

40A:11-10 et al

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LEGISLATIVE HISTORY CHECKLIST

NJSA: 40A:11-10 et al (Sewerage authorities--permit joint contracts for sludge disposal)

LAWS OF: 1985 CHAPTER: 452

BILL NO: S3088

Sponsor(s): Lynch

Date Introduced: June 17, 1985

Committee: Assembly: County Government and Regional Authorities

Senate: County and Municipal Government

Amended during passage: No Substituted for A3872 (Assembly Committee statement--attached)

Date of Passage: Assembly: June 6, 1986

Senate: September 9, 1985

Date of Approval: January 14, 1986

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: Yes

Following were printed:

Reports: No

Hearings: No

Sponsor's statement:

The purpose of the bill is to minimize the financial impact of the United States Department of Environmental Protection's 106 mile ocean dumping order by allowing several sewerage authorities to jointly contract for sludge disposal systems .

SENATE, No. 3088

STATE OF NEW JERSEY

INTRODUCED JUNE 17, 1985

By Senator LYNCH

Referred to Committee on County and Municipal Government

AN ACT concerning certain contracts for the disposal of sewage sludge, amending P. L. 1971, c. 198, R. S. 58:14-22, and R. S. 40:63-95.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 10 of P. L. 1971, c. 198 (C. 40A:11-10) is amended
2 to read as follows:

3 10. Joint agreements for purchase of work, materials, supplies;
4 authorization.

5 (a) (1) The governing bodies of two or more contracting units
6 within the same county, or adjoining counties, may provide by
7 joint agreement for the purchase of work, materials and supplies
8 for use by their respective jurisdictions.

9 (2) *The governing bodies of two or more contracting units pro-*
10 *viding sewerage services pursuant to the "sewerage authorities*
11 *law," P. L. 1946, c. 138 (C. 40:14A-1 et seq.), the "municipal and*
12 *county utilities authorities law," P. L. 1957, c. 183 (C. 40:14B-1*
13 *et seq.), R. S. 58:14-1 et seq. or R. S. 40:63-68 et seq. may provide*
14 *by joint agreement for the purchase of work related to sewage*
15 *sludge disposal.*

16 (b) The governing body of any county or municipality may pro-
17 vide by joint agreement with the board of education of any school
18 district located wholly or partially within the geographic bound-
19 aries of the county or municipality for the purchase of work,
20 materials and supplies for use by their respective jurisdictions.

21 (c) Such agreement shall be entered into by resolution or ordi-

Matter printed in italics thus is new matter.

22 nance, as the case may be, adopted by each of the participating
 23 bodies and boards; which shall set forth the categories of work,
 24 materials and supplies to be purchased, the manner of advertising
 25 for bids and of awarding of contracts, the method of payment by
 26 each participating body and board, and other matters deemed
 27 necessary to carry out the purposes of the agreement.

28 (d) Each participating body's and board's share of expenditures
 29 for purchases under any such agreement shall be appropriated and
 30 paid in the manner set forth in the agreement and in the same
 31 manner as for other expenses of the participating body and board.

1 2. Section 15 of P. L. 1971, c. 198 (C. 40A :11-15) is amended to
 2 read as follows :

3 15. Duration of certain contracts. All purchases, contracts or
 4 agreements for the performing of work or the furnishing of ma-
 5 terials, supplies or services shall be made for a period not to exceed
 6 12 consecutive months, except that contracts or agreements may
 7 be entered into for longer periods of time as follows :

8 (1) Supplying of :

9 (a) Fuel for heating purposes, for any term not exceeding
 10 in the aggregate, two years ;

11 (b) Fuel or oil for use of airplanes, automobiles, motor
 12 vehicles or equipment for any term not exceeding in the aggre-
 13 gate, two years ;

14 (c) Thermal energy produced by a cogeneration facility, for
 15 use for heating or air conditioning or both, for any term not
 16 exceeding 20 years, when the contract is approved by the
 17 Board of Public Utilities. For the purposes of this paragraph,
 18 "cogeneration" means the simultaneous production in one
 19 facility of electric power and other forms of useful energy
 20 such as heating or process steam ;

21 (2) (Deleted by amendment ; P. L. 1977, c. 53.)

22 (3) The collection and disposal of garbage and refuse, *and the*
 23 *bagging and disposal of sewage sludge*, for any term not exceeding
 24 in the aggregate, five years ;

25 (4) The recycling of solid waste, for any term not exceeding 25
 26 years, when such contract is in conformance with a solid waste
 27 management plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1
 28 et seq.), and with the approval of the Division of Local Government
 29 Services and the Department of Environmental Protection ;

30 (5) Data processing service, for any term of not more than three
 31 years ;

32 (6) Insurance, for any term of not more than three years ;

33 (7) Leasing or servicing of automobiles, motor vehicles, ma-

34 chinery and equipment of every nature and kind, for a period not
35 to exceed three years; provided, however, such contracts shall be
36 entered into only subject to and in accordance with the rules and
37 regulations promulgated by the Director of the Division of Local
38 Government Services of the Department of Community Affairs;

39 (8) The supplying of any product or the rendering of any service
40 by a telephone company which is subject to the jurisdiction of the
41 Board of Public Utilities for a term not exceeding five years;

42 (9) Any single project for the construction, reconstruction or
43 rehabilitation of any public building, structure or facility, or any
44 public works project, including the retention of the services of any
45 architect or engineer in connection therewith, for the length of time
46 authorized and necessary for the completion of the actual con-
47 struction;

48 (10) The providing of food services for any term not exceeding
49 three years;

50 (11) On-site inspections undertaken by private agencies pur-
51 suant to the "State Uniform Construction Code Act" (P. L. 1975,
52 c. 217; C. 52:27D-119 et seq.) for any term of not more than three
53 years;

54 (12) The performance of work or services or the furnishing of
55 materials or supplies for the purpose of conserving energy in build-
56 ings owned by, or operations conducted by, the contracting unit, the
57 entire price of which to be established as a percentage of the resul-
58 tant savings in energy costs, for a term not to exceed 10 years;
59 provided, however, that such contracts shall be entered into only
60 subject to and in accordance with rules and regulations promulgated
61 by the Department of Energy establishing a methodology for com-
62 puting energy cost savings;

63 (13) The performance of work or services or the furnishing of
64 materials or supplies for the purpose of elevator maintenance for
65 any term not exceeding three years;

66 (14) Leasing or servicing of electronic communications equip-
67 ment for a period not to exceed five years; provided, however, such
68 contract shall be entered into only subject to and in accordance
69 with the rules and regulations promulgated by the Director of the
70 Division of Local Government Services of the Department of Com-
71 munity Affairs;

72 (15) Leasing of motor vehicles, machinery and other equipment
73 primarily used to fight fires, for a term not to exceed seven years,
74 when the contract includes an option to purchase, subject to and in
75 accordance with rules and regulations promulgated by the Director
76 of the Division of Local Government Services of the Department
77 of Community Affairs;

78 (16) The provision of water supply services or the designing,
79 financing, construction, operation, or maintenance, or any combina-
80 tion thereof, of a water supply facility, or any component part or
81 parts thereof, including a water filtration system, for a period not
82 to exceed 40 years, when the contract for these services is approved
83 by the Division of Local Government Services in the Department
84 of Community Affairs, the Board of Public Utilities, and the De-
85 partment of Environmental Protection pursuant to P. L. 1985, c. 37
86 (C. 58:26-1 et seq.). For the purposes of this paragraph, "water
87 supply services" means any service provided by a water supply
88 facility; "water filtration system" means any equipment, plants,
89 structures, machinery, apparatus, or land, or any combination
90 thereof, acquired, used, constructed, rehabilitated, or operated for
91 the collection, impoundment, storage, improvement, filtration, or
92 other treatment of drinking water for the purposes of purifying
93 and enhancing water quality and insuring its potability prior to
94 the distribution of the drinking water to the general public for
95 human consumption, including plants and works, and other per-
96 sonal property and appurtenances necessary for their use or oper-
97 ation; and "water supply facility" means and refers to the real
98 property and the plants, structures, interconnections between
99 existing water supply facilities, machinery and equipment and
100 other property, real, personal and mixed, acquired, constructed
101 or operated, or to be acquired, constructed or operated, in whole
102 or in part by or on behalf of a political subdivision of the State or
103 any agency thereof, for the purpose of augmenting the natural
104 water resources of the State and making available an increased
105 supply of water for all uses, or of conserving existing water re-
106 sources, and any and all appurtenances necessary, useful or con-
107 venient for the collecting, impounding, storing, improving, treat-
108 ing, filtering, conserving or transmitting of water and for the
109 preservation and protection of these resources and facilities and
110 providing for the conservation and development of future water
111 supply resources;

112 (17) The provision of solid waste disposal services by a resource
113 recovery facility, the furnishing of products of a resource recovery
114 facility, the disposal of the solid waste delivered for disposal which
115 cannot be processed by a resource recovery facility or the waste
116 products resulting from the operation of a resource recovery fa-
117 cility, including hazardous waste and recovered metals and other
118 materials for reuse, or the design, financing, construction, opera-
119 tion or maintenance of a resource recovery facility for a period not
120 to exceed 40 years when the contract is approved by the Division

121 of Local Government Services in the Department of Community
122 Affairs, the Board of Public Utilities, and the Department of En-
123 vironmental Protection; and when the facility is in conformance
124 with a solid waste management plan approved pursuant to P. L.
125 1970, c. 39 (C. 13:1E-1 et seq.). For the purposes of this subsec-
126 tion, "resource recovery facility" means a solid waste facility con-
127 structed and operated for the incineration of solid waste for energy
128 production and the recovery of metals and other materials for re-
129 use; or a mechanized composting facility, or any other solid waste
130 facility constructed or operated for the collection, separation, re-
131 cycling, and recovery of metals, glass, paper, and other materials
132 for reuse or for energy production;

133 (18) The sale of electricity or thermal energy, or both, produced
134 by a resource recovery facility for a period not to exceed 40 years
135 when the contract is approved by the Board of Public Utilities; and
136 when the facility is in conformance with a solid waste management
137 plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1 et seq.).
138 For the purposes of this subsection, "resource recovery facility"
139 means a solid waste facility constructed and operated for the in-
140 cineration of solid waste for energy production and the recovery of
141 metals and other materials for reuse; or a mechanized composting
142 facility, or any other solid waste facility constructed or operated
143 for the collection, separation, recycling, and recovery of metals,
144 glass, paper, and other materials for reuse or for energy produc-
145 tion;

146 (19) The provision of wastewater treatment services or the
147 designing, financing, construction, operation, or maintenance, or
148 any combination thereof, of a wastewater treatment system, or any
149 component part or parts thereof, for a period not to exceed 40
150 years, when the contract for these services is approved by the Divi-
151 sion of Local Government Services in the Department of Com-
152 munity Affairs and the Department of Environmental Protection
153 pursuant to P. L. 1985, c. 72 (C. 58:27-1 et seq.). For the purposes
154 of this paragraph, "wastewater treatment services" means any
155 service provided by a wastewater treatment system, and "waste-
156 water treatment system" means equipment, plants, structures, ma-
157 chinery, apparatus, or land, or any combination thereof, acquired,
158 used, constructed, or operated for the storage, collection, reduc-
159 tion, recycling, reclamation, disposal, separation, or other treat-
160 ment of wastewater or sewer sludge, or for the final disposal of
161 residues resulting from the treatment of wastewater, including, but
162 not limited to, pumping and ventilating stations, facilities, plants
163 and works, connections, outfall sewers, interceptors, trunk lines,

164 and other personal property and appurtenances necessary for
165 their operation.

166 All multi-year leases and contracts entered into pursuant to this
167 section 15, except contracts for the leasing or servicing of equip-
168 ment supplied by a telephone company which is subject to the
169 jurisdiction of the Board of Public Utilities, contracts for thermal
170 energy authorized pursuant to subsection (1) above, construction
171 contracts authorized pursuant to subsection (9) above, contracts
172 and agreements for the provision of work or the supplying of
173 equipment to promote energy conservation authorized pursuant to
174 subsection (12) above, contracts for water supply services or for
175 a water supply facility, or any component part or parts thereof
176 authorized pursuant to subsection (16) above, contracts for re-
177 source recovery services or a resource recovery facility authorized
178 pursuant to subsection (17) above, contracts for the sale of energy
179 produced by a resource recovery facility authorized pursuant to
180 subsection (18) above, or contracts for wastewater treatment ser-
181 vices or for a wastewater treatment system or any component part
182 or parts thereof authorized pursuant to subsection (19) above,
183 shall contain a clause making them subject to the availability and
184 appropriation annually of sufficient funds as may be required to
185 meet the extended obligation, or contain an annual cancellation
186 clause.

187 The Division of Local Government Services shall adopt and
188 promulgate rules and regulations concerning the methods of ac-
189 counting for all contracts that do not coincide with the fiscal year.

1 3. R. S. 58:14-22 is amended to read as follows:

2 58:14-22. a. Whenever any work to be performed or any ma-
3 terial to be furnished shall involve an expenditure of money exceed-
4 ing the sum of \$7,500.00 or, after June 30, 1985, the amount deter-
5 mined pursuant to subsection b. of this section, the commissioners
6 shall designate the time when they will meet at their usual place
7 of meeting to receive proposals in writing for doing the work and
8 furnishing the material, and the commissioners shall order their
9 clerk to give notice by advertisement, inserted in at least two
10 newspapers printed and circulating, respectively, in two of the
11 counties of the district, at least 10 days before the time of such
12 meeting, of the work to be done and the material to be furnished,
13 particular specifications of which they shall cause to be filed in
14 their office at the time of such order. All proposals received shall
15 be publicly opened by the commissioners or the chief administrative
16 officer of the commission and the commissioners shall award the
17 contract to the lowest responsible bidder. All contractors shall be

18 required to give bond satisfactory in amount and security to the
19 commissioners.

20 b. Commencing January 1, 1985, the Governor, in consultation
21 with the Department of Treasury, shall, no later than March 1 of
22 each odd numbered year, adjust the threshold amount set forth in
23 subsection a. of this section, or subsequent to 1985 the threshold
24 amount resulting from any adjustment under this subsection, in
25 direct proportion to the rise or fall of the consumer price index
26 for all urban consumers in the New York City and Philadelphia
27 areas as reported by the United States Department of Labor. The
28 Governor shall, no later than June 1 of each odd numbered year,
29 notify the commissioners about the adjustment. The adjustment
30 shall become effective on July 1 of each odd numbered year.

31 c. *Nothing in this act shall prohibit the commissioners from*
32 *entering into a joint agreement pursuant to section 10 of P. L.*
33 *1971, c. 198 (C. 40A:11-10) for the purchase of work related to*
34 *sewage sludge disposal. All such agreements shall be entered into*
35 *by resolution of the commissioners and shall be subject to the re-*
36 *quirements of P. L. 1971, c. 198 (C. 40A:11-1 et seq.).*

1 4. Section 40:63-95 of the Revised Statutes is amended to read
2 as follows:

3 40:63-95. Whenever any work to be performed or materials to
4 be furnished in or about any improvement or works to be made
5 under the provisions of this article shall involve an expenditure
6 of a sum of money exceeding \$2,500.00, the municipal bodies or
7 boards of the contracting municipalities, by their official action
8 taken in joint meeting as herein provided, shall designate a time
9 when they will meet at their usual place of meeting to receive
10 proposals in writing, for doing the work or furnishing the ma-
11 terials, and such joint meeting shall order the chairman and secre-
12 tary thereof to give notice by advertisement inserted in one or
13 more newspapers circulating in one or more of the contracting
14 municipalities in each county in which the contracting municipali-
15 ties are situate at least 10 days before the time of such meeting,
16 of the work to be done or materials to be furnished, of which at
17 the time of such order they shall cause to be filed in the office of
18 such joint meeting particular specifications. Not more than one
19 proposal shall be received from any one person, directly, or in-
20 directly, for the same contract, work, or materials, and all pro-
21 posals received shall be publicly opened by the chairman in the
22 presence and during a session of such joint meeting, and of all
23 others who choose to attend the meeting. The joint meeting may
24 reject any and all proposals and direct its chairman and secretary

25 to advertise for new proposals and accept such as shall in the
26 opinion of a majority of the municipalities represented in the joint
27 meeting, be deemed most advantageous for the municipalities.

28 The proposal so accepted shall be reduced to a contract in writ-
29 ing, and a satisfactory bond to be approved by the joint meeting
30 shall be required and given for its faithful performance, but all
31 contracts when awarded shall be awarded to the lowest responsible
32 bidder offering satisfactory security.

33 This section shall not prevent the joint meeting from having
34 any work done by its own employees, nor shall it apply to repairs,
35 or to the furnishing of materials, supplies or labor, or to the hiring
36 of teams or vehicles, when the safety or protection of public prop-
37 erty or the public convenience require, or the exigency of the public
38 service will not admit of such advertisement. In such case, how-
39 ever, the joint meeting shall, by resolution, passed by the affirmative
40 vote of $\frac{4}{5}$ of all the contracting municipalities represented in such
41 joint meeting, declare the exigency or emergency to exist, and set
42 forth in the resolution the nature thereof and the approximate
43 amount to be so expended.

44 This section shall not apply to any engineer or agent of the
45 jointly contracting municipalities engaged in supervising or di-
46 recting the work of the improvement.

47 *Nothing in this section shall prohibit the joint meeting from*
48 *entering into a joint agreement pursuant to section 10 of P. L.*
49 *1971, c. 198 (C. 40A:11-10) for the purchase of work related to*
50 *sewage sludge disposal. All such agreements shall be entered into*
51 *by resolution of the joint meeting and shall be subject to the re-*
52 *quirements of P. L. 1971, c. 198 (C. 40A:11-1 et seq.).*

1 5. This act shall take effect immediately.

STATEMENT

The purpose of the bill is to minimize the financial impact of the United States Department of Environmental Protection's 106 mile ocean dumping order by allowing several sewerage authorities to jointly contract for sludge disposal services.

ASSEMBLY COUNTY GOVERNMENT AND
REGIONAL AUTHORITIES COMMITTEE

STATEMENT TO

SENATE, No. 3088

STATE OF NEW JERSEY

DATED: NOVEMBER 18, 1985

Senate Bill No. 3088 would permit certain contracting units to enter into joint agreements for the purchase of work related to sewage sludge disposal and would permit contracts for the barging and disposal of sewage sludge to be made for a period not exceeding five years.

Specifically, the bill would permit all local contracting units subject to the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.) the Passaic Valley Sewerage District, and municipalities participating in joint meetings to enter into joint agreements with other contracting units for the purchase of work related to sewage sludge disposal. In addition, the bill would permit contracts for the barging and disposal of sewage sludge to be for a term of five years instead of one year.

The committee reported the bill favorably.

SENATE COUNTY AND MUNICIPAL GOVERNMENT
COMMITTEE

STATEMENT TO

SENATE, No. 3088

STATE OF NEW JERSEY

DATED: JUNE 20, 1985

Senate Bill No. 3088 amends P. L. 1971, c. 198 to permit the governing bodies of two or more contracting units providing sewerage services to provide by joint agreement for the purchase of work related to sewage sludge disposal. Such agreements or contracts could have a duration of up to five years. The bill also amends R. S. 58:14-22 (relating to the Passaic Valley Sewerage District) and R. S. 40:63-95 (relating to joint meetings) to extend the equivalent authorization to those entities. Agreements or contracts entered into by these entities would be subject to the "Local Public Contracts Law."

Under section 10 of P. L. 1971, c. 198 (C. 40A:11-10), the "Local Public Contracts Law," only contracting units within the same county or adjoining counties may provide by joint agreement for the purchase of work. Additionally, the duration of such contracts is limited under section 15 to a 12 month period.

The intent of this bill is to minimize the financial impact of the United States Department of Environmental Protection's 106 mile ocean dumping order.

ASSEMBLY COUNTY GOVERNMENT AND
REGIONAL AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3872

STATE OF NEW JERSEY

DATED: NOVEMBER 18, 1985

Assembly Bill No. 3872 would permit certain contracting units to enter into joint agreements for the purchase of work related to sewage sludge disposal and would permit contracts for the barging and disposal of sewage sludge to be made for a period not exceeding five years.

Specifically, the bill would permit all local contracting units subject to the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.), the Passaic Valley Sewerage District, and municipalities participating in joint meetings to enter into joint agreements with other contracting units for the purchase of work related to sewage sludge disposal. In addition, the bill would permit contracts for the barging and disposal of sewage sludge to be for a term of five years instead of one year.

The committee reported the bill favorably.

January 14, 1986

S-3074, sponsored by State Senator Matthew Feldman, D-Bergen, which extends the life of the New Jersey Commission on Hunger to June 30, 1986. The Commission was scheduled to expire on January 15, 1986.

S-3088, sponsored by State Senator John A. Lynch, D-Middlesex, which permits sewerage authorities to enter into joint contracts for the disposal of sewage sludge. The bill permits the six authorities which currently dump sludge at the site located 12 miles off the New Jersey coast to pool their resources to meet the Environmental Protection Agency mandate that all sludge be dumped at a site 106 miles off the coast after December, 1987.

S-3421, sponsored by State Senator John F. Russo, D-Ocean, which provides for the appointment of two additional judges in Ocean County for a new total of 12.

SJR-76, also sponsored by Senator Caufield, which extends the reporting date of the Property Tax Assessment Study Commission from March 19, 1986 to October 1, 1986. The extension will allow the Study Commission to consider information contained in a December, 1985, study of property tax administration released by the State Division of Taxation.

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