

**BOROUGH OF PENNINGTON
RESOLUTION 2025-10.5**

**RESOLUTION AUTHORIZING SHARED SERVICES AGREEMENT AND ADDENDUM
BETWEEN THE BOROUGH OF PENNINGTON AND THE BOARD OF FIRE
COMMISSIONERS OF HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1 (2025-2026)**

WHEREAS, the Pennington First Aid Squad, which provided emergency BLS medical services to Pennington Borough for almost 70 years, terminated its operations effective March 1, 2023;

WHEREAS, Pennington Borough and Hopewell Township Fire District No. 1 (“HTFD”) then entered into successive shared services agreements for 2023-2024 and 2024-2025 by which Pennington became a beneficiary of an agreement between HTFD and Capital Health in which Capital Health agreed to be the primary provider of emergency BLS services to Hopewell Valley, including Hopewell Township, Pennington Borough, and Hopewell Borough, for one year commencing on April 3, 2023;

WHEREAS, the Capital Health Contract provides that HTFD will be pay Capital Health an annual fee of \$200,000. to be reimbursed by the three municipalities;

WHEREAS, the reimbursement paid by Pennington Borough under the 2023-2024 shared services agreement was \$25,730, based on Pennington’s proportionate share of the combined population of the three municipalities;

WHEREAS, the Capital Health Contract is automatically renewable at the discretion of HTFD each year for five years, and HTFD renewed as well for the 2025-2026 contract years;

WHEREAS, Pennington Borough had the benefit of the Capital Health Contract during the 2024-2025 contract period and the Capital Health services have continued in the 2025-2026 contract year;

WHEREAS, earlier this year, in connection with finalizing the 2024-2025 shared services agreement, Pennington Borough and HTFD agreed to the elements of a reimbursement formula that would require Pennington to pay (a) a percentage of the \$200,000 Capital Health fee determined by dividing total emergency calls from Pennington Borough by total emergency calls from the three municipalities combined, and (b) some additional amount to be agreed upon for the next contract year based on independent professional analysis of **costs incurred by HTFD as the result of Pennington Borough participating in the Capital Health Contract (“costs allocable to HTFD”)**;

WHEREAS, Pennington Borough and HTFD entered into the shared services agreement for the 2024-2025 contract year (April to April) (“Shared Services Agreement 2024-2025”) incorporating to the extent possible at that time the new payment formula, retroactive to the beginning of that contract year;

WHEREAS, a credible sampling of Capital Health data for 2024 indicates that Pennington’s proportionate share of calls was 16.37% in the 2024-2025 contract year, implying by that criterion a share of the Capital Health annual fee equal to \$32,740;

WHEREAS, because the desired independent professional calculation of HTFD costs allocable to Pennington Borough could not be performed until the next contract year, Pennington agreed to pay HTFD the additional amount of \$7,260 but only as a credit against Pennington’s reimbursement obligation in the 2025-2026 contract year and without prejudice to the parties’ future good faith negotiation of that obligation;

WHEREAS, Pennington Borough’s total payment to HTFD under the Shared Services Agreement 2024-2025 amounted to \$40,000.00 including the \$7,260 credit:

WHEREAS, HTFD has recently presented to Pennington Borough a proposed Shared Services Agreement for 2025-2026 (to be effective April 3, 2025) but neither the negotiation of costs allocable to HTFD nor the independent financial analysis intended to be the basis for that negotiation has occurred to date;

WHEREAS, the Borough has prepared an Addendum (“Addendum”) to the proposed Shared Services Agreement for 2025-2026 (“Proposed Agreement”) incorporating and carrying forward the payment formula in the Shared Services Agreement 2024-2025 and making other amendments restoring provisions of the 2024-2025 Agreement;

WHEREAS, payment for 2025-2026 under the amendments contained in the Addendum will therefore total \$40,000, consisting of a \$32,740 payment for Pennington’s share of Capital Health calls and \$7,260 to be credited against future costs allocable to HTFD still to be negotiated based on independent financial analysis;

WHEREAS, the Addendum also carries forward the unused \$7,260 credit generated under the 2024-2025 Agreement creating a total combined credit of \$14,520;

WHEREAS, the Chief Financial Officer of the Borough has certified that the required funds are available;

NOW, THEREFORE, BE IT RESOLVED, by Borough Council of the Borough of Pennington, that (1) the Mayor with the attestation of the Borough Clerk is hereby authorized to execute and enter into the attached Addendum with Proposed Agreement attached; and (2) upon execution of the Addendum with Proposed Agreement attached by both parties, the Borough Clerk is hereby directed to take such steps as necessary to disburse to HTFD the full amount of \$40,000. as provided in the Addendum. .

Record of Council Vote on Passage

COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.
Angarone					Rubinstein				
Chandler					Stern				
Marciante					Valenza				

This is to certify that the foregoing is a true copy of a Resolution adopted by the Borough Council of the Borough of Pennington at a meeting on October 6, 2025.

Elizabeth Sterling, Borough Clerk