

with signature

INTERLOCAL SERVICES AGREEMENT

AGREEMENT entered into this /st day of *May* 1992, between THE EAST WINDSOR REGIONAL SCHOOL DISTRICT, (hereinafter "Board"), BOROUGH OF HIGHTSTOWN, (hereinafter "Borough"), TOWNSHIP OF EAST WINDSOR, (hereinafter "Township").

1. The above parties are entering into this contract pursuant to Resolution adopted by the Board, and Ordinances adopted by the Borough and Township pursuant to N.J.S.A. 40:8A-1, et seq., known as the Interlocal Services Act. The services to be provided are for the construction and operation of a joint fueling facility for all three parties at the existing Earl Stafford Transportation Center, 503 Mercer Street, East Windsor, New Jersey. The joint fueling center is to be constructed at said site, and it is agreed by the parties that the Board will be the general agent of all parties for the construction and, later, operation of said facility in accord with the provisions of this contract.

2. The said fueling facility will be available for all vehicles of the parties and will be available for their use 24 hours per day every day of the year. Breakdowns with the facility will be resolved by the Board on weekdays from 7:00 a.m. to 4:30 p.m. This provision shall not extend to holidays. At all other times, emergency breakdowns will be

resolved by the Township and the Borough on an annual rotating basis; during the first year of operation, the responsibility will be that of the Borough. It is agreed that breakdowns that are not of an emergency nature may be deterred to 7:00 a.m. the following weekday

3. At the time of the making of this contract, the construction of the facility has not occurred, and all plans for the construction of the facility have not been finalized, nor have contracts been let. The parties hereby agree to consult on said plans and enter into further agreement as may be necessary in regard to desirable, but not basic items in connection with said project to wit: lighting in the pump area; costs of an accounting system over and above a standard magnetic key system; and a canopy over the pumping area. All improvements over and above the basic necessities of the project will require the approval of all three parties. If agreement on improvements of other than basic necessities cannot be reached, then the improvements may still be implemented if those parties desiring the improvements fund them at 100%.

4. The parties agree to share all capital improvement costs and construction costs for the facility. Said costs will include engineering fees, site improvements, and all equipment purchases. The sharing percentages shall be 53.9% for the Board, 37.1% for the Township and 9% for the Borough. The total of said anticipated costs is expected to

be approximately \$275,000.00, and shall not exceed \$300,000.00 without the approval of all parties.

5. The parties further agree to share overhead costs through June 30, 1993 at the percentages set forth in the immediately preceding paragraph. After June 30, 1993, overhead cost sharing will be based upon actual fuel consumption during the previous 12 months. Each participant's fuel consumption will be divided by the total fuel consumption to arrive at the cost percentage for the next year. These percentages will be calculated annually. Overhead costs will include maintenance, utilities, insurance, (liability, pollution liability, property) monitoring, record keeping and payments made over the amount otherwise covered by insurance, payments made because of uninsurability or payments made to reach the deductible in any insurance policy and other related, but unenumerated, costs.

6. The Township and the Borough will remit monthly to the Board 1/12 of their estimated annual fuel costs. Every six months, there will be a reconciliation of estimated vs. actual fuel expenditures. An adjustment memo will be prepared by the Board. Borough and Township will pay any additional amounts required by the adjustment within 45 days after their receipt of notification of said amount. The Borough and the Township will be billed as required for overhead, construction, and other capital costs. Remittance shall be made to the Board within 45 days of receipt of said

billing. Except in the event of an emergency, the Borough and the Township will be consulted and their approval required for overhead, construction and other capital costs proposed beyond the amount budgeted for each year. Such approved expenditures, as well as reasonable emergency expenditures for overhead, construction and other capital costs shall be fully itemized to the Borough and the Township and remittance made to the Board within 45 days of billing.

7. The duration of this agreement will be 20 years from the date of execution by all parties or the life of the fuel tanks, whichever is shorter. At the end of the term of this agreement, this facility shall become the property of the East Windsor Regional School District. The parties acknowledge their ability to enter into a new arrangement for the provision of fuel at that time. The Township and Borough may withdraw from this agreement at any time after operation begins as long as their share of capital and construction costs are paid in full, and their share of the operation costs are paid in full until the date of withdrawal. The Board may withdraw from this agreement only with the permission of the Borough and the Township.

8. The parties agree that any disputes arising between them, which cannot be resolved amongst the parties, shall be sent to the American Arbitration Association for binding arbitration under its aegis. The parties agree that failure to comply with any term or condition of this agreement shall

be a default under this agreement. The general agent to the parties is hereby empowered to notify the defaulting party of the default and allow the default to be cured. Said notice shall be a fifteen day notice and shall be in writing sent certified mail, return receipt requested or hand delivered with an appropriate receipt signed by the clerk of the defaulting municipality. Failure to cure the default within the fifteen day period of the notice shall empower the general agent to deny access to the facility by the vehicles of the defaulting party and place this dispute in arbitration as per this agreement. Questions which may arise would include interpretations of the terms of this contract and any subsequent agreement which may be entered into to fully implement same, or the performance by any of the parties of the services and other responsibilities provided for herein.

IN WITNESS WHEREOF, the parties hereto have caused their properly designated officials to sign this contract, date same, and append thereto copies of Resolution and Ordinance empowering said execution.

WITNESS:

Jean Reischer

Mae Buchna

E. Joseph M. Nolan

THE EAST WINDSOR REGIONAL
SCHOOL DISTRICT

BY: Carol H. [Signature]

BOROUGH OF HIGHTSTOWN

BY: Ernest S. Turp

TOWNSHIP OF EAST WINDSOR

BY: [Signature]