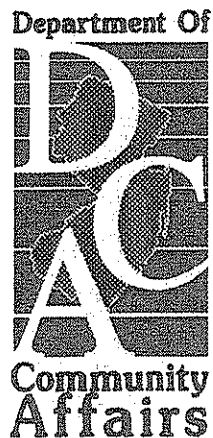


INTERLOCAL SERVICES: WORKING TOGETHER

County - Municipal Cooperation



State of New Jersey
Christine Todd Whitman, Governor

Department of Community Affairs
Harriet Derman, *Commissioner*

Division of Local Government Services
Beth Gates, *Director*



State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS

CHRISTINE TODD WHITMAN
GOVERNOR

LOCATION:

WILLIAM ASHBY
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101 SOUTH BROAD STREET
TRENTON, NEW JERSEY

HARRIET DERMAN
COMMISSIONER

MAILING ADDRESS:

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TRENTON, NJ 08625-0800

Dear Local Official:

As we continue to provide programs and services to the residents of our communities and, at the same time, strive to ease the property tax burden, we should be ever mindful that we must share our resources.

It has become increasingly apparent that county government and local governing bodies expand their cooperation through interlocal and joint services. This can be done without the loss of authority or home rule.

This publication is provided to you by the Department of Community Affairs as a guide to assist county and local officials in planning, organizing, and implementing a County-Municipal Cooperation program.

The Department, through its Regionalization and Special Services Unit in the Division of Local Government Services, stands ready to provide you with technical assistance and additional information. If you need any assistance, please feel free to contact the Unit at (609) 292-7842.

Sincerely,

A handwritten signature in black ink, appearing to be 'H. Derman', written over a horizontal line.

HARRIET DERMAN
Commissioner

HD:SH:dm

Enclosure



INTRODUCTION

Local governing bodies are expected to maintain or improve services in spite of diminishing revenues and "CAP" limitations, while at the same time trying to hold the line on property taxes.

The Interlocal Services Act (N.J.S.A. 40:8A-1 et seq.) was created to allow counties, municipalities, school boards and other political subdivisions in the State to reduce service costs through service programs.

The Department of Community Affairs believes expanded joint services via County-Municipal Cooperation is another positive step in cutting costs and improving efficiency. The importance of interlocal services between the county and local governing bodies, without the loss of authority or home rule, is readily apparent.

The Department supports and encourages voluntary cooperation between the county and local governing bodies to use their resources more efficiently and economically. Sharing resources is an effective way to continue to provide services needed by our communities.

Many counties have established cooperative purchasing systems. These programs feature the pooling of purchasing needs into larger total quantities, which result in reduced unit prices for all participants. Similarly, cost savings can be obtained with county provided code enforcement and health services. The county is ideally situated to provide services on an area-wide basis.

The Regionalization and Special Services Unit within the Department's Division of Local Government Services has prepared this publication to acquaint you with examples of county-municipal cooperation.

If you have any questions, or wish additional copies of this publication, please contact:

New Jersey Department of Community Affairs
Division of Local Government Services
Bureau of Local Management Services
Regionalization and Special Services Unit
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(609) 292-7842

Take the Lead

In an effort to assist local governments during these exceptionally tough times and to further encourage fiscal austerity to ease the property tax burden, county governments are being asked to play a leading role in promoting interlocal partnerships.

Statewide, municipalities have been very active as the Cooperative Pricing and Joint Purchasing Systems continue to grow with the addition of members such as Boards of Education, Authorities, and Fire Districts. Several counties have, in a large way, encouraged participation and provided technical assistance in this area. It is hoped that counties will continue to expand their areas of interlocal cooperation.

County leadership in interlocal services is needed because of its ability to provide information, expertise, and staff in addressing common needs that cross municipal borders. Some examples are solid waste, transportation, and health and welfare services.

Types of Assistance

Municipalities are seeking alternatives to their current methods of operation. Guidance and technical assistance from county government can help strengthen the ties and heighten the visibility of the county as a provider of area wide services.

Types of technical assistance provided by the county can range from information for bid advertisements to providing specifications for various pieces of equipment to lease purchasing of vehicles and buildings.

Cooperative Purchasing is a generic term used collectively to describe Cooperative Pricing and Joint Purchasing. There are, however, significant differences between the two.

Joint Purchasing: Two or more local government agencies contractually agree that one of them will be the Lead Agency or purchasing agent for the group. That lead agency or purchasing agent executes a contract for all participants.

Cooperative Pricing: The Lead Agency provides the members of the Cooperative Pricing System with the availability of prices for specified items and each participating agency has separate contracts or purchase orders with the vendors.

The Department of Community Affairs publication entitled "Cooperative Purchasing: A Guide for Local Officials (Third Edition)," further details the benefits and legal basis for Cooperative Purchasing.

There are instances when personnel from the county Parks and Recreation Departments have provided professional assistance to municipalities in the areas of design layouts and landscaping, saving substantial amounts in engineering fees.

Additionally, counties may enter into interlocal agreements to rent major pieces of equipment such as line painting trucks, remote TV's for sewer inspection, graders, and sign making machines. Other programs could include "one stop shopping" for police applicants by conducting written examinations and physical agility tests at a central site in the initial testing phases and providing lists of applicants to interested municipalities.

County-Municipal cooperation could include the joint auctioning of surplus equipment. A central location with ample parking is needed. With organization, extensive advertising and a professional auctioneer, the revenue from sales could be increased for all participants. Another area to be explored could be a coordinated drug/alcohol education/prevention program between county and local municipalities and boards.

Counties could provide a newsletter or other types of literature to inform county residents of programs that are successful in neighboring communities and provide technical assistance to municipalities in implementing new program ideas, in addition to contributing to the established programs.

Networking

Joint meetings, such as those held annually in Atlantic County, should be considered to encourage governing bodies, boards, and authorities to network with each other. An Atlantic County survey conducted in early 1992 showed the top three concerns in the municipalities were Trash Collection, Public Works/Equipment Sharing and Insurance. Other counties use quarterly meetings and Offices of Intergovernmental Relations to maintain communications with municipalities.

Gaining Official Support

To build a strong and functional cooperative effort, a formal affirmation of intent and support should be made by the participants. This can be indicated through an ordinance adopted by the municipality and a resolution approved by the county participant.

This can come later. First, counties and municipalities must begin talking - too often there is no communication between them. There needs to be the initial "ice breaking" step before they can work on identifying common needs, choosing objectives and working cooperatively to achieve goals. There are barriers of uncertainty on both sides, complicated by partisan political considerations. In many instances, a lot of history and misconceptions need to be overcome.

Legal Basis for County-Municipal Cooperation

The Interlocal Services Act (N.J.S.A. 40:8A) is the legal basis for County-Municipal Cooperation.* This Act permits New Jersey counties, municipalities, boards of education, and other political subdivisions to provide services jointly through a contract.

The Interlocal Services Act authorizes joint effort in any of the following activities:

1. general government administration;
2. health, police, and fire protection;
3. code enforcement;
4. assessment and collection of taxes;
5. financial administration;
6. environmental services;
7. joint municipal courts;
8. youth, senior citizen, welfare, and social service programs.

*Note: Charter Counties - Atlantic, Bergen, Essex, Hudson, Mercer, Union
- have additional specific joint service contract authority.

There are certain requirements specified in N.J.S.A. 40:8A-6 which must be included in any interlocal contract:

1. the exact nature and extent of the services to be performed jointly or by one or more of the parties as agent for any other party or parties;
2. measurable standards of the level, quality and scope of such performance, with specific assignment as allocation of responsibility for meeting such standards between or among the parties;
3. the estimated costs of such services throughout the duration of the contract, with allocation thereof, to the parties, in dollar amounts or by formula, including a time schedule for periodic modification of estimates or formulas contained therein in the light of actual experience and in accordance with procedures to be specified in the contract;
4. the duration of the contract, which shall be for seven (7) years, unless otherwise agreed upon by the parties;
5. the procedure for payments to be made under the contract.

Conducting a Feasibility Study

A sound feasibility study, conducted jointly should answer the basic questions relating to:

- o Providing the Service
- o Legal Considerations
- o Cost
- o Public Reaction and Policy Issues
- o Resources

The publication, "Interlocal Services: Working Together - A Guide to Joint Service Feasibility Studies and Interlocal Agreements (April 1991)" discusses the conduct of a study to determine who will do what, how it will be done, and how it will be paid for. Copies of this publication are available free-of-charge from the Regionalization Unit.

Upon completion of a feasibility study, if it is determined that an interlocal program will be initiated, local officials should prepare an interlocal services agreement.

The Department's publication "Interlocal Service Agreements: Sample Language for Selected Activities (September 1992)" provides a general outline of the content of interlocal agreements, in addition to sample language describing selected interlocal services. Copies of this publication are also free of charge from the Regionalization Unit.

Always Keep the Public Informed

As previously mentioned, it is vital to keep the residents informed about the goals and progress of potential interlocal programs. The taxpayers, whom these cooperative efforts are designed to help, need to be continually kept aware of what is being done.

Community and civic leaders, as well as other interested residents should be provided an opportunity to express their feelings and have questions or concerns answered at public hearings.* It may be possible for them to participate in the process, depending on the nature of the proposed joint service.

*The Interlocal Services Act requires a public hearing prior to acceptance of a joint program contract.

Help Is Available

Responding to recommendations made by the Governor's Task Force on Local Partnerships, Governor Florio issued Executive Order No. 63 in August 1992. This Executive Order created the State Coordinating Council on Interlocal Partnerships.

The Council is charged with:

- o increasing responsiveness to initiatives for the provision of joint local services;
- o developing outreach to identify and publicize opportunities for the joint provision of local services;
- o creating a data base consisting of fiscal, economic, operational, and other relevant data to be shared with local governments and to provide a basis for comparing the experience of local joint service arrangements in New Jersey and other states;
- o provide other "clearinghouse" and reference services.

The Council shall:

- o extend technical assistance to localities via the network;
- o develop and promote county-based forums for discussions of interlocal problems and opportunities;
- o provide a stable source of funding for local partnership initiatives.

The Regionalization and Special Services Unit serves as staff for the Council. It stands ready to work with county and local officials to establish the lines of communication needed for county-municipal cooperation.

The Unit does not conduct feasibility studies, but will provide guidance in this area as well as technical assistance in drafting interlocal agreements. The Unit can also serve to locate State agencies or other local governing bodies who can be of assistance with a potential joint program.

The Unit can be reached at (609) 292-7842.