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**SHARED SERVICES AND VEHICLE USE AGREEMENT**

between

**COUNTY OF GLOUCESTER, NEW JERSEY**

and

**SOUTH JERSEY TRANSPORTATION AUTHORITY**

for

**THE OPERATION OF SPECIFIED BUS SERVICES**

**Dated: September 7, 2022**

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*Prepared by:* Emmett E. Primas, Jr.,  
Assistant County Counsel

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## SHARED SERVICES AGREEMENT

**THIS SHARED SERVICES AND VEHICLE USE AGREEMENT** ("Agreement"), dated **September 1, 2022** by and between the **South Jersey Transportation Authority**, a public instrumentality of the State of New Jersey (referred to as "Authority"), having its principal office at the Frank S. Farley Service Plaza, Atlantic City Expressway, Elwood, New Jersey 08217 and the **County of Gloucester**, a body politic and corporate of the State of New Jersey ("County"), having its principal office at 2 South Broad Street, Woodbury, New Jersey 08096.

### RECITALS

**WHEREAS**, N.J.S.A. 40A:65-1 et seq., provides a mechanism through which governmental units and instrumentalities may enter into agreements for the provision of shared services; and

**WHEREAS**, the County of Gloucester (the "County") seeks to identify economies and efficiencies in the operations of County government that will reduce the tax burden on taxpayers and improve the effectiveness of services for County residents and currently desires to provide transportation services to county residents in need of recurrent hemodialysis treatments and accessibility to seniors for shopping ("Project"); and

**WHEREAS**, the Authority is established within the New Jersey Department of Transportation as an instrumentality of the State exercising public and essential governmental functions pursuant to N.J.S.A. 27:25A-1 et seq., by offering the traveling public safe and efficient transportation through the acquisition, construction, maintenance, operation, and support of expressway, airport, transit, parking, and other transportation projects and services, and is authorized to enter into contracts with any public or private entity to operate motorbus regular route services; and

**WHEREAS**, the County will provide the buses that will be used under this agreement.

**NOW, THEREFORE**, in consideration of the mutual promises, agreements and other considerations made by and between the parties, the County and the Authority do hereby agree as follows:

### AGREEMENT

#### **A. DESCRIPTION OF PROJECT AND SERVICES.**

For purposes of this Agreement the Project shall consist of transportation services in accordance with the specific needs set forth by the County as it pertains to bus transportation services for residents of the County of Gloucester, including but not limited to transportation of County residents to and from dialysis appointments, providing access to rural shopping, with the specific routes to be agreed upon by the parties, and additional transportation services as may arise during the term of this agreement. The County reserves the right to add transportation services contingent upon the Authority's ability to accommodate such services and available funding.

The initial County buses designated under this agreement are attached hereto as Attachment A.

**B. RESPONSIBILITIES.**

1. County's Responsibilities:

- a. The County shall provide funding for the services consistent and in accordance with the terms, conditions, and requirements for each fiscal year that this Agreement is in effect and contingent upon the receipt of funding from the Grant.
- b. The County shall share information with the Authority to insure appropriate ridership, namely that all riders are eligible for the service as set forth under the grant(s) funding requirements.
- c. The County shall provide assistance and coordination of all transportation services in accordance and consistent with routes, standards, and needs of the County and the residents.
- d. The County will make available to the Authority county-owned buses to be housed at the Authority at no charge, and will reserve sufficient county owned buses, which will be maintained by the County, to be used in the event of mechanical breakdown and/or emergencies.
- e. The County will repair and maintain all vehicles that are provided to the Authority under this Agreement, at no cost to the Authority.

2. Authority's Responsibilities:

- a. The Authority shall provide transportation of County residents pursuant to the schedule and routes agreed upon by the parties and in accordance with applicable statutes, regulations, and grant requirements.
- b. The Authority shall be responsible for costs of fueling the vehicles.
- c. The Authority shall provide monthly ridership reports to the County and coordinate with the County to ensure the needs of the residents are being met.
- d. The Authority will be responsible for all costs associated with the bus drivers; including wages, benefits, insurances and the like. The drivers will operate County owned vehicles but have no agency relationship with the County.
- e. The Authority may elect to use SJTA vehicles to transport Gloucester County residents under this Agreement when practical and with notice to the County.

**C. PAYMENT.**

During Contract Year (1), a defined in Paragraph D below, the County will compensate the Authority in the amount not to exceed \$185,000.00 (“Annual Payment”). The Annual Payment in Contract Year (1) includes up to: (1) \$140,000.00 for transportation services related to dialysis routes; and (2) \$45,000.00 for transportation services related to rural shopping routes. The County’s payment obligations shall be contingent upon the availability of funding from the Senior Citizen and Disabled Resident Transportation Program Grants (SCRTAP) and the Rural Area Program Section 5311 Grant (Section 5311 Grant).

The Authority will bill the County on a monthly basis.

For each Contract Year subsequent to Contract Year (1), the Authority shall have the right to increase the Annual Payment in an amount not to exceed five-percent (5%). Any proposed increase to the Annual Payment shall be contingent upon the availability of SCRTAP and Section 5311 Grant funding.

In addition to the Annual Payment, the County shall also make a payment to the Authority of \$45.00/hour per vehicle for additional transportation services rendered by the Authority and agreed to in advance by the County. Examples of additional transportation services for which the \$45.00/hour rate will apply are special County events, temporary shuttle services, and situations where additional services will reduce the County’s waitlist for residents requiring transportation for dialysis.

**D. DURATION OF AGREEMENT AND CONTINGENCIES.**

This Agreement shall be effective for a period of three years, from September 1, 2022 to August 31, 2025 based each Contract Year on available funding. Each “Contract Year” shall commence on September 1 and end on August 31.

The continuation of this Agreement each year is contingent upon the availability of SCRTAP and Section 5311 fund to the County. The Authority understands and acknowledges that in the event extenuating circumstances beyond the County’s control affect the availability of funds, the County may terminate this Agreement.

**E. AUDIT.**

The County and the Authority agree to comply with all Grant requirements and the Single Audit Act. The Authority shall permit the County and/or its independent auditors to have access, at a reasonable time and place, to the records and financial statements necessary to comply with the following audit requirements as applicable; **State Funds** – N.J.O.M.B. Circular Letter 98-07, NJ DHS Division of Family Development Grant requirements; **Federal Funds** – OMB Audit Circular A-133 (Revised), OMB Circular A-87. Copies of the aforementioned circulars are available upon request from the Gloucester County Treasurer/Chief Financial Officer. The Authority shall annually forward a copy of its Single Audit Report to the Gloucester County Chief Financial Officer, 2 South Broad Street, Woodbury, New Jersey 08096. Failure to comply with this procedure may, at the County’s sole option, result in withholding of payment pursuant to this Agreement.

**F. SET-OFF.**

Should the Authority either refuse or neglect to perform the service that the Authority is required to perform in accordance with the terms of this Agreement, and if expense is incurred by the County by reason of Authority's failure to perform, then and in that event, such expense shall be deducted from any payment due to the Authority. Exercise of such set-off shall not operate to prevent County from pursuing any other remedy to which it may be entitled.

**G. LIMITATION OF DELEGATION.**

To the extent that this Agreement constitutes a delegation of authority to the County by the Authority, this Agreement shall not be construed to delegate any authority other than the authority to perform the services described in this Agreement.

Neither County nor the Authority intends by this Agreement to create any agency relationship other than that which may be specifically required by the Shared Services Agreement Act for the limited purpose of performing the obligations of the County pursuant to the Agreement.

The parties recognize that currently there may be certain legal relationships existing between the parties with regard to other activities of the parties, and nothing in this Agreement shall be construed to be in derogation of those relationships.

**H. INDEMNIFICATION.**

Each party agrees to indemnify the other and their officers, agents and servants from any and all losses, claims, actions, costs, expenses, judgments, subrogation, attorney fees or other expenses which may arise by reason of any real or alleged injury or damage to the person or property of others arising out of or incidental to its responsibilities under the terms of this Agreement, to the extent caused by the negligent acts or omissions of its officers, employees, agents or contractors. Each party will maintain proper insurance covering all risks associated with the operation thereof, which may include a duly authorized self-insurance program. Nothing herein contained shall be deemed to confer upon any third person any right against the County or Authority. Nothing herein shall be deemed to create any third party rights or claims against the parties, nor waive any defense or prerequisite to liability that may exist under the New Jersey Tort Claims Act.

**I. TERMINATION.**

This Agreement may be terminated for any of the following:

- A. If either party determines that termination is necessary for the convenience of such party, then either party shall be permitted to terminate this Agreement on 60 days notice to the other party. Termination for convenience shall not be effective if it shall result in a violation of any undertaking that is a condition of grant funding, in which event termination shall be effective as of the end of the term of grant funding.

- B. If the Authority is required to be licensed in order to perform the services which are the subject of this contract, then this contract may be terminated by County in the event that the appropriate governmental entity with jurisdiction has instituted an action to have the Authority's license suspended, or in the event that such entity has revoked or suspended said license. Notice of termination pursuant to this subparagraph shall be effective immediately upon the giving of said notice.
- C. If, through any cause, the Authority or subcontractor, where applicable, shall fail to fulfill in timely and proper manner his obligations under this Contract, or if the Authority shall violate any of the covenants, agreements, or stipulations of this Contract, the County shall thereupon have the right to terminate this contract by giving written notice to the Authority of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Authority under this contract, shall be forthwith delivered to the County.
- D. If, through any cause, the County, where applicable, shall fail to fulfill in timely and proper manner its obligations under this Contract, or if the County shall violate any of the covenants, agreements, or stipulations of this Contract, the Authority shall thereupon have the right to terminate this Contract by giving written notice to the County of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, and reports prepared by the County under this contract, shall be forthwith delivered to the Authority.
- E. The County may terminate this contract for public convenience at any time by a notice in writing from the County to the Authority. If the contract is terminated by the County as provided herein, the Authority will be paid for the services rendered to the time of termination.
- F. Notwithstanding the above, either Party, where applicable, shall not be relieved of liability to the other Party for damages sustained by either Party by virtue of any breach of the Contract by the other Party.
- G. Termination shall not operate to affect the validity of the indemnification provisions of this contract, nor to prevent either Party from pursuing any other relief or damages to which it may be entitled, either at law or in equity.

**J. COMPLIANCE WITH LAWS AND REGULATIONS.**

Each party to this Agreement shall at its own cost and expense promptly comply with, or cause to be complied with, all laws, rules, regulations and other governmental requirements which may be applicable to the performance of the services described in this Agreement.

**K. INSURANCE.**

The Authority shall maintain general liability and Workers' Compensation insurance in amounts, and proof of insurance coverage with a Certificate of Insurance listing, for the coverages, and with companies deemed satisfactory by County, and which shall be in

compliance with any applicable requirements of the State of New Jersey. The Authority shall, simultaneously with the execution of this Agreement, deliver certifications of said insurance to County, naming the County of Gloucester as an additional insured.

The Authority agrees that while this Agreement is in effect the Authority will preserve and protect the vehicle from loss and/or damage. The Authority agrees to be responsible for any loss, costs of repairs that are caused directly to the operation of the vehicle by Authority and/or its drivers and employees.

**L. AUTOMOBILE INSURANCE.**

The Authority shall maintain a combined single limit liability of \$3,000,000 or bodily Injury liability coverage of \$1,000,000 per person and \$3,000,000 per occurrence and property damage insurance in the amount of \$250,000 and auto physical damage coverage to cover the replacement cost of any of the vehicles being utilized by Authority. The policy or policies shall designate the County as an additional insured. The Authority shall provide to the County proof of automobile insurance coverage in the form of Certificates of Insurance.

The buses designated for this Project and the vehicle identification numbers are set forth in Paragraph A above.

The primary insurance policy while the vehicle is in possession of and being used by the Authority would be Authority's insurance policy.

**M. ACCIDENTS/INCIDENTS INVOLVING COUNTY VEHICLES**

The Authority shall give written notice to the County within 24 hours of the Authority becoming aware of any and all accidents, property damage, personal injury or claims arising from vehicles operated by the Authority under this Agreement.

**N. VEHICLE INSPECTION.**

The County shall have the right to inspect the vehicles at any time or place as long as said inspection does not interfere with the regular provision of service. The Authority will conduct regular safety inspections and will take responsibility for meeting any safety requirements established by local, state, or federal regulation.

**O. REASONABLE WEAR AND TEAR.**

Upon expiration or termination of the Agreement, the Authority shall deliver the vehicles and any and all County materials to the County in an acceptable and reasonable condition as close to the condition same was provided by the County at the commencement of this Agreement; reasonable wear and tear incident to normal use expected.

**P. LOSS, THEFT, DAMAGE, OR DESTRUCTION AND SETTLEMENT.**

When in possession of any County vehicles, the Authority shall bear all risk of damage, loss, theft or destruction, full or partial, of the vehicles or any part thereof, including acts of its employees and servants. In the event of any damage, loss, theft, or destruction of



the vehicles and any related County equipment, the Authority shall promptly notify the County by telephone and/or in writing and hold the same and records available for inspection and review by the County before any depositions takes place. The Authority shall either repair or replace the vehicle or equipment to the same standard or condition required under this Agreement.

**Q. NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER.**

In the event that any agreement which is contained in this Agreement should be breached by either party and thereafter such breach shall be waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be a waiver of any other breach hereunder.

**R. NO PERSONAL LIABILITY.** No covenant, condition or agreement contained in this Agreement shall be deemed to be the covenant, condition or agreement of any past, present or future officer, agent or employee of the Authority or County, in his or her individual capacity, and neither the officers, agents or employees of the Authority or County nor any official executing this Agreement shall be liable personally on this Agreement by reason of the execution hereof by such person or arising out of any transaction or activity relating to this Agreement.

**S. MISCELLANEOUS.**

1. **Amendment.** This Agreement may not be amended or modified for any reason without the express prior written consent of the parties hereto.
2. **Successors and Assigns.** This Agreement shall inure to the benefit of and shall be binding upon the County, the Authority and their respective successors and assigns.
3. **Severability.** In the event that any provision of this Agreement shall be held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
4. **Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall constitute an original document and all of which shall constitute but one and the same instrument.
5. **Entire Agreement.** This Agreement sets forth all the promises, covenants, agreements, conditions and undertakings between the parties hereto with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements and undertakings, inducements, or conditions, express or implied, oral or written between the parties hereto.
6. **Further Assurances and Corrective Instruments.** The Authority and the County shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or to correct any inconsistent or ambiguous term hereof.
7. **Headings.** The Article and Section headings in this Agreement are included

herein for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

8. **Non-Waiver.** It is understood and agreed that nothing which is contained in this Agreement shall be construed as a waiver on the part of the parties, or any of them, of any right which is not explicitly waived in this Agreement.

9. **Governing Law.** The terms of this Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of New Jersey applicable to agreements made and to be performed entirely within such State, including all matters of enforcement, validity and performance.

T. **EFFECTIVE DATE.** This Agreement shall be effective as of September 1, 2022, which date shall be considered the commencement date of this Agreement.

U. **NOTICES.** All notices and other communications provided for hereunder shall be in writing and shall be delivered by regular mail to the parties at the following addresses:

**County of Gloucester**  
Chad M. Bruner, County Administrator  
2 South Broad Street  
Woodbury, New Jersey 08096

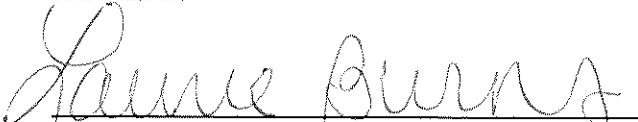
**County of Gloucester**  
**Department of Health and Human Services**  
**Division of Human and Special Services**  
Lisa Cerny, Director  
115 Budd Boulevard  
West Deptford, New Jersey 08096

\ **SJTA:**  
Stephen F. Dougherty, Executive Director  
P.O. Box 351  
Hammonton, New Jersey 08037

With a copy to:  
Dominic D'Amico, General Manager  
512 Lakeland Road  
Blackwood, New Jersey 08012

**IN WITNESS WHEREOF**, the parties hereto have set their representative seals the day and year first above written.

**ATTEST:**

  
\_\_\_\_\_  
**LAURIE J. BURNS,**  
**CLERK OF THE BOARD**

**COUNTY OF GLOUCESTER**

  
\_\_\_\_\_  
**HEATHER SIMMONS,**  
**DEPUTY DIRECTOR**

ATTEST:

SOUTH JERSEY  
TRANSPORTATION AUTHORITY

Cynthia A. Blasberg  
9/21/22  
BOARD SECRETARY

Stephen F. Dougherty  
STEPHEN F. DOUGHERTY,  
EXECUTIVE DIRECTOR