

## CHAPTER 129

**AN ACT** authorizing the creation of a municipal shared services energy authority to provide for shared facilities, powers and services, amending P.L.1971, c.198 and supplementing Title 40A of the New Jersey Statutes.

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

C.40A:66-1 Short title.

1. This act shall be known and may be cited as the "Municipal Shared Services Energy Authority Act."

C.40A:66-2 Findings, declarations relative to municipal shared services energy authority.

2. The Legislature finds and declares that for many years, municipalities in the State have had the power to construct and maintain facilities for the generation and distribution of electricity; that nine municipalities and one rural electric cooperative presently own and operate electric utility systems for the benefit of their residents and businesses; and that the generation and distribution of electricity has evolved from a local and statewide endeavor into a national marketplace and this evolution has resulted in a system where the size and sophistication of the market participants influence the ability to efficiently compete in the marketplace.

The Legislature further finds and declares that the ability to reserve sufficient electric capacity at reasonable prices to ensure safe, reliable, and efficient electrical power to local businesses and residents is paramount in the present marketplace, and the ability is contingent on the power to contract for the generation or delivery of a sufficient quantity of wholesale power and to act as a contracting partner in long term, short term, and spot market wholesale power supply contracts; and that given this evolution of the electric supply marketplace, the municipal electric utilities operating in New Jersey should be authorized to act jointly to achieve greater efficiencies in the procurement and generation of electric power at the wholesale level to benefit the retail customers in the participating municipalities.

The Legislature further finds and declares that the operation of electric utility systems by municipalities and the improvement of these systems through joint action in the wholesale procurement of electricity and transmission services, and in the generation, transmission, and distribution of electric power and energy within the corporate limits and franchise areas of the participating municipalities, are in the public interest; and that the establishment of a municipal shared services energy authority by municipalities that currently own or operate electric utility systems will ensure the continued viability and stability of these systems, by enabling municipalities to act jointly to develop coordinated bulk power and fuel supply programs, post collateral, and act as a market participant in these programs, thereby providing the means to pursue efficiencies and savings for retail customers within their corporate limits and franchise areas.

The Legislature therefore determines that it is in the public interest to permit existing municipally-owned or operated electric utility systems to act jointly through the voluntary creation of a single municipal shared services energy authority, to authorize the authority to perform according to standard electric industry practices, in order to aid in promoting the stability and viability of these systems, and to achieve the efficiencies and savings for the retail customers of these utility systems located within the corporate limits and franchise areas of the participating municipalities.

C.40A:66-3 Definitions relative to municipal shared services energy authority.

3. As used in P.L.2015, c.129 (C.40A:66-1 et al.):

“Bonds” means any bonds, interim certificates, notes, debentures, or other obligations issued by the municipal shared services energy authority pursuant to P.L.2015, c.129 (C.40A:66-1 et al.).

"Collateral" means cash, letters of credit, or other security of a party to a wholesale power supply contract acceptable to the counterparty, which shall be valued in accordance with the terms of the applicable wholesale power supply contract and which shall be otherwise consistent with electric industry standards in the marketplace, and which shall secure the obligations of the municipal shared services energy authority and its counterparty under a wholesale power supply contract.

"Cost" means, in addition to the usual connotations thereof, the cost of acquisition or construction of all or any part of an electric supply project located within the corporate limits and franchise areas of the members and of all or any property, rights, easements, privileges, agreements, and franchises deemed by the authority to be necessary or useful and convenient therefor, or in connection therewith, including interest or discount on bonds, cost of issuance of bonds, engineering and inspection costs, legal expenses, cost of financial, professional, and other estimates and advice, organization, administrative, operating, and other expenses of the municipal shared services energy authority prior to and during acquisition or construction, and all other expenses as may be necessary or incident to the financing, acquisition, construction, and completion of an electric supply project or part thereof, and the placing of a project in operation, and the provision or reserves for working capital, operating, maintenance, replacement expenses, payment or security of principal of, or interest on, bonds during or after acquisition or construction as the authority may determine, and reimbursements to the authority or any county, municipality, or other person of any monies theretofore expended for the purposes of the authority or to any county or municipality of any monies theretofore expended for or in connection with electric utility systems and facilities.

"Electric supply project" or “project” means: a. any plant, works, system, facility, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, located within the corporate limits and franchise areas of the members, that are used or useful in the generation, production, transmission, distribution, purchase, sale, exchange, or interchange of electric power and energy, in whole or in part; b. the acquisition or transportation of fuel of any kind for the generation or production of electric power and energy within the corporate limits and franchise areas of the members; c. the storage or reprocessing of that fuel within the corporate limits and franchise areas of the members for the generation or production of electric power and energy within the corporate limits and franchise areas of the members or d. any conservation measures, for the benefit of the members, including the utilization of renewable capacity and energy, or any interest therein or right to capacity thereof that occurs within the corporate limits and franchise areas of the members.

"Energy" means: a. the output of an electric supply project measured in megawatt hours or kilowatt hours; or b. that portion of a wholesale power supply contract measured in megawatt hours or kilowatt hours.

"Inter-municipal agreement" means an agreement as provided in section 5 of P.L.2015, c.129 (C.40A:66-5), adopted by the members creating the municipal shared services energy authority and defining the rights and responsibilities of the authority and its members, as may be amended as provided herein, to, among other things, add a rural electric cooperative that exists in the State on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.), as a member.

"Local Finance Board" means the Local Finance Board in the Division of Local Government Services in the Department of Community Affairs.

"Member" means a municipality or a rural electric cooperative that, on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.), provides electric service to customers within the State and that enters into an initial or amended inter-municipal agreement of a municipal shared services energy authority.

"Member municipality" means a municipality that, on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.), operates a retail electric distribution system pursuant to R.S.40:62-12 et seq., that joins with other member municipalities to create or join the municipal shared services energy authority pursuant to section 4 of P.L.2015, c.129 (C.40A:66-4).

"Municipal shared services energy authority" or "authority" means the authority created pursuant to section 4 of P.L.2015, c.129 (C.40A:66-4).

"Power supply contract" means: a. a contractual arrangement between the authority and another person for the purchase of wholesale electric power and energy and component goods and services related thereto by the authority for its members; b. a contractual arrangement between the authority and its members for the wholesale sale of electric power and energy produced by the authority's generation facilities; or c. a contractual arrangement between the authority and any other person for the wholesale sale of excess electric power and energy purchased or produced by the authority that is not needed to serve the load within the corporate limits and franchise areas of the members. A power supply contract shall not include a contract for the sale of excess power by the authority to any other municipality.

"Public agency" means any municipality or other municipal corporation, political subdivision, government unit, or public corporation created under the laws of this State, another state, or under federal law, any state, the United States, and any person, board, or other body declared by State or federal law to be a department, agency or instrumentality thereof.

"Rural electric cooperative" means a non-profit cooperative in existence on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.), that serves customers within the State and that is exclusively owned and controlled by the customers it serves, and which is exempt from the jurisdiction of the Board of Public Utilities pursuant to section 1 of P.L.1983, c.78 (C.48:2-13.1).

C.40A:66-4 "Municipal shared services energy authority."

4. a. Any combination of three or more municipalities that, on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.), operate retail electric distribution systems pursuant to R.S.40:62-12 et seq. may, by adoption of parallel ordinances approving an inter-municipal agreement, establish a separate legal entity to be known as the "municipal shared services energy authority" to be used by its members to effect joint development of electric energy resources or production, distribution, and transmission of electric power and energy, including the utilization of renewable capacity and energy, in whole or in part, for the benefit of its members. Notwithstanding any other law to the contrary, following approval by the Local Finance Board pursuant to subsection b. of this section, the final adoption by the municipalities of the parallel ordinances, and due execution by the municipalities, the inter-municipal agreement shall have a term as provided by the inter-municipal agreement. The member municipalities that enter into the inter-municipal agreement may thereafter amend the inter-municipal agreement as provided in subsection e. of this section.

Only one municipal shared services energy authority may be established pursuant to P.L.2015, c.129 (C.40A:66-1 et al.).

b. Upon the introduction of the parallel ordinances by each municipality seeking to create the authority, but before final adoption of the ordinances, copies of the ordinances, together with the proposed inter-municipal agreement, shall be submitted to the Local Finance Board for approval. If, upon submission of a complete application for approval of the proposed inter-municipal agreement, the Local Finance Board does not approve the agreement, it shall specify the reason or reasons therefor, and shall file its statement with the clerk of each member municipality. If the Local Finance Board does not act upon the application for approval of the proposed inter-municipal agreement within 60 days after receipt of the submission of a complete application, then the ordinances and proposed inter-municipal agreement shall be deemed approved and the municipalities may proceed to adopt the proposed ordinances.

c. Once the authority has been legally established pursuant to the provisions of P.L.2015, c.129 (C.40A:66-1 et al.), only those municipalities that operate a retail electric distribution system pursuant to R.S.40:62-12 et seq. on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.) may join the authority as provided in this subsection.

(1) A municipality requesting to become a member of the authority shall negotiate an amended inter-municipal agreement on terms and conditions acceptable to the members. Once an amended inter-municipal agreement has been agreed to, it shall be submitted for approval to the board of commissioners of the authority. Adoption of an amended inter-municipal agreement shall require the approval by a two-thirds majority vote of the full membership of the board of commissioners, approval by the Local Finance Board of the proposed amended agreement, and final adoption by each member municipality of an ordinance approving the proposed agreement, as provided in subsection e. of this section.

(2) The municipality requesting to become a member of the authority shall introduce an ordinance approving the amended inter-municipal agreement as approved by the board of commissioners of the authority. Upon the introduction of the ordinance, but before final adoption of the ordinance, copies of the ordinance, together with the proposed amended inter-municipal agreement, shall be submitted to the Local Finance Board for approval. If, upon submission of a complete application for approval of the proposed amended inter-municipal agreement, the Local Finance Board does not approve the agreement, it shall specify the reason or reasons, therefor, and shall file its statement with the clerk of each member municipality. If the Local Finance Board does not disapprove the application for approval of the proposed amended inter-municipal agreement within 60 days after receipt of a complete application, then the ordinance and proposed amended inter-municipal agreement shall be deemed approved and the municipality may proceed to adopt the proposed ordinance.

d. Once the authority has been established, it may add a rural electric cooperative that exists on the effective date of P.L.2015, c.129 (C.40A:66-1 et al.) as a member as provided in this subsection.

(1) A rural electric cooperative requesting to become a member of the authority and the board of commissioners of the authority shall negotiate an amended inter-municipal agreement on terms and conditions acceptable to the parties. Once an amended inter-municipal agreement has been agreed to, it shall be submitted for approval by the board of commissioners. Adoption of an amended inter-municipal agreement shall require approval by a two-thirds majority vote of the full membership of the board of commissioners and approval by ordinance of each member municipality as provided in subsection e. of this section.

(2) The authority shall submit the proposed amended inter-municipal agreement for approval to the Local Finance Board. If, upon submission of a complete application for approval of the proposed amended inter-municipal agreement, the Local Finance Board does not approve the agreement, it shall specify the reason or reasons, therefor, and shall file its statement with the clerk of each member municipality. If the Local Finance Board does not act upon the application for approval of the proposed amended inter-municipal agreement within 60 days after receipt of a complete application, then the proposed amended inter-municipal agreement shall be deemed approved.

e. Upon approval by the board of commissioners of an amended inter-municipal agreement, each member municipality shall introduce an ordinance approving the amended inter-municipal agreement. Before final adoption of the ordinances, copies of the ordinances, together with the proposed amended inter-municipal agreement, shall be submitted to the Local Finance Board for approval. If, upon submission of a complete application for approval of the proposed amended inter-municipal agreement, the Local Finance Board does not approve the agreement, it shall specify the reason or reasons, therefor, and shall file its statement with the clerk of each member municipality. If the Local Finance Board does not act upon the application for approval of the proposed amended inter-municipal agreement within 60 days after receipt of the submission of a complete application, then the ordinances and proposed amended inter-municipal agreement shall be deemed approved and the municipalities may proceed to adopt the proposed ordinances.

#### C.40A:66-5 Provision of inter-municipal agreement.

5. The inter-municipal agreement establishing the municipal shared services energy authority pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) shall provide:

a. The name and purpose of the authority and the functions or services to be provided by the authority;

b. The establishment and organization of a governing board for the authority which shall be a board of commissioners in which the powers of the authority are vested. The inter-municipal agreement may provide for the creation by the board of commissioners of an executive committee to which the power and duties may be delegated as the board shall specify;

c. The number of commissioners, the manner of their appointment, the terms of office, if any, and the procedure for filling vacancies on the board. Commissioners shall receive no compensation for their service on the board. Each member shall have the power to appoint one member to the board of commissioners and shall be entitled to remove that member at will;

d. The manner of selection of the executive director and staff of the authority and their duties;

e. The voting requirements for action by the board; but, unless specifically provided otherwise, a majority of commissioners shall constitute a quorum and a majority of the quorum shall be necessary for any action taken by the board;

f. The duties of the board, which shall include the obligation to comply with the "Local Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) except as otherwise provided in P.L.2015, c.129 (C.40A:66-1 et al.), and the laws of this State and, in addition, with every provision in the inter-municipal agreement creating the authority on its part to be kept or performed;

g. The manner in which additional municipalities and rural electric cooperatives as authorized pursuant to section 4 of P.L.2015, c.129 (C.40A:66-4) may become parties to the inter-municipal agreement by amendment;

h. The manner in which members may withdraw from participation in the inter-municipal agreement, which shall include a defeasance of the member's pro-rata share of any bonds issued by the authority;

i. Provisions for the disposition, division, or distribution of any property or assets of the authority on dissolution;

j. The term of the inter-municipal agreement, which may be a definite period or until rescinded or terminated, and the method, if any, by which the inter-municipal agreement may be rescinded or terminated, but the inter-municipal agreement may not be rescinded or terminated so long as the authority has bonds outstanding, unless provision for full payment of the bonds, by escrow or otherwise, has been made pursuant to the terms of the bonds or the resolution, trust indenture, or security instrument securing the bonds; and

k. The terms for payment to the authority of funds for commodities to be procured and services to be rendered by the authority, including the authority to enter into purchase agreements between the members and the authority for the purchase of wholesale electric power and energy whereby the member is obligated to make payments or provide collateral in amounts which shall be sufficient to enable the authority to meet its expenses, interest, and principal payments, whether at maturity or upon sinking fund redemption, for its bonds, reasonable reserves for debt service, operation, and maintenance and renewals and replacements and the requirements of any rate covenant with respect to debt service coverage contained in any resolution, trust indenture, or other security instrument. The purchase agreements between the members and the authority may contain other terms and conditions as the authority and the members may determine, including provisions whereby a member is obligated to pay for electric power and energy irrespective of whether electric power and energy is produced or delivered to the member or whether any electric supply project contemplated by the agreement is completed, operable or operating, and notwithstanding suspension, interruption, interference, reduction, or curtailment of the output of the electric supply project. The inter-municipal agreement may further provide that, if one or more of the members defaults in the payment of its obligations under a purchase agreement, the remaining members, which also have purchase agreements, shall be required to accept and pay for, and shall be entitled proportionately to use or otherwise dispose of, the power and energy to be purchased by the defaulting purchaser. For the purposes of this section, "purchase of electric power and energy" includes the purchase of any right to capacity, or interest in, any electric supply project.

C.40A:66-6 Construction of act.

6. Nothing in P.L.2015, c.129 (C.40A:66-1 et al.) shall be construed to restrict the right of a person to form a rural electric cooperative or a municipality to engage in functions authorized pursuant to R.S.40:62-12 et seq.

C.40A:66-7 Certain interest in contracts prohibited.

7. A commissioner, officer, or employee of the municipal shared services energy authority shall not have or acquire any interest, direct or indirect, in any contract or proposed contract or property related to the provision of wholesale electric power, transmission, generation, materials, services, or supplies to be furnished, to or used by, the authority or any of its members.

C.40A:66-8 Municipal shared services energy authority to be public body politic and corporate; powers.

8. The municipal shared services energy authority shall be a public body politic and corporate, established as an instrumentality exercising public and essential governmental functions to provide for the public health and welfare. The authority shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate but shall not have taxing power. The authority shall be a "contracting unit" for purposes of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), shall have perpetual succession, and, to meet the electric power or energy needs of its members, shall have the following powers:

- a. To adopt and have a common seal and to alter the same at pleasure;
- b. To sue and be sued;
- c. To acquire, own, rent, hold, lease, as lessor or lessee, use and sell or otherwise dispose of, mortgage, pledge, or grant a security in, any real or personal property, commodity, or service or interest therein;
- d. To hold or place collateral with a counterparty to a wholesale power supply contract and to account for value and use collateral as provided in the power supply contract, notwithstanding any other law or regulation to the contrary;
- e. To plan, develop, acquire, construct, reconstruct, operate, manage, dispose of, participate in, maintain, repair, extend, or improve one or more electric supply projects within the corporate limits and franchise areas of the members, and act as agent, or designate one or more other persons participating in an electric supply project to act as its agent, in connection with the planning, acquisition, construction, operation, maintenance, repair, extension, or improvement of the electric supply project for generation, production, transmission, and provision to the members of the authority of electrical power and energy at wholesale, to meet the electric power or energy needs of the members, provided that the authority shall not sell electric power or energy at the retail level;
- f. To enter into franchises, exchange, interchange, pooling, wheeling, or transmission agreements with any person, firm, entity, or public agency in order to purchase wholesale electric power and energy for the members, or to sell excess power and energy purchased or produced by the members' generation assets and not needed to serve the load within the corporate limits and franchise areas of the members, and to negotiate for, and buy fuels necessary for the production of electric power and energy within the corporate limits and franchise areas of the members, to develop bulk power and fuel supply programs, and to implement energy conservation measures within the corporate limits and franchise areas of the members as necessary or appropriate, to meet the electric power or energy needs of its members;
- g. To negotiate and enter into power supply contracts pursuant to section 19 of P.L.2015, c.129 (C.40A:66-19) and to take actions as are necessary to remain in compliance with the terms of those contracts;
- h. To make and execute additional contracts and other instruments necessary or convenient to the exercise of its powers;
- i. To employ agents and employees;
- j. To contract with any person, entity, or public agency within or outside the State of New Jersey for the construction of any electric supply project within the corporate limits and franchise area of its members or for the purchase, sale, or transmission of electric power and energy generated by any electric supply project located within the corporate limits and franchise area of its members, in whole or in part, for the benefit of its members, or for any

interest or share therein, or any right to capacity thereof, on terms and for a period of time as its board shall determine, provided that the authority shall not enter into any contract that speculates in the energy markets and the authority shall not construct or contract for the construction of any electric supply project that, when added to the existing authority-owned or co-owned generation assets, will produce more than 105 percent of the power and energy requirements of the members;

k. To purchase and sell, exchange, or transmit electric power and energy at wholesale within and outside the State, consistent with federal law, in amounts as it shall determine to be necessary or appropriate to make the most effective use of its powers and to meet its responsibilities, to sell, exchange, or transmit excess electric power purchased or produced by electric generation facilities within the corporate limits and franchise areas of its members that is not needed to serve the load within those corporate limits and franchise areas;

l. To co-own an electric generating facility project initiated by any person and constructed outside the corporate limits and franchise area of the members, provided that: (1) the share of authority co-ownership shall be restricted to supply the electric and power needs of the members of the authority; and (2) when added to the aggregate of existing authority-owned or member-owned generation facilities together with co-ownership of facilities outside of the corporate limits and franchise areas of the members, the aggregate produces no more than 105 percent of the power and energy needs of the members;

m. To provide for and secure the payment of any bonds and the rights of the holders thereof, and to purchase, hold, and dispose of any bonds;

n. To accept gifts or grants of real or personal property, money, material, labor, or supplies solely for the purposes and exclusive use and benefit of the municipal shared services energy authority, and to make and perform those agreements and contracts as may be necessary or convenient in connection with the procuring, acceptance, or disposition of the gifts or grants;

o. To make and enforce by-laws or rules and regulations for the management and regulation of its business and affairs and for the use, maintenance, and operation of its properties and to amend its by-laws;

p. To do and perform any acts and things authorized by P.L.2015, c.129 (C.40A:66-1 et al.), through or by means of its own officers, agents, and employees, or by contract with any person;

q. To enter into any and all contracts, execute any and all instruments, and do and perform any and all things or acts necessary, convenient, or desirable for the purposes of the municipal shared services energy authority, or to carry out any power expressly authorized under P.L.2015, c.129 (C.40A:66-1 et al.);

r. To exercise powers which are granted to municipalities under R.S.40:62-12 et seq.;

s. To join organizations, including private or trade organizations, which the board of commissioners has deemed to be beneficial to the accomplishment of the authority's purposes;

t. To enter into a power supply contract, lease, operation contract, or contract for management of electric generation within the corporate limits and franchise areas of its members, or for the purchase of fuel for electric generation within the corporate limits and franchise areas of the members, to meet the electric power or energy needs of its members, for a term not to exceed 40 years; and

u. To invest any funds held in reserve or sinking funds, or any funds not required for immediate disbursement, including the proceeds from the sale of any bonds, in those



obligations, securities, and other investments as the authority deems to be proper and as the members of the authority are authorized pursuant to law.

C.40A:66-9 Issuance of bonds.

9. a. In order to meet the electric power needs of its members, the municipal shared services energy authority shall have the power to authorize or provide for the issuance of bonds pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) for the purpose of raising funds to pay the cost of any part of an electric supply project, to fulfill the terms of a power supply contract, including any provision for collateral or related performance security measures, and to fund or refund any bonds.

b. The municipal shared services energy authority shall adopt a bond resolution which shall:

(1) describe in brief and general terms sufficient for reasonable identification the electric supply project or part thereof, to be constructed or acquired, or describe the bonds which are to be funded or refunded, if any;

(2) state the cost or estimated cost of the project, if any; and

(3) provide for the issuance of the bonds in accordance with sections 10 through 18 of P.L.2015, c.129 (C.40A:66-10 through C.40A:66-18).

C.40A:66-10 Powers upon adoption of bond resolution.

10. Upon adoption of a bond resolution, the municipal shared services energy authority shall have power to incur indebtedness, borrow money, and issue its bonds for the purpose of financing a project to meet the electric power needs of its members or of funding or refunding the bonds issued pursuant to P.L.2015, c.129 (C.40A:66-1 et al.). The bonds shall be authorized by the bond resolution and may be issued in one or more series and shall bear the date or dates, mature at a time or times not exceeding 40 years from the date thereof, bear interest at a rate or rates within a maximum rate as permitted by law, be in a denomination or denominations, be in a form, either coupon or registered, carry conversion or registration privileges, have a rank or priority, be executed in a manner, be payable from sources in a medium of payment at a place or places within or without the State, and be subject to the terms of redemption, with or without a premium, as the bond resolution may provide.

C.40A:66-11 Sale of bonds.

11. Bonds of the municipal shared services energy authority may be sold by the municipal shared services energy authority at public or private sale, and at a price or prices the municipal shared services energy authority shall determine subject to the provisions of the "Local Authorities Fiscal Control Law," P.L.1983, c. 313 (C.40A:5A-1 et seq.).

C.40A:66-12 Filing of copy of bond resolution for public inspection, publication.

12. The municipal shared services energy authority may cause a copy of any bond resolution adopted by it to be filed for public inspection in its office and in the office of the clerk of the governing body of each member municipality, and may thereupon cause to be published, in a newspaper published or circulating in each member's community, a notice stating the fact and date of this adoption and the places where the bond resolution has been filed for public inspection, the date of the first publication of the notice, and that any action or proceeding in any court questioning the validity or proper authorization of bonds provided for by the bond resolution, or the validity of any covenants, agreements, or contract provided for by the bond resolution, shall be commenced within 20 days after the first publication of

the notice. If the notice shall at any time be published and if no action or proceeding questioning the validity of the establishment of the municipal shared services energy authority or the validity or proper authorization of bonds provided for by the bond resolution referred to in the notice, or the validity of any covenants, agreements, or contract provided for by the bond resolution shall be commenced or instituted within 20 days after the first publication of the notice, then all residents and taxpayers and owners of property in each of the member municipalities, and all other persons whatsoever, shall be forever barred and foreclosed from instituting or commencing any action or proceeding in any court, or from pleading any defense to any action or proceedings, questioning the validity of the establishment of the municipal shared services energy authority, the validity or proper authorization of the bonds, or the validity of the covenants, agreements, or contracts, and the municipal shared services energy authority shall be conclusively deemed to have been validly established and to be authorized to transact business and exercise powers as an authority pursuant to P.L.2015, c.129 (C.40A:66-1 et al.), and the bonds, covenants, agreements, and contracts shall be conclusively deemed to be valid and binding obligations in accordance with their terms and tenor.

C.40A:66-13 Bond, obligation, coupon fully negotiable.

13. The provisions of any law, rule, or regulation to the contrary notwithstanding, any bond or other obligation issued pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) shall be fully negotiable for the purposes of the negotiable instruments law under Title 12A of the New Jersey Statutes, and each holder or owner of a bond or other obligation, or of any coupon appurtenant thereto, by accepting the bond or coupon shall be conclusively deemed to have agreed that the bond, obligation, or coupon is and shall be fully negotiable for the purposes of the negotiable instruments law under Title 12A of the New Jersey Statutes.

C.40A:66-14 No liability for bonds, obligations, certain.

14. Neither the members of the municipal shared services energy authority nor any person executing bonds issued pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) shall be liable personally on the bonds by reason of the issuance thereof. Bonds or other obligations issued pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) shall not be in any way a debt or liability of the State, and bonds or other obligations issued by the municipal shared services energy authority pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) shall not be in any way a debt or liability of the State, of any local unit, of any county, or of any municipality, except for member municipalities guaranteeing the bonds in accordance with the provisions of section 18 of P.L.2015, c.129 (C.40A:66-18), and shall not create or constitute any indebtedness, liability, or obligation of the State of any local unit, of any county, or of any municipality, either legal, moral, or otherwise, and nothing in P.L.2015, c.129 (C.40A:66-1 et al.) shall be construed to authorize the municipal shared services energy authority to incur any indebtedness on behalf of, or in any way, to obligate the State or any county or municipality.

C.40:66-15 Provisions, covenants with bond holders.

15. Any bond resolution of the municipal shared services energy authority providing for or authorizing the issuance of any bonds may contain provisions, and the municipal shared services energy authority shall, in order to secure the payment of the bonds in addition to its other powers, have the power by the provisions in the bond resolution to covenant and agree with the several holders of the bonds, as to:

- a. The custody, security, use, expenditure, or application of the proceeds of the bonds;

b. The construction and completion, or replacement, of all or any part of an electric supply project of the municipal shared services energy authority or its system;

c. The use, regulation, operation, maintenance, insurance, or disposition of all or any part of an electric supply project of the municipal shared services energy authority, or its system, or restrictions on the exercise of the powers of the municipal shared services energy authority to dispose of, limit, or regulate the use of all or any part of the electric supply project or system;

d. The payment of the principal of, or interest on, the bonds, or any other obligations, and the sources and methods thereof, the rank or priority of the bonds or obligations as to any lien or security, or the acceleration of the maturity of the bonds or obligations;

e. The use and disposition of any monies of the municipal shared services energy authority, including any of the authority's revenues, derived or to be derived from the operation of all or any part of one or more electric supply projects of the municipal shared services energy authority or systems thereof, including any parts thereof that are thereafter constructed or acquired as any of the project's parts, extensions, replacements, or improvements thereafter constructed or acquired;

f. The pledging, setting aside, depositing, or acting as trustee for all or any part of the system revenues or other monies of the municipal shared services energy authority to secure the payment of the principal of, or interest on, the bonds or any other obligations, or the payment of expenses of operation or maintenance of one or more electric supply projects of the municipal shared services energy authority or its system, and the powers and duties of any trustee with regard thereto;

g. The setting aside out of the system revenues or other monies of the municipal shared services energy authority including its reserves and sinking funds, and the source, custody, security, regulation, application, and disposition thereof;

h. The determination or definition of the system revenues or of the expenses of operation and maintenance of the system or one or more of its electric supply projects;

i. The rents, rates, fees, or other charges in connection with the use, products, or services of one or more electric supply projects of the municipal shared services energy authority or its system, including any of the parts, extensions, replacements, or improvements of the project or its system thereafter constructed or acquired, and the fixing, establishment, collection, and enforcement of those charges, the amount of electric supply project revenues or system revenues to be produced thereby, and the disposition and application of the amounts charged or collected;

j. The assumption or payment or discharge of any indebtedness, liens, or other claims relating to the whole or any part of one or more electric supply projects of the municipal shared services energy authority or of its system for any obligations having or which may have a lien on any part of the system of the municipal shared services energy authority;

k. The limitations on the issuance of additional bonds or any other obligations or on the incurrence of indebtedness of the municipal shared services energy authority;

1. The limitations on the powers of the municipal shared services energy authority to construct, acquire or operate, or to permit the construction, acquisition, or operation of, any plants, structures, facilities, or properties which may compete or tend to compete with one or more of the municipal shared services energy authority's electric supply projects or any part of its system;

m. The vesting in a trustee or trustees within or without the State any property, rights, powers, and duties in trust as the municipal shared services energy authority may determine, which may include any or all of the rights, powers, and duties of the trustee appointed by the

holders of bonds, and limiting or abrogating the right of the holders to appoint a trustee or limiting the rights, duties, and powers of the trustee;

n. The payment of costs or expenses incident to the enforcement of the bonds or of the provisions of the bond resolutions or of any covenant or contract with the holders of the bonds;

o. The procedure, if any, by which the terms of any covenant or contract with, or duty to, the holders of the bonds may be amended or abrogated, the amount of bonds that the holders of which must consent thereto, and the manner in which the consent may be given or evidenced; and

p. Any other matter or course of conduct which, by recital in the bond resolution, is declared to further secure the payment of the principal of, or interest on, the bonds.

The provisions of the bond resolution and the covenants and agreements relative thereto shall constitute valid and legally binding contracts between the municipal shared services energy authority and the several holders of the bonds, regardless of the time of issuance of the bonds, and shall be enforceable by any holder or holders by appropriate suit, action, or proceeding in any court of competent jurisdiction, or by proceeding in lieu of prerogative writ.

C.40A:66-16 Trustee to represent bond holders; powers.

16. a. If the bond resolution of the municipal shared services energy authority authorizing or providing for the issuance of a series of its bonds shall provide in substance that the holders of the bonds of the series shall be entitled to the benefits of this section, then, in the event that there shall be a default in the payment of the principal of, or interest on, any bonds of the series after the bonds shall become due, whether at maturity or upon call for redemption, and the default shall continue for a period of 30 days, or in the event that the municipal shared services energy authority shall fail or refuse to comply with the provisions of P.L.2015, c.129 (C.40A:66-1 et al.) or shall fail or refuse to carry out and perform the terms of any contract with the holders of those bonds, and that failure or refusal shall continue for a period of 30 days after written notice to the municipal shared services energy authority of its existence and nature, the holders of 25 percent in aggregate principal amount of the bonds and the series then outstanding by instrument or instruments filed in the office of the Secretary of State and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of the bonds of the series for the purposes provided in this section.

b. The trustee, appointed pursuant to subsection a. of this section, may and upon written request of the holders of 25 percent in aggregate principal amount of the bonds of the series then outstanding shall, in the trustee's or its own name:

(1) by any action, writ, proceeding in lieu of prerogative writ, or other proceeding, enforce all rights of the holders of the bonds, including the right to require the municipal shared services energy authority to charge and collect service charges adequate to carry out any contract as to, or pledge of, system revenues, and to require the municipal shared services energy authority to carry out and perform the terms of any contract with the holders of the bonds or its duties under P.L.2015, c.129 (C.40A:66-1 et al.);

(2) bring an action upon all or any part of the bonds or interest coupons or claims appurtenant thereto;

(3) by action, require the municipal shared services energy authority to account as if it were the trustee of an express trust for the holders of the bonds;

(4) by action, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the bonds; and

(5) declare all the bonds due and payable, whether or not in advance of maturity, upon 30 days' prior notice in writing to the municipal shared services energy authority and, if all defaults shall be made good, then with the consent of the holders of 25 percent of the principal amount of the bonds then outstanding, annul the declaration and its consequences.

c. The trustee shall, in addition to the powers set forth in subsections a. and b. of this section, possess all of the powers necessary for the exercise of the functions specifically set forth herein or incident to the general representation of the holders of bonds of the series in the enforcement and protection of their rights.

d. In any action or proceeding by the trustee, the fees, counsel fees and expenses of the trustee and of the receiver, if any, appointed pursuant to P.L.2015, c.129 (C.40A:66-1 et al.), shall constitute taxable costs and disbursements, and all costs and disbursements, allowed by the court, shall be a first charge upon any service charges and system revenues of the municipal shared services energy authority pledged for the payment or security of bonds of the series.

#### C.40A:66-17 Appointment of receiver.

17. If the bond resolution of the municipal shared services energy authority authorizing or providing for the issuance of a series of its bonds shall provide that the holders of the bonds of the series shall be entitled to the benefits of section 15 of P.L.2015, c.129 (C.40A:66-15), and shall further provide that any trustee appointed pursuant to that section or having the powers of a trustee shall have the powers provided by this section, then the trustee, whether or not all of the bonds of the series have been declared due and payable, shall be entitled as of right to the appointment of a receiver of the assets of the authority, and the receiver may enter upon and take possession of the assets of the authority and, subject to any pledge or contract with the holders of the bonds, shall take possession of all monies and other property derived from or applicable to the acquisition, construction, operation, maintenance, or reconstruction of the assets of the authority, and proceed with the acquisition, construction, operation, maintenance, or reconstruction which the municipal shared services energy authority is under any obligation to do, and operate, maintain, and reconstruct the utility system and fix, charge, collect, enforce, and receive the service charges and all system revenues thereafter arising subject to any pledge thereof or contract with the holders of the bonds relating thereto and perform the public duties and carry out the contracts and obligations of the municipal shared services energy authority in the same manner as the municipal shared services energy authority itself might do, and under the direction of the court.

#### C.40A:66-18 Guaranty of bonds.

18. For the purpose of aiding the municipal shared services energy authority in the planning, undertaking, acquisition, construction, financing, or operation of any electric supply project authorized pursuant to P.L.2015, c.129 (C.40A:66-1 et al.), a member municipality may, by ordinance of its governing body, in the manner provided for adoption of a bond ordinance as provided in the "Local Bond Law," N.J.S.40A:2-1 et seq. and with or without consideration and upon those terms and conditions as may be agreed to by and between the member municipality and the authority, unconditionally guaranty the punctual payment of the principal of, and interest on, all or a portion of any bonds of the authority. Any guaranty of the bonds of the authority made pursuant to this section shall be evidenced

by endorsement thereof on the bonds, executed in the name of the member municipality and on its behalf by the officer thereof as may be designated in the ordinance authorizing the guaranty, and the municipality shall be obligated to pay the principal of, and interest on, the bonds in the same manner and extent as in the case of bonds issued by it. Any ordinance authorizing the guaranty shall be treated as a security agreement and shall be subject to the provisions of the "Local Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.). Any guaranty of bonds of the authority may be made, and any ordinance authorizing the guaranty may be adopted, notwithstanding any statutory debt or other limitations, including particularly any limitation or requirement under or pursuant to the "Local Bond Law," N.J.S.40A:2-1 et seq., but the principal amount of the bonds so guaranteed, shall, after their issuance, be included in the gross debt of the member municipality for the purpose of determining the indebtedness of the municipality under or pursuant to the "Local Bond Law," N.J.S.40A:2-1 et seq. The principal amount of the bonds guaranteed and included in gross debt shall be deducted and declared to be a deduction from gross debt under the "Local Bond Law," N.J.S.40A:2-1 et seq.:

a. after the issuance of the bonds until the end of the fiscal year beginning next after the completion of acquisition or construction of the facility to be financed from the proceeds of the bonds; and

b. in any annual debt statement filed pursuant to the "Local Bond Law," N.J.S.40A:2-1 et seq. as of the end of the fiscal year or any subsequent fiscal year if the revenues or other receipts or monies of the authority in that year are sufficient to pay its expenses of operation and maintenance in the year, and all amounts payable in the year on account of the principal of, and interest on, all guaranteed bonds, and all bonds of the authority issued under P.L.2015, c.129 (C.40A:66-1 et al.).

#### C.40A:66-19 Wholesale power supply contract.

19. a. The municipal shared services energy authority may enter into a wholesale power supply contract with any person to meet the electric power or energy needs of its members, for the purchase or sale of electric power or energy, or both, and for the wholesale sale of any excess electric power or energy. A power supply contract shall be for a term not to exceed 40 years and shall provide for payment to or from the authority of funds for commodities to be procured, and services to be rendered by or to the authority. The authority may enter into a power supply contract with persons for the purchase or sale of electric power and energy, or both, whereby the purchaser is obligated to make payments in amounts which shall be sufficient to enable the authority to meet its expenses, interest, and principal payments, whether at maturity or upon sinking fund redemption, for its bonds, reasonable reserves for debt service, operation and maintenance, renewals and replacements, and the requirements of any rate covenant with respect to debt service coverage contained in any resolution, trust indenture, or other security instrument. A power supply contract may contain other terms and conditions as the municipal shared services energy authority and the purchasers may determine, including provisions whereby the purchaser is obligated to pay for electric power irrespective of whether energy is produced or delivered to the purchaser, or whether any electric supply project contemplated by the power supply contract is completed, operable, or operating, and notwithstanding suspension, interruption, interference, reduction, or curtailment of the output of the electric supply project. The power supply contract may provide that if one or more of the purchasers defaults in the payment of its obligations under the power supply contract, the remaining purchasers which also have a power supply contract shall be required to accept and pay for the electric power and energy

to be purchased by the defaulting purchaser, and shall be entitled proportionately to use or otherwise dispose of the electric power and energy to be purchased by the defaulting purchaser. For purposes of this subsection, the term “purchase or sale of electric power and energy” includes the purchase of any right to capacity of, or interest in, any electric supply project located within the corporate limits and franchise areas of the members.

b. The obligations of a member municipality under a power supply contract with the authority, or arising out of the default by any other member with respect to a power supply contract, shall not be construed to constitute a debt of the municipality. To the extent provided in the power supply contract, these obligations shall constitute special obligations of the municipality, payable solely from the revenues and other monies derived by the municipality from its municipal electric utility and shall be treated as expenses of operating a municipal electric utility.

c. The power supply contract may also provide for payments in the form of collateral, contributions to defray the cost of any purpose set forth in the contract, and as advances for a purpose subject to repayment by the municipal shared services energy authority.

d. A power supply contract may be for a term covering the life of an electric supply project, for the anticipated output period of the electric supply project, or for any other term not exceeding 40 years.

#### C.40A:66-20 Compliance.

20. The authority formed pursuant to P.L.2015, c.129 (C.40A:66-1 et al.) shall comply with the provisions of P.L.2015, c.129 (C.40A:66-1 et al.) and all applicable federal and State laws. Nothing in P.L.2015, c.129 (C.40A:66-1 et al.) shall be construed to require regulation of an authority or its members as an electric public utility as defined under R.S.48:2-13. Wholesale sales and purchases by the authority shall not subject the authority or its members to the jurisdiction of the Board of Public Utilities as a public utility pursuant to Title 48 of the Revised Statutes. A municipality that is a member of the authority shall continue to be subject to all laws of the State.

#### C.40A:66-21 Exemption from levy, sale.

21. All property of the authority within the corporate limits and franchise areas of the members shall be exempt from levy and sale by virtue of an execution of a court of competent jurisdiction and no execution or other judicial process shall issue against the authority nor shall any judgment against the authority be a charge or lien upon its property, provided, however, that nothing in this section shall apply to or limit the rights of the holder of any bonds to pursue any remedy for the enforcement of any pledge or lien given by the authority on its system, revenues, or other monies.

#### C.40A:66-22 Investment of funds.

22. Notwithstanding any restriction contained in any other law, the State and all public officers, municipalities, counties, political subdivisions of public bodies, and agencies thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees, and other fiduciaries, may legally invest any sinking funds, monies, or other funds belonging to them or within their control, in any bonds of the authority, and the bonds shall be authorized security for any and all public deposits.

## C.40A:66-23 Public property; tax exemption.

23. Every electric supply project or facility within the corporate limits and franchise areas of the members that is owned by the authority, including any pro rata share of any property within the corporate limits and franchise areas of the members that is owned by the authority in conjunction with any other person or public agency and used in connection with the generation, transmission, and production of electric power and energy, and all other property of the authority within the corporate limits and franchise areas of the members, is hereby declared to be public property and devoted to an essential public and governmental function and purpose, and the property within the corporate limits and franchise areas of the members, the authority and its income shall be exempt from all taxes and special assessments of the State or any subdivision of the State. All bonds of the authority are hereby declared to be issued by a political subdivision of the State and for an essential public and governmental purpose and to be a public instrumentality in the bonds, and the interest thereon and the income therefrom and all service charges, funds, revenues, and other monies pledged or available to pay or secure the payment of the bonds, or interest thereon, shall at all times be exempt from taxation except for transfer, inheritance and estate taxes, and taxes on transfers by or in contemplation of death.

## C.40A:66-24 Pledge, covenant with bond holders.

24. The State of New Jersey does hereby pledge to and covenant and agree with the holders of any bonds issued pursuant to a bond resolution of the authority, that the State will not limit or alter the rights hereby vested in the municipal shared services energy authority to acquire, construct, operate, and participate in one or more electric supply projects and facilities for the generation, production, and transmission of electric power and energy at wholesale, to fix, establish, charge, and collect charges, fees, and payments, and to fulfill the terms of any agreement made with the holders of the bonds or other obligations, will not in any way impair the rights or remedies of these holders, and will not modify in any way the exemptions from taxation provided for in P.L.2015, c.129 (C.40A:66-1 et al.) until the bonds, together with interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of these holders, are fully met and discharged.

## C.40A:66-25 Payment of funds to authority.

25. All banks, bankers, trust companies, savings banks, investment companies, and other persons carrying on a banking business are hereby authorized to give to the municipal shared services energy authority a good and sufficient undertaking with those sureties as shall be approved by the authority to the effect that the bank or banking institution shall faithfully keep and pay over to the order of or upon the warrant of the authority or its authorized agent, all funds as may be deposited with it by the authority and agreed interest thereon, at times or upon demands as may be agreed with the authority or in lieu of these sureties, deposit with the authority or its agent or any trustee therefor or for the holders of any bonds, as collateral, the securities as the authority may approve. The deposits of the authority may be evidenced or secured by a depository collateral agreement in a form and upon terms and conditions as may be agreed upon by the authority and the bank or banking institution.

## C.40A:66-26 Annual audit.

26. The municipal shared services energy authority shall cause an annual audit of its accounts to be made, and for this purpose shall employ a certified public accountant licensed



pursuant to the laws of the State. The audit shall be completed and filed with the authority within four months after the close of its fiscal year and a certified duplicate thereof shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs within five days after the original report is filed with the authority.

C.40A:66-27 Filing of copy of bond resolution.

27. The municipal shared services energy authority shall file a copy of each bond resolution adopted by it with the Director of the Division of Local Government Services in the Department of Community Affairs, together with a summary of the dates, amounts, maturities, and interest rates of all bonds issued pursuant thereto.

28. Section 5 of P.L.1971, c.198 (C.40A:11-5) is amended to read as follows:

C.40A:11-5 Exceptions.

5. Any contract the amount of which exceeds the bid threshold, may be negotiated and awarded by the governing body without public advertising for bids and bidding therefor and shall be awarded by resolution of the governing body if:

(1) The subject matter thereof consists of:

(a) (i) Professional services. The governing body shall in each instance state supporting reasons for its action in the resolution awarding each contract and shall forthwith cause to be printed once, in the official newspaper, a brief notice stating the nature, duration, service and amount of the contract, and that the resolution and contract are on file and available for public inspection in the office of the clerk of the county or municipality, or, in the case of a contracting unit created by more than one county or municipality, of the counties or municipalities creating the contracting unit; or (ii) Extraordinary unspecifiable services. The application of this exception shall be construed narrowly in favor of open competitive bidding, whenever possible, and the Division of Local Government Services is authorized to adopt and promulgate rules and regulations after consultation with the Commissioner of Education limiting the use of this exception in accordance with the intention herein expressed. The governing body shall in each instance state supporting reasons for its action in the resolution awarding each contract and shall forthwith cause to be printed, in the manner set forth in subsection (1) (a) (i) of this section, a brief notice of the award of the contract;

(b) The doing of any work by employees of the contracting unit;

(c) The printing of legal briefs, records, and appendices to be used in any legal proceeding in which the contracting unit may be a party;

(d) The furnishing of a tax map or maps for the contracting unit;

(e) The purchase of perishable foods as a subsistence supply;

(f) The supplying of any product or the rendering of any service by a public utility, which is subject to the jurisdiction of the Board of Public Utilities or the Federal Energy Regulatory Commission or its successor, in accordance with tariffs and schedules of charges made, charged or exacted, filed with the board or commission;

(g) The acquisition, subject to prior approval of the Attorney General, of special equipment for confidential investigation;

(h) The printing of bonds and documents necessary to the issuance and sale thereof by a contracting unit;

(i) Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with the service, which exception shall be in accordance with the requirements for extraordinary unspecifiable services;

(j) The publishing of legal notices in newspapers as required by law;

(k) The acquisition of artifacts or other items of unique intrinsic, artistic or historical character;

(l) Those goods and services necessary or required to prepare and conduct an election;

(m) Insurance, including the purchase of insurance coverage and consultant services, which exception shall be in accordance with the requirements for extraordinary unspecifiable services;

(n) The doing of any work by handicapped persons employed by a sheltered workshop;

(o) The provision of any goods or services including those of a commercial nature, attendant upon the operation of a restaurant by any nonprofit, duly incorporated, historical society at or on any historical preservation site;

(p) (Deleted by amendment, P.L.1999, c.440.)

(q) Library and educational goods and services;

(r) (Deleted by amendment, P.L.2005, c.212).

(s) The marketing of recyclable materials recovered through a recycling program, or the marketing of any product intentionally produced or derived from solid waste received at a resource recovery facility or recovered through a resource recovery program, including, but not limited to, refuse-derived fuel, compost materials, methane gas, and other similar products;

(t) (Deleted by amendment, P.L.1999, c.440.)

(u) Contracting unit towing and storage contracts, provided that all of the contracts shall be pursuant to reasonable non-exclusionary and non-discriminatory terms and conditions, which may include the provision of the services on a rotating basis, at the rates and charges set by the municipality pursuant to section 1 of P.L.1979, c.101 (C.40:48-2.49). All contracting unit towing and storage contracts for services to be provided at rates and charges other than those established pursuant to the terms of this paragraph shall only be awarded to the lowest responsible bidder in accordance with the provisions of the "Local Public Contracts Law" and without regard for the value of the contract therefor;

(v) The purchase of steam or electricity from, or the rendering of services directly related to the purchase of steam or electricity from a qualifying small power production facility or a qualifying cogeneration facility as defined pursuant to 16 U.S.C. s.796;

(w) The purchase of electricity or administrative or dispatching services directly related to the transmission of purchased electricity by a contracting unit engaged in the generation of electricity;

(x) The printing of municipal ordinances or other services necessarily incurred in connection with the revision and codification of municipal ordinances;

(y) An agreement for the purchase of an equitable interest in a water supply facility or for the provision of water supply services entered into pursuant to section 2 of P.L.1993, c.381 (C.58:28-2), or an agreement entered into pursuant to P.L.1989, c.109 (N.J.S.40A:31-1 et al.), so long as the agreement is entered into no later than six months after the effective date of P.L.1993, c.381;

(z) A contract for the provision of water supply services entered into pursuant to P.L.1995, c.101 (C.58:26-19 et al.);

(aa) The cooperative marketing of recyclable materials recovered through a recycling program;

(bb) A contract for the provision of wastewater treatment services entered into pursuant to P.L.1995, c.216 (C.58:27-19 et al.);

(cc) Expenses for travel and conferences;

(dd) The provision or performance of goods or services for the support or maintenance of proprietary computer hardware and software, except that this provision shall not be utilized to acquire or upgrade non-proprietary hardware or to acquire or update non-proprietary software;

(ee) The management or operation of an airport owned by the contracting unit pursuant to R.S.40:8-1 et seq.;

(ff) Purchases of goods and services at rates set by the Universal Service Fund administered by the Federal Communications Commission;

(gg) A contract for the provision of water supply services or wastewater treatment services entered into pursuant to section 2 of P.L.2002, c.47 (C.40A:11-5.1), or the designing, financing, construction, operation, or maintenance, or any combination thereof, of a water supply facility as defined in subsection (16) of section 15 of P.L.1971, c.198 (C.40A:11-15) or a wastewater treatment system as defined in subsection (19) of section 15 of P.L.1971, c.198 (C.40A:11-15), or any component part or parts thereof, including a water filtration system as defined in subsection (16) of section 15 of P.L.1971, c.198 (C.40A:11-15); or

(hh) The purchase of electricity generated from a power production facility that is fueled by methane gas extracted from a landfill in the county of the contracting unit.

(2) It is to be made or entered into with the United States of America, the State of New Jersey, county, or municipality, or any board, body, officer, agency, or authority thereof, or any other state or subdivision thereof.

(3) Bids have been advertised pursuant to section 4 of P.L.1971, c.198 (C.40A:11-4) on two occasions and (a) no bids have been received on both occasions in response to the advertisement, or (b) the governing body has rejected the bids on two occasions because it has determined that they are not reasonable as to price, on the basis of cost estimates prepared for or by the contracting agent prior to the advertising therefor, or have not been independently arrived at in open competition, or (c) on one occasion no bids were received pursuant to (a) and on one occasion all bids were rejected pursuant to (b), in whatever sequence; a contract may then be negotiated and may be awarded upon adoption of a resolution by a two-thirds affirmative vote of the authorized membership of the governing body authorizing the contract; provided, however, that:

(i) A reasonable effort is first made by the contracting agent to determine that the same or equivalent goods or services, at a cost which is lower than the negotiated price, are not available from an agency or authority of the United States, the State of New Jersey or of the county in which the contracting unit is located, or any municipality in close proximity to the contracting unit;

(ii) The terms, conditions, restrictions, and specifications set forth in the negotiated contract are not substantially different from those which were the subject of competitive bidding pursuant to section 4 of P.L.1971, c.198 (C.40A:11-4); and

(iii) Any minor amendment or modification of any of the terms, conditions, restrictions, and specifications, which were the subject of competitive bidding pursuant to section 4 of P.L.1971, c.198 (C.40A:11-4), shall be stated in the resolution awarding the contract; provided further, however, that if on the second occasion the bids received are rejected as unreasonable as to price, the contracting agent shall notify each responsible bidder submitting bids on the second occasion of its intention to negotiate, and afford each bidder a

reasonable opportunity to negotiate, but the governing body shall not award the contract unless the negotiated price is lower than the lowest rejected bid price submitted on the second occasion by a responsible bidder, is the lowest negotiated price offered by any responsible vendor, and is a reasonable price for goods or services.

Whenever a contracting unit shall determine that a bid was not arrived at independently in open competition pursuant to subsection (3) of this section it shall thereupon notify the county prosecutor of the county in which the contracting unit is located and the Attorney General of the facts upon which its determination is based, and when appropriate, it may institute appropriate proceedings in any State or federal court of competent jurisdiction for a violation of any State or federal antitrust law or laws relating to the unlawful restraint of trade.

(4) The contracting unit has solicited and received at least three quotations on materials, supplies, or equipment for which a State contract has been issued pursuant to section 12 of P.L.1971, c.198 (C.40A:11-12), and the lowest responsible quotation is at least 10 percent less than the price the contracting unit would be charged for the identical materials, supplies, or equipment, in the same quantities, under the State contract. A contract entered into pursuant to this subsection may be awarded only upon adoption of a resolution by the affirmative vote of two-thirds of the full membership of the governing body of the contracting unit at a meeting thereof authorizing the contract. A copy of the purchase order relating to the contract, the requisition for purchase order, if applicable, and documentation identifying the price of the materials, supplies or equipment under the State contract and the State contract number shall be filed with the director within five working days of the award of the contract by the contracting unit. The director shall notify the contracting unit of receipt of the material and shall make the material available to the State Treasurer. The contracting unit shall make available to the director upon request any other documents relating to the solicitation and award of the contract, including, but not limited to, quotations, requests for quotations, and resolutions. The director periodically shall review material submitted by contracting units to determine the impact of the contracts on local contracting and shall consult with the State Treasurer on the impact of the contracts on the State procurement process. The director may, after consultation with the State Treasurer, adopt rules in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to limit the use of this subsection, after considering the impact of contracts awarded under this subsection on State and local contracting, or after considering the extent to which the award of contracts pursuant to this subsection is consistent with and in furtherance of the purposes of the public contracting laws.

(5) Notwithstanding any provision of law, rule, or regulation to the contrary, the subject matter consists of the combined collection and marketing, or the cooperative combined collection and marketing of recycled material recovered through a recycling program, or any product intentionally produced or derived from solid waste received at a resource recovery facility or recovered through a resource recovery program including, but not limited to, refuse-derived fuel, compost materials, methane gas, and other similar products, provided that in lieu of engaging in public advertising for bids and the bidding therefor, the contracting unit shall, prior to commencing the procurement process, submit for approval to the Director of the Division of Local Government Services, a written detailed description of the process to be followed in securing the services. Within 30 days after receipt of the written description the director shall, if the director finds that the process provides for fair competition and integrity in the negotiation process, approve, in writing, the description submitted by the contracting unit. If the director finds that the process does not provide for

fair competition and integrity in the negotiation process, the director shall advise the contracting unit of the deficiencies that must be remedied. If the director fails to respond in writing to the contracting unit within 30 days, the procurement process as described shall be deemed approved. As used in this section, "collection" means the physical removal of recyclable materials from curbside or any other location selected by the contracting unit.

(6) Notwithstanding any provision of law, rule, or regulation to the contrary, the contract is for the provision of electricity by a contracting unit engaged in the distribution of electricity for retail sale, for the provision of wholesale electricity by a municipal shared services energy authority as defined pursuant to section 3 of P.L.2015, c.129 (C.40A:66-3), or for the provision of administrative or dispatching services related to the transmission of electricity, provided that in lieu of engaging in public advertising for bids and the bidding therefor, the contracting unit shall, prior to commencing the procurement process, submit for approval to the Director of the Division of Local Government Services, a written detailed description of the process to be followed in securing these services. The process shall be designed in a way that is appropriate to and commensurate with industry practices, and the integrity of the government contracting process. Within 30 days after receipt of the written description, the director shall, if the director finds that the process provides for fair competition and integrity in the negotiation process, approve, in writing, the description submitted by the contracting unit. If the director finds that the process does not provide for fair competition and integrity in the negotiation process, the director shall advise the contracting unit of the deficiencies that must be remedied. If the director fails to respond in writing to the contracting unit within 30 days, the procurement process, as submitted to the director pursuant to this section, shall be deemed approved.

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

C.40A:11-15 Duration of certain contracts.

15. All contracts for the provision or performance of goods or services shall be awarded for a period not to exceed 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5) shall be awarded for a period not to exceed 12 consecutive months. Contracts may be awarded for longer periods of time as follows:

(1) Supplying of:

(a) (Deleted by amendment, P.L.1996, c.113.)

(b) (Deleted by amendment, P.L.1996, c.113.)

(c) Thermal energy produced by a cogeneration facility, for use for heating or air conditioning or both, for any term not exceeding 40 years, when the contract is approved by the Board of Public Utilities. For the purposes of this paragraph, "cogeneration" means the simultaneous production in one facility of electric power and other forms of useful energy such as heating or process steam;

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

(3) The collection and disposal of municipal solid waste, the collection and disposition of recyclable material, or the disposal of sewage sludge, for any term not exceeding in the aggregate, five years;

(4) The collection and recycling of methane gas from a sanitary landfill facility, for any term not exceeding 25 years, when the contract is in conformance with a district solid waste management plan approved pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.), and with the approval of the Division of Local Government Services in the Department of Community

Affairs and the Department of Environmental Protection. The contracting unit shall award the contract to the highest responsible bidder, notwithstanding that the contract price may be in excess of the amount of any necessarily related administrative expenses; except that if the contract requires the contracting unit to expend funds only, the contracting unit shall award the contract to the lowest responsible bidder. The approval by the Division of Local Government Services of public bidding requirements shall not be required for those contracts exempted therefrom pursuant to section 5 of P.L.1971, c.198 (C.40A:11-5);

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

(6) Insurance, including the purchase of insurance coverages, insurance consulting or administrative services, claims administration services and including participation in a joint self-insurance fund, risk management program or related services provided by a contracting unit insurance group, or participation in an insurance fund established by a local unit pursuant to N.J.S.40A:10-6, or a joint insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.), for any term of not more than three years;

(7) Leasing or servicing of (a) automobiles, motor vehicles, machinery, and equipment of every nature and kind, for a period not to exceed five years, or (b) machinery and equipment used in the generation of electricity by a municipal shared services energy authority established pursuant to section 4 of P.L.2015, c.129 (C.40A:66-4), or a contracting unit engaged in the generation of electricity, for a period not to exceed 20 years; provided, however, a contract shall be awarded only subject to and in accordance with the rules and regulations promulgated by the Director of the Division of Local Government Services in the Department of Community Affairs;

(8) The supplying of any product or the rendering of any service by a company providing voice, data, transmission, or switching services for a term not exceeding five years;

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

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

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

(12) (Deleted by amendment, P.L.2009, c.4).

(13) (Deleted by amendment, P.L.1999, c.440.)

(14) (Deleted by amendment, P.L.1999, c.440.)

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

(16) The provision of water supply services or the designing, financing, construction, operation, or maintenance, or any combination thereof, of a water supply facility, or any component part or parts thereof, including a water filtration system, for a period not to exceed 40 years, when the contract for these services is approved by the Division of Local Government Services in the Department of Community Affairs, the Board of Public Utilities, and the Department of Environmental Protection pursuant to P.L.1985, c.37 (C.58:26-1 et al.), except that no approvals shall be required for those contracts otherwise exempted pursuant to subsection (30), (31), (34), (35) or (43) of this section. For the purposes of this subsection, "water supply services" means any service provided by a water supply facility;

"water filtration system" means any equipment, plants, structures, machinery, apparatus, or land, or any combination thereof, acquired, used, constructed, rehabilitated, or operated for the collection, impoundment, storage, improvement, filtration, or other treatment of drinking water for the purposes of purifying and enhancing water quality and insuring its potability prior to the distribution of the drinking water to the general public for human consumption, including plants and works, and other personal property and appurtenances necessary for their use or operation; and "water supply facility" means and refers to the real property and the plants, structures, or interconnections between existing water supply facilities, machinery and equipment and other property, real, personal, and mixed, acquired, constructed, or operated, or to be acquired, constructed, or operated, in whole or in part by or on behalf of a political subdivision of the State or any agency thereof, for the purpose of augmenting the natural water resources of the State and making available an increased supply of water for all uses, or of conserving existing water resources, and any and all appurtenances necessary, useful, or convenient for the collecting, impounding, storing, improving, treating, filtering, conserving, or transmitting of water and for the preservation and protection of these resources and facilities and providing for the conservation and development of future water supply resources;

(17) The provision of resource recovery services by a qualified vendor, the disposal of the solid waste delivered for disposal which cannot be processed by a resource recovery facility or the residual ash generated at a resource recovery facility, including hazardous waste and recovered metals and other materials for reuse, or the design, financing, construction, operation, or maintenance of a resource recovery facility for a period not to exceed 40 years when the contract is approved by the Division of Local Government Services in the Department of Community Affairs, and the Department of Environmental Protection pursuant to P.L.1985, c.38 (C.13:1E-136 et al.); and when the resource recovery facility is in conformance with a district solid waste management plan approved pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.). For the purposes of this subsection, "resource recovery facility" means a solid waste facility constructed and operated for the incineration of solid waste for energy production and the recovery of metals and other materials for reuse; or a mechanized composting facility, or any other facility constructed or operated for the collection, separation, recycling, and recovery of metals, glass, paper, and other materials for reuse or for energy production; and "residual ash" means the bottom ash, fly ash, or any combination thereof, resulting from the combustion of solid waste at a resource recovery facility;

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

(19) The provision of wastewater treatment services or the designing, financing, construction, operation, or maintenance, or any combination thereof, of a wastewater treatment system, or any component part or parts thereof, for a period not to exceed 40 years, when the contract for these services is approved by the Division of Local Government Services in the Department of Community Affairs and the Department of Environmental Protection pursuant to P.L.1985, c.72 (C.58:27-1 et al.), except that no approvals shall be

required for those contracts otherwise exempted pursuant to subsection (36) or (43) of this section. For the purposes of this subsection, "wastewater treatment services" means any services provided by a wastewater treatment system, and "wastewater treatment system" means equipment, plants, structures, machinery, apparatus, or land, or any combination thereof, acquired, used, constructed, or operated for the storage, collection, reduction, recycling, reclamation, disposal, separation, or other treatment of wastewater or sewage sludge, or for the final disposal of residues resulting from the treatment of wastewater, including, but not limited to, pumping and ventilating stations, facilities, plants and works, connections, outfall sewers, interceptors, trunk lines, and other personal property and appurtenances necessary for their operation;

(20) The supplying of goods or services for the purpose of lighting public streets, for a term not to exceed five years;

(21) The provision of emergency medical services for a term not to exceed five years;

(22) Towing and storage contracts, awarded pursuant to paragraph u. of subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5) for any term not exceeding three years;

(23) Fuel for the purpose of generating electricity for a term not to exceed eight years;

(24) The purchase of electricity or administrative or dispatching services related to the transmission of electricity, from a supplier of electricity subject to the jurisdiction of a federal regulatory agency, from a qualifying small power producing facility or qualifying cogeneration facility, as defined by 16 U.S.C. s.796, or from any supplier of electricity within any regional transmission organization or independent system operator or from an organization or operator or their successors, by a contracting unit engaged in the generation of electricity for retail sale, as of May 24, 1991, for a term not to exceed 40 years, or by a contracting unit engaged solely in the distribution of electricity for retail sale for a term not to exceed ten years, except that a contract with a contracting unit, engaged solely in the distribution of electricity for retail sale, in excess of ten years, shall require the written approval of the Director of the Division of Local Government Services. If the director fails to respond in writing to the contracting unit within 10 business days, the contract shall be deemed approved;

(25) Basic life support services, for a period not to exceed five years. For the purposes of this subsection, "basic life support" means a basic level of prehospital care, which includes but need not be limited to patient stabilization, airway clearance, cardiopulmonary resuscitation, hemorrhage control, initial wound care, and fracture stabilization;

(26) (Deleted by amendment, P.L.1999, c.440.)

(27) The provision of transportation services to an elderly person, an individual with a disability, or an indigent person for any term of not more than three years. For the purposes of this subsection, "elderly person " means a person who is 60 years of age or older. "Individual with a disability" means a person of any age who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, are unable, without special facilities or special planning or design to utilize mass transportation facilities and services as effectively as persons who are not so affected. "Indigent person " means a person of any age whose income does not exceed 100 percent of the poverty level, adjusted for family size, established and adjusted under section 673(2) of subtitle B, the "Community Services Block Grant Act," Pub.L.97-35 (42 U.S.C. s.9902 (2));

(28) The supplying of liquid oxygen or other chemicals, for a term not to exceed five years, when the contract includes the installation of tanks or other storage facilities by the supplier, on or near the premises of the contracting unit;



(29) The performance of patient care services by contracted medical staff at county hospitals, correction facilities, and long term care facilities, for any term of not more than three years;

(30) The acquisition of an equitable interest in a water supply facility pursuant to section 2 of P.L.1993, c.381 (C.58:28-2), or a contract entered into pursuant to the "County and Municipal Water Supply Act," N.J.S.40A:31-1 et seq., if the contract is entered into no later than January 7, 1995, for any term of not more than forty years;

(31) The provision of water supply services or the financing, construction, operation, or maintenance or any combination thereof, of a water supply facility or any component part or parts thereof, by a partnership or copartnership established pursuant to a contract authorized under section 2 of P.L.1993, c.381 (C.58:28-2), for a period not to exceed 40 years;

(32) Laundry service and the rental, supply, and cleaning of uniforms for any term of not more than three years;

(33) The supplying of any product or the rendering of any service, including consulting services, by a cemetery management company for the maintenance and preservation of a municipal cemetery operating pursuant to the "New Jersey Cemetery Act," N.J.S.8A:1-1 et seq., for a term not exceeding 15 years;

(34) A contract between a public entity and a private firm pursuant to P.L.1995, c.101 (C.58:26-19 et al.) for the provision of water supply services may be entered into for any term which, when all optional extension periods are added, may not exceed 40 years;

(35) A contract for the purchase of a supply of water from a public utility company subject to the jurisdiction of the Board of Public Utilities in accordance with tariffs and schedules of charges made, charged or exacted or contracts filed with the Board of Public Utilities, for any term of not more than 40 years;

(36) A contract between a public entity and a private firm or public authority pursuant to P.L.1995, c.216 (C.58:27-19 et al.) for the provision of wastewater treatment services may be entered into for any term of not more than 40 years, including all optional extension periods;

(37) The operation and management of a facility under a license issued or permit approved by the Department of Environmental Protection, including a wastewater treatment system or a water supply or distribution facility, as the case may be, for any term of not more than ten years. For the purposes of this subsection, "wastewater treatment system" refers to facilities operated or maintained for the storage, collection, reduction, disposal, or other treatment of wastewater or sewage sludge, remediation of groundwater contamination, stormwater runoff, or the final disposal of residues resulting from the treatment of wastewater; and "water supply or distribution facility" refers to facilities operated or maintained for augmenting the natural water resources of the State, increasing the supply of water, conserving existing water resources, or distributing water to users;

(38) Municipal solid waste collection from facilities owned by a contracting unit, for any term of not more than three years;

(39) Fuel for heating purposes, for any term of not more than three years;

(40) Fuel or oil for use in motor vehicles for any term of not more than three years;

(41) Plowing and removal of snow and ice for any term of not more than three years;

(42) Purchases made under a contract awarded by the Director of the Division of Purchase and Property in the Department of the Treasury for use by counties, municipalities, or other contracting units pursuant to section 3 of P.L.1969, c.104 (C.52:25-16.1), for a term not to exceed the term of that contract;

(43) A contract between the governing body of a city of the first class and a duly incorporated nonprofit association for the provision of water supply services as defined in

subsection (16) of this section, or wastewater treatment services as defined in subsection (19) of this section, may be entered into for a period not to exceed 40 years;

(44) The purchase of electricity generated through class I renewable energy or from a power production facility that is fueled by methane gas extracted from a landfill in the county of the contacting unit for any term not exceeding 25 years;

(45) The provision or performance of goods or services for the purpose of producing class I renewable energy or class II renewable energy, as those terms are defined in section 3 of P.L.1999, c.23 (C.48:3-51), at, or adjacent to, buildings owned by, or operations conducted by, the contracting unit, the entire price of which is to be established as a percentage of the resultant savings in energy costs, for a term not to exceed 15 years; provided, however, that a contract shall be entered into only subject to and in accordance with guidelines promulgated by the Board of Public Utilities establishing a methodology for computing energy cost savings and energy generation costs; and

(46) A power supply contract, as defined pursuant to section 3 of P.L.2015, c.129 (C.40A:66-3), between a member municipality as defined pursuant to section 3 of P.L.2015, c.129 (C.40A:66-3), and the municipal shared services energy authority established pursuant to the provisions of P.L.2015, c.129 (C.40A:66-1 et al.) to meet the electric power needs of its members, for the lease, operation, or management of electric generation within a member municipality's corporate limits and franchise area or the purchase of electricity, or the purchase of fuel for generating units for a term not to exceed 40 years.

Any contract for services other than professional services, the statutory length of which contract is for three years or less, may include provisions for no more than one two-year, or two one-year, extensions, subject to the following limitations: a. The contract shall be awarded by resolution of the governing body upon a finding by the governing body that the services are being performed in an effective and efficient manner; b. No contract shall be extended so that it runs for more than a total of five consecutive years; c. Any price change included as part of an extension shall be based upon the price of the original contract as cumulatively adjusted pursuant to any previous adjustment or extension and shall not exceed the change in the index rate for the 12 months preceding the most recent quarterly calculation available at the time the contract is renewed; and d. The terms and conditions of the contract remain substantially the same.

All multiyear leases and contracts entered into pursuant to this section, including any two-year or one-year extensions, except contracts involving the supplying of electricity for the purpose of lighting public streets and contracts for thermal energy authorized pursuant to subsection (1) above, construction contracts authorized pursuant to subsection (9) above, contracts for the provision or performance of goods or services or the supplying of equipment to promote energy conservation through the production of class I renewable energy or class II renewable energy authorized pursuant to subsection (45) above, contracts for water supply services or for a water supply facility, or any component part or parts thereof authorized pursuant to subsection (16), (30), (31), (34), (35), (37), or (43) above, contracts for resource recovery services or a resource recovery facility authorized pursuant to subsection (17) above, contracts for the sale of energy produced by a resource recovery facility authorized pursuant to subsection (18) above, contracts for wastewater treatment services or for a wastewater treatment system or any component part or parts thereof authorized pursuant to subsection (19), (36), (37), or (43) above, and contracts for the purchase of electricity or administrative or dispatching services related to the transmission of electricity authorized pursuant to subsection (24) above, contracts for the purchase of electricity generated from a power production facility that is fueled by methane gas

authorized pursuant to subsection (44) above, and power supply contracts authorized pursuant to subsection (46) respectively, shall contain a clause making them subject to the availability and appropriation annually of sufficient funds as may be required to meet the extended obligation, or contain an annual cancellation clause.

The Division of Local Government Services in the Department of Community Affairs shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the fiscal year.

All contracts shall cease to have effect at the end of the contracted period and shall not be extended by any mechanism or provision, unless in conformance with the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), except that a contract may be extended by mutual agreement of the parties to the contract when a contracting unit has commenced rebidding prior to the time the contract expires or when the awarding of a contract is pending at the time the contract expires.

C.40A:66-28 Certain municipal powers unaffected.

30. The powers granted under P.L.2015, c.129 (C.40A:66-1 et al.) shall not limit the powers of a municipality to enter into a shared service agreement or contract, or to establish a separate legal entity pursuant to State law or otherwise to carry out their powers under applicable statutory provisions, nor shall the powers granted under P.L.2015, c.129 (C.40A:66-1 et al.) limit the powers reserved to a municipality by State law.

31. This act shall take effect immediately.

Approved November 9, 2015.