

RESOLUTION OF THE COMMISSIONERS OF FIRE DISTRICT NO. 4 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH AUTHORIZING THE EXECUTION AND DELIVERY OF A SHARED SERVICES AGREEMENT RELATIVE TO THE FIRE DISTRICT'S SHARE OF THE COST OF VARIOUS IMPROVEMENTS TO THE TOWNSHIP'S COMMUNICATIONS INFRASTRUCTURE, INCLUDING CONSTRUCTION OF A NEW TOWER AND ACQUISITION OF VARIOUS ITEMS OF COMMUNICATIONS EQUIPMENT

WHEREAS, by resolution adopted on September 1, 2022, The Commissioners of Fire District No. 4 in the Township of Howell, County of Monmouth (the "Fire District") authorized that a special election be held on October 29, 2022, pursuant to N.J.S.A. 40A:14-85, to secure voter approval of a proposal (the "Proposal") to authorize a capital expenditure consisting of the Fire District's share of the cost of various improvements to the communications infrastructure of the Township of Howell (the "Township"), 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 set forth generally in plans and specifications on file in the office of the Municipal Clerk of the Township, which improvements will benefit the Fire District (the "Project"), in an amount not exceeding \$1,000,000.00, together with interest thereon, and the financing by the Fire District of its share of the capital costs thereof through the execution by the Fire District of a shared services agreement with the Township and the other fire districts, and the issuance by the Fire District of its notes and/or bonds to the Township; and

WHEREAS, the Proposal was approved by the legally qualified voters of the Fire District at said special election; and

WHEREAS, on December 14, 2022, the Local Finance Board in the New Jersey Department of Community Affairs issued positive findings pursuant to N.J.S.A. 40A:5A-6 in respect of the project financing represented by the Fire District's share of the Project; and

WHEREAS, the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1 et seq., authorizes local units of the State (including the Fire District) 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 Fire District has negotiated, and now wishes to authorize the execution and delivery of, a Shared Services Agreement with the Township, the Borough of Farmingdale (the "Borough") and the other fire districts located within the Township (the "Shared Services

Agreement"), setting forth the respective rights and responsibilities of the parties with respect to the financing and implementation of the Project; and

WHEREAS, as provided in the Shared Services Agreement, (i) the Township will finance its portion of the capital cost of the Project from a portion of the proceeds of certain bonds of the Township and of The Monmouth County Improvement Authority, (ii) the Borough will make certain annual capital contributions to the Township, (iii) The Commissioners of Fire District No. 2 in the Township of Howell, County of Monmouth will contribute to the Township the portion of the capital cost of the Project as is allocable to such fire district, and (iv) the Township will issue its general obligation bonds to finance the portion of the capital cost of the Project as is allocable to the remaining four fire districts (including the Fire District), and each such fire district (including the Fire District) will issue its bonds to the Township to secure its payment obligation under the Shared Services Agreement with respect to its share of the capital costs of the Project; and

WHEREAS, the Shared Services Agreement also provides for certain ongoing responsibilities of the parties, including, without limitation, the payment of ongoing operating expenses relating to the Project;

NOW, THEREFORE, BE IT RESOLVED, BY THE COMMISSIONERS OF FIRE DISTRICT NO. 4 IN THE TOWNSHIP OF HOWELL, COUNTY OF MONMOUTH, as follows:

Section 1. The Shared Services Agreement substantially in the form attached hereto as Exhibit A and which by this reference is made a part hereof as if set forth in full herein, is hereby approved. The Chairman is hereby authorized and directed to execute and deliver the Shared Services Agreement on behalf of the Fire District in substantially such form, with such changes as such officer may approve (such approval to be conclusively evidenced by such officer's execution thereof). The Secretary/Clerk or Assistant Secretary/Clerk is hereby authorized to attest to same and to affix the official seal of the Fire District thereto. Such execution and delivery shall constitute the acceptance by the Fire District of the Township's offer to purchase the series of "Fire District Bonds" (as defined in the Shared Services Agreement) to be issued by the Fire District thereunder, in the manner, at the time and on the terms as provided therein;

Section 2. The Chairman is hereby authorized and directed, as is the Secretary/Clerk and any Assistant Secretary/Clerk, to execute all documents and certificates, necessary for the implementation of the transaction contemplated by the Shared Services Agreement. Any action which has been taken prior to the date hereof by the officers, employees, consultants and agents of

the Fire District with respect to the transaction contemplated by the Shared Services Agreement are hereby ratified and approved on behalf of the Fire District; and

Section 3. The within Resolution shall be effective immediately upon passage; and

BE IT FURTHER RESOLVED, that any resolution or part of a resolution inconsistent herewith is hereby repealed or otherwise revoked; and

BE IT FURTHER RESOLVED, that if any section, paragraph, sentence, clause or phrase in this Resolution is for any reason held or determined to be unconstitutional or invalid, same shall not affect the remainder of this Resolution; and

BE IT FURTHER RESOLVED, that notwithstanding anything set forth herein to the contrary, the Board shall be permitted to amend, modify, repeal or otherwise act as to those topics which are the subject of this Resolution provided said acts are consistent with public policy, Board bylaws, township ordinances, local, state and federal laws and rules and regulations promulgated thereunder; and

BE IT FURTHER RESOLVED, that an original signed, conformed and compared copy of this Resolution be accessible and maintained as an official Board record pursuant to and in accordance with the "Open Public Records Act"; N.J.S.A. 47:1A-1, *et seq.* and the "Destruction of Public Records Law (1953)"; N.J.S.A. 47:3-8.1, *et seq.* as set forth by the State of New Jersey Municipal Agency Record Retention Schedule promulgated by the Division of Archives and Record Management.

Board of Commissioners Recorded Vote

Member	Motion	Second	Aye	Nay	Abstain	Absent
Gregory E. Scarlato			X			
James S. Bailey		X	X			
Richard H. Stalling	X		X			
Michael L. Acampora			X			
Ricky V. Romano	Absent					

CERTIFICATION

I, MICHAEL L. ACAMPORA, Clerk of the Board of Fire Commissioners of Fire District No. 4, Township of Howell, County of Monmouth, State of New Jersey, do hereby certify that the foregoing is a true conformed and compared copy of an original Resolution now on file and of record in the District office which was duly adopted at a public meeting held on the 14th day of February, 2023.

I do further certify that the said Board of Fire Commissioners of Fire District No. 4, Township of Howell, County of Monmouth, State of New Jersey, is composed of - 5 - members, and that - 4 - members were present and - 4 - members voted affirmatively for the adoption of the Resolution and - 0 - members voted against the adoption of the Resolution.

The undersigned further certifies that the above Resolution has not been repealed or amended and remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Board of Fire Commissioners of Fire District No. 4, Township of Howell, County of Monmouth, State of New Jersey, on this 14th day of February, 2023.

MICHAEL L. ACAMPORA, CLERK
Board of Fire Commissioners
Fire District No. 4
Township of Howell

SHARED SERVICES AGREEMENT

This Shared Services Agreement (this “**Agreement**”) is made and entered into on this ____ day of _____, 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 _____, 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 notes and/or bonds under a separate \$4,160,000 bond ordinance of the Township finally adopted on December __, 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 notes and/or 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 notes and/or 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 notes and/or 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 notes and/or 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 \$4,927,539.02; (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 \$5,793,059.83, of which the estimated Township Share is \$1,826,870.62, the estimated Fire District No. 2 Share is \$704,730.01 and the estimated Fire District Nos. 1, 3, 4 and 5 Share is \$3,261,459.20. 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 notes and/or 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 (collectively, the "Borough Capital Contributions"):

<u>Year</u>	<u>Amount</u>
2023	\$ _____
2024	\$ _____
2025	\$ _____
2026	\$ _____
2027	\$ _____
2028	\$ _____
2029	\$ _____
2030	\$ _____
2031	\$ _____

Section 5. On or before _____, 2023, Fire District No. 2 shall pay to the Township the sum of \$720,000.00, constituting the sum of (i) \$704,730.01, being the Fire District No. 2 Share of the capital cost of the Project, plus (ii) \$15,269.99, 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 expects to adopt a bond resolution and to thereafter offer, sell (by competitive sale, as required by N.J.S.A. 40A:2-27) and issue its long-term, tax-exempt bonds (together with any bonds that may hereafter be issued to refinance same, the "**Township Bonds**") during the first quarter of 2023 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) 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. Following the termination of this Agreement, the Parties may by separate agreement(s) make mutually agreeable arrangements for the disposition of the Project or any portion(s) thereof.

Section 12. 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. The provisions of this Section 12 shall apply also to any bond anticipation notes issue in anticipation of the Township Bonds.

Section 13. 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 14. This Agreement shall terminate on the date on which all 2021 MCIA Bonds, 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 15. This Agreement shall be governed by New Jersey law.

Section 16. 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 17. 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 18. 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

EXHIBIT A

Project Plans and Specifications

EXHIBIT B

Pricing Terms of Initial Contracts

EXHIBIT C

[Estimated] Debt Service Schedule – Township Bonds

EXHIBIT D-1

[Estimated] Debt Service Schedule – Fire District Bonds – Fire District No. 1

EXHIBIT D-2

[Estimated] Debt Service Schedule – Fire District Bonds – Fire District No. 3

EXHIBIT D-3

[Estimated] Debt Service Schedule – Fire District Bonds – Fire District No. 4

EXHIBIT D-4

[Estimated] Debt Service Schedule – Fire District Bonds – Fire District No. 5