#### **RESOLUTION NO. 2023-81**

# A RESOLUTION AUTHORIZING THE TOWNSHIP OF FLORENCE TO CONTINUE A COMMODITY RESALE SYSTEM FOR THE RESALE OF GASOLINE AND DIESEL FUEL AND TO ENTER INTO COMMODITY RESALE AGREEMENT WITH OTHER CONTRACTING UNITS

WHEREAS, in 2018 and pursuant to *N.J.A.C.* 5:34-7.15, the Township of Florence entered, as lead agency, into a Commodity Resale System for the resale of gasoline and diesel fuel agreement (the "2018 Agreement") with the Florence Township Board of Education for a five (5) year period; and

WHEREAS, the 2018 Agreement expires in 2023 and both parties desire to renew the contract on substantially the same terms; and

**WHEREAS**, N.J.A.C. 5:34-7.16 provides a process for the administrative approval of the renewal of Commodity Resale System agreement by the Division of Local Government Services within the State Department of Community Affairs; and

WHEREAS, the form of the new agreement (the "2023 Agreement") to continue the Commodity Resale System for an additional five (5) years is attached hereto as Exhibit A; and

WHEREAS, the Township of Florence has agreed to continue to serve as the Lead Agency for a Commodity Resale System with the Florence Township School Board of Education; and

**NOW; THEREFORE, BE IT RESOLVED** on the 19<sup>th</sup> day of April, 2023 by the Township Council, of the Township of Florence, County of Burlington, State of New Jersey, as follows:

The Township Council hereby authorizes the continuation of the Florence Township Commodity Resale System to be known as the Gas Service Agreement with the Township of Florence serving as the Lead Agency pursuant to the terms and conditions set forth in the agreement substantially in the form set forth in Exhibit A.

The Mayor, Craig H. Wilkie, is hereby authorized to enter into a contract with the Township of Florence School Board of Education for the sale of gasoline and diesel fuel.

A single certified copy of this Resolution along with (1) a copy of the Agreement and (2) a copy of the Request for Registration or Modification of a Commodity Resale System Form (Cooperative Purchasing Form CP-2060) shall be forwarded to the Director of the Division of Local Government Services within the State Department of Community Affairs.

This resolution shall take effect immediately upon passage.

I, NANCY L. ERLSTON, Clerk of the Township of Florence, County of Burlington, State of New Jersey, do hereby certify that the foregoing Resolution is a true copy of the Resolution approved by the Township Council at their April 19, 2023 meeting.

Vancy L. Erllston, Township Clerk

## AGREEMENT FOR THE RESALE OF GASOLINE AND DIESEL FUEL AS PART OF A COMMODITY RESALE SYSTEM

AN AGREEMENT for the resale of gasoline and diesel fuel made as of the first day of April, 2023 by and between the Florence Township School Board of Education and the Township of Florence entered into pursuant to the Commodity Resale Provisions of the Cooperative Purchasing Rules (N.J.A.C. 5:34-7.1 et seq.).

WHEREAS, Township of Florence owns and operates a fuel storage and dispensing facility for its own needs; and

WHEREAS, the Florence Township School Board of Education is desirous of making use of the motor fuel system owned by the Township of Florence located at the Public Works Garage located at 6th and Summer Streets.

**NOW THEREFORE**, in consideration for the promises and of the mutual covenants herein contained, the parties hereto agree as follows:

#### 1. SUPPLY OF MOTOR FUEL

The Township of Florence shall stock in amounts sufficient to have available for purchase by the Board of Education an estimated 3,075 gallons of unleaded plus gasoline and 3,299 gallons of low sulfur on road diesel per month for use by the Florence Township School Board of Education. In the event that the Florence Township School Board of Education fuel consumption increases over the above stated estimates, the Township of Florence shall, subject to the physical constraints of the storage tanks, adjust fuel purchases to accommodate the additional needs of the Florence Township School Board of Education.

#### 2. BASE MOTOR FUEL RATE AND TIME OF PAYMENT

The rate that the Florence Township School Board of Education shall pay for the motor fuel supply pursuant to the Agreement shall be the base motor fuel rate. It shall be computed as follows:

The Florence Township School Board of Education motor fuel rate shall be a combination of:

- (a) The contract cost which the Township of Florence pays for motor fuel; and
- (b) An administrative service charge of zero percent (0%) percent on the amount of motor fuel actually supplied for the month.

#### 3. PAYMENT OBLIGATION

A monthly invoice for the previous month's usage shall be forwarded to the Township of Florence to the Florence Township School Board of Education on or before the first of each

month. Payment shall be made as required under Section 2 of this Agreement. Monies received from the Florence Township School Board-of Education shall be placed in the Current Fund Account. If the Florence Township School Board of Education has a negative cash balance for three consecutive billing periods, that shall constitute cause for termination of the Agreement. Prior to any termination, the Florence Township School Board of Education shall receive a 90 day advance notice regarding its negative cash balance.

#### 4. FUEL DISPENSING

All motor fuels to be supplied by Township of Florence to the Florence Township School Board of Education shall be dispensed by metering pumps at the Public Works Garage located at 6th and Summer Streets or such other location that the Township shall use for dispensing motor fuels

#### 5. MOTOR FUEL DISPENSING SYSTEM

The Township of Florence will maintain, at its own cost, the motor fuel dispensing system. The Florence Township School Board of Education shall have the right to verify the accuracy of the dispensing system at its expense. The Florence Township School Board of Education shall give the Township of Florence 30 days notice prior to conducting any test. The Florence Township School Board of Education shall be assigned entrance keys to the motor fuel dispensing system. The keys shall remain the property of the Township of Florence.

#### 6. HOURS OF SERVICE

Unless notified in writing, the supply of motor fuel(s) is available 8 hours per day or 40 hours per week on a schedule set by the Township.

#### 7. EMERGENCIES

In the event of an emergency, Township of Florence will use its best efforts to provide all motor fuel(s) that the Florence Township School Board of Education requires.

#### 8. MOTOR FUEL RATE CHANGES

Parties to this Agreement acknowledge and understand that the contract cost in Paragraph 2 fluctuates based upon the contract rate the Township of Florence must pay for the delivery of motor fuel to its dispensing facility. The Township of Florence shall notify the Florence Township School Board of Education of any changes in the method of contract cost calculation 30 days before imposing any such rate change(s).

#### 9. EXCUSED PERFORMACE

The Township of Florence agrees to use its best efforts to provide a continuous and regular and uninterrupted supply of motor fuel, subject to the terms of this Agreement.

#### 10. INDEMNIFICATION

The Florence Township School Board of Education shall completely indemnify, protect and hold harmless the Township. of Florence from any and all costs, expenses, liability, losses; claims, suits and proceeding of any nature whatsoever brought against the Township of Florence as an additional insured on its liability policy with a minimum of \$1,000,000. The Florence School Board of Education shall provide evidence of same by providing the Township of Florence with a Certificate of Insurance within 60 days after this Agreement goes into effect Failure of the Florence School Board of Education to provide such a Certificate of Insurance shall be cause for termination of this Agreement.

#### 11. TERMINATION

This Agreement shall be in effect to a period of five (5) years upon approval by the governing bodies of the Township of Florence and the Florence Township School Board of Education. Either party may terminate this Agreement with 90 days advance notice by certified mail to the official address of the other party.

#### 12. GOVERNING LAW

Township Clerk

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

IN WITNESS WHEREOF, the parties he	ereto have caused this Agreement to be duly
executed as of the day and year first written.	
Ceased W	
Craig H. Wilkie, Mayor	Mark Leung, Business Administrator
Attest: Nancy J. Erloton	Attest:
Nancy I Friston RMC	

### REQUEST FOR REGISTRATION OR MODIFICATION OF A COMMODITY RESALE SYSTEM (Cooperative Purchasing Form CP-2060) RETURN COMPLETED FORM TO: Cooperative Purchasing Division of Local Government Services PO Box 803 Trenton NJ 08625-0803 **ACTION REQUESTED** SYSTEM NAME SYSTEM MEMBER(S) COMMODITY(S) Florence Township GLAS Services Agreent Register Renew Add Delete Add Delete LEAD AGENCY MEMBER(S) Florence Township Board of Tourship of Florence COMMODITY(S) TO BE SOLD Gasoline Diesel Fuel Snow Removal Chemicals Public Works Materials This is to certify that the requirements of N.J.S.A. 40A:11-1 et seq. and N.J.AC. 5:34-1 et seq. are understood and the proposed activity is in compliance with them. ORIGINAL E-MAIL ADDRESS: SIGNATURE: rough Wilkie NAME: TITLE: 499-2525 PHONE: 2023 DATE: FOR USE BY THE DIVISION OF LOCAL GOVERNMENT SERVICES RECEIVED: REGISTRATION EXPIRES: APPROVED APPROVAL EFFECTIVE: IDENTIFIER: DISAPPROVED A2060.DOC