

**RESOLUTION**  
of the  
**BOROUGH OF NEW PROVIDENCE**  
Resolution No. 2011-127

Council Meeting Date: 04-25-2011

Date Adopted: 04-25-2011

TITLE: RESOLUTION APPROVING SHARED SERVICE AGREEMENT FOR  
WASTEWATER OPERATIONS AND MAINTENANCE BETWEEN THE  
BOROUGH OF NEW PROVIDENCE AND THE CITY OF SUMMIT

Councilperson Gennaro submitted the following resolution, which was duly seconded by Councilperson Galluccio.

Whereas, the Borough of New Providence and the City of Summit have jointly undertaken a feasibility study for Wastewater Operations and Maintenance; and

WHEREAS, the Borough of New Providence and the City of Summit believe that the residents of both municipalities will be better served by approving a Shared Service Agreement for Wastewater Operations and Maintenance; and

WHEREAS, it is agreed that the Borough of New Providence will be the Lead Agency pursuant to NJSA 40A:65-1 et seq.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of New Providence, in the County of Union and State of New Jersey, that they do hereby approve and authorize the attached Shared Service Agreement with the City of Summit for Wastewater Operations and Maintenance, and they do further authorize and direct the Mayor and Borough Clerk to execute same on behalf of the Borough of New Providence.

APPROVED, this 25<sup>th</sup> day of April.

RECORD OF VOTE

	AYE	NAY	ABSENT	NOT VOTING
CUCCO	X			
GALLUCCIO	X			
GENNARO	X			
LESNEWICH	X			
MUÑOZ	X			
VYZAS	X			
HERN			TO BREAK COUNCIL TIE VOTE	

I hereby certify that the above resolution was adopted at a meeting of the Borough Council held on the 25<sup>th</sup> day of April, 2011.

Wendi B. Barry, Borough Clerk

**APPROVE SHARED SERVICE  
AGREEMENT WITH NEW PROVIDENCE  
WASTEWATER OPERATIONS AND MAINTENANCE**

March 15, 2011

WHEREAS, the City of Summit (“City”) and Borough of New Providence (“Borough”) have jointly undertaken a feasibility study for Wastewater Operations and Maintenance, and

WHEREAS, the City and Borough believe a Shared Services Agreement will better serve the residents of both municipalities, and

WHEREAS, the Superintendent of Public Works, in a memo dated March 11, 2011, recommends entering into the attached agreement with the Borough as the Lead Agency pursuant to NJSA 40A:65-1 et seq.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SUMMIT:

1. That the Mayor and City Clerk be and they area hereby authorized to execute the attached Shared Services Agreement with the Borough of New Providence for Wastewater Operations and Maintenance.
2. That the agreement is subject to the City of Summit taking formal action to terminate its current agreement with United Water NACO, LLC for Wastewater Pump Station Operation and Oversight of Sanitary Sewer Collection pursuant to the cancellation terms of that agreement.

Dated: March 15, 2011

I, David L. Hughes, City Clerk of the City of Summit, do hereby certify that the foregoing resolution was duly adopted by the Common Council of said City at a regular meeting held on Tuesday evening, March 15, 2011.



City Clerk

## SHARED SERVICES AGREEMENT

### BY AND BETWEEN THE BOROUGH OF NEW PROVIDENCE AND THE CITY OF SUMMIT RELATIVE TO THE WASTEWATER OPERATIONS AND MANAGEMENT OF THE SEWER SYSTEM OF THE CITY OF SUMMIT

THIS DOCUMENT constitutes a Shared Services Agreement, pursuant to N.J.S.A. 40A:65-1 et. seq., entered into by and between the Borough of New Providence, a body politic and corporate of the State of New Jersey with offices located at 360 Elkwood Avenue, New Providence, New Jersey 07974 and the City of Summit, a body politic and corporate of the State of New Jersey with offices located at 512 Springfield Avenue, Summit, New Jersey 07901. The date of execution of this Agreement is the \_\_\_\_ day of \_\_\_\_\_, 2011.

#### WITNESSETH

WHEREAS, the Borough of New Providence (hereinafter "Borough") is a body politic and municipal corporation organized under the laws of the State of New Jersey and located in Union County; and

WHEREAS, the City of Summit (hereinafter "City") is a body politic and municipal corporation organized under the laws of the State of New Jersey and located in Union County; and

WHEREAS, the City and the Borough desire to enter into an agreement whereby the Borough will assume inspections and maintenance of the City's four sewer system pump stations and to provide licensed oversight of the City's collection system to the extent provided for herein, with the result of shared efficiencies and costs in respect thereto; and

WHEREAS, the City and the Borough have jointly undertaken a study of the options available for such operations and maintenance, the results of which are contained in a document entitled, "Feasibility Study Report of Wastewater Operations and Management", prepared by the Government Strategy Group and dated May 2010 and believe, as a result thereof, that this Agreement will better serve the residents of both the City and the Borough;

WHEREAS, the City and the Borough intend by virtue of this document to set forth the terms and conditions of this Shared Services Agreement; and

WHEREAS, the proper and respective public officials were authorized to execute this Amendment to the Shared Services Agreement pursuant to Resolutions of their respective public entities, attached hereto and made a part of this Agreement; and

NOW, THEREFORE, AND IN CONSIDERATION of the mutual promises set forth herein, the parties agree as follows:

#### 1. PURPOSE.

The City and the Borough agree that the Borough will commence a course of action to assume the inspections and maintenance of the City's pump stations and to provide licensed oversight of the City's collections system as set forth herein and which will generally involve the assignment of Borough employees to undertake such operations in return for payments by the City to compensate for said work.

#### 2. SEWER OPERATIONS; TERMS AND CONDITIONS

- a. New Providence shall act as Lead Agency in this Shared Services Agreement with Summit to provide Wastewater Pump Station Operations and Management (O&M) for a period of five (5) years. Either party may terminate this agreement with 90 days written notice to the other party

- b. The Shared Services Agreement shall be reviewed at least annually to ensure mutual satisfaction and may be renewed in five (5) year increments as agreed by the parties.
- c. The Borough of New Providence as "Lead Agency" shall perform the following:
  - i. All communications regarding day-to-day operations of the City pump stations will be direct from and to New Providence's Licensed Plant Operator and the City Public Works Superintendent or his/her designee.
  - ii. During the work week (Monday through Friday), one time per day inspection services for the equipment at the four pump stations located in the City will be provided by Borough personnel (See the checklist of proposed daily maintenance procedures attached as an addendum to this agreement). The Borough shall provide monthly activity reports to the City by the 15<sup>th</sup> day of the following month.
  - iii. The City shall install video and audio monitoring equipment in each pump station to allow remote access monitoring within a reasonable period of time following the execution of this contract. In addition float alarms shall be installed where appropriate. The Borough shall provide a second daily weekday inspection via the remote access.
  - iv. A weekend pump station inspection service – one time per day for cumulative two hours Saturday and two hours on Sunday.
  - v. The base fee for the work week services will be \$84,000 per annum to be paid to the Borough in quarterly installments of \$21,000 in advance. The weekend pump station inspection service will be \$15,000 per annum to be paid in quarterly installments of \$3,750 in advance. Any repair work outside of normal routine and preventative maintenance will be charged based on time and materials (T&M).
  - vi. T&M charges will be based on \$140 per manhour for labor. When employees are paid overtime in accordance with their collective bargaining agreement, the rate for T&M shall be \$155.00 per hour.
  - vii. Commencing on the first anniversary of the agreement and each one-year anniversary thereafter, all fees charged under this agreement will increase by the annual CPI to a maximum of 3% per year. However, a negative CPI will result in 0% increase.
  - viii. The Borough will provide the necessary labor to bring all pumps, valves, switches, and other equipment to an industry standard level of performance. The City will be responsible for procuring all material to complete said work. This work is outside the agreement's base fee and will be billed on a time and materials (T&M) basis. It is agreed that time associated with the procurement of materials is billable at the rate charged for work outside of the base fee per hour.
  - ix. With the exception of emergency repairs, the City Public Works Superintendent or his/her designee will receive a schedule of planned maintenance and repairs at the four pump stations. Planned maintenance work will only begin after approval by the City Public Works Superintendent or his /her designee.
  - x. Each event requiring an emergency call-out shall be billed on a T&M basis and will be subject to call-out minimums as outlined below. For example, an emergency call-out involving the Constantine Pump Station will be considered



in the scope of services outlined in other sections of this agreement is not contemplated herein.

- vi. Optionally, the Licensed Plant Operator will train and mentor one City employee upon request of City officials on routine pump station checks, equipment troubleshooting, and pump rebuilds, if said employee can be assigned to work with Borough wastewater personnel two or three times per week. This knowledge transfer will give the City the ability to run the pump stations with their own municipal personnel in the future if this is desired.

### 3. INDEMNIFICATION

The City agrees to indemnify and hold harmless the Borough and its officers, agents, and employees, including without limitation its Licensed Plant Operator, from any and all loss, liability, or damage, including without limitation any fines or penalties, reasonable attorneys' fees and costs, resulting from or caused by any defects, deficiencies or conditions that exist or may occur to the City pump stations during the term of this agreement, or any services provided, by the Borough pursuant to this agreement.

### 4. REQUIRED APPROVALS

This Agreement is contingent upon written notification of and written approvals from all applicable regulatory agencies, including without limitation, the Department of Environmental Protection (DEP); the Local Finance Board (LFB) within the Department of Community Affairs, Division of Local Government Services (DCA-LGS); and the Board of Public Utilities (BPU).

### 5. DISPUTE RESOLUTION.

The Borough Administrator and the City Administrator shall be responsible for resolving any disputes over the operation of this Agreement. Should they be unable to do so, a meeting will be held with the Mayor and Council President of the Borough Council, and the Mayor and Common Council President of the City, to resolve this dispute. Should these officials be unable to resolve the dispute, the dispute may be referred to binding arbitration as provided by the American Arbitration Association. The distribution of the costs of this arbitration shall be determined by the Arbitrator so selected.

### 6. INSURANCE

The Borough employees will be named as additional insured on the City policies. The City's Insurance coverage will be primary. The Borough will purchase insurance to extend coverage under endorsements CG7954 and CG 7201 for sewer overflow or backup due to Borough employee negligence. The cost of the additional coverage will be billed to the City.

### 7. EFFECTIVE DATE.

This Agreement shall become effective upon authorization thereof by adoption of a resolution by the governing body of each municipality, and upon execution of the Agreement by the authorized representative of each municipality, and upon the City terminating its current O&M contract with United Water.

### 8. NOTICES.

All notices hereunder shall be in writing and sent certified mail, return receipt requested for the Borough to the Borough Administrator, Borough of New Providence, 360 Elkwood Avenue, New Providence, NJ 07974, and for the City to the City Administrator, City of Summit, 512 Springfield Avenue, Summit, New Jersey 07901, Chatham, New Jersey 07928, with a copy provided to the Borough and City Attorneys.

The City shall terminate its current O&M contract with United Water by sending the required written notice of contract termination to United Water. (Notification period is 90 days).

9. MISCELLANEOUS

The following provisions shall apply to this agreement:

- a. Construction of this Agreement. The parties acknowledge that this Agreement was prepared under New Jersey Law and shall therefore be interpreted under the laws of that State.
- b. Amendments. This Agreement may not be amended, altered or modified in any manner except in writing signed by the parties hereto.
- c. Headings. This section and any other headings contained in this Agreement are for references only and shall not affect the meaning and interpretation of this Agreement.
- d. Invalid Clause: The invalidity of any clause contained herein shall not render any other provision invalid and the balance of this Agreement shall be binding upon all parties hereto.
- e. Entire Agreement. This Agreement shall consist of the entire Agreement of the parties and it is acknowledged that there is no side or oral Agreement relating to this undertaking as set forth.
- f. Assignability. This Agreement and all rights, duties and obligations contained herein may not be assigned without both parties' prior written permission.
- g. Waiver. It is understood and agreed by the parties that a failure or delay in the enforcement of any of the provisions of this Agreement by either of the parties shall not be construed as a waiver of those provisions.

IN WITNESS WHEREOF, the appropriate elected officials of the Borough have placed their signatures and appropriate seals on this \_\_\_\_ day of \_\_\_\_\_, 2011.

BOROUGH OF NEW PROVIDENCE

\_\_\_\_\_  
J. Brooke Hern, Mayor

ATTEST:

\_\_\_\_\_  
Wendi B. Barry, Clerk

I, Wendi, Clerk for the Borough, do hereby certify the foregoing to be a true and correct copy of the Shared Services Agreement adopted by Resolution of the Borough, at a meeting of said Borough on \_\_\_\_\_, 2011.

\_\_\_\_\_  
Wendi B. Barry, Clerk

IN WITNESS WHEREOF, the appropriate elected officials of the City have placed their signatures and appropriate seals on this \_\_\_\_ day of \_\_\_\_\_, 2011.

CITY OF SUMMIT

\_\_\_\_\_  
Jordan Glatt, Mayor

ATTEST:

\_\_\_\_\_  
David L. Hughes, Clerk

I, David L. Hughes, Clerk for the City, do hereby certify the foregoing to be a true and correct copy of the Shared Services Agreement adopted by Resolution of the City, at a meeting of said City on \_\_\_\_\_, 2011.

\_\_\_\_\_  
David L. Hughes, Clerk