

**SERVICE AGREEMENT FOR  
CONTRACT ADMINISTRATION OF THE TOWNSHIP OF MIDDLETOWN'S  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS SERVICE AGREEMENT entered into the \_\_\_\_ day of \_\_\_\_\_, 2023

**BETWEEN:** THE TOWNSHIP OF MIDDLETOWN, a having its principal place of business at, 1 Kings Highway, Middletown, New Jersey 07748, (hereinafter referred to as "Middletown Township" or "Township")

**AND:** THE COUNTY OF MONMOUTH, having its principal place of business at Hall of Records Annex, One East Main Street, Freehold, New Jersey 07728-1255, (hereinafter referred to as "Monmouth" or "County")

WHEREAS, the certain Federal funds are available to the Township of Middletown under Title I of the Housing and Community Development Act of 1974, as amended, commonly known as the Community Development Block Grant Program (CDBG); and

WHEREAS, the Community Development Block Grant Program requires the creation of an appropriate administrative mechanism; and

WHEREAS, the Monmouth County Board of Chosen Freeholders has the experience, expertise and personnel and has offered to administer the Community Development Block Grant Program for the Township of Middletown through the County's Office of Community Development (hereinafter "Community Development"); and

WHEREAS, the Township of Middletown has accepted the offer of the County to administer its program through Community Development;

NOW, THEREFORE, the parties agree as follows:

**I. County's Representative.** The County's Administrator or its Director of Community Development, or his/her respective designee, will act on behalf of the County with regard to the services available to the Township, the cost thereof and commitment to provide requested services.

**II. Township's Representative.** The Township Administrator, or his/her designee, will act on behalf of the Township with regard to a request for services from the County and approval of costs provided by the County.

**III. Costs of Services** Middletown Township will pay the County an administrative fee for tasks associated with the performance of this contract. The annual administrative fee will be calculated as follows: the County will be allocated up to 20% (including fringe and indirect costs) of the Township's annual U. S. Department of Housing and Urban Development Community Development Block Grant administrative funds subgrant for the applicable fiscal year. The Township will maintain \$9,300 in administrative funds to utilize at their discretion. If any of the

County's administrative allotment remains at the end of the fiscal year, funds will revert to the Township for project expenditures.

**IV. Payment of Invoices.** Payment to the County for administrative expenses will be made on a quarterly basis, upon presentation to the Township of an invoice, along with a summary report of County activities in the administration of the Township's CDBG program. The Township will facilitate these periodic payments by creating a Purchase Order upon full execution of this agreement. The Township will pay the County for services rendered under this agreement within thirty (30) days of receipt of the County's invoice for those services. If the Township disputes a County invoice, the Township will pay the undisputed portion and attempt to resolve the remaining portion in accordance with the article below, entitled Disputes.

**V. Responsibilities of County.** The County, through The Office of Community Development, will utilize its procedural manual to implement this Agreement consistent herewith and in conformance with U. S. Department of Housing and Urban Development regulations. Community Development will, as necessary, amend its manual so as to conform to current HUD regulations.

The County will provide services as listed on the attached Exhibit "A" to the Township. The County or Township, at either's discretion, may propose amendments to Exhibit "A" from time to time to best accomplish the goals of the Community Development Program and comply with applicable state and Federal regulations. Any proposed amendments to Exhibit "A" must be made in writing and will become effective upon written acceptance by the County and Township Representatives, as designated in Items I and II, above. Amendments to Exhibit "A" which are accepted by the designated representatives do not require ratification by the respective governing bodies of the parties to this agreement.

**VI. Responsibilities of Township.** Middletown Township is responsible for funding fully CDBG program activities, as needed to meet the goals and priorities stated in the Township's approved CDBG Annual Action Plan.

The Township will provide services as listed on the attached Exhibit "B" to facilitate the County's administration of the Township's CDBG program. Any proposed amendments to Exhibit "B" must be made in writing and will become effective upon written acceptance by the County and Township Representatives, as designated in Items I and II, above. Amendments to Exhibit "B" which are accepted by the designated representatives do not require ratification by the respective governing bodies of the parties to this agreement.

The Township shall comply with the regulations and rules set forth by HUD and in accordance with the CDBG. The Township shall indemnify and hold the County harmless from any claims, actions, and damages arising from the Township's failure to comply with the CDBG regulations as set forth by HUD.

**VII. Responsibilities Applicable to Both Parties.** The parties represent that this is the agreement and that same may not be modified without the express written consent of both parties:

1. The Agreement will be binding on all successors and/or assigns;

2. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of New Jersey in such a fashion as to fulfill the intents and purposes of the Fair Housing Act;
3. This Agreement will be construed, interpreted and enforced in accordance with the rules and regulations promulgated by the U. S. Department of Housing and Urban Development in such a fashion as to fulfill the intents and purposes of Title I of the Housing and Community Development Act of 1974, as amended, commonly known as the Community Development Block Grant Program; and
4. The Township and County agree to meet periodically to discuss program operations and best practices, as the need may arise. Either party may initiate a request for such a meeting.

**VIII. Workmanlike Services.** The County will render services to the Township in a workmanlike manner.

**IX. Care Required.** The County will exercise ordinary care in rendering services to the Township.

**X. Effective Dates.** This agreement will be in effect from the date of its execution by both parties for a period of three (3) years, unless sooner terminated by either party.

**XI. Early Termination.** Either party may terminate this agreement, with or without cause, upon thirty (30) days written notice to the other party.

**XII. Disputes.** If there is a dispute concerning either party's performance under this agreement, the parties will attempt to resolve the dispute amicably between them. If the parties cannot resolve the issue amicably, the parties will mediate the dispute before a third party mediator jointly agreed to by the parties. Each party will bear its own cost of participating in mediation and the parties will share the cost of the mediator equally. If the dispute is not resolved through mediation, either party may then pursue any available legal or equitable remedy to resolve the dispute.

**XIII. Indemnification.** Each party will indemnify the other party and hold the other party harmless for the negligent or intentional acts of the indemnifying party.

**XIV. Authority to Execute Agreement.** The execution of this agreement has been duly authorized by the governing bodies of the County and the Township.

**XV. Authority to Execute Agreement.** Each party to this Agreement represents to the other party that its governing body has taken the necessary action to authorize the execution of this Agreement.

**XVI. Counterparts.** This Agreement may be fully executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one agreement binding upon all parties, notwithstanding that all parties have not signed the same counterpart. Such executions may be transmitted to the parties electronically or by facsimile, and such electronic or facsimile execution shall have the same force and effect as an original signature.

**XVII. Notices.** Any notices that are provided pursuant to this Agreement shall be in writing

(including facsimile and electronic transmissions) and mailed or transmitted or delivered as follows:

**CONTACT INFORMATION**

County of Monmouth Office of Community Development  
1 East Main Street  
Freehold, NJ 07728  
732-431-7460  
732-308-2995  
communitydevelopment@co.monmouth.nj.us

ATTEST:

**MONMOUTH COUNTY BOARD OF  
COUNTY COMMISSIONERS**

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TAMARA BROWN  
Clerk to the Board of County  
Commissioners

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THOMAS A. ARNONE  
Commissioner Director

CONTACT INFORMATION

Township of Middletown Department of Planning and Community Development  
1 Kings Highway  
Middletown, NJ 07748  
732-615-2281  
732-615-2103  
jcammarosano@middletownnj.org

ATTEST:

TOWNSHIP OF MIDDLETOWN

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HEIDI R. BURNT, RMC, CMC  
Township Clerk

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ANTHONY S. PERRY  
Mayor

**Exhibit “A”**  
**Responsibilities of the County for**  
**Administration of Middletown Township’s CDBG Program**

1. The County, through The Office of Community Development, will utilize its procedural manual to implement this Agreement consistent herewith and in conformance with U. S. Department of Housing and Urban Development regulations. Community Development will, as necessary, amend its manual so as to conform to current HUD regulations.
2. The County will review projects proposed by the Township as well as applications submitted to the Township by applicants to determine eligibility under the HUD Community Development Block Grant regulations, and advise the Township of its determinations.
3. The County will, in coordination with Middletown Township, obtain login credentials and required permissions for County staff to access the HUD Integrated Disbursement and Information System (IDIS).
4. The County will be responsible for day-to-day data entry in HUD’s IDIS system, including: on-line preparation of the Five-Year Consolidated Plan and Annual Plans; Analysis of Impediments; Consolidated Annual Performance and Evaluation Report (CAPER); substantial amendments; and drawdown of funds as required.
5. The County will follow the required environmental review process as outlined in the HUD Environmental Review Online System (HEROS). The County will be responsible for publishing all public notices required as part of the environmental review, and will advise the Township of any public comment received or adverse finding identified during the process.
6. Upon receipt of fully-executed Subrecipient Agreements, the County will notify subrecipients that environmental clearance has been obtained and authorize subrecipients to begin projects. The Township will also be notified.
7. The County will oversee municipal construction projects for compliance with HUD requirements by coordinating with licensed professional staff designated by the Township, who will be responsible for preparation of technical engineering and construction documents and inspections.
8. The County will rely on Application and Certificate for Payment forms (i.e. AIA Document G702) prepared by designated professionals to review requests for payments. The County will also review for compliance with HUD regulations prior to forwarding to the Township for final payment approval.
9. The County will be responsible for initiating drawdowns by creating vouchers in IDIS, and

coordinating final approval with the Township Administrator or his/her designee.

10. The County will maintain all project activity and overall program files following the established records retention policy. Files will be returned to the Township at the conclusion of the minimum established timeframe according to the applicable Federal and State records retention schedules.
11. Monmouth County will ensure Middletown Township complies with HUD timeliness requirements.

**Exhibit “B”**  
**Responsibilities of the Township for**  
**Administration of Middletown Township’s CDBG Program**

1. Middletown Township will coordinate with the U. S. Department of Housing and Urban Development to obtain login credentials and required permissions for County staff to access the HUD Integrated Disbursement and Information System (IDIS)
2. Middletown Township will advertise and accept applications for CDBG funding from applicants serving residents within the Township’s boundaries, and forward all applications received to the County for review for compliance with HUD regulations.
3. Middletown Township will conduct Public Hearings and Community Outreach as required to comply with HUD Citizen Participation requirements and established Township procedures.
4. Middletown Township will use the allocated administration allotment for necessary public advertisements before submission of Consolidated Plan, Annual Action Plan, Substantial Amendments, etc.
5. Middletown Township will assist the County with the preparation of the 5-Year Consolidated Plan and Annual Plan by providing the County with its Goals and Objectives as to insure that the CDBG Program is meeting the Township’s priorities.
6. Middletown Township will assist the County with the preparation of the Township’s Analysis of Impediments by providing the County with Impediments and additional data to ensure that the CDBG program is meeting the Township’s priorities.
7. Middletown Township will review and approve all plans before submission to HUD through IDIS.
8. Middletown Township will prepare and execute Subrecipient Agreements with nonprofit organizations receiving CDBG funds. The County will assist as necessary to coordinate execution.
9. Middletown Township will execute all necessary grant agreements, reports (MBE, etc.) Federal forms (SF424, etc.) and reports necessary to secure funds from HUD. Copies of executed documents will be provided to the County.
10. Middletown Township will designate the licensed professional staff that will be responsible for preparation of technical engineering and construction documents and inspections. The County will oversee municipal construction projects for compliance with HUD requirements by coordinating with same.



11. Middletown Township staff will continue to carry out and manage the Middletown Township Home Improvement Program.
12. Middletown Township will be responsible for maintaining a bank account to be used specifically for CDBG funds wired from HUD's IDIS system and payments to contractors and subrecipients. The Township will provide copies of bank statements to the County within 5 days of receipt for the County's use in reconciling the CDBG bank account balances with IDIS.
13. Middletown Township will create purchase orders as needed to facilitate payment to subrecipients and contractors, coordinating same through the Township Administrator or his/her designee. The Township will follow normal payment procedures to process payment. The Township Administrator or his/her designee will be responsible for approval of drawdowns initiated by the County in IDIS.