

INTERLOCAL SERVICES AGREEMENT

THIS INTERLOCAL SERVICES AGREEMENT, entered into this 26TH day of NOVEMBER, 2013 by and between the Borough of Madison, in the County of Morris, a municipal corporation of the State of New Jersey, having its principal offices at 50 Kings Road, Madison, New Jersey 07940 hereinafter referred to as "Provider" and/or "Madison" and the Borough of Chatham, in the County of Morris, a municipal corporation of the State of New Jersey, having its principal offices at 54 Fairmount Avenue, Chatham, New Jersey 07928 hereinafter referred to as "Recipient" and/or "Chatham"; and

WITNESSETH, the Provider and the Recipient agree as follows:

ARTICLE I: SCOPE OF SERVICES

A. Designation as General Agent

1. The Provider is hereby designated as the agent of the Recipient to furnish Code Administration services under the Uniform Shared Services and Consolidation Act, N.J.A.C. 40A:65-1 et seq.; and certain of its Sub Codes.

2. The Provider shall maintain responsibility for and control over the personnel provided to Recipient pursuant to this agreement. Madison and/or the Department of Community Affairs (DCA), as appropriate, shall handle any public complaints involving the staff referenced herein.

3. The Provider's Construction Code Official, Building Sub-Code Official, Fire Sub-Code Official, Plumbing Sub-Code Official and Electrical Sub-Code Official and administrative staff shall work in the Borough of Madison's construction office located at the Hartley Dodge

Memorial Building, 50 Kings Road, Madison, New Jersey. They shall be responsible for all administrative aspects of Chatham's Construction Department, including but not limited to managing the permitting process, collecting all fees, coordinating the scheduling of inspections and the inspectors and the enforcement of applicable statues, ordinances and regulations. Said staff shall be available by phone or in person at the Provider's offices during normal working hours to service Chatham Borough residents.

4. The Provider's Construction Code and Sub-Code Officials shall be properly licensed under New Jersey law.

5. The Recipient shall no longer maintain their own construction office and records.

6. The Provider's staff shall maintain documented records of activity on forms approved by the Provider's Construction Official and/or the New Jersey Department of Community Affairs, recording all inspections and activities in Chatham. The records shall be specific with regard to the municipality, address, dates and hours of service.

7. All Chatham active files, records and support documentation shall be delivered by Chatham to the construction office of the Provider prior to the commencement of the Agreement.

8. The Recipient and Provider shall equally share the initial cost to acquire and/or maintain the software and equipment required to integrate the management information system utilized by the Provider and Recipient.

ARTICLE II: ENFORCEMENT

A. Investigations and Inspections

The Provider's Construction Official shall conduct investigations and inspections or supervise personnel in making same and inform the Recipient regarding any violation of

statutes and/or related local ordinances related to the Uniform Construction Code in their municipality.

B. Coordination with Municipal Attorneys

The Construction Official shall provide the Recipient with evidence of violations and pursue compliance and enforcement of the law.

The Provider shall be solely responsible for enforcement actions. The cost of enforcement activities including but not limited to legal actions and collection of any fines and/or penalties assessed as the result of a legal action shall be borne and retained solely by the Provider. The Provider's Construction Official and/or Construction Department personnel shall make themselves available to testify and provide documentation in support of the investigation they have undertaken, including the results of the investigation.

C. Violations

The Construction Official and/or appropriate Sub-Code Official shall have the power to issue notices of and summonses for violations on behalf of the Recipient.

ARTICLE III: REPORTS

A. Reports

The Provider's Construction Official shall furnish the Recipient with a monthly written report. The report shall itemize all services rendered by the Construction Department on behalf of the Recipient and all applicable fees collected. It shall contain the number of current year monthly and year to date inspections compared to the previous year monthly and year to date inspections by type, all revenue generated by Chatham activity monthly and year to date compared to the previous year monthly and year to date and the fee amounts disbursed to

Chatham and Madison monthly and year to date. The monthly report shall be in such form as is reasonably satisfactory to the Recipient.

2. Annual: The Construction Official shall furnish the Recipient with an annual written report of services rendered and applicable fees collected. At a minimum, the report shall include comparative information to the prior year, permits by type, fees received and inspections performed.

3. Periodic: Periodic reporting of activities shall be made by the Provider's Construction Official upon request by the Administrator and/or governing body of the Recipient.

ARTICLE IV: FEES

All Uniform Construction Code (UCC) license and permit fees collected by the Provider pursuant to this Agreement shall be retained by the Provider. Provider would reimburse the Recipient on a quarterly basis seven and one-half (7.5%) per cent of the net (exclusive of fees remitted to the state) license and permit fees generated by work in Chatham for administrative services provided by Chatham's engineering/zoning department staff. The quarterly payments shall be made on the first day of April, July and October and the last business day in December for each year the agreement is in effect.

ARTICLE V: DURATION OF CONTRACT, TERMINATION, AMENDMENT

A. Duration

Duration of the agreement shall be for a period up to three (3) consecutive years, beginning on or about January 1, 2014 and terminating on December 31, 2016 with possible renewal and/or extension of said service agreement as may be agreed between the parties.

B. Termination

The Provider or the Recipient may terminate its participation in the agreement upon one hundred and eighty (180) days written notice to the other party. If the Recipient elects

to terminate, the fees and reimbursement will be pro-rated and adjusted between the Provider and Recipient.

C. Amendment

The agreement may be amended at any time by mutual agreement of the parties, provided that such amendment is reduced to writing, approved by the governing body of Provider and Recipient, executed by the Mayor of each municipality or his/her designated representative and specifies the date the provisions of such amendment shall be effective.

D. Approval

This Agreement is subject to approval by resolution of the governing bodies of Madison and Chatham Borough prior to its execution by such officials as may be authorized to execute this Agreement. A copy of this Agreement and of every pertinent resolution, agreement and every amendment thereto shall be filed with the Department of Community Affairs of the State of New Jersey.

E. Hold Harmless

The Provider will indemnify and hold harmless the personnel assigned and the Recipient with reference to any cause of action resulting from or arising out of any act or conduct by the Provider's personnel assigned hereunder when said act or conduct is solely and exclusively for the performance of their duties and obligations to the Recipient pursuant to the terms and conditions of this Agreement. In the event the Provider receives notification of any cause of action or claim which arises out of the employment by the Provider of the services of assigned personnel pursuant to the terms of this Agreement said notification shall be made promptly to the Recipient by directing same to the Mayor and Business Administrator.

F. Miscellaneous Provisions

1. Choice of Law

Any dispute under this Agreement or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

2. Entire Agreement

This agreement represents the entire agreement between the parties and cannot be changed or modified orally. This agreement may be supplemented, amended or revised only in writing. It supersedes and replaces the prior Interlocal Services Agreement between the parties for this purpose dated July 13, 2010 and terminating September 1, 2014 and the Addendum dated February 14, 2011 to add fire sub-code services.

3. Severability

If any part of this Agreement shall be held to be unenforceable, the rest of this Agreement shall nevertheless remain in full force and effect.

4. Waiver

Failure to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement at any one time shall not be deemed a waiver of such term, covenant, or condition at any other time nor shall any waiver or relinquishment of any right or power herein at any time be deemed a waiver or relinquishment of the same or any other right or power at any other time.

5. Open Public Records Act

Madison will be solely responsible as the Custodian of the Chatham Construction Department records to respond and fulfill all requests for information pursuant to the Open Public Records Act.

6. Permit Applications

Permit applications for work in Chatham will be available at the municipal offices of the Borough of Madison and the Borough of Chatham. Applications can be returned to either location. Applications returned directly to Chatham will be picked up on a daily basis by Madison personnel.

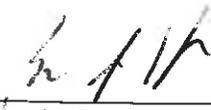
IN WITNESS WHEREOF the parties have caused these presents to be signed and executed as of the day and year first above written.

Attest:

BOROUGH OF CHATHAM



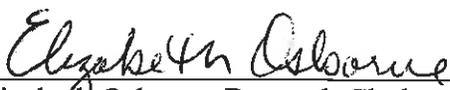
Susan Caljean, Clerk



Bruce Harris, Mayor

Attest:

BOROUGH OF MADISON



Elizabeth Osborne, Borough Clerk



Robert H. Conley, Mayor