

Board of Fire Commissioners

District #5

PO Box 527

Howell, NJ 07731

3-28-23

A Special meeting of the Board of Fire Commissioners, District #5 was called to order at 20:00 at the Freewood Acres Fire Company. 17 East 5th Street Howell, NJ 07731, by Chairman K Harper in compliance with the open public meeting act of the State of New Jersey. Adequate notice of this meeting was provided to the Asbury Park Press, Tri-town news, and the township of Howell.

Roll call was taken with the following present; R Donahue, J Harper, K Harper, S Koubek, K Mannik

This meeting called to order to pay outstanding bills and adopt resolutions concerning the new Howell Radio project.

Motion by J Harper to pay the outstanding bill the board has. Seconded by K Mannik.

R Donahue brought up the two resolutions that the lawyer sent. First adoption of a resolution adopting the radio bond issue. Second adopting a resolution for the shared services agreement.

Motion by k Harper to adopt the bond issue resolution. Seconded by S Koubek. Roll call vote taken.

R Donahue	yes
J Harper	yes
K Harper	yes
S Koubek	yes
K Mannik	yes

Resolution to adopt the shared services agreement brought up for discussion.

J Harper asked about ownership. K Harper asked about maintenance cost. Long discussion held.

Motion by K Mannik to adopt resolution once we get clarification from the lawyers being the time restraints given. Seconded by J Harper, roll call taken.

R Donahue	yes
J Harper	yes
K Harper	yes
S Koubek	yes
K Mannik	yes

With no further business before the board, a motion by K Mannik to adjourn. Seconded by S Koubek. All in favor.

Meeting adjourned at 20:50.

Respectfully submitted,

Robert M Donahue

Clerk

SHARED SERVICES AGREEMENT

This Shared Services Agreement (this “**Agreement**”) is made and entered into on this 14th day of March, 2023, by and among:

TOWNSHIP OF HOWELL, IN THE COUNTY OF MONMOUTH, NEW JERSEY, a municipal corporation and public body corporate and politic of the State of New Jersey (the “**State**”) with its principal offices located at the Municipal Building, 4567 Route 9 North, Howell, New Jersey 07731 (the “**Township**”),

BOROUGH OF FARMINGDALE, IN THE COUNTY OF MONMOUTH, NEW JERSEY, a municipal corporation and public body corporate and politic of the State with its principal offices located at the Borough Hall, 11 Asbury Avenue, Farmingdale, New Jersey 07727 (the “**Borough**”),

THE COMMISSIONERS OF FIRE DISTRICT NO. 1 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH, a fire district and body corporate of the State with its principal offices located at 271 Squankum Road, Farmingdale, New Jersey 07731 (“**Fire District No. 1**”),

THE COMMISSIONERS OF FIRE DISTRICT NO. 2 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH, a fire district and body corporate of the State with its principal offices located at 993 Highway 33, Adelphia, New Jersey 07731 (“**Fire District No. 2**”),

THE COMMISSIONERS OF FIRE DISTRICT NO. 3 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH, a fire district and body corporate of the State with its principal offices located at 4611 Highway 9 North, Howell, New Jersey 07731 (“**Fire District No. 3**”),

THE COMMISSIONERS OF FIRE DISTRICT NO. 4 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH, a fire district and body corporate of the State with its principal offices located at 88 Ramtown-Greenville Road, Howell, New Jersey 07731 (“**Fire District No. 4**”), and

THE COMMISSIONERS OF FIRE DISTRICT NO. 5 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH, a fire district and body corporate of the State with its principal offices located at 17 East 5th Street, Howell, New Jersey 07731 (“**Fire District No. 5**”),

WITNESSETH

WHEREAS, Fire District No. 1, Fire District No. 2, Fire District No. 3, Fire District No. 4 and Fire District No. 5 (collectively, the “**Fire Districts**”) had a study undertaken by a radio consultant relative to issues of communication on the fire scene and any necessary improvements required relative to same; and

WHEREAS, the radio consultant advised the Fire Districts that the purchase and installation of radio equipment and accessories was necessary to ensure proper firematic operations and the continued safety of the firefighters and the public; and

WHEREAS, the Fire Districts have secured the necessary pricing from a vendor concerning the purchase and installation of the radio equipment and accessories; and

WHEREAS, the Fire Districts have additionally engaged in discussion with the Township concerning the Township's overall communications infrastructure and the desirability of undertaking improvements to Township and Fire District communications infrastructure in a coordinated manner; and

WHEREAS, as it is geographically surrounded by the Township, the Borough has expressed a desire to participate in the operation of the new communications system serving the Township and the Fire Districts; and

WHEREAS, the hereinafter-defined Project has been designed to benefit, and will benefit, benefit each of the Township, the Borough and the Fire Districts; and

WHEREAS, such portion of the capital cost of the hereinafter-defined Project as is allocable to the Township and the Borough (the "**Township Share**") will be provided by the Township from: (i) a portion of the proceeds of the hereinafter-defined 2021 MCIA Bonds in the amount of \$1,520,133 (the "**Available MCIA Bond Proceeds**") and (ii) the proceeds of Township notes and/or bonds (the "**Other Bonds**") to be issued under a \$340,000 bond ordinance of the Township finally adopted on November 22, 2022 (the "**Township Costs Bond Ordinance**"), with the understanding that the Borough will reimburse the Township for an agreed-upon portion of the Township Share; and

WHEREAS, such portion of the capital cost of the Project as is allocable to Fire District No. 2 (the "**Fire District No. 2 Share**") will be provided by Fire District No. 2 by means of a capital appropriation in the amount of \$800,000 authorized by the voters of such Fire District at a special meeting of such Fire District held on November 22, 2022, and which capital appropriation has been included in the calendar year 2023 budget of such Fire District as approved by the voters of such Fire District on February 18, 2023 (the "**Fire District No. 2 Capital Appropriation**"); and

WHEREAS, the Township is willing to issue its bonds under a separate \$4,160,000 bond ordinance of the Township finally adopted on December 16, 2022 (the "**Fire District Costs Bond Ordinance**") for such portion of the capital cost of the Project as is allocable to Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 (the "**Fire District Nos. 1, 3, 4 and 5 Share**"), provided that (i) each such Fire District commits to pay its allocable portion of the Fire District Nos. 1, 3, 4 and 5 Share to the Township through the execution of this Agreement and (ii) each such Fire District secures its payment obligation with respect to the capital costs thereof through the issuance of its bonds to the Township; and

WHEREAS, each Fire District's allocable share of the cost of such improvements to the Township's communications infrastructure is a capital project of such Fire District requiring voter approval, which voter approval was obtained (i) in the case of Fire District No. 2, by way

of the special meeting held on November 22, 2022 and the approval of the 2023 budget on February 18, 2023 and (ii) in the case of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5, by way of special elections held in each such Fire District on October 29, 2022, in each case authorizing debt in the amount of \$1,000,000 (or \$1,200,000 in the case of Fire District No. 3); and

WHEREAS, the payments to be made by such Fire District under this Agreement in respect of such capital costs (including, in the case of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5, debt service on its bonds) constitute capital expenditures of such Fire District excluded from the Fire District's tax levy cap under N.J.S.A. 40A:4-44.45; and

WHEREAS, in addition to the capital costs, each Fire District will be responsible for paying to the Township a portion of the operating costs relating to such improvements to the Township's communications infrastructure, as provided herein;

WHEREAS, each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 has made application to the New Jersey Local Finance Board (the "**Local Finance Board**") for findings in respect of the project financing represented by the execution of this Agreement and the issuance of such Fire District's bonds to the Township, which findings have been issued by the Local Finance Board on December 13, 2022; and

WHEREAS, the Township has also made application to the Local Finance Board for a waiver of down payment pursuant to N.J.S.A. 40A:2-11(c) and N.J.S.A. 40A:2-7(d), which waiver has been granted by the Local Finance Board on December 13, 2022; and

WHEREAS, the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1 et seq. (the "**Act**"), authorizes local units of the State to enter into a contract with any other local unit or units for the joint provision within their several jurisdictions of any service which any party to the agreement is empowered to render within its own jurisdiction; and

WHEREAS, the Township, the Borough and each of the Fire Districts is a "local unit" under the Act; and

WHEREAS, pursuant to N.J.S.A. 40A:2-3(a) and N.J.S.A. 40A:2-22, the Township is authorized to undertake such improvements to the Township's communications infrastructure and issue its notes and/or bonds to finance the costs thereof; and

WHEREAS, pursuant to N.J.S.A. 40A:14-34, the Township is also authorized to appropriate such sums as it may deem necessary for the purchase of fire equipment, supplies and materials for use by the Fire Districts, the title to which shall remain with the Township, provided that the funds shall be controlled and disbursed by the Township; and

WHEREAS, pursuant to N.J.S.A. 40A:14-84, Fire District No. 2 is authorized to raise money for capital purposes in an amount not exceeding 5 mills on the dollar of the last assessed valuation of the property in such Fire District upon approval of the legal voters at a special meeting of such Fire District, which approved amount shall be included in the next succeeding annual budget of such Fire District under the section for capital appropriations; and

WHEREAS, pursuant to N.J.S.A. 40A:14-85, each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 is authorized to appropriate money and purchase property and equipment for the extinguishment of fires, subject to approval by the legal voters within such district; and

WHEREAS, pursuant to N.J.S.A. 40A:14-86 et seq., each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 is authorized to issue its bonds to finance the costs thereof, subject to approval by the legal voters within such district; and

WHEREAS, the Township, the Borough and the Fire Districts have determined to enter into this Agreement in order to provide for an orderly and efficient means by which the Township may undertake such improvements to the Township's communications infrastructure for the collective benefit of the Township, the Borough and each of the Fire Districts;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter contained, the Township, the Borough and the Fire Districts do hereby mutually undertake, promise and agree, each for itself and its agents, successors and assigns, as follows:

Section 1. The Township, the Borough and the Fire Districts (collectively, the "**Parties**") hereby agree to undertake a capital project consisting of various improvements to the Township's communications infrastructure, including construction of a new 150 foot tower at the location of Fire District No. 2 at 993 Highway 33, Howell, New Jersey, construction of shelters at various locations, and acquisition of various items of communications equipment, as more fully described in the plans and specifications attached as Exhibit A hereto, with such additions, deletions and changes as may hereafter be mutually agreed upon by the Parties (collectively, the "**Project**"). The Parties acknowledge and agree that the Project will benefit each of the Parties, and that the joint undertaking of the Project as provided in this Agreement is in the best interests of each of the Parties.

Section 2. The Township will be responsible for procuring all contracts necessary for the construction, acquisition, operation and maintenance of the Project. The Township has entered into, or expects to enter into, one or more contracts relating to the construction, acquisition, operation and maintenance of the Project, including the following (collectively, the "**Initial Contracts**"): (i) a contract with Motorola Solutions, Inc. or an affiliate thereof ("**Motorola**") having an estimated contract price of \$4,962,093.69; (ii) a contract with Motorola having an estimated contract price of \$854,777.75; (iii) a contract with SHI or an affiliate thereof having an estimated contract price of \$45,393.18; (iv) a contract with SHI or an affiliate thereof having an estimated contract price of \$41,266.46; and (v) a contract with EFlow Technology LLC or an affiliate thereof having an estimated contract price of \$2,000.00. The proposed pricing terms for the Initial Contract are attached as Exhibit B hereto. The Borough and each of the Fire Districts acknowledges that it has reviewed, and hereby approves, such pricing terms and hereby consents to the execution by the Township, on behalf of all Parties, of the Initial Contracts with the respective vendors (collectively, the "**Initial Vendors**"). The Borough and each of the Fire Districts hereby further agrees that the level, quality and scope of performance by the Township under the Initial Contracts is acceptable. The Township may hereafter enter into one or more additional contracts relating to the operation and maintenance of the Project, to the extent not covered by the Initial Contracts (collectively, the "**Other Contracts**").

Section 3. The Parties agree that the estimated capital cost of the Project is \$5,827,614.50, of which the estimated Township Share is \$1,832,629.74, the estimated Fire District No. 2 Share is \$710,489.12 and the estimated Fire District Nos. 1, 3, 4 and 5 Share is \$3,284,495.64. The Parties further agree that the capital costs of the construction and acquisition of the Project shall be shared among the Township, the Borough and each of the Fire Districts in the manner generally described below, as further elaborated in Sections 4, 5, 6 and 7 hereof:

- (a) the Township shall apply the Available MCIA Bond Proceeds and the proceeds from the sale of notes and/or bonds under the Township Costs Bond Ordinance (the “**Other Bond Proceeds**”), or so much thereof as may be required for such purpose, to the payment of the Township Share of the capital costs of the construction and acquisition of the Project, the portion of the Project funded from such proceeds constituting the “**Township Share**” of the Project;
- (b) Fire District No. 2 shall contribute the Fire District No. 2 Capital Appropriation, or so much thereof as may be required for such purpose, to the Township as provided in Section 5 hereof, and the Township shall apply the amount received from Fire District No. 2 under the Fire District No. 2 Capital Appropriation to the payment of the Fire District No. 2 Share of the capital costs of the construction and acquisition of the Project, the portion of the Project funded from such amount constituting the “**Fire District No. 2 Share**” of the Project;
- (c) The Township shall apply the proceeds from the sale of the hereinafter-defined Township Bonds under the Fire District Costs Bond Ordinance (the “**Township Bond Proceeds**”), or so much thereof as may be required for such purpose, to the payment of the Fire District Nos. 1, 3, 4 and 5 Share of the capital costs of the construction and acquisition of the Project, the portion of the Project funded from such proceeds constituting the “**Fire District Nos. 1, 3, 4 and 5 Share**” of the Project;
- (d) the Township shall be financially responsible (i) to pay the hereinafter-defined MCIA Debt Service and the hereinafter-defined Other Debt Service, subject to partial reimbursement payments from the Borough as provided in this Agreement; and (ii) to pay, in the first instance, the hereinafter-defined Township Debt Service, subject to full reimbursement payments from Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 as provided in this Agreement;
- (e) the Borough and each Fire District shall pay to the Township their respective allocable shares of the capital costs of the Project, expressed herein as Borough Capital Contributions (in the case of the Borough) or Fire District Debt Service (in the case of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5), at the times and in the manner set forth in Sections 4 and 7, respectively, hereof;
- (f) to evidence and secure the payment obligations of each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 to the Township in respect of its allocable share of the capital costs of the Project, each such Fire District shall issue and sell to the Township its separate series of hereinafter-defined Fire District Bonds;

(g) the Borough shall be financially responsible to pay the hereinafter-defined Borough Capital Contributions to the Township; and

(h) each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 shall be financially responsible to pay the hereinafter-defined Fire District Debt Service to the Township, in its capacity as holder of the Fire District Bonds.

Section 4. On September 30, 2021, The Monmouth County Improvement Authority (the “MCIA”) issued its \$17,400,000 Capital Equipment Pooled Lease Revenue Bonds, Series 2021 (together with any bonds that may hereafter be issued to refinance same, the “**2021 MCIA Bonds**”) to finance, among other things, \$4,364,538 for the acquisition of various items of equipment on behalf of the Township. Pursuant to a Lease and Agreement dated as of September 1, 2021 between the MCIA and the Township, the Township is required to make lease payments to the MCIA that are sufficient, in time and amount, to pay all debt service on the portion of the 2021 MCIA Bonds as is allocable to the Township (the “**MCIA Debt Service**”). The Township will also be required to pay all debt service on the Other Bonds (the “**Other Debt Service**”). In recognition of the fact that the Borough will benefit from the application of the Available MCIA Bond Proceeds and the Other Bond Proceeds toward the Township Share of the capital cost of the Project, which will benefit the Borough, the Borough shall make the following annual payments to the Township on or before October 1 of each year shown below, or sooner at the option of the Borough (collectively, the “**Borough Capital Contributions**”):

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2023	\$10,000	2028	\$10,000
2024	\$10,000	2029	\$10,000
2025	\$10,000	2030	\$10,000
2026	\$10,000	2031	\$10,000
2027	\$10,000	2032	\$10,000

Section 5. On or before April 4, 2023, Fire District No. 2 shall pay to the Township the sum of \$725,000.00, constituting the sum of (i) \$704,730.01, being the Fire District No. 2 Share of the capital cost of the Project, plus (ii) \$14,510.88, being Fire District No. 2’s allocable share of the costs of issuance of the Township relating to the hereinafter-defined Township Bonds, including the expenses of the Township in connection with the negotiation, authorization, execution and delivery of this Agreement.

Section 6. In the Fire District Costs Bond Ordinance, the Township appropriated \$4,160,000 and authorized the issuance of up to \$4,160,000 in notes and/or bonds of the Township, in furtherance of the Project. Pursuant to the Fire District Costs Bond Ordinance, the Township has adopted a bond resolution on February 21, 2023 and expects to sell (by competitive sale, as required by N.J.S.A. 40A:2-27) on March 15, 2023, and to issue on April 4, 2023, its long-term, tax-exempt bonds (together with any bonds that may hereafter be issued to refinance same, the “**Township Bonds**”) in order to finance (i) the portion of the costs of construction and acquisition of the Project pursuant to the Initial Contracts as are allocable to Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 and (ii) the costs of issuance of the Township relating to the Township Bonds, including the expenses of the Township in connection with the negotiation, authorization, execution and delivery of this Agreement. As of the date of execution of this Agreement, the estimated sources and uses of the

Bonds and the estimated debt service schedule therefor are attached as Exhibit C hereto. In accordance with N.J.S.A. 40A:2-26(a), the Township Bonds shall mature within the average period of usefulness determined in the Fire District Costs Bond Ordinance, being 10.67 years, and the annual principal installments shall be established by the Township in accordance with N.J.S.A. 40A:2-26(b) such that the first annual installment of principal shall be payable in calendar year 2024. The Parties acknowledge and agree that the final terms of the Township Bonds will not be ascertained until the Township Bonds are sold, after which time the estimated debt service schedule therefor attached as Exhibit C hereto will be replaced with an actual debt service schedule reflecting the actual debt service payable by the Township thereunder (the “**Township Debt Service**”). The Township agrees to issue the Township Bonds and to use the proceeds thereof for the aforementioned purposes, except as may hereafter be mutually agreed by the Parties.

Section 7. On October 29, 2022, the voters in each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 approved separate ballot questions each authorizing the capital expenditure by, and the issuance of notes and/or bonds of, the respective Fire District in respect of such Fire District’s allocable share of the capital cost of the Project. Each such Fire District will issue to the Township its series of long-term bonds (collectively, the “**Fire District Bonds**”), each bearing identical maturity dates, interest payment dates and interest rates as the Township Bonds, and each series representing the applicable Fire District’s allocable share of the Township Debt Service, both in the aggregate and in each calendar year. The Parties have agreed that the respective allocable shares of the Township Debt Service to be so borne by each such Fire District shall be approximately as follows:

Fire District No. 1	23.5%
Fire District No. 3	31.0%
Fire District No. 4	27.6%
Fire District No. 5	17.9%

As of the date of execution of this Agreement, the estimated debt service schedules for each series of Fire District Bonds are attached as Exhibits D-1 through D-4 hereto. The Parties acknowledge and agree that the final terms of each series of Fire District Bonds will not be ascertained until the Township Bonds are sold, after which time (i) the actual debt service schedules therefor attached as Exhibits D-1 through D-4 hereto will be replaced with actual debt service schedules reflecting the actual debt service payable by each such Fire District thereunder (collectively, the “**Fire District Debt Service**”) and (ii) each such Fire District will promptly adopt a bond resolution setting forth the terms of the Fire District Bonds and authorizing the sale thereof to the Township, in consideration for the Township’s undertaking of the Project on its behalf. Each such Fire District agrees to issue and sell its series of Fire District Bonds to the Township, and acknowledges and agrees that it will not receive any proceeds from the sale thereof but will instead benefit proportionately from the application by the Township of the proceeds of the Township Bonds toward the capital costs of the Project, as provided in Section 4 hereof. All costs of issuance of the Fire District Bonds, and all expenses of the Fire Districts in connection with the negotiation, authorization, execution and delivery of this Agreement, shall be borne by the respective Fire District from its general funds and shall not be charged to either the Township Bonds or any series of the Fire District Bonds.

Each series of the Fire District Bonds shall be structured such that (i) the sum of the par amounts, original issue premium (if any), original issue discount (if any), and purchase price shall, in the aggregate, equal the par amount, original issue premium (if any), original issue discount (if any) and purchase price of the Township Bonds, and (ii) the sum of the principal and interest payments on each interest payment date and principal payment date shall, in the aggregate, equal the principal and interest payments in respect of the Township Bonds. The purchase price of each series of the Fire District Bonds shall be subject to netting to reflect (i) such Fire District's allocable share of the capital cost of the Project, and (ii) such Fire District's allocable share of the costs of issuance of the Township relating to the Township Bonds, including the expenses of the Township in connection with the negotiation, authorization, execution and delivery of this Agreement. Accordingly, neither Fire District No. 1, Fire District No. 3, Fire District No. 4 nor Fire District No. 5 shall receive any cash proceeds from the sale of its respective series of the Fire District Bonds. The execution and delivery of this Agreement by each of Fire District No. 1, Fire District No. 3, Fire District No. 4 and Fire District No. 5 shall constitute the acceptance by each such Fire District of the Township's offer to purchase the respective series of Fire District Bonds from such Fire District.

Section 8. Pending disbursement, proceeds of the 2021 MCIA Bonds, the Other Bonds and the Township Bonds may be invested from time to time by or at the direction of the Township's Chief Financial Officer. Any and all investment income may be applied by the Township in its sole discretion, and neither the Borough nor the Fire Districts shall be entitled to any credits resulting therefrom.

Section 9. The Parties agree that the initial and ongoing costs of the operation and maintenance of the Project shall be shared among the Township, the Borough and each of the Fire Districts in the manner generally described below:

- (a) The Township shall pay from its operating budget to Motorola the sum of \$77,916.58 in respect of following itemized non-capital items included in the Initial Contracts and payable in full in the initial contract year:

Cloud Anchor 5 Year Maintenance
Memor 10 3 Year Service Contract

- (b) On or before December 31, 2023, and each Fire District shall reimburse the Township for its agreed-upon share of the payment described in paragraph (a) above, in the following amounts:

Fire District No. 1	\$11,311.90
Fire District No. 2	\$10,370.06
Fire District No. 3	\$15,255.89
Fire District No. 4	\$13,548.79
Fire District No. 5	\$ 8,427.51

- (c) The Township shall annually pay from its operating budget to Motorola the sum of \$59,862.21 in respect of the last 9 years of the 10 year maintenance plan relating to the Computer Assisted Dispatch (CAD) component of the Project.

- (d) On or before December 31 of each year in which the Township makes a payment described in paragraph (c) above, the Borough and each Fire District shall reimburse the Township for its agreed-upon share of such payment, in the following amounts:

Fire District No. 1	\$5,000.00
Fire District No. 2	\$5,000.00
Fire District No. 3	\$5,000.00
Fire District No. 4	\$5,000.00
Fire District No. 5	\$5,000.00

- (e) The Township shall annually pay from its operating budget to Motorola the sum of \$39,165 in respect of the last 4 years of the 5 year warranty relating to the paging simulcast system component of the Project.

- (f) On or before December 31 of each year in which the Township makes a payment described in paragraph (e) above, each Fire District shall reimburse the Township for its agreed-upon share of such payment, in the following amounts:

Fire District No. 1	\$6,527.42
Fire District No. 2	\$6,527.42
Fire District No. 3	\$6,527.42
Fire District No. 4	\$6,527.42
Fire District No. 5	\$6,527.42

- (g) The Township shall annually pay from its operating budget to Motorola an annual subscription fee for each remote radio unit used by the Township, the Borough and the Fire Districts, in the amount of \$45.00 per unit.

- (h) On or before December 31 of each year in which the Township makes a payment described in paragraph (g) above, the Borough and each Fire District shall reimburse the Township for its respective portion of such aggregate payment, based on the number of remote radio units used by such Party.

- (i) The Township shall, from time to time, pay from its operating budget to the respective service provider(s) thereof such additional sum(s) as may be payable under the Initial Contracts, and such sum(s) as may be payable under any Other Contracts; provided, that the Township shall consult with each Fire District prior to entering into any such Other Contract.

- (j) On or before December 31 of each year in which the Township makes one or more payments described in paragraph (i) above, each Fire District shall reimburse the Township for its agreed-upon portion of each such payment made by the Township during such year, based on the allocation percentages set forth below:

Township	31.5%
Fire District No. 1	13.2%
Fire District No. 2	12.2%
Fire District No. 3	17.4%

Fire District No. 4 15.6%
Fire District No. 5 10.1%

Section 10. The obligation of the Borough and each Fire District to make the payments described herein are continuing, absolute and unconditional, irrespective of any circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense.

Section 11. The Borough and the Fire Districts acknowledge that (i) for so long as any 2021 MCIA Bonds remain outstanding, the MCIA shall have and retain full title to the Municipal Portion of the Project, subject to the 2021 MCIA Lease, (ii) thereafter, and for the duration of this Agreement, the Township shall have full title to the Municipal Portion of the Project, and (iii) except as provided in the first sentence of Section 12 hereof, for the duration of this Agreement, the Township shall have and retain full title to the Fire District Portion of the Project. The Township acknowledges that it shall remain solely responsible for all of the duties and burdens relating to the ownership, maintenance, use and operation thereof, including (unless otherwise noted therein) the responsibilities assigned to the Township under the terms of the Initial Contracts. The Borough and the Fire Districts shall have no obligations or liability whatsoever with respect to the ownership, maintenance, use and operation of the Project, other than its obligations hereunder to make payments to the Township; provided, however, that any items of equipment entrusted to the Borough or any Fire District or its personnel shall be cared for and maintained in a prudent manner.

Section 12. Title to the assets financed by Fire District No. 2 shall, to the extent severable, vest in such Fire District upon acquisition thereof by the Township from the applicable vendor(s). Following the termination of this Agreement as provided in Section 11 hereof, and unless otherwise provided by subsequent agreement of the applicable Parties, ownership of the assets financed by each other Fire District shall, to the extent severable, vest in such Fire District, and title to the remaining assets shall vest in the Township. For the avoidance of doubt, an asset is considered severable only if it serves the communications needs of, and is entirely within the possession and control of, a single Fire District (e.g., handheld communications units). An asset that serves the communications needs of multiple entities (e.g., central office consoles and the new tower) is not considered severable and title thereto shall vest in the Township. To the extent ownership of any severable assets shall vest in a Fire District, such Fire District shall expressly assume all obligations in respect of such assets under the Initial Contracts and any Other Contracts, and the Township shall no longer be responsible for making any payments thereunder in respect of such assets. Arrangements for the continued use by the Borough and the Fire Districts (following the termination of this Agreement as provided in Section 11 hereof) of all or part of the non-severable assets vested in the Township, shall be subject to such individual arrangements, if any, as may be negotiated by the respective Parties.

Section 13. The Borough and the Fire Districts acknowledge that the costs of the Project are being financed by the Township from the proceeds of the 2021 MCIA Bonds and the Township Bonds, which have been, or are expected to be, issued as tax-exempt obligations subject to the requirements of the Internal Revenue Code of 1986, as amended. In that regard, the Borough and each Fire District agrees to execute, from time to time, such certificates for the benefit of the Township and the holders of the 2021 MCIA Bonds and/or the Township Bonds, attesting to the intended governmental use of the Project and the absence of unpermitted private

activity relating to the Project. In addition, each Fire District agrees to comply with any covenants for the benefit of the Township and any the holders of the 2021 MCIA Bonds and/or the Township Bonds relating to the operation of the Project, which the Township may, upon advice of the MCIA's bond counsel and/or the Township's bond counsel, from time to time require in order to maintain the tax-exempt status of the 2021 MCIA Bonds and/or the Township Bonds.

Section 14. The provisions of N.J.S.A. 40A:65-7(d) (relating to agency) and N.J.S.A. 40A:65-7(g) (relating to payment notwithstanding dispute) are hereby incorporated by reference into this Agreement as if fully set forth herein.

Section 15. This Agreement shall terminate on the date on which all 2021 MCIA Bonds and Township Bonds have been paid and retired; provided, that this Agreement shall remain in effect as between the Township and any other Party or Parties hereto until all payments owing by such Party or Parties to the Township (including, but not limited to, the Borough Capital Contribution or the Fire District Debt Service, as applicable) has been fully paid.

Section 16. This Agreement shall be governed by New Jersey law.

Section 17. This Agreement may not be amended except by written agreement of the parties hereto. Neither party shall enter into another agreement pursuant to the Act with respect to the subject matter of this Agreement. There are no third party beneficiaries to this Agreement.

Section 18. In the event any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 19. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Township, the Borough and the Fire Districts have caused this Agreement to be signed and sealed on the date first above written.

[SEAL]

**TOWNSHIP OF HOWELL, IN THE
COUNTY OF MONMOUTH, NEW
JERSEY**

ATTEST:

Municipal Clerk

By: _____
Mayor

[SEAL]

**BOROUGH OF FARMINGDALE, IN
THE COUNTY OF MONMOUTH, NEW
JERSEY**

ATTEST:

Municipal Clerk

By: _____
Mayor

[SEAL]

**THE COMMISSIONERS OF FIRE
DISTRICT NO. 1 IN THE TOWNSHIP
OF HOWELL, COUNTY OF
MONMOUTH**

ATTEST:

Secretary

By: _____
Chairman

[Signatures continued on next page]

[SEAL]

THE COMMISSIONERS OF FIRE
DISTRICT NO. 2 IN THE TOWNSHIP
OF HOWELL, COUNTY OF
MONMOUTH

ATTEST:

Secretary

By: _____
Chairman

[SEAL]

THE COMMISSIONERS OF FIRE
DISTRICT NO. 3 IN THE TOWNSHIP
OF HOWELL, COUNTY OF
MONMOUTH

ATTEST:

Secretary

By: _____
Chairman

[SEAL]

THE COMMISSIONERS OF FIRE
DISTRICT NO. 4 IN THE TOWNSHIP
OF HOWELL, COUNTY OF
MONMOUTH

ATTEST:

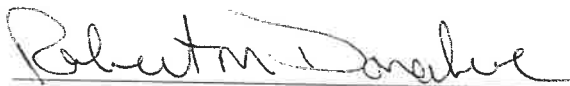
Secretary

By: _____
Chairman

[SEAL]

THE COMMISSIONERS OF FIRE
DISTRICT NO. 5 IN THE TOWNSHIP
OF HOWELL, COUNTY OF
MONMOUTH

ATTEST:



Secretary

By: 

Chairman