

INTERLOCAL GOVERNMENTAL AGREEMENT

THIS AGREEMENT, made this Feb. 20 2007, between the TOWNSHIP OF WASHINGTON, a municipal corporation in the County of Warren, State of New Jersey, having its principal offices at 350 Route 57 West, Washington, New Jersey, 07882, (hereinafter referred to as "Washington Township"); and the TOWNSHIP OF MANSFIELD, a body politic and corporate of the State of New Jersey, (hereinafter referred to as "Mansfield"), with municipal offices located at 100 Port Murray Rd., Port Murray, NJ 07865; and

WHEREAS, Washington Township has heretofore utilized the services of the State Uniform Construction Code Office and the Township Committee of the Township of Washington has determined that it would be beneficial to residents, property owners, taxpayers, builders and contractors of the Township of Washington to transfer code enforcement duties to a local agency; and

WHEREAS, the Township Committee of Mansfield heretofore separately budgeted for Construction Official/Building Subcode Official, Electrical Subcode Official, Fire Official and Plumbing Official and has determined that economies of scale would provide financial benefits to residents, property owners, taxpayers, builders and contractors of Mansfield; and

WHEREAS, Washington Township and Mansfield have arrived at an agreement whereby Mansfield will pay a fixed annual sum to Washington Township for the years 2007, 2008 and 2009 with Washington Township, in turn, assuming the aforementioned separately budgeted salary for the Construction Official/Building Subcode Official, Electrical Subcode Official, Fire Official and Plumbing Official as well as in satisfaction for the rental of the Washington Township Construction Office facilities.

NOW, THEREFORE, IT IS AGREED between the parties that this Interlocal Service Agreement shall be entered into to memorialize the payment of the costs attributable to the functioning of the Construction Code Enforcement Office of the Township of Washington:

MANNER OF PAYMENT

Mansfield shall pay to Washington Township the annual sums listed below in four quarterly installments. Bills and vouchers will be submitted by Washington Township before the 15th day of March, June, September and December. The bills will be paid by

Mansfield before the last business day of aforementioned months.

The payment for 2007 will be \$80,385 (\$95,000 per annum) prorated based upon 44 weeks of services to be provided from Feb. 26 until Dec. 31, 2007.

Payment in subsequent years will be increased 3.5% over the previous year's annualized payment to offset ordinary cost increases.

Should the number of permits issued in Mansfield in any year of the contract exceed the number of permits issued in the preceding year by more than 20%, the amount payable to Washington Township will be increased \$5,000 in the next proceeding year. If the number of permits issued exceed the number issued in the preceding year by more than 30%, the amount payable to Washington Township will be increased an additional \$1,000 for each percent increase greater than 30% in the next proceeding year.

Should the number of permits issued in Mansfield in any year of the contract be less than the number of permits issued in the preceding year by more than 20%, the amount payable to Washington Township will be decreased \$5,000 in the next proceeding year. If the number of permits issued are less than the number in the preceding year by more than 30%, the amount payable to Washington Township will be decreased an additional \$1,000 for each percent decrease greater than 30% in the next proceeding year.

If the contract is not extended into 2010, the adjustment due to Washington Township from Mansfield for any increase in permits in 2009 from the previous year will be payable by the last business day of March 2010. If the contract is not extended into 2010, any adjustment due to Mansfield for any decrease in permits in 2009 from the previous year will be refunded by Washington Township by the last business day of March 2010.

SERVICES TO BE PROVIDED

The Construction Code Enforcement Office of Washington Township will furnish a Construction Official, Building Subcode Official, Electrical Subcode Official, Fire Subcode Official and appropriate clerical support staff.

The Construction Code Office of Washington Township will perform plumbing inspections for Mansfield and either retain one on-staff Plumbing Subcode Official or contract with the County of Warren for the services of a Plumbing Subcode Official.

Washington Township shall designate the Code and Subcode Officials, as well as the Inspectors, for the enforcement of the State Uniform Construction Code and related ordinances. Code and Subcode Officials and Inspectors shall be duly licensed by the New Jersey Department of Community Affairs, Division of Codes and Standards.

Each municipality shall be responsible for its own smoke detector/carbon monoxide detector inspections.

The day-to-day operations, active-record keeping, administrative and scheduling functions of the Construction Code Enforcement Office shall be the responsibility of Washington Township so long as inspections are done within legally proscribed time limits and any other legal requirements.

The Construction Code Enforcement Office of Washington Township will provide the same services to Mansfield-generated applicants as given to Washington Township-generated applicants. Inspectors will be available to Mansfield-generated applicants during those same office hours as they are available to Washington Township-generated applicants.

Mansfield will provide one full-time Construction Code Enforcement-knowledgeable employee at the Mansfield municipal offices to assist Mansfield-generated applicants in obtaining and completing applications, subject to normally approved vacation, sick and personal leave. Mansfield will provide at its own cost Mansfield permit applications.

All property, liability, auto liability and workers compensation claims for the Construction Code Enforcement Office - excluding the Construction Code Enforcement-knowledgeable employee provided by Mansfield - shall be the responsibility of Washington Township, regardless of where the incident that caused the claim arises. Washington Township shall provide appropriate proof of insurance coverage at the level of coverage of Washington Township, naming Mansfield as additional insured.

Mansfield will provide one computer with their current Construction Code program to the Township of Washington.

Appeals for both municipalities shall be handled by the Warren County Construction Board.

LOCATION OF CONSTRUCTION AND DAYS OF OPERATION

The day-to-day operations, active-record keeping and administrative functions of the Construction Code Office will be conducted in the appropriate office provided by the Township of Washington.

At the discretion of the Construction Official and any applicant, business may be conducted at the offices of either municipality.

When files, records and support documentation are closed from active status, said materials shall be stored at the offices of the generating municipality. The storage of inactive files will be the responsibility of each respective municipality.

Mansfield will make its offices available for use by the Construction Code Enforcement Office for the first 90 days of this agreement.

The Construction Code Department will be open to the public a minimum of 30 hours per

week subject to holidays normally granted to employees of the Township of Washington. During the time the Mansfield offices are used to house the Construction Code Department, the office will be open for a minimum of 30 hours within the regular business hours of operation for Mansfield's other administrative offices.

FEE REVENUE

All license fees, permit fees, inspections fees, penalties and fines and other fees collected by the Construction Code Enforcement Office shall be considered revenue of each respective municipality as such fees relate to permits or other fees attributable to such municipalities.

Collection of fees shall be the responsibility of Washington Township. Staff personnel of the Construction Code Enforcement Office shall comply with the state requirements for deposit of public funds collected by a municipality.

Revenue payable to Mansfield shall be distributed to the Mansfield Chief Financial Officer by the 15th day following the close of each month.

Both municipalities shall adopt a uniform fee schedule. The current fee schedule for Mansfield shall be adopted for 2007. For subsequent years, the Construction Official, the Chief Financial Officers from both municipalities and any liaisons designated by the respective governing bodies of the participating municipalities shall meet by November 1 of the preceding year to discuss and make recommendations for changes to the fee schedule.

REPORTING

By the 15th day following the close of the month the Construction Code Enforcement Office shall distribute to each governing body and its Chief Financial Officer a report minimally containing the following information:

- 1) Number of permits by type issued for each municipality
- 2) Funds collected broken down by code for each municipality
- 3) Funds transferred to the State of New Jersey

The Township of Washington shall submit copies of any annual audit comments and/or recommendations made relating to the Construction Code Enforcement Office to Mansfield each year.

Mansfield shall provide for its own audit of Construction Code Enforcement Office-related finances and Washington Township shall make available any records necessary for such.

TERM OF AGREEMENT

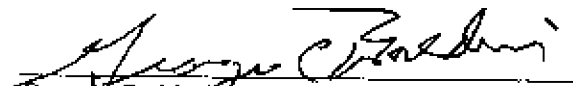
The term of this inter-local agreement shall begin Feb. 26, 2007 and terminate Dec. 31, 2009. Should either party wish to terminate the agreement at that time, a six-month notice must be provided. It may be amended, only in writing, with the consent of both municipalities. No other municipalities shall be added to this agreement without the consent of both municipalities.

IN WITNESS WHEREOF, Township of Mansfield and the Township of Washington have caused these presents to be signed and attested to by their respective officers and their respective seals to be affixed hereto the day and year first above written.

ATTEST:

TOWNSHIP OF MANSFIELD



Dena Hrebenak, Acting Clerk


George Baldwin, Mayor

ATTEST:

TOWNSHIP OF WASHINGTON


Mary Ann O'Neil, Clerk


John Horensky, Mayor
Samin Elhassouny, Deputy Mayor

INTERLOCAL GOVERNMENTAL AGREEMENT AMENDMENT

THIS AMENDMENT, made this 11th day of July, 2007, between the TOWNSHIP OF WASHINGTON, a municipal corporation in the County of Warren, State of New Jersey, having its principal offices at 350 Route 57 West, Washington, New Jersey, 07882, (hereinafter referred to as "Washington Township"); and the TOWNSHIP OF MANSFIELD, a body politic and corporate of the State of New Jersey, (hereinafter referred to as "Mansfield"), with municipal offices located at 100 Port Murray Rd., Port Murray, NJ 07865; and

WHEREAS, Washington Township and Mansfield have previously arrived at an agreement whereby Mansfield will pay a fixed annual sum to Washington Township for the years 2007, 2008 and 2009 with Washington Township, in turn, assuming the aforementioned separately budgeted salary for the Construction Official/Building Subcode Official, Electrical Subcode Official, Fire Official and Plumbing Official as well as in satisfaction for the rental of the Washington Township Construction Office facilities; and

WHEREAS, there is a need to change the start date of the agreement.

NOW, THEREFORE, IT IS AGREED between the parties that this Interlocal Service Agreement shall be amended as follows:

TERM OF AGREEMENT

Shall be changed from:

The term of this inter-local agreement shall begin Feb. 26, 2007 and terminate Dec. 31, 2009. Should either party wish to terminate the agreement at that time, a six-month notice must be provided. It may be amended, only in writing, with the consent of both municipalities. No other municipalities shall be added to this agreement without the consent of both municipalities.

Shall be changed to:

The term of this inter-local agreement shall begin when the agreement is accepted by the State Department of Community Affairs and Washington Township is approved as an

operational enforcement agency and terminate Dec. 31, 2010. Should either party wish to terminate the agreement at that time, a six-month notice must be provided. It may be amended, only in writing, with the consent of both municipalities. No other municipalities shall be added to this agreement without the consent of both municipalities.

MANNER OF PAYMENT

Shall be changed from:

The payment for 2007 will be \$80,385 (\$95,000) per annum prorated based upon weeks of services to be provided from Feb. 26 until Dec. 31, 2007.

Shall be changed to:

The payment for 2007 will be *\$95,000 per annum prorated based upon the start date of the agreement.*

Shall be changed from:

If the contract is not extended into 2010, the adjustment due to Washington Township from Mansfield for any increase in permits in 2009 from the previous year will be payable by the last business day of March 2010. If the contract is not extended into 2010, any adjustment due to Mansfield for any decrease in permits in 2009 from the previous year will be refunded by Washington Township by the last business day of March 2010.

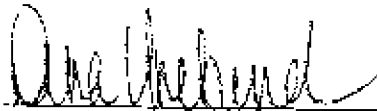
Shall be changed to:

If the contract is not extended into 2011, the adjustment due to Washington Township from Mansfield for any increase in permits in 2010 from the previous year will be payable by the last business day of March 2011. If the contract is not extended into 2011, any adjustment due to Mansfield for any decrease in permits in 2010 from the previous year will be refunded by Washington Township by the last business day of March 2011.

IN WITNESS WHEREOF, Township of Mansfield and the Township of Washington have caused these presents to be signed and attested to by their respective officers and their respective seals to be affixed hereto the day and year first above written.

ATTEST:

TOWNSHIP OF MANSFIELD



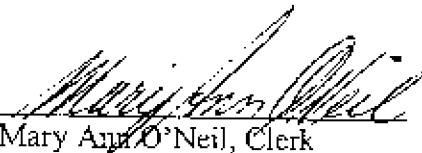
Dena Hrebenak, Acting Clerk



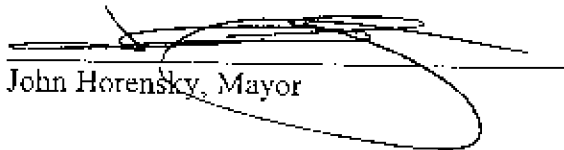
George Baldwin, Mayor

ATTEST:

TOWNSHIP OF WASHINGTON



Mary Ann O'Neil, Clerk



John Horensky, Mayor