

DIVISION OF LOCAL GOVERNMENT SERVICES
SHARED SERVICES AGREEMENT
COVER SHEET

PROVIDER: Borough of Butler COUNTY: Morris

RECIPIENT: Public Power Association of New Jersey and New Jersey Public Power Authority COUNTY: Morris

BRIEF DESCRIPTION OF SERVICE:

Executive Director for both organizations.

EFFECTIVE DATE: 04/03/2017

EXPIRATION DATE: 04/03/2020

ESTIMATED COST SAVINGS
TO BE ACHIEVED OVER THE TERM OF THE AGREEMENT 450,000

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.

EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made on March 30, 2017 by and between the Borough of Butler (hereinafter, the "Borough"), a municipal corporation of the State of New Jersey, with its principal office located at 1 Ace Road, Butler, NJ 07405, and Brian M. Vayda (hereinafter "Vayda"), domiciled at 16 Amy Lane, Sugarloaf, PA 18249, to be the Executive Director of each of the Public Power Association of NJ (PPANJ) and the NJ Public Power Authority (Authority).

WHEREAS, the Authority and the PPANJ wish to employ Brian M. Vayda as a full-time Executive Director upon terms and conditions separately stated in an inter municipal agreement (IMA) between them and the Borough dated March 7, 2017; and

WHEREAS, to facilitate the employment of the Executive Director, Brian M. Vayda shall be a "nominal employee" of the Borough whose employment is conditioned upon continued service as the Executive Director of both the Authority and the PPANJ and under the conditions of the IMA.

AGREEMENTS

1. Employment. The Borough hereby employs Brian M. Vayda as the Executive Director, and Brian M. Vayda hereby accepts such employment upon the terms and conditions set forth in this Agreement.
2. Applicable Laws. The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of New Jersey.
3. Term. The initial term of this Agreement shall be for a period commencing April 3, 2017, and expiring on April 3, 2020, subject to extension by the PPANJ and the Authority.
4. Board of Directors. The Executive Director shall at all times discharge the duties in consultation with and under the supervision of the Board of Directors ("Board") of the PPANJ and Board of Commissioners of the Authority ("Commissioners")(collectively the "Boards").
5. Duties. The Executive Director shall devote the time and skill reasonably necessary to perform the duties of the position. Under the direction of the Boards, the Executive Director shall be responsible for providing executive-level leadership for the Authority and PPANJ that assures the highest level of satisfaction, efficiency, services, and competitive rates for the members of the Authority and the PPANJ. By accepting this employment agreement, Vayda agrees to the duties, services, and scope of responsibilities provided to him by the Boards.

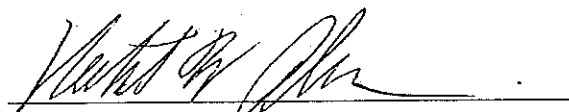
6. Location. Unless the parties otherwise agree in writing, the Executive Director shall perform the responsibilities and duties at the Authority's and PPANJ's office in Butler up to three business days per week, and at other times at a home office or at other locations as required to perform the duties and responsibilities of the Executive Director.
7. Compensation. The Executive Director shall accept as full consideration for the services to be rendered hereunder, compensation as follows:
 - A. Annual Compensation. For all services rendered by the Executive Director under this Agreement, the Executive Director shall be compensated at an annual rate of one hundred fifty thousand dollars (\$150,000) per annum effective the first day of the term, disbursed every two weeks in accordance with the Borough's payroll processing schedule. Any change in compensation shall require the approval of the Boards.
 - B. Deductions. The Borough shall deduct or withhold from the compensation due to Executive Director all sums required by law to be deducted or withheld, including without limitation, federal, state, and local income taxes, Social Security taxes, and any other taxes now applicable or in the future may be enacted and become applicable to the Executive Director.
 - C. Health Insurance. The Executive Director has agreed to file a waiver of health, eyeglass, and dental insurance. In consideration of such waiver, the Executive Director shall receive an annual payment of two thousand five hundred dollars (\$2,500), payable on nearest payroll following the sixth month anniversary of the first year of employment and annually thereafter. If the Executive Director subsequently needs to acquire health insurance, the Executive Director shall complete an application for inclusion in the Health Insurance plan offered by the Borough.
 - D. Other Benefits. The Executive Director shall receive the benefits described in Attachment A.
8. Travel and Vehicle. Travel expenses shall be reimbursed consistent with the travel policy of the Borough, except when using the automobile provided by the Authority and PPANJ, which shall be used for the official business of the Authority and PPANJ only. Operating, maintenance, licensing, and insurance expenses shall be paid by the Authority and the PPANJ. Use of a personal vehicle for business shall be reimbursed at the then current mileage rate authorized by the Internal Revenue Service. Commuting expenses between the Executive Director's residence and the Borough are not reimbursable.

9. Communication and Business Equipment. The Executive Director shall be provided with a mobile phone, a hard-wired phone, computer, monitor, internet connection, and similar equipment for communicating with the Boards and others in performance of the duties and responsibilities, and such equipment shall be available for use in Butler and the home office.
10. Professional Support and Assistance. The Borough shall provide an office and such clerical, technical and professional services and equipment as may be reasonably necessary to perform the Executive Director's duties and responsibilities.
11. Reimbursement of Expenses. On occasion, the Authority and the PPANJ, in accordance with established policies, may approve certain reasonable duty related expenditures to be made by the Executive Director, such as professional memberships and attendance at seminars, professional meetings and other events, in furtherance of the Executive Director's position as the Executive Director. Upon being presented with an itemized accounting of reasonable, budgeted, and authorized expenses incurred by the Executive Director, he shall be reimbursed for such expenses.
12. Extent of Services. The Executive Director shall diligently and conscientiously devote his entire time, attention, and energies to the Authority's and PPANJ's business and shall not, during the term of employment, pursue or be actively engaged in any other business activity or be employed performing similar services for others.
13. Evaluation. The Board shall evaluate and assess the performance of the Executive Director annually. The Executive Director shall receive a written summary of the evaluation with any recommendations and goals for the coming year.
14. Termination. The Executive Director serves at the will of the Boards and may be removed from that position at any time, with or without good cause, by a majority vote of the Authority and the PPANJ. All statutory provisions of law, standards and regulations governing dismissal or discipline shall be applicable to any proceeding regarding termination of the Executive Director. Upon termination by the Boards, the Executive Director shall also be terminated from employment with the Borough.
15. Waiver of Breach. The failure of either party to require the performance of any term or condition of this Agreement or Attachment shall not prevent subsequent enforcement of any such term or be deemed to be a waiver of any subsequent breach. The non-breaching party shall not be deemed to have waived any breach of the other party nor any of the non-breaching party's rights attributable to that breach, unless the non-breaching party executes a specific, dated, written waiver.


16. Assignment. The Executive Director's rights and obligations under this Agreement may not be assigned to any other person or entity without the express written consent of the Boards.
17. Non-Discrimination. The Executive Director shall not discriminate against any contractor, employee, or applicant for employment with respect to hiring, tenure, terms, conditions privileges of employment, or a matter directly or indirectly related to employment because of their actual or perceived race, color, religion, national origin, age, sex, height, weight, marital status, physical or mental disability, family status, sexual orientation, or gender identity. Breach of this covenant may be regarded as a material breach of this Agreement.
18. Notices. Any notice required or desired to be given under this Agreement shall be given in writing and sent by certified mail to the Executive Director's residence and the principal office of the Authority and PPANJ in the Borough of Butler, 1 Ace Road, Butler NJ 07045. Any changes to these addresses shall be provided in writing to all parties to this Agreement.
19. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties regarding the subject matter addressed herein. No modification or extensions of this Agreement shall be effective unless in writing and signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

BOROUGH OF BUTLER, NJ


Robert W. Alviene, Mayor

EXECUTIVE DIRECTOR


Brian M. Vayda

ATTACHMENT A

Sick days – 15 sick days are awarded each year. Sick days carry from year to year but there shall not be a payout for unused sick days upon termination of employment. Up to two sick days may be used as personal days in a calendar year.

Holidays – Holidays shall be observed in accordance with those granted by the Borough of Butler as follows: New Year's Eve, New Year's Day, Presidents Day, Good Friday, Memorial Day, July 4th, Labor Day, Election Day, Veteran's Day, Thanksgiving, Day after Thanksgiving, Christmas Eve, Christmas Day, and a Floating Holiday to be scheduled by the employee.

Vacation – 1 day for each month worked during the first calendar year, 12 days for the second through 10th year, 15 days after completion of 10 years through 15 years, and 20 days after completion of 15 years. An additional vacation day will be added for each year of service at the completion of 16 years up to a maximum of 30 days. No more than 1 year's vacation allowance can be carried into the following year.

Pension - The Executive Director shall be enrolled into the NJ State Pension (PERS) plan as a Tier 5 employee up to Tier 5 limits and has the option of selecting participation in the Defined Contribution Retirement Program (DCRP) for any compensation exceeding the Tier 5 limit. Currently the Tier 5 salary is limited to the Social Security maximum wage (\$127,200 for 2017).

Medical – currently the Borough of Butler is enrolled in the NJ State Health Benefits Program (NJSHBP). Any of the plans in the NJSHBP may be selected and contribution towards health premiums shall be in accordance with Chapter 78.

Life Insurance – Life insurance per the NJ Public Employment Retirement System plan shall also be granted.

Disability – shall be in accordance with NJ State Plan.

Savings Plan – The Executive Director shall be eligible to participate in the Borough's voluntary savings plan through AXA Equitable.