

SHARED SERVICES AGREEMENT BETWEEN THE BOROUGH OF
PENNINGTON AND THE BOARD OF FIRE COMMISSIONERS
OF HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1

AGREEMENT effective as of _____, 2023 by and between the Borough of Pennington, a municipal corporation of the State of New Jersey (“Pennington”) and the Board of Fire Commissioners of Hopewell Township District No. 1 (“HTFD”).

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

WHEREAS, Pennington seeks to continue the provision of emergency BLS services in Pennington through HTFD;

WHEREAS, HTFD is providing emergency BLS services in the fire district, inclusive of Pennington, **through career staff of HTFD and through the Union Fire Company & Rescue Squad, Inc. (aka “Titusville”)**;

WHEREAS, Pennington and HTFD now seek to enter this Shared Services Agreement by which HTFD will provide emergency BLS services to Pennington through an Agreement between HTFD and Capital Health, Inc. by which HTFD designates Capital Health, Inc. the “designated contractor” for providing emergency medical services to Hopewell Township, Pennington Borough, and Hopewell Borough, for one year beginning April 3, 2023;

WHEREAS, Pennington and HTFD also seek to designate HTFD the primary provider of emergency **BLS** medical services to Pennington from March 1 through the startup of the contract with Capital Health, Inc., in addition to any mutual aid services HTFS may render during the balance of the contract year;

WHEREAS, Pennington and HTFD are “local units” and the BLS Services are “shared services” within the meaning of N.J.S.A. 40A:65-3;

WHEREAS, Pennington and HTFD have each by Resolution authorized the entry into this Agreement, with a copy available for public inspection at the offices of both Pennington and HTFD, and same has been filed with the Division of Local Government Services in the Department of Community Affairs **if required and with such other State entities as may be required by law**;

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein, the parties agree as follows:

Section I. Scope of Services

1. HTFD agrees to provide Emergency Medical Services to Pennington by means of a contract between HTFD and Capital Health, Inc. ("CHI"). By the terms of this contract ("CHI Contract"), CHI is required to provide emergency medical services to Pennington for the benefit of Pennington residents and employees and others in need of such services within the borders of Pennington.
2. Pursuant to the CHI Contract, HTFD agrees to recognize CHI as the "designated contractor" for providing Emergency Medical Services to Hopewell Township, Pennington Borough, and Hopewell Borough, 24 hours a day, seven days a week. (2.1;3.1).
3. HTFD shall instruct the Mercer County Emergency Services Communications Center (aka Mercer County Central Communications Center or "MCCCC") and the Hopewell Township Police Department to contact CHI at all times to respond to any and all requests for emergency medical services in Pennington. HTFD also agrees that it will work in cooperation with the Hopewell Township Police Department and the MCCCC to ensure that an ambulance is in fact dispatched.
4. The CHI Contract requires CHI to make all reasonable efforts to respond within two (2) minutes from dispatch. MCCCC will assign a mutual aid ambulance to any emergency call when the CHI ambulance is on assignment. Mutual Aid will be based on the closest available unit in accordance with established regional response plans.
5. The CHI Contract further defines the scope of services to be provided by CHI as well as standards of performance, including without limitation requirements pertaining to vehicles and equipment, response times, personnel, post location, quality assurance and insurance and indemnification. The CHI Contract also imposes responsibilities on HTFD. HTFD represents that Pennington is intended to be a beneficiary of all of these contract provisions and requirements. **[Need Acknowledgment by CHI?]**
6. A true copy of the CHI Contract is attached to this Agreement and made a part hereof as if fully set forth at length.
7. **CHI has expressly acknowledged its consent to this Shared Services Agreement as required by the CHI Contract. (2.3) [Need CHI consent]**

8. The initial term of the CHI Contract will be one (1) year beginning on April 3, 2023 and ending on April 3, 2024, subject to early termination for cause. Because the Pennington First Aid Squad is ceasing its operations effective March 1, 2023, HTFD will provide Pennington full-time primary coverage for emergency services from March 1st to the commencement of the CHI Contract in April (“Transition Period”) . HTFD shall **make a reasonable effort to** have at least one ambulance in a ready state to respond to calls for emergency medical services 24 hours a day, seven days a week.
9. **Pennington** shall instruct the MCCCC and the Hopewell Township Police Department Communications Center that, during the Transition Period, HTFD must be contacted to respond to any and all requests for emergency services in Pennington. If all HTFD ambulances are on assignment, it is understood that a mutual aid ambulance will be assigned. Mutual Aid will be based on the closest available unit in accordance with established regional response plans.
10. The ambulance dispatched for service by HTFD shall meet the requirements of all Federal, State and local laws, regulations and licensure standards and shall be properly equipped and supplied as required by the New Jersey Department of Health. The ambulance shall be staffed by two (2) certified Emergency Medical Technicians, who shall be groomed and neatly dressed in a recognizable uniform with name badge visible, and shall perform their duties in a professional manner. Any person driving an ambulance shall have a valid current driver’s license.

Section II. Fees and Costs

1. Under the CHI Contract, CHI will be paid by HTFD an annual fee of \$200,000. for its services to the three municipalities covered by the Contract. In addition, it is expressly understood that CHI intends to have the majority of the reimbursement for its services derived from the invoicing of the insurance carrier(s) of the affected patient. (8.1)
2. The CHI Contract further provides that payment of the annual fee by HTFD shall ensure that it is held harmless from any additional out-of-pocket expenses related to CHI services, provided CHI is not prevented from pursuing all legitimate and eligible sources of third-party reimbursement. (8.2)
3. In exchange for the payment of the annual fee, CHI also agrees to waive the collection of any fees for services rendered employees of the three covered municipalities, including Pennington. (8.4)

4. As consideration for this Agreement between Pennington and HTFD, Pennington will pay HTFD a fee representing a proportionate share of the \$200,000. annual fee paid by HTFD to CHI. The Pennington share will be based on that percentage of the combined total population of Pennington, Hopewell Borough and Hopewell Township representing Pennington residents. The fee in 2023 shall be \$25,230., payable in two equal installments, on **September 1, 2023** and **April 3, 2024**, respectively.
5. Pennington and HTFD agree that in return for payment of the annual fee Pennington will also be held harmless from any additional out-of-pocket expenses related to CHI services, provided CHI is not prevented from pursuing all legitimate and eligible sources of third-party reimbursement.
6. Except as provided below with respect to HTFD, the parties understand and agree that when MCCCC assigns a mutual aid ambulance to respond to a call in Pennington, there will be no fee or expense charged to Pennington for that service and the ambulance company performing the service will seek payment if at all only from the patient's insurance provider or the patient. **It is understood that HTFD has no responsibility for the billing practices of ambulance services other than Hopewell Borough and Union Fire Company & Rescue Squad.**
7. HTFD seeks reimbursement of its out-of-pocket administrative expenses in connection with the primary coverage it will provide Pennington during the Transition Period in March and the first week of April, 2023 and in connection with its back-up services to Pennington generally following termination of services by the Pennington First Aid Squad. However, because these expenses are difficult to predict at this time, it is agreed that an amount for this purpose shall not be included in this Agreement. Instead, at year end the parties shall negotiate in good faith to determine the appropriate reimbursement, which shall be subject to appropriation by Pennington in 2024. At all times, HTFD shall nonetheless have the right to bill the patient and any third-party payer for services rendered, which shall include a charge for administrative expense if appropriate.

Section III. Term

This Agreement shall be effective as of March 1, 2023 through April 3, 2024 and shall be renewable by agreement of the parties together with such amendments as they may agree upon. The parties further agree that on or before November 1, 2023, each of them shall provide notice to the other whether it elects to renew the Agreement.

Section IV. Liability

Pennington and HTFD shall each be responsible for acts of their own negligence arising out of or relating to the performance of any activity under the terms of this Agreement consistent with the provisions of the New Jersey Tort Claims Act, *N.J.S.A. 59:1, et seq.*

Section V. Insurance/Indemnification [Need consultation with CHI]

1. **Liability Insurance.** HTFD agrees that at all times throughout the duration of this Agreement it will maintain General and Professional Liability Insurance with limits of \$1,000,000 per individual claim and \$3,000,000 in the annual aggregate, naming Pennington as an additional insured as appropriate. HTFD will provide Pennington with a Certificate of Insurance evidencing such coverage during each year of this Agreement.
2. **Automobile Liability Insurance.** HTFD agrees that at all times throughout the duration of this Agreement, HTFD will maintain Automobile Liability Insurance covering owned, hired and non-owned and/or non-hired and non-owned, as applicable, vehicles used in performance of this Agreement, with limits of not less than \$1,000,000 per individual and \$3,000,000 per occurrence for bodily injury and \$500,000 per occurrence for property damage.
3. **Workers Compensation.** HTFD agrees that at all times throughout the duration of this Agreement it will maintain Workers Compensation coverage on all personnel engaged in performance of this Agreement, as required by and in amounts specified under New Jersey law.
4. It is the intent of the parties that Pennington shall be a named insured in all policies of liability insurance provided by CHI coverages under the CHI Contract. HTFD shall exert best efforts to have the CHI policies amended accordingly.
5. **Indemnification.** (a) HTFD agrees to indemnify and hold harmless Pennington from all demands, claims, lawsuits, causes of action, losses, assessments, damages, deficiencies, judgments, liabilities, costs and expenses (including interest, penalties and reasonable attorney's fees and disbursements) arising out of or in connection with any acts or omissions of HTFD [**or CHI?**], its [their] agents, officers or employees, in the performance of their duties and responsibilities under this Agreement. (b) Pennington hereby agrees to indemnify HTFD [**+CHI?**] and to defend and hold it harmless from all demands, claims, lawsuits, causes of action, losses, assessments, damages, deficiencies, judgments, liabilities, costs and expenses (including interest, penalties and reasonable attorney's fees and disbursements) arising out of or in connection with any acts or omissions of Pennington, its agents, officers or

employees in the performance of their duties and responsibilities under this Agreement.

Section VI. General Provisions

1. Notices. All notices hereunder shall be deemed to have been fully given if delivered by hand or transmitted via email (if followed by a copy by regular mail within three business days) or mailed by certified mail:

To Pennington -

Elizabeth Sterling, Borough Clerk
Pennington Borough Hall
30 N. Main Street
Pennington, NJ 08534
Tel: 609-737-0276

Fax:

bsterling@penningtonboro.org

To HTFD

Erick Burd, Chairman
Hopewell Township Fire District No.1
201 Washington Crossing-Titusville Road
Titusville, New Jersey 08560

Tel:

Fax:

eburd@hopewelltwfire.org

2. Compliance with Law. In performing this Agreement, HTFD shall comply with all applicable federal, state and local laws and regulations.
3. Governing law. This Agreement shall be governed by the law of the State of New Jersey. Any suit or action in law or in equity relating to this Agreement shall be brought in a court within the State of New Jersey.
4. Entire Agreement. This Agreement is complete, and all promises, representations, understandings, and agreements with reference to the subject matter hereof, and all inducements to the making of this Agreement relied upon by both parties, have been expressed herein. [need clarification of relationship with CHI]
5. Amendment. This Agreement may not be amended, and any waiver, change, modification, consent or discharge may not be effected except by an instrument in writing signed by both parties.
6. Assignability. This Agreement shall be binding upon and shall be enforceable by and inure to the benefit of the parties and their respective successors and assigns, but it shall not be assignable by HTFD to any other entity without the prior written consent of Pennington.

7. Waivers/ Severability. The failure of either of the parties to require the performance of a term or obligation under this Agreement or the waiver of either of the parties of any breach hereunder shall not prevent subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach hereunder. In case any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision or part thereof had never been contained herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

ATTEST:

BOROUGH OF PENNINGTON

Elizabeth Sterling
Borough Clerk

By: _____
James Davy
Mayor

ATTEST:

HOPEWELL TOWNSHIP
BOARD OF FIRE COMMISSIONERS

By: _____