

SHARED SERVICES AGREEMENT BETWEEN THE BOROUGH OF  
PENNINGTON AND THE BOARD OF FIRE COMMISSIONERS  
OF HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1  
2024-2025

AGREEMENT effective as of March 18, 2025, retroactive to April 3, 2024 and extending through April 2, 2025, by and between the Borough of Pennington, a municipal corporation of the State of New Jersey ("Pennington Borough") and the Board of Fire Commissioners of Hopewell Township District No. 1 ("HTFD").

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 HTFD then entered into a shared services agreement ("Shared Services Agreement 2023-2024") by which Pennington became a beneficiary of an agreement between HTFD and Capital Health, Inc. ("Capital Health") in which Capital Health agreed to be the primary provider of emergency BLS services to Hopewell Valley, including Hopewell Township ("HT"), Pennington Borough, and Hopewell Borough ("HB"), for one year commencing on April 3, 2023 (that Agreement hereafter referred to as the "Capital Health Contract") ;

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 in proportion to their respective populations;

WHEREAS, the reimbursement paid and payable by Pennington Borough under that first shared services agreement was \$25,730.00

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

WHEREAS, the Capital Health Contract is automatically renewable at the discretion of HTFD each year for five years, and HTFD has elected to renew for the 2024-2025 contract year (April to April) and intends to renew for the 2025-2026 year as well;

WHEREAS, Pennington Borough has continued to have the benefit of the Capital Health Contract during the 2024-2025 contract period but reimbursements to HTFD have been suspended to permit the parties to renegotiate the formula for sharing costs;

WHEREAS, Pennington Borough and HTFD have now 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;

WHEREAS, Pennington Borough and HTFD now enter into this shared services agreement for the 2024-2025 contract year (April to April) ("Shared Services Agreement 2024-2025") incorporating to the extent possible at this time the new payment formula, retroactive for the 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, in the absence of the desired independent professional calculation of HTFD costs allocable to Pennington Borough, which cannot now be performed until the next contract year, Pennington agrees 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, subject to the above, Pennington Borough's payment to HTFD authorized by this Shared Services Agreement 2024-2025 amounts to \$40,000.00;

WHEREAS, Pennington Borough and HTFD have each by Resolution authorized the entry into this Shared Services Agreement 2024-2025, with a copy available for public inspection at the offices of both Pennington Borough and HTFD, and same has been filed with the Division of Local Government Services in the Department of Community Affairs and such other State entities as may be required by law;

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

#### **Section I. Scope of Services**

1. HTFD agrees to continue to provide Emergency Medical Services to Pennington by means of the Capital Health Contract. Capital Health is required to provide emergency medical services to Pennington Borough, Hopewell Borough, and Hopewell Township

for the benefit of Pennington Borough, Hopewell Borough and Hopewell Township residents and employees, and others in need of such services within the borders of Pennington Borough, Hopewell Borough and Hopewell Township.

2. Pursuant to the Capital Health Contract, HTFD agrees to recognize Capital Health 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 continue to instruct the Mercer County Emergency Services Communications Center (aka Mercer County Central Communications Center or “MCCCC”) and the Hopewell Township Police Department that they must at all times contact Capital Health 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 Capital Health Contract requires Capital Health 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 Capital Health ambulance is on assignment. Mutual Aid will be based on the closest available unit in accordance with established regional response plans.
5. The Capital Health Contract further defines the scope of services to be provided by Capital Health 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 Capital Health Contract also imposes responsibilities on HTFD. HTFD represents that Pennington Borough is intended to be a beneficiary of all of these contract provisions and requirements.
6. A true copy of the Capital Health 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 Capital Health Contract. (2.3)
8. The term of the Capital Health Contract as renewed will be one (1) year beginning on April 3, 2024 and ending on April 2, 2025, subject to early termination for cause.

## **Section II. Fees and Costs**

1. Under the Capital Health Contract, Capital Health will be paid by HTFD an annual fee of \$200,000. for its services to the three municipalities covered by the Capital Health Contract. In addition, it is expressly understood that Capital Health 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 Capital Health 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 Capital Health services, provided Capital Health 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, Capital Health also agrees to waive the collection of any fees for services rendered employees of the three covered municipalities, including Pennington Borough. (8.4)
4. As consideration for this Agreement between Pennington Borough and HTFD, Pennington Borough will pay HTFD a fee representing a proportionate share of the \$200,000. annual fee paid by HTFD to Capital Health as set forth above, amounting to \$32,740. for Capital Health calls to Pennington. Pennington shall also pay to HTFD the additional sum of \$7,260 as a one-time credit against allocable HTFD expenses in the 2025-2026 contract year which shall be negotiated based upon independent professional analysis. The total of \$40,000. shall be paid by Pennington Borough upon the execution of this Agreement by both parties.
5. Pennington Borough and HTFD agree that in return for payment of the annual fee Pennington Borough will also be held harmless from any additional out-of-pocket expenses related to Capital Health services, provided Capital Health 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 Borough, there will be no fee or expense charged to Pennington Borough 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 shall at all times have the right to bill the patient and any third-party payer for services rendered.

### **Section III. Term**

This Agreement shall be effective retroactively to April 3, 2024 and shall extend through April 2, 2025 and shall be renewable by agreement of the parties together with such amendments as they may agree upon.

### **Section IV. Liability**

Pennington Borough 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**

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.
2. Pennington Borough 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 HTFD as an additional insured as appropriate. Pennington Borough will provide HTFD with a Certificate of Insurance evidencing such coverage.
3. **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.
4. **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.

5. It is the intent of the parties that Pennington Borough shall be a named insured in all policies of liability insurance provided by Capital Health coverages under the Capital Health Contract. HTFD shall exert best efforts to have the CHE policies amended accordingly.
6. Indemnification. (a) HTFD and Pennington Borough each agrees to indemnify and hold harmless the other 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 Capital Health, its representatives, 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](mailto: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@hopewelltwpfire.org](mailto:eburd@hopewelltwpfire.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.


5. Amendment. This Agreement may not be amended, and any waiver, change, modification, consent or discharge may not be affected 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:

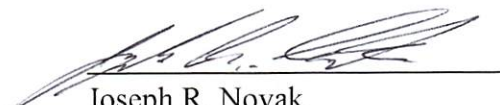
BOROUGH OF PENNINGTON


  
Elizabeth Sterling  
Borough Clerk

By:   
James Davy  
Mayor

ATTEST:

HOPEWELL TOWNSHIP  
BOARD OF FIRE COMMISSIONERS

  
Joseph R. Novak  
Vice Chairperson

By:   
Erick Burd  
Chairperson

**BOARD OF FIRE COMMISSIONERS  
HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1**

**RESOLUTION 2025-30**

**A RESOLUTION AUTHORIZING A SHARED SERVICES AGREEMENT BETWEEN  
HOPEWELL TOWNSHIP FIRE DISTRICT NO.1 AND THE BOROUGH OF PENNINGTON  
FOR CONTRACTED EMERGENCY MEDICAL SERVICES**

**WHEREAS**, the Borough of Pennington is in need of contracted emergency medical services; and,

**WHEREAS**, the State of New Jersey requires a shared services agreement between the Hopewell Township Fire District No.1 and the Borough of Pennington; and,

**NOW, THEREFORE, BE IT RESOLVED**, by the Commissioners of Fire District No. 1 in the Township of Hopewell, County of Mercer to enter into a shared services agreement with the Borough of Pennington for contracted Emergency Medical Services expiring on April 2, 2025.

**RECORD OF BOARD VOTE ON PASSAGE**

Commissioner	Moved	Second	Aye	Nay	Abstain	Absent
Tomaro		✓	✓			
Jones	✓		✓			
Rodriguez, Jr.			✓			
Novak					✓	
Burd						✓

  
Christopher Jones, Secretary  
Thursday, March 13, 2025

A CERTIFIED COPY



RECEIVED

MAR 24 2025

HTFD #1

**BOROUGH OF PENNINGTON  
RESOLUTION 2025-3.16**

**RESOLUTION AUTHORIZING SHARED SERVICES AGREEMENT BETWEEN THE  
BOROUGH OF PENNINGTON AND THE BOARD OF FIRE COMMISSIONERS OF  
HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1 (2024-2025)**

**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 a shared services agreement for 2023-2024 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 that first 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 elected to renew for the 2024-2025 contract year (April to April) and intends to renew for the 2025-2026 year as well;

**WHEREAS**, Pennington Borough has continued to have the benefit of the Capital Health Contract during the 2024-2025 contract period but to now there has not been a new annual shared services agreement with HTFD and reimbursements to HTFD have been suspended to permit the parties to renegotiate the formula for sharing costs;

**WHEREAS**, Pennington Borough and HTFD have now 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;

**WHEREAS**, Pennington Borough and HTFD now enter into this shared services agreement for the 2024-2025 contract year (April to April) ("Shared Services Agreement 2024-2025") incorporating to the extent possible at this time the new payment formula, retroactive for the 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**, in the absence of the desired independent professional calculation of HTFD costs allocable to Pennington Borough, which cannot now be performed until the next contract year, Pennington agrees 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**, subject to the above, Pennington Borough's payment to HTFD authorized by this Shared Services Agreement 2024-2025 amounts to \$40,000.00;

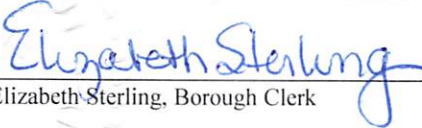
**WHEREAS**, the Chief Financial Officer of the Borough has certified that these funds are available;

**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 Shared Services Agreement Between the Borough of Pennington and the Board of Fire Commissioners of Hopewell Township Fire District No. 1 (2024-2025), retroactive to April 3, 2024; and (2) 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 Agreement.

**Record of Council Vote on Passage**

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

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 March 3, 2025.

  
Elizabeth Sterling, Borough Clerk