, will require a review of the insurance requirement. Any changes to this agreement including an addendum will require a review of the insurance requirement

6. Termination

- A. This Agreement may be terminated at any time upon mutual agreement of the Parties; however, unless otherwise agreed by the Parties, such a termination shall not become effective for a maximum of six (6) months following the adoption of joint resolutions by both governing bodies authorizing the termination.
- B. Either party may terminate this Agreement at any time and for any reason upon giving the other party six (6) months' notice of its intent to terminate.
- C. In the event either party defaults in the performance of any of its obligations under this Agreement, after receiving written notice of same and failing to cure such default within thirty (30) days of said written notice, the non-defaulting party shall be entitled to

terminate this Agreement and shall be entitled to all other remedies available at law, in equity, or both. The non-defaulting party shall also be entitled to receive from the defaulting party all costs and expenses, including legal fees, as a result of such default.

D. In the event of a termination pursuant to any subsection of this paragraph, the Parties shall take all steps necessary to ensure that the services are transitioned back to the respective party in a manner which does not jeopardize the health, welfare or safety of the residents of either party. In addition, all Parties shall be entitled to the return of all equipment and other personal property that was transferred or loaned pursuant to this Agreement.

7. Chain of Command; Annual Meeting

A. The Montgomery employees providing services under this Agreement shall be under the exclusive authority and control of Montgomery; conversely, the Manville employee(s), if any, providing services under this Agreement, shall be under the exclusive authority and control of Manville. Both Parties shall only provide direction, or instruction, to the other party's employees through the Administrator, or other managerial designate, of the respective party. Neither party shall discipline or reprimand any employee of the other party to this agreement. All complaints, instructions, requests, including requests for information, or other lines of communication by either party shall be through the Mayor and/or Administrator, or such other chief administrative officer, as may be designated from time to time by the respective Parties.

B. The Parties agree to have their designated representatives meet at least annually to discuss the provision of the services under this Agreement; the costs associated with same; and any other matters concerning this Agreement.

8. Confidentiality

The Parties recognize and acknowledge that in the performance of the duties called for under this Agreement, certain confidential information of the other party will need to be shared or transmitted, including employment, operations and financial records, as well as, related data which is not otherwise publicly available ("Confidential Information"). Each party will treat as confidential all Confidential Information of the other party while implementing reasonable procedures to prohibit the disclosure, unauthorized duplication, use, misuse, or removal of the other party's Confidential Information, and will not use or disclose such Confidential Information, unless it becomes generally known through no fault of the disclosing party, or unless such party is required by law or court order to disclose such Confidential Information.

9. Choice of Law

Any dispute under this Agreement or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

9. Entire Agreement

This Agreement represents the entire agreement between the Parties and cannot be changed or modified orally. This Agreement may be supplemented, amended or revised only by writing, which is to be signed by all of the Parties hereto.

10. Severability

If any part of this Agreement shall be held to be unenforceable, the rest of this Agreement shall nevertheless remain in full force and effect.

11. Waiver

Failure to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement at any one time shall not be deemed a waiver of such term, covenant, or condition at any other time nor shall any waiver or relinquishment of any right or power herein at any time be deemed a waiver or relinquishment of the same or any other right or power at any other time.

12. Modification

This Agreement may not be changed orally, and may be modified or amended only by a written agreement signed by both Parties. In consideration of unforeseen circumstances and in order to insure proper and efficient delivery of services to the residents of Manville and ontgomeryMontgomery, the delivery of services can be practically modified, as it pertains to day to day logistical operations, by mutual consent of the Parties, Administrators, or their managerial designees.

13. Expansion

Upon the mutual agreement of the Parties, this Agreement may be expanded in the future in order to cover additional services not presently covered in this Agreement. Such expansion will require the Parties to re-examine the terms and conditions of this Agreement at that time, and the adoption of a new Agreement, or an additional addendum to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the date first above written.

ATTEST:

Pamela Borek
Pamela Borek, Borough Clerk

BOROUGH OF MANVILLE

Richard M. Onderko
Richard M. Onderko, Mayor

ATTEST:

Donna Kukla

TOWNSHIP OF MONTGOMERY

Ed Tuzyla

Dated this 20 day of April, 2017.