

RESOLUTION 2015-035

BORDENTOWN SEWERAGE AUTHORITY
COUNTY OF BURLINGTON

**RESOLUTION OF THE BORDENTOWN SEWERAGE
AUTHORITY, IN THE COUNTY OF BURLINGTON,
STATE OF NEW JERSEY AUTHORIZING THE FORM OF
A PROPOSED SANITARY SEWERAGE IMPROVEMENT
REIMBURSEMENT AGREEMENT BETWEEN THE
AUTHORITY AND G.S. REALTY CORP.**

WHEREAS, G.S. Realty Corp. (the “Developer”) is interested in constructing sanitary sewer improvements to service Building No. 3 located in the Central Crossing Business Park located at 401 Bordentown-Heading Road in Bordentown Township and also known as Block 137.0, Lot 3.01 (the “Property”) on the official tax map of the Township of Bordentown;

WHEREAS, the Authorities’ Executive Director after consultation with the Authorities’ consulting engineer and the Authorities’ solicitor believes that it is in the best of the rate payers of the Authority for the Developer to pay all related costs and fees associated with the extension of any sanitary sewer service that will further the development of the Property;

WHEREAS, the Authority believes that it is reasonable to establish a mechanism whereby the Developer will be able to recover a portion of its Project costs from future developers who wish to connect to the Developer’s improvements.

NOW, THEREFORE, BE IS RESOLVED, by the Board Members of the Bordentown Sewerage Authority, in the County of Burlington, State of New Jersey that:

1. The form of Sanitary Sewerage Improvement Reimbursement Agreement between The Bordentown Sewerage Authority and G.S. Realty Corp. attached hereto as Appendix "A" is hereby approved in their present form by the Authority.
2. The Authorities' Executive Director and Administrative Manager are hereby authorized to undertake any and all necessary actions to distribute the agreements in draft form to the Developer and their designated representatives for the purpose of the Developer's execution of the same.
3. The Authorities' Executive Director is hereby authorized to execute the agreements on behalf of the Authority.
4. Any and all resolutions inconsistent with this resolution are hereby repealed to the extent of such inconsistencies.

<u>RECORDED VOTE:</u>	Yay	Nay	Abstain	Absent
Ronald L. Marino	✓			
James E. Lynch, Jr.	✗			
Stephen Monson	✗			
Zigmont F. Targonski	✓			
Joseph R. Malone, III	✗			
M. Ellen Gulbinsky	✗			

Adopted this 16th day of March, 2015

BORDENTOWN SEWERAGE AUTHORITY

By: 

Ronald Marino, Chairman

Attest: 

Stephen Monson, Secretary

EXHIBIT "A"

MUNICIPAL DEVELOPER'S AGREEMENT BETWEEN THE BORDENTOWN
SEWERAGE AUTHORITY AND G.S. REALTY CORP. FOR THE PRO-RATA
REIMBURSEMENT FOR SANITARY SEWER IMPROVEMENTS FROM BENEFITTED
PROPERTIES

WHEREAS, G.S. REALTY CORP. having its office at c/o Amboy National Bank, 3690 US Hwy. #9, Old Bridge, New Jersey, 08857, is the owner of certain real property in the Township of Bordentown, County of Burlington, State of New Jersey, which is more specifically described as Block 137.01, Lot 3.01 (the "PROPERTY"), and is the successor in interest to certain development approvals from the Bordentown Township Planning Board, the Bordentown Sewerage Authority, and the Burlington County Planning Board, which permits have been extended from time to time pursuant to the New Jersey Permit Extension Act (P.L. 2008, C.78) with the most recent extension being until December 31, 2015; and

WHEREAS, The Bordentown Sewerage Authority, a public body corporate and politic, organized pursuant to N.J.S.A. 40:14A *et seq.*, is authorized pursuant to the "Municipal Land Use Law" and pursuant to the "New Jersey Sewer Authority Law" to enter into an agreement with a developer constructing off-tract improvements, to provide for reimbursement of a portion of the improvement costs from the owners of other properties who have benefitted from or will benefit from the improvements to be constructed; and

WHEREAS, G.S. REALTY CORP. has requested that the Bordentown Sewerage Authority enter into a municipal developer's agreement ("AGREEMENT") to enable G.S. Realty Corp. to recapture a portion of its expenditures for off-tract improvements related to the development of the PROPERTY; and

WHEREAS, the downstream sanitary sewer facilities need to be expanded in at least one and possibly two ways, in order to accommodate the sewage flow from the proposed development of the property by G.S. Realty Corp. as part of two separate sewer projects and more specifically described in Schedule A attached hereto and made a part hereof, which said Projects may or may not be required to accommodate flow from the PROPERTY; and

WHEREAS, if built to the full extent described in Schedule "A" (attached hereto) both of said Projects will provide conveyance system capacity beyond the need of the projected development by G.S. Realty Corp. of the PROPERTY.

NOW, THEREFORE, it is agreed by the parties hereto as follows:

1. G.S. Realty Corp. shall, to the extent not already accomplished, design Project 1 and Project 2 and provide the Bordentown Sewerage Authority with a construction cost

estimate for each of the two Projects. G.S. Realty Corp. shall also provide the Bordentown Sewerage Authority with separate performance bonds to guarantee the construction of said projects in accordance with the Authority's rules and regulations. The performance bond for each project shall be the combination of construction cost and soft costs as shown on Schedule "A".

2. As part of the construction of its real estate development project, on the PROPERTY, G.S. Realty Corp. shall install the sewer improvement described herein as "Project 1" and upon the completion of said construction, shall certify to the Bordentown Sewerage Authority the actual construction costs of said Project including but not limited to design, permitting, engineering, fees legal fees, insurance, costs of performance guarantees, application fees and all other costs whether hard or soft, related to Project 1. Simultaneously with the certification of said costs, G.S. Realty Corp. shall also certify to the Bordentown Sewerage Authority the design capacity Project 1.

3. The Bordentown Sewerage Authority agrees that any subsequent developer needing to use all or a portion of the remaining capacity not used by G.S. Realty Corp. in said Project 1, shall be referred by the Bordentown Sewerage Authority to G.S. Realty Corp. for a calculation of and payment of the subsequent developers proportionate share of the construction cost of said Project 1. The Bordentown Sewerage Authority further agrees that it will not grant final approval for any construction until it receives certification from G.S. Realty Corp. that the obligations of the subsequent developer to G.S. Realty Corp. pursuant to this AGREEMENT have been satisfied. The obligation of any subsequent developer shall include interest at 10% per year calculated from the date the construction cost is certified as provided in section 2 above.

4. The proportionate share of a subsequent developer shall be calculated according to the following formula: a fraction shall be a developed numerator of which shall be the design flow required by the subsequent developer and the denominator of which shall be the design flow capacity for the Project 1 described in paragraph 2 above. The fraction that is thus determined, shall be multiplied times the actual construction cost of G.S. Realty Corp. Project 1 as calculated in paragraph 2 hereof. The resulting product shall be the subsequent developer's proportionate share of Project 1.

5. If it is determined by the Bordentown Sewerage Authority after the construction of Project 1, that Project 2 needs also to be constructed, in order to accommodate the sewer flows emanating from G.S. Realty Corp. development of the PROPERTY as described above, G.S. Realty Corp. agrees to construct Project 2 to the full extent described in Schedule "A" subject to the same cost recapture provisions set forth herein for Project 1. If it is determined after the completion of construction of Project 1, that Project 2 is not needed for the accommodation of the sewer flows emanating from G.S. Realty Corp.'s development, and then the Bordentown Sewerage Authority shall return to G.S. Realty Corp. the performance bond for

Project 2. G.S. Realty Corp. shall not initiate the Project 2 design until the Bordentown Sewerage Authority determines Project 2 is required.

6. For its part, G.S. Realty Corp. does hereby hold harmless identify and defend the Bordentown Sewerage Authority its successors and assigns from any claims of any nature whatsoever arising out of this Agreement its implementation and/or execution.

7. This AGREEMENT shall remain in full force and effect for a period of twenty (20) years, from the completion of the construction of Project 1, as evidenced by the submission of the WQM-005 to the New Jersey Department of Environmental Protection for Project 1, which states that the system has been inspected by a New Jersey Licensed Professional Engineer and is installed correctly and ready for operation.

8. This AGREEMENT may not be modified orally. This AGREEMENT shall not be assignable by G.S. Realty Corp. without the express written permission of the Bordentown Sewerage Authority.

9. This AGREEMENT shall be binding upon G.S. Realty Corp. and the Bordentown Sewerage Authority and the respective heirs and assigns.

10. This AGREEMENT shall be recorded in the office of the County Clerk of Burlington County.

11. This AGREEMENT shall be governed by and construed in accordance with the laws of the State of New Jersey.

12. If any provision of this AGREEMENT is deemed invalid, void or illegal, then the provisions so effected shall be deleted from this AGREEMENT. All remaining provisions shall remain in full force and effect.

13. The Bordentown Sewerage Authority and G.S. Realty Corp. agree that each will take any and all actions, including the execution of any documentation which may be necessary to effectuate the intent of the parties as set forth in this AGREEMENT. Both the Bordentown Sewerage Authority and G.S. Realty Corp. warrant that each has been duly authorized to execute this AGREEMENT required by law.

14. This AGREEMENT constitutes the entire understanding between the parties with respect to the subject matter hereof. This AGREEMENT may only be amended in writing and signed by both parties. This AGREEMENT may be executed in multiple copies, and if so executed, each copy of the AGREEMENT shall be deemed an original.

In witness whereof, the parties have executed this Agreement by their proper corporate officers this 23 day of APRIL, 2015.

Attest:

Peggy Dembowski
Secretary

G.S. Realty Corp.

By:

Henry King
VICE President

Attest:

[Signature]
Secretary

Bordentown Sewerage Authority

By:

Richard W. Eustace
Executive Director

SCHEDULE A

GS Realty

CENTRAL BUSINESS CROSSINGS BUILDING NO 3

MC Project # 99331Q

DESCRIPTION OF OFF-SITE SANITARY SEWER IMPROVEMENTS REQUIRED FOR CONNECTION

The BSA has indicated that the following off-site sanitary sewer improvements must be constructed in order for BSA to grant approval for connection of Central Business Crossings Building No 3 to the sanitary sewer system:

1. Replacement of approximately 460 lf of existing 8" gravity sewer with 15" gravity sewer pipe to increase the capacity of this section of gravity sewer. The BSA will accept open cut, or alternative methods of installation such as pipe bursting. Coordination with the BSA is required to confirm the pipe sizes and existing and future flows that the pipe must accommodate. The pipe section is within the ROW of Route 206 and within an easement on private property, just upstream of the BSA Wastewater Treatment Plant.
2. There are currently off-site force main improvements to be constructed in the near future for the Central Business Crossings Building No 1 (Grainger Building) which may result in an increased flow rate from each of the Rising Sun Road Pump Station pumps. The BSA is anticipating that those off-site force main improvements will not provide adequate excess pump capacity for Central Business Crossings Building No 3 and other proposed sites. Once the off-site improvements for Building 1 are completed, the BSA will evaluate if additional improvements need to be constructed in order to accommodate the Central Crossing Building No. 3 sewer flows. GS Realty will pay for this evaluation through BSA's escrow procedures. The BSA Engineer has indicated that the following additional improvements may be required to increase the flow rate of the Rising Sun Road Pump Station pumps prior to accepting the flow from Building No 3 :
 - Replacement of up to 3,400 lf of existing 6" force main pipe with 12" force main pipe to a location where a direct connection will be made with the existing 10 inch force main.
 - Replacement of the pump station pumps and associated electrical components.

Construction cost estimates for the above referenced work were provided by the BSA Engineer at our meeting. The cost estimates are preliminary, but appear to be reasonable. The following estimated costs were provided by BSA:

1. Replacement of gravity sewer: \$340,000
2. Replacement of force main: between \$660,000 to \$900,000.
3. Replacement of the pump station pumps and associated electrical components: \$200,000

It should be anticipated that soft costs including engineering fees, permitting, and easements would increase the total project cost of each of the above improvements by up to 30% of the construction cost.

The following is a summary of the total potential costs:

<u>Improvement</u>	<u>Construction Cost</u>	<u>Soft Costs</u>	<u>Total Cost</u>
Replacement of gravity sewer	\$340,000	\$102,000	\$ 442,000 (1)
Replacement of force main	\$900,000	\$270,000	\$ 1,170,000 (2)
Replacement of the pumps and associated electrical components (3)	\$200,000	\$ 60,000	<u>\$ 260,000 (2)</u>
TOTAL FOR TWO PERFORMANCE BONDS			\$ 1,872,000

(1) Project 1 performance bond cost.

(2) Components added together result in Project 2 performance bond cost. Includes at least two bypass pumping chambers along force main route.

(3) Note that the replacement cost of the motor starters, conductors, conduits, disconnect switches, and circuit breakers are included in the listed cost.