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Shared Service Agreement Bd of Ed  
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**SHARED SERVICES AGREEMENT FOR THE CONSTRUCTION  
AND OPERATION OF A PUBLIC WORKS VEHICLE MAINTENANCE  
GARAGE FOR THE TOWNSHIP OF RANDOLPH AND THE  
RANDOLPH TOWNSHIP BOARD OF EDUCATION**

This Shared Services Agreement made this 21<sup>st</sup> day of July, 2011, (hereinafter “Agreement”) by and between the Township of Randolph in the County of Morris, a Municipal Corporation in the State of New Jersey, with offices located at 502 Millbrook Avenue, Randolph, New Jersey, 07869-3799 (hereinafter “Township”) and the Randolph Township Board of Education, a body corporate and politic charged with the responsibility of the operation of schools in the Township of Randolph, with offices located at 25 School House Road, Randolph, New Jersey, 07869-3333 (hereinafter “Board”).

**WITNESSETH:**

**WHEREAS**, the Board repairs and maintains an extensive fleet of school buses and maintenance vehicles at a leased facility; and

**WHEREAS**, the Board stores its bus fleet and fuels all of its vehicles at the Public Works Yard on Sussex Turnpike in accordance with an Interlocal Services Agreement entered into by the Board and Township; and

**WHEREAS**, the Township maintains an extensive fleet of emergency, police, administrative and maintenance vehicles and an existing vehicle maintenance garage at the Public Works Yard on Sussex Turnpike; and

**WHEREAS**, the Township proposes to demolish the existing Public Works Vehicle Maintenance Garage and replace the same with a modern vehicle maintenance facility that will accommodate vehicle repair and maintenance needs and fueling needs for both the Board and Township vehicle fleets; and

**WHEREAS**, space will also be provided on the grounds of the new Public Works Vehicle Maintenance Garage for parking of the Board's transportation fleet and the Township's fleet of emergency, police, administrative and maintenance vehicles; and

**WHEREAS**, the new Public Works Vehicle Maintenance Garage will also contain office space for use by both the Board's Transportation Staff and the Township Public Works Staff; and

**WHEREAS**, the Township and Board have each duly authorized their respective and proper officials to enter into and execute this Shared Services Agreement for the construction and operation of the new Public Works Vehicle Maintenance Garage; and

**WHEREAS**, this Shared Services Agreement is established in accordance with the Uniform Shared Services and Consolidation Act, P.L. 2007, c. 63 (N.J.S.A. 40A:65-1 et seq.).

**NOW, THEREFORE**, in consideration of the mutual promises and conditions contained herein and the parties intending to be legally bound hereby, agree as follows:

**I. SCOPE OF SERVICES**

- A. The Township agrees to undertake the design and construction of new Public Works Vehicle Maintenance Garage ("Garage").
- B. The parties agree that the debt associated with the design and construction of the Garage will be retired over a period of twenty (20) years. The Board shall be

responsible for one-third of the debt incurred in connection with the design and construction of the Garage, including both principal and interest, and the Township shall be responsible for two-thirds of the debt incurred in connection with the design and construction of the Garage, including both principal and interest.

- C. Upon the completion of construction of the Garage, both the Township and the Board will utilize the Garage premises for vehicle maintenance and repairs, fueling operations, parking of their vehicles and workforce space.
- D. The Board shall be responsible for one-third of all operational costs, including utilities, maintenance and repair costs, costs associated with the day-to-day operation of the Garage and costs associated with any necessary renovations to the Garage, and the Township shall be responsible for two-thirds of all operational costs, including utilities, maintenance and repair costs, costs associated with the day-to-day operation of the Garage and costs associated with any necessary renovations to the Garage.

**II. RIGHTS AND RESPONSIBILITIES OF PARTIES**

**A. RIGHTS AND RESPONSIBILITIES OF THE TOWNSHIP**

**1. Design and Construction**

- a. The Township shall act as the Lead Agency in connection with the design and construction of the Garage and agrees to undertake all steps necessary for the design of the Garage, including contracting for architectural services to complete building design and specifications, and for the construction of the Garage, including seeking all required permits and approvals.

- b. The Township will prepare a proposed construction budget and milestone schedule ("Schedule") which will be provided to the Board. The Board and Township shall review the Schedule, including the costs to both entities, and approve the Schedule prior to proceeding with construction.
- c. The Township shall be responsible to contract with a qualified company providing construction services and to oversee the construction of the Garage.
- d. The Township shall be responsible for two-thirds of the debt incurred in connection with the design and construction of the Garage, including both principal and interest.

**2. Operations**

- a. The Township will own the Garage premises and utilize the same for vehicle maintenance and repairs, fueling operations, parking of its fleet of emergency, police, administrative and maintenance vehicles and workforce space.
- b. The Township shall be responsible for two-thirds of all operational costs, including utilities, maintenance and repair costs, costs associated with the day-to-day operation of the Garage and costs associated with any necessary renovations to the Garage.

**B. RIGHTS AND RESPONSIBILITIES OF THE BOARD**

**1. Design and Construction**

- a. The Board will be the supported agency for the design and construction phase of this Agreement.

- b. The Board and Township shall review the construction budget and milestone schedule ("Schedule"), including the costs to both entities, and approve the Schedule prior to proceeding with construction.
- c. The Board shall be responsible for one-third of the debt incurred in connection with the design and construction of the Garage, including both principal and interest.

**2. Operations**

- a. As long as the Board makes all payments required by this Agreement, the Board shall be entitled to utilize the Garage premises for vehicle maintenance and repairs, fueling operations, parking of its fleet of transportation vehicles and workforce space.
- b. The Board shall be responsible for one-third of all operational costs, including utilities, maintenance and repair costs, costs associated with the day-to-day operation of the Garage and costs associated with any necessary renovations to the Garage.

**III. PAYMENT PROCEDURE**

**A. Design and Construction.**

- 1. The debt associated with the design and construction of the Garage shall be apportioned as set forth hereinabove and the Board shall remit payment for their portion of that debt to the Township in accordance with the Schedule set forth in Exhibit A to this Agreement.

**B. Operations.**

1. On January 1<sup>st</sup> and July 1<sup>st</sup> of each year, the Township shall provide the Board with a bill for the Board's one-third share of the operational costs of the Garage for the previous six (6) month time period, including utilities, maintenance and repair costs, costs associated with the day-to-day operation of the Garage and costs associated with any necessary renovations to the Garage.
2. The Board agrees to make payment to the Township no later than thirty (30) days after submission of each bill for reimbursement of operational costs.

**IV. LEVEL OF SERVICE**

- A. The Township agrees to undertake all design and construction services in a professional and workmanlike manner and agrees to utilize the Garage in a professional and workmanlike manner.
- B. The Township, as the lead agency with regard to the design and construction of the Garage, shall have full power and authority to undertake any ancillary operation reasonably necessary or convenient to carry out its duties, responsibilities, and obligations under the Agreement.
- C. The Board agrees to utilize the Garage in a professional and workmanlike manner.
- D. The Township and the Board shall provide sufficient staff to supervise operations at the Garage, to ensure the security of the Garage and to oversee the proper maintenance and upkeep of the Garage.

- E. The Township and the Board agree, on an annual basis and at a mutually convenient time, to meet to discuss the operation of the Garage and the anticipated annual costs of operating the Garage.
- F. The Township and the Board agree to maintain records and invoices for all parts and materials utilized in the repair and maintenance of vehicles. Such records shall be maintained by vehicle identification number in such manner as to provide a maintenance history for each vehicle. The Township and the Board agree to maintain a record of all fuel utilized for their vehicles. Such records may be audited annually by either party and/or their designated representatives and/or committees.
- G. The Township and Board agree to cooperate, seek and share, if required, any and all financial benefits, aid, funding, tax relief, credits and the like available from other governmental units or entities, as a result of this Shared Services Agreement and the parties agree to make any written submissions and to execute any documents required in connection with the foregoing.

**V. DISPUTE OF PAYMENT**

As provided in the Uniform Shared Services and Consolidation Act, P.L.2007, c.63 (C.40A:65-1, *et seq.*), in the event of any dispute as to the amount to be paid under the terms of this Agreement, the full amount to be paid in accordance with Paragraphs II and III shall be paid. If through subsequent negotiation, litigation, or settlement, the amount due shall be determined, agreed to or adjudicated to be less than was actually so paid, the Township shall promptly repay the excess.

In the event of a dispute between the Township and Board with regard to this Agreement and/or the operation of the Garage, the parties and/or their designees will meet to attempt to resolve the dispute on an amicable basis. In the event the parties and/or their designees are unable to resolve the dispute, either party shall have the right to request binding arbitration pursuant to the rules and regulations established by the American Arbitration Association. In the event of arbitration, the cost of the arbitrator's services shall be shared by the Board and the Township. Each of the parties shall bear their own costs.

**VI. INDEMNIFICATION**

A. In addition to the other rights and remedies of the parties herein, the Board agrees to indemnify and hold harmless the Township, including its employees and agents, from any and all liability and claims for damages or injury caused by, or resulting from, the negligent acts or omissions by the Board's personnel arising out of this Agreement or any of the obligations assumed by the Board hereunder, provided it is determined by a Court having the appropriate jurisdiction that the Board is solely responsible for such liability. In the event it is determined by a Court that the Board is not solely responsible for said liability, the Board's liability shall be limited to that degree of liability determined by said Court to be the proportionate liability of the Board. The Board, upon notice from the Township, shall resist and defend, at the expense of the Board, such action or proceeding with counsel reasonably satisfactory to the Township. In addition, the Township may engage separate counsel to appear on its behalf in such action or proceeding without waiving its rights or the Board's obligation under this paragraph.

B. In addition to the other rights and remedies of the parties herein, the Township agrees to indemnify and hold harmless the Board, including its officers, trustees, employees and agents, from any and all liability and claims for damages or injury caused by, or resulting from, the negligent acts or omissions by the Township arising out of this Agreement or any of the obligations assumed by the Township hereunder, provided it is determined by a Court having the appropriate jurisdiction that the Township is solely responsible for such liability. In the event it is determined by a court that the Township is not solely responsible for said liability, the Township's liability shall be limited to that degree of liability determined by said Court to be the proportionate liability of the Township. The Township, upon notice from the Board shall resist and defend, at the expense of the Township, such action or proceeding with counsel reasonably satisfactory to the Board. In addition, at its option, the Board may engage separate counsel to appear on its behalf in such action or proceeding without waiving its rights or the Township's obligation under this paragraph.

**VII. INSURANCE**

A. The Board and the Township agree that, at their own cost and expense, they will each maintain comprehensive general liability insurance with limits of not less than \$10,000,000 for injury to or death of one or more persons in any one occurrence, automobile liability insurance including garage liability coverage with limits of not less than \$10,000,000, and worker's compensation insurance at the statutory limits.

- B. Both parties shall provide to the other proof of having obtained such insurance. Each policy will name the other party, including its successors and assigns, officers, officials, agents, servants, employees and designees, as an additional insured.

**VIII. TERMINATION**

This Agreement cannot be terminated by either party until all of the debt incurred in connection with the design and construction of Garage, including both principal and interest, is retired in full. Thereafter, this Agreement may be terminated, without cause, by either party upon one hundred eighty (180) days' written notice to the other party.

**IX. MISCELLANEOUS**

- A. This Agreement may only be modified in writing, duly authorized and signed by a designated Contact for the Township and the Board. All notices, statements, or other documents required by this Agreement shall be hand-delivered or mailed to the designated Contact.
- B. The designated contact for the Township is the Randolph Township Manager, 502 Millbrook Avenue, Randolph, NJ 07869, (973) 989-7060.
- C. The designated contact for the Board is Business Administrator/Board Secretary, 25 School House Road, Randolph, New Jersey, 07869-3333, (973) 361-0808.

**X. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

**XI. ASSIGNMENT**

No party may assign this Agreement without the written consent of the other.

**XII. ENTIRE AGREEMENT**

This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated herein. No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all the parties hereto.

**XIII. SEVERABILITY**

In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of, or to this Agreement, or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein. All other provisions of the Agreement shall remain in full force and effect.

**XIV. HEADLINES**

Captions and headings in this Agreement are for the ease of reference only and do not constitute a part of this Agreement.

**XV. EXECUTION AND COUNTERPARTS.**

This Agreement may be executed in any number of counterparts, each of which shall be executed by the Township and the Board and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

**XVI. COPIES**

A copy of this Agreement shall be filed, for informational purposes with the Division of Local Government Services in the Department of Community Affairs.

**XVII. BUDGETING.**

Each party shall annually budget adequate and sufficient moneys or funds for their continued compliance with the terms and conditions of this Agreement.

**XVIII. WAIVER.**

Failure to insist upon strict compliance of any term, covenant, or condition 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.

IN WITNESS WHEREOF, the Township and the Board have caused their respective corporate seals to be hereunto affixed and attested and this Agreement to be signed by their respective officials duly authorized and this Agreement to be dated as of the date and year first above written:

ATTEST

TOWNSHIP OF RANDOLPH

\_\_\_\_\_  
Donna Marie Luciani, Township Clerk

By: \_\_\_\_\_  
Trina Ruane Mitsch, Mayor

ATTEST

TOWNSHIP OF RANDOLPH  
BOARD OF EDUCATION

\_\_\_\_\_  
Michael S. Neves, Board Secretary

By: \_\_\_\_\_  
Amy Sachs, Board President