

TOWNSHIP OF EVESHAM

RESOLUTION NO. 333-2008

AUTHORIZING A SHARED SERVICES AGREEMENT  
BETWEEN THE TOWNSHIP OF EVESHAM AND  
THE EVESHAM MUNICIPAL UTILITIES AUTHORITY  
FOR A GASOLINE FUELING STATION

WHEREAS, the Township of Evesham and the Evesham Municipal Utilities Authority have determined that it is in their best interests, and in the best interests of their respective taxpayers and ratepayers within Evesham Township, to arrange for the joint provision within their respective jurisdictions of certain services in order to avoid duplication of effort and expenses; and

WHEREAS, the Township and Authority are authorized by N.J.S.A. 40A:65-1 *et seq.*, to enter into this Shared Services Agreement; and

WHEREAS, the Township desires to enter into a Shared Services Agreement with the Evesham Municipal Utilities Authority to be executed and delivered in accordance with N.J.S.A. 40A:65-1 *et seq.*

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Evesham, County of Burlington, State of New Jersey, as follows:

1. The Agreement substantially in the form presented at this meeting and attached hereto is hereby approved and adopted by the Township of Evesham, subject to review by the Township Solicitor.

2. The Mayor and Township Clerk are hereby authorized to execute and deliver the Agreement following the Township Solicitor's review, and they and the other officers of the

Township of Evesham as well, are hereby authorized to execute and deliver any and all certificates, agreements and documents necessary to effectuate the Township's obligations under the Agreement.

I HEREBY CERTIFY that the foregoing Resolution was adopted by the Township Council of the Township of Evesham, County of Burlington, State of New Jersey, at its meeting held in the Meeting Room of the Municipal Complex at 984 Tuckerton Road, Marlton, New Jersey 08053 on December 2, 2008.

*Carmela Bonfrisco*  
 Carmela Bonfrisco, Township Clerk

ROLL CALL VOTE						
COUNCIL MEMBER	INTRODUCED	SECONDED	AYE	NAYE	ABSTAIN	ABSENT
BROWN						✓
MCKENNA		✓	✓			
SARCONE	✓		✓			
SCHMIDT			✓			
MAYOR BROWN			✓			

**SHARED SERVICES AGREEMENT  
BY AND BETWEEN  
THE TOWNSHIP OF EVESHAM  
AND  
THE EVESHAM MUNICIPAL UTILITIES AUTHORITY**

This Shared Services Agreement is entered into as of the 1<sup>st</sup> day of January 2009 by and between The Township of Evesham in the County of Burlington, a municipal corporation, with its principal office at 984 Tuckerton Road, Evesham, New Jersey 08053 (hereinafter the "Township") and The Evesham Municipal Utilities Authority, a public body corporate and politic, with its principal office at 984 Tuckerton Road, Evesham, New Jersey 08053 (hereinafter the "Authority").

WHEREAS, the Township and Authority have determined that it is in their best interests, and in the best interests of their respective taxpayers and ratepayers within Evesham Township, to arrange for the joint provision within their respective jurisdictions of certain services in order to avoid duplication of effort and expenses; and

WHEREAS, the Township and Authority are empowered to provide the services described herein within their respective jurisdictions; and

WHEREAS, the Township and Authority are authorized by N.J.S.A. 40A:65-1 *et seq.*, to enter into this Shared Services Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration in hand received, it is agreed as follows:

## 1. SPECIFIC SERVICES TO BE PERFORMED

1.01 The services to be shared under this Agreement (the "Shared Services") include the design, permitting, bidding, construction, operation, maintenance and utilization of a 4,000 gallon above-ground gasoline fueling station having at least two (2) fuel dispensing stations for regular-grade (87-octane) gasoline ("Fueling Station"), to be located at a site to be selected by Authority at the Authority's Elmwood Wastewater Treatment Facility. The site so selected shall enable the Authority and Township to have continuous 24-hour access to the Fueling Station on a year-round basis.

## 2. STANDARDS; ALLOCATION OF RESPONSIBILITY

2.01 For the purposes of this Agreement, the Authority shall be considered the party performing the Shared Services and the Township shall be considered the party on whose behalf the Shared Services are being performed.

2.02 The Authority shall obtain a written proposal from its consulting engineer for design, permitting, bidding and construction related engineering and inspection services for the Fueling Station. A copy of the proposal shall be provided to the Township for review and comment. Upon approval of the proposal by the Authority, the Authority shall authorize its consulting engineer to prepare plans and specifications for the Fueling Station as well as all applications for such approvals and permits as may be required.

2.03 After final plans and specifications are prepared and all approvals and permits obtained, the Authority shall seek bids for the Fueling Station in a manner consistent with the Local Public Contracts Law. The Authority shall provide the Township with a copy of the bid tabulation sheet after bids are received for the Fueling Station. The Authority, after consultation with the Township, reserves the right to reject any and all bids for any reason permitted by law, including that the bid price for the contract is in excess of the prior estimate for the work. In the event the bids for the construction of the Fueling Station are satisfactory to the Authority, and after receipt by the Authority of the Township's share of the costs of construction as provided herein, the contract for the construction of the Fueling Station shall be awarded by the Authority to the lowest responsible bidder.

2.04 The Authority shall provide reasonable on-site inspection of the Fueling Station during construction. The contractor shall be paid for work performed in accordance with the recommendations of the Authority's consulting engineer and the contract documents.

2.05 During the construction process, the Authority shall seek proposals for the procurement of regular-grade (87-octane) gasoline for the Fueling Station. Although it is anticipated by the parties that the Authority will procure gasoline from the County of Burlington, the Authority will use its discretion and judgment in awarding any contract for the purchase of gasoline, based on the best interests of the Authority and Township. The Authority agrees to consult with the Township on the award of any contract for the purchase of gasoline.

2.06 After the completion and acceptance of construction, title to the Fueling Station shall belong to the Authority. The Authority shall operate the Fueling Station in a manner that provides the Township with continuous 24-hour access on a year-round basis.

2.07. The Authority shall be responsible for the maintenance and repair of the Fueling Station. The Authority agrees to consult with the Township on matters involving the necessity and costs of any non-routine items of maintenance or repair.

2.08 The Township shall pay its share of the designing, permitting, bidding, constructing, inspecting, operating, maintaining and utilizing of the Fueling Station in the amounts and manner provided herein.

### 3. ESTIMATED COST OF SERVICES

3.01 The estimated cost for designing, permitting, bidding, constructing and inspecting the Fueling Station is \$450,000.

3.02 The initial total annual budget for routine maintenance and repair shall be determined by the Authority and Township as the project progresses. Thereafter, the annual budget for routine maintenance and repair shall be determined by the Authority, after consultation with the Township.

3.03 The initial total annual budget for the purchase of gasoline shall be determined by the Authority and Township as the project progresses. Thereafter, the annual budget for the purchase of gasoline shall be determined by the Authority, after consultation with the Township.

### 4. DURATION OF AGREEMENT.

4.01. The term of this Agreement shall be for twenty (20) years, commencing January 1, 2009 and ending December 31, 2028.

4.02 This Agreement may not be terminated unilaterally by either party.

## 5. PROCEDURE FOR PAYMENTS

5.01 With respect to the costs of designing, permitting, bidding, constructing and inspecting the construction of the Fueling Station (collectively, the "Construction Expenses"), the Township shall be responsible to pay two-thirds of all such expenses and the Authority shall be responsible to pay one-third. The Construction Expenses shall initially be paid by the Authority. The Township shall pay its share of the Construction Expenses to the Authority through monthly rental payments, commencing on the first day of the month after the Fueling Station is placed on-line, for a total of two hundred forty (240) consecutive months. The amount of the monthly rental payments shall be calculated by first determining the Township's share of the Construction Expenses and then amortizing that amount over twenty (20) years at five (5%) percent interest per annum. By example, should the Construction Expenses total \$450,000, the Township's share would be \$300,000. Amortizing the \$300,000 over twenty years at 5% interest would result in a monthly rental payment by the Township to the Authority of \$1,979.87 for 240 consecutive months.

5.02 With respect to the costs of routine maintenance and repair, for the period of the first five (5) years of the term of this Agreement, the Township shall be responsible to pay two-thirds of all such expenses and the Authority shall be responsible to pay one-third. Thereafter, the percentages shall be adjusted annually for each new year, based upon the ratio of the respective number of vehicles of the Township and Authority that are authorized to use the Fueling Station as of the first business day of the new year. The items for which routine maintenance and repair shall be reimbursed and the manner in which such expenses shall be computed shall be consistent with the items considered in establishing the annual budget for maintenance and repair. The Authority shall provide the Township with monthly or quarterly billings for all such expenses and the Township shall make payment of its share to the Authority within thirty (30) days of receipt.

5.03 With respect to the costs of extraordinary maintenance and repair, for the period of the first five (5) years of the term of this Agreement, the Township shall be responsible to pay two-thirds of all such expenses and the Authority shall be responsible to pay one-third. Thereafter, the percentages shall be adjusted annually for each new year, based upon the ratio of the respective number of vehicles of the Township and Authority that are authorized to use the Fueling Station as of the first business day of the new year. The Authority shall consult with the Township concerning the need for extraordinary maintenance and repair prior to incurring such expenses, except in the case of an emergency. In the event of an emergency affecting the safety or functionality of the Fueling Station, the Authority may proceed to incur such expenses as may be reasonable and necessary under the circumstances and the Township shall be liable to pay its share. The Authority shall provide the Township with monthly or quarterly billings for all such expenses and the Township shall make payment of its share to the Authority within thirty (30) days of receipt.

5.04 With respect to the costs of gasoline, the Township shall reimburse the Authority based on the quantity of gasoline used by the Township. The Fueling Station shall be equipped with a system that monitors the use of each party. The Authority shall provide the Township with a monthly statement that shows the usage of the Township during the billing period. The rate to be charged to the Township per gallon shall be the latest per gallon charge to the Authority from the County of Burlington or other gasoline provider. The Township shall pay each bill within thirty (30) days of receipt.

5.05 With respect to the costs of any other reasonable and necessary expenses incurred for the Fueling Station that are not specifically referred to herein, for the period of the first five (5) years of the term of this Agreement, the Township shall be responsible to pay two-thirds of all such expenses and the Authority shall be responsible to pay one-third. Thereafter, the percentages shall be adjusted annually for each new year, based upon the ratio of the respective number of vehicles of the Township and Authority that are authorized to use the Fueling Station as of the first business day of the new year. The Authority shall provide the Township with monthly or quarterly billings for all such expenses and the Township shall make payment of its share to the Authority within thirty (30) days of receipt.

5.06 In accordance with N.J.S.A. 40A:65-7.g., in the event of any dispute as to the amount to be paid, the full amount requested by the Authority shall be paid; but if through subsequent negotiation or arbitration, the amount due shall be determined, agreed or adjudicated to be less than was actually so paid, then the Authority shall forthwith repay the excess.

5.07 The Township shall pay interest to the Authority at the rate of one-half (1/2%) percent per month for any charge or rent that is not paid within thirty (30) days of the date that said charge or rent is due, until such charge or rent is paid.

5.08 Notwithstanding any of the terms of this Agreement to the contrary, the failure of the Township to pay any charge or rent to the Authority within sixty (60) days of the date that said charge or rent is due shall be grounds for the Authority to suspend the Township's access to the Fueling Station. In the event that the Township's access to the Fueling Station is suspended, the Township shall continue to remain liable for all charges and rents provided herein.

## 6. AGENCY

6.01 For the purposes of this Agreement, and in accordance with N.J.S.A. 40A:65-7.d, the Authority shall be considered the general agent of the Township. The Authority has full powers of performance and maintenance of the Shared Services, and full powers to undertake any ancillary operation reasonably necessary or convenient to carry out its duties, obligations and responsibilities under this Agreement. These powers include all powers of enforcement and

administrative regulation which are, or may be, exercised by the Township on whose behalf the Authority acts pursuant to this Agreement, except as the powers are limited by the terms of this Agreement, and except that the Authority shall not be liable for any part or share of the cost of acquiring, constructing, or maintaining any capital facility acquired or constructed by the Authority unless that part or share is provided for in this Agreement, or in an amendment thereto ratified by the parties in the same manner provided for entering into an agreement.

## 7. ALTERNATE DISPUTE RESOLUTION

7.01 In the event of any dispute arising under this Agreement, the parties agree to submit to binding arbitration under the auspices of the American Arbitration Association, or such arbitration agency or arbitrator as the parties may otherwise agree in writing.

## 8. MODIFICATIONS

8.01 The terms of this Agreement may only be modified by the subsequent written agreement of the parties.

8.02 In the event that both parties hereto so agree, other governmental agencies may be permitted to utilize the Fueling Station, but only after all parties agree to an amended cost sharing agreement.

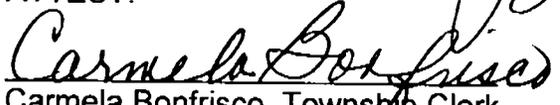
***Signatures follow on succeeding page***

IN WITNESS WHEREOF, the parties have executed this Shared Services Agreement as of the day and year first written above.

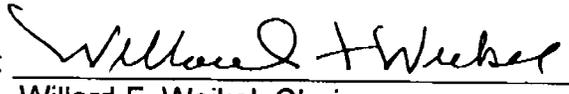
THE TOWNSHIP OF EVESHAM

By:   
Randy Brown, Mayor

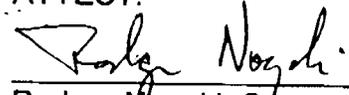
ATTEST:

  
Carmela Bonfrisco, Township Clerk

THE EVESHAM MUNICIPAL UTILITIES AUTHORITY

By:   
Willard F. Weikel, Chairman

ATTEST:

  
Rodger Nogaki, Secretary