

**SHARED SERVICES AGREEMENT
BY AND BETWEEN
THE BOROUGH OF MEDFORD LAKES
AND
THE EVESHAM MUNICIPAL UTILITIES AUTHORITY**

This Shared Services Agreement is entered into as of the 1st day of December, 2010 by and between The Borough of Medford Lakes in the County of Burlington, a municipal corporation, with its principal office at 1 Cabin Circle Drive, Medford Lakes, New Jersey 08055 (hereinafter the "Borough") 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 Borough's sewage collection system, consisting of approximately 100,000 linear feet of eight-inch, ten-inch and twelve-inch diameter pipe, needs to be jet-cleaned and televised as part of the routine maintenance of the system; and

WHEREAS, the Authority performs such services with respect to its own system and can perform such services for the Borough; and

WHEREAS, the Borough and Authority have determined that it is in their best interests, and in the best interests of their respective taxpayers and ratepayers, to arrange for the joint provision within their respective jurisdictions of certain services; and

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

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

WHEREAS, in the spirit of inter-municipal cooperation, the Authority and Borough have negotiated this Agreement for the services to be provided; and

WHEREAS, the terms of the undertaking are set forth below; and

WHEREAS, the Authority and Borough have each duly authorized the execution of this Agreement by their respective proper officials, as evidenced by the resolutions attached hereto as Exhibits A and B.

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 include the specific wastewater-related services as hereinafter described (the "Shared Services"):

1.01.1 Jet Truck Services – The Authority will provide a jet truck, operators and supervisory oversight as may be required to clean the Borough's entire sanitary sewer main gravity collection system once during the 2011 calendar year. Excluded from these services are force mains, pump stations, lift stations, service laterals and any appurtenances other than gravity sewer mains.

1.01.2 TV Truck Services – The Authority will provide a TV truck, operators and supervisory oversight as may be required to televise and record the Borough's entire sanitary sewer main gravity collection system once during the 2011 calendar year. Excluded from these services are force mains, pump stations, lift stations, service laterals and any appurtenances other than gravity sewer mains.

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 Borough considered the party on whose behalf the following Shared Services are being performed.

2.02 Jet Truck Services:

2.02.1 The Authority and the Borough shall develop a work-plan to determine the priority and order in which the various sections of Borough sewer mains are to be cleaned. The Authority shall rely upon the work-plan in scheduling the services to be provided and the order in which the sections are to be cleaned.

2.02.2 The Authority will provide a jet truck, operators and supervisory oversight as may be required to clean the Borough's entire sanitary sewer main gravity collection system once during the calendar year. Excluded from these services are force mains, pump stations, lift stations, service laterals and any appurtenances other than gravity sewer mains. Cleaning will be to the usual and customary standards that the Authority applies to the cleaning of its own system.

2.02.3 The Authority will provide the jet truck services during regular business hours of the Authority. The Borough acknowledges that this Agreement does not provide for emergency services at night or on weekends or holidays.

2.02.4 Grit removal services (trucking and disposal) will be performed by the Authority, either by the Authority or by contractors to the Authority, and the cost of such services shall be billed as an extra to the billings for the jet truck services. The Authority will provide the Borough with an estimate of the cost of grit removal services.

2.02.5 The Borough shall provide at least two stations within the Borough of Medford Lakes from which the Authority may fill its jet truck with water for use in cleaning the Borough's sanitary sewer main gravity collection system. Any cost associated with the purchase of such water shall be the obligation of the Borough.

2.03 TV Truck Services:

2.03.1 Since the Authority generally performs TV truck services within hours to days after the jet truck cleans the section of sanitary sewer main, the work-plan developed for the jet truck services shall apply to the TV truck services.

2.03.2 The Authority will provide a TV truck, operators and supervisory oversight as may be required to televise and record the Borough's entire sanitary sewer main gravity collection system once during the calendar year. Excluded from these services are force mains, pump stations, lift stations, service laterals and any appurtenances other than gravity sewer mains. A copy of the recording shall be provided to the Borough in DVD format. The Authority shall not be responsible for interpreting the recording or for making any recommendations for repairs or replacement based on the recordings.

2.03.3 The Authority will provide the TV truck services during regular business hours of the Authority. The Borough acknowledges that this Agreement does not provide for emergency services at night or on weekends or holidays.

2.03.4 This Agreement does not included grouting services. If grouting service is requested by the Borough and performed by the Authority, the cost of such services shall be billed as an extra to the billings for the TV truck services. The Authority will provide the Borough with an estimate of the cost of grouting before any work is authorized by the Borough.

2.04 General Responsibilities

2.04.1 The Borough shall designate a primary contact person and a secondary contact person with whom the Authority may communicate with respect to any issues related to the field work to be performed under this Agreement. The Borough shall provide the Authority with an office and cell phone number and e-mail address for the contact persons so named.

2.04.2 The Borough shall provide the Authority with access to the Borough's entire sanitary sewer main gravity collection system, which shall include making all manholes accessible for entry by workers and equipment. The Authority shall notify the Borough's primary contact person, or, if unavailable, the Borough's secondary contact person, of any manholes or portions of the sanitary sewer main gravity collection system that are not accessible, and it shall be the responsibility of the Borough to provide such access as may be necessary.

2.04.3 The Authority will provide such traffic signs and cones as necessary in the work area, but is not responsible for providing police traffic control on any public street or private area. In the event that police traffic control is necessary, it shall be provided by the Borough at the Borough's expense.

2.04.4 The Authority is not responsible to repair any defects or deficiencies in the Borough's sanitary sewer main gravity collection system that may be discovered as a result of performing the Shared Services. In the event that any defect or deficiency is noted that is in actual need of immediate or emergency repairs, the Authority shall provide telephonic and email notification to the Borough's primary contact person, or, if unavailable, to the Borough's secondary contact person.

2.04.5 While the Authority will attempt to assist the Borough with an emergency during normal business hours, the Authority can provide no assurance or guarantee that such assistance can be given. Any emergency services that are provided by the Authority during regular business shall be billed at the rate of \$48.00 per employee and \$30.00 per hour per equipment.

2.04.6 The Borough acknowledges that damage to the sanitary sewer main gravity collection system can result as a result of performing the Shared Services (including root sawing), even if all due care is exercised. The Borough agrees that the Authority shall not be liable for any damage caused to the Borough's sanitary sewer main gravity collection system as a result of performing the Shared Services (including root sawing), unless such damage was caused by the intentional misconduct of the Authority. This provision shall not relieve the Authority from any negligence that may be imposed under the New Jersey Tort Claims Act for damages to any other property of the Borough or to any third parties.

3. COST OF SHARED SERVICES

3.01 Jet Truck Services:

3.01.1 The Authority shall be paid the sum of Ninety One Thousand Nine Hundred Thirty Eight Dollars (\$91,938.00) for the jet truck services described above. Grit removal and emergency services, as described above, shall be billed as an extra.

3.02 TV Truck Services:

3.02.1 The Authority shall be paid the sum of Eight Five Thousand Six Hundred Forty Four Dollars (\$85,644.00) for the TV truck services described above. Grouting and emergency services, as described above, shall be billed as an extra.

4. DURATION OF AGREEMENT.

4.01. The term of this Agreement shall be for one (1) year, commencing January 1, 2011 and ending December 31, 2011.

4.02. This Agreement is not subject to automatic renewal and shall expire at the end of the stipulated term. The parties may, however, negotiate a renewal of this Agreement upon such terms as they deem appropriate.

4.03 This Agreement may be terminated by either party, in their sole discretion, upon thirty (30) days advance written notification to the other. In the event of termination, the Cost of the Shared Services, as provided in Article 3 hereof, shall be adjusted on a *pro rata* basis in the manner provided in Article 5 hereof.

4.04 Notwithstanding anything else contained herein, the parties acknowledge that weather, emergencies, other factors or events of *force majeure* may prevent the Authority from completing the Shared Services by the end of the term of this Agreement. In such event, this Agreement shall be automatically extended for a reasonable period to be mutually agreed in order to provide adequate time for the Authority to complete the Shared Services.

5. PROCEDURE FOR PAYMENTS

5.01 The work-plan shall contain an approximate indication of the number of linear feet of gravity sewer main to be cleaned and televised by the Authority. The cost of services to be charged by the Authority for jet truck and TV services shall be divided by the number of linear feet to determine a cost per linear foot.

5.02 The Authority shall bill the Borough by voucher on a monthly basis for the approximate number of linear feet cleaned and/or televised during the previous month. The Borough shall pay the amount billed within thirty (30) days of receipt of the bill and voucher.

5.03 If any bill or portion thereof remains unpaid after forty-five (45) days of receipt of the bill and voucher, interest shall accrue on the unpaid balance at the rate of one (1%) percent a month from the date of receipt of the bill and voucher.

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 Borough. 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 Borough 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 Borough 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. All personnel provided by the Authority shall be covered at all times by the Authority's workers compensation policy, regardless of where the work is performed.

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.


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.

BOROUGH OF MEDFORD LAKES

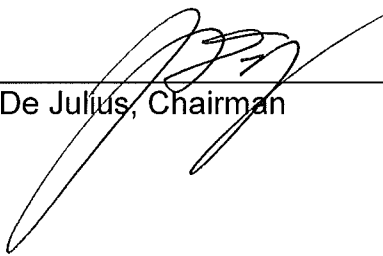
By:  _____
GARY MILLER, Mayor

ATTEST:

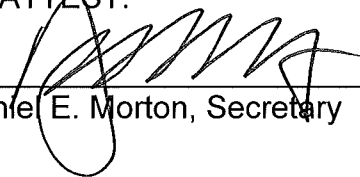


JULIE HORNER-KEIZER, DEPUTY BOROUGH CLERK

THE EVESHAM MUNICIPAL UTILITIES AUTHORITY

By:  _____
Joseph M. De Julius, Chairman

ATTEST:



Daniel E. Morton, Secretary