

UNION COUNTY IMPROVEMENT AUTHORITY

1499 US Highway One, North, 3rd Floor
Rahway, New Jersey, 07065
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(732) 382-9400 (732) 382-5862 fax

Resolution No. 69-2017

Date: November 1, 2017

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING THE EXECUTION OF A RE-DEVELOPERS AGREEMENT
WITH NETTA ARCHITECTS AS THE REDEVELOPER FOR 17 CALDWELL
PLACE IN ELIZABETH, WHICH IS OWNED AND OPERATED BY THE
PARKING AUTHORITY OF THE CITY OF ELIZABETH**

APPROVED AS TO FORM:
Lisa M. da Silva, RMC
Clerk of the Authority

APPROVED AS TO SUFFICIENCY OF FUNDS
☐ YES ☐ NO ☐ NONE REQUIRED
UNION COUNTY IMPROVEMENT AUTHORITY

A handwritten signature in black ink, reading "Lisa M. da Silva".

A handwritten signature in black ink, appearing to be "Blw.B" followed by a flourish.

	PRESENT	ABSENT	AYE	NAY	ABSTAIN	MOTION	SECOND
<i>Bornstad, Treasurer</i>	✓		✓			✓	
<i>D'Elia</i>	✓		✓				
<i>Hockaday</i>	✓		✓				
<i>Huff</i>	✓		✓				
<i>Lattimore</i>	✓		✓				
<i>Salerno, Secretary</i>	✓		✓				
<i>Szpond</i>	✓		✓				✓
<i>Rountree, Vice Chairwoman</i>	✓		✓				
<i>Scutari, Chairman</i>	✓		✓				

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AUTHORIZING THE EXECUTION OF A RE-DEVELOPERS AGREEMENT
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PLACE IN ELIZABETH, WHICH IS OWNED AND OPERATED BY THE
PARKING AUTHORITY OF THE CITY OF ELIZABETH**

WHEREAS, a regular meeting of the Union County Improvement Authority (the "Authority") was held on November 1, 2017; and

WHEREAS, the Union County Improvement Authority (the "Authority") has been created by resolution of the Board of Chosen Freeholders of the County of Union as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44 *et seq.*, and the acts amendatory thereof and supplemental thereto; and

WHEREAS, pursuant to the terms of the Act, the UCIA is authorized to provide public facilities, as such term is defined therein, within the County, including the financing of the acquisition and/or construction of same; and

WHEREAS, the City of Elizabeth created the Parking Authority pursuant to an Ordinance passed by the City Council on October 24, 1952; and amended by Ordinance adopted January 9, 1979, pursuant to NJSA 40:11A; and

WHEREAS, the Parking Authority owns and operates a parking facility located at 17 Caldwell Place, Elizabeth, New Jersey (the "Site") which was previously designated as an area in need of redevelopment under the Local Housing and Redevelopment Law N.J.S.A 40A:12A-1 *et seq.*; and

WHEREAS, the Site contains under-utilized space to be fit-out in accordance with a tenant's needs; and

WHEREAS, the Parking Authority wishes to have the UCIA undertake the process necessary to design and construct improvements to the Site necessary to fit-out the space to accommodate any lessee; and

WHEREAS, the Authority previously entered into a Shared Services Agreement with the Parking Authority dated June 14, 2017 relative to the Site wherein the Authority agreed to act as Project Manager for the design, financing and construction of improvements; and

WHEREAS, the Authority by Resolution 62-2017 duly adopted on September 13, 2017 named Netta Architects as the Redeveloper for the design and improvement (the "Services") to 17 Caldwell Place in Elizabeth, New Jersey; and

WHEREAS, the Authority would like to enter into a Re-Development Agreement with Netta Architects as re-developer for 17 Caldwell Place, setting forth the terms of the provisions of the services with regard to the project.

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE
UNION COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:**

1. The Authority authorizes the Executive Director of the Authority to approve and execute a Re-Developer's Agreement with Netta Architects setting forth the terms of the provision of the Services in substantially the form annexed hereto and made a part hereof.
2. Such approval and execution by the Executive Director shall be deemed approval by the Authority and no further action or approval shall be required.
3. This resolution shall take effect immediately.

REDEVELOPER’S AGREEMENT
BY AND BETWEEN
THE UNION COUNTY IMPROVEMENT AUTHORITY
AND
NETTA ARCHITECTS, LLC AS REDEVELOPER
FOR
ELIZABETH PARKING GARAGE TENANT FIT-OUT FOR THE OFFICE OF THE
STATE OF NEW JERSEY PUBLIC DEFENDER’S OFFICE AT
17 CALDWELL PLACE, ELIZABETH, NEW JERSEY

THIS REDEVELOPMENT AGREEMENT made and entered into this day of 2017, by and between the **UNION COUNTY IMPROVEMENT AUTHORITY**, a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the County Improvement Authorities Law, constituting chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the “Act”), with offices located at 1499 U.S. Highway 1 North, Rahway, New Jersey hereinafter referred to as **Authority** and **Netta Architects, LLC** having its principal place of business at 1084 Route 22 West, Mountainside, NJ 07092, hereinafter referred to as **Redeveloper**.

WITNESSETH:

WHEREAS, the Union County Improvement Authority (the “Authority”) has been created by resolution of the Board of Chosen Freeholders of the County of Union as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et *seq.*, and the acts amendatory thereof and supplemental thereto; and

WHEREAS, pursuant to the terms of the Act, the UCIA is authorized to provide public facilities, as such term is defined therein, within the County, including the financing of the acquisition and/or construction of same; and

WHEREAS, the City of Elizabeth created the Parking Authority pursuant to an Ordinance passed by the City Council on October 24, 1952; and amended by Ordinance adopted January 9, 1979, pursuant to NJSA 40:11A; and

WHEREAS, the Parking Authority owns and operates a parking facility located at 17 Caldwell Place, Elizabeth, New Jersey (the "Site") which was previously designated as an area in need of redevelopment under the Local Housing and Redevelopment Law N.J.S.A 40A:12A-1 et seq.; and

WHEREAS, the Site contains under-utilized space to be fit-out in accordance with a tenant's needs; and

WHEREAS, the Parking Authority wishes to have the UCIA undertake the process necessary to design and construct improvements to the Site necessary to fit-out the space to accommodate any lessee; and

WHEREAS, the Authority previously entered into a Shared Services Agreement with the Parking Authority dated June 14, 2017 relative to the Site wherein the Authority agreed to act as Project Manager for the design, financing and construction of improvements; and

WHEREAS, the Authority by Resolution 62-2017 duly adopted on September 13, 2017 named Netta Architects, LLC as the Redeveloper for the design and improvement (the "Services") to 17 Caldwell Place in Elizabeth, New Jersey; and

WHEREAS, Netta Architects, LLC has been designated to implement the project to rehabilitate the underutilized space and complete a tenant fit-out of 17 Caldwell Place in Elizabeth, New Jersey.

NOW THEREFORE, the **Authority** and the **Redeveloper**, for the consideration hereinafter mentioned, mutually covenant and agree as follows:

ARTICLE 1
DESCRIPTION OF PROJECT

1.1 The Project – The scope of work to be performed by the Redeveloper is attached hereto as Exhibit A.

1.2 Guaranteed Maximum Price - The Authority agrees to pay Redeveloper a Guaranteed Maximum Price of \$3,123,700.00 No additional payment will be made to the Redeveloper by the Authority. Further, any and all additional expenses are the sole responsibility of the Redeveloper for completion of the Project.

ARTICLE 2
CONSTRUCTION OF PROJECT

2.1 Inspections of Project Site

(a) The Authority agrees to permit Redeveloper, its agents, employees and contractors, to inspect the Project Site at any reasonable time and from time to time as Redeveloper shall desire. The Authority will permit access for all inspections provided for in this Agreement. Such inspections may include, but are not limited to:

1. environmental inspection;
2. engineering inspection;
3. survey; and
4. any and all other inspections required by Redeveloper.

(b) Redeveloper shall indemnify and hold harmless the Authority from any and all claims arising from the negligence of Redeveloper or its contractors entering on the Project Site. Redeveloper shall also repair any damage to the Project Site caused by such inspections and restore the Project Site to its previous grade level.

(c) Prior to conducting such inspections, Redeveloper shall provide at least twenty-four (24) hours advance notice to the Authority of an inspection. The notice shall include the type of inspection being performed, the day and time the inspection is to commence and the name of the company or person performing the inspection. The Authority shall have the right to have one or more of its employees or agents at the site during any inspection being performed by Redeveloper. Employees or agents of the Authority may not interfere with the inspections being performed by or on behalf of Redeveloper.

2.2 Government Approvals - As a Project Cost, Redeveloper has caused or will cause to be prepared such plans, drawings, documentation, presentations' and applications (hereinafter collectively called ("**Governmental Applications**") as may be necessary and appropriate for the purpose of obtaining any and all governmental approvals for the improvement of the Project Site and the construction of the Project.

2.3 Construction of Project - Redeveloper will commence and diligently prosecute to completion the construction of the Project in accordance with the Governmental Approvals. Redeveloper shall be responsible for the letting of contracts for the construction and installation of the Project, supervision of construction, acceptance of the completed Project or parts thereof, as more particularly set forth in the Addendum in connection with the construction and installation of the Project.

2.4 Project Schedule – See attached

2.5 Progress Reports and Progress meetings

Progress meetings

(a) Parties agree to attend and participate in bi-weekly progress meetings ("**Progress Meetings**") to report on the status of the Project and to review the progress under the Project Schedule. Progress Meetings may be held more frequently at the request of the Authority. The Authority shall give Redeveloper seven (7) days advance written notice of any additional meetings. The Progress Meetings shall be held at a time and place to be agreed upon by the Authority and Redeveloper. Prior to the meeting, representatives of the Authority may visit the Project Site to inspect the progress of the work on the Project. The Authority acknowledges that the Project Site will be an active construction site and that Redeveloper shall not be liable or responsible to the Authority, its employees or agents for injury to person or Property sustained in connection with such inspection except to the extent that Redeveloper violates the standard of due care owed to invitees or such injury results from a failure to comply with applicable regulatory safety requirements for a construction site (i.e., OSHA).

(b) The agenda for the Progress Meetings shall include, but not be limited to, a status report with regard to Governmental Approval submissions and approvals, construction of the Project, compliance with the Site Plan, the Plans and the Redevelopment Plan. At the Progress Meetings, this information will be evaluated by the Authority to determine compliance with the terms and conditions of this Redevelopment Agreement, the Redevelopment Plan, the Site Plan, the Plans, the Project Schedule, and all Applicable Law. The Authority shall have the right at all reasonable times to inspect the construction contracts, books and records pertinent to construction contracts, leases, insurance policies, and such other agreements of Redeveloper which are pertinent to the purposes of this Redevelopment Agreement and to the Progress Meetings in order to ensure completion of the Project in accordance with the Project Schedule, the Redevelopment Plan, the Site Plan, the Plans, this Redevelopment Agreement and all Applicable Law.

2.6 Progress Reports- If agreed between Authority and Redeveloper, in lieu of Progress Meetings, Redeveloper shall submit to the Authority a detailed monthly written progress report ("**Progress Report**") (or more frequent Progress Reports, if reasonably requested by the Authority) which shall include a description of activities completed, the activities to be undertaken prior to the next monthly Progress Report, the status of all Governmental Approvals, an explanation of each activity, if any, which is showing delay, a description of problem areas, current and anticipated delaying factors and their estimated impact on performance of other activities and completion dates in the Project Schedule and an explanation of corrective action taken or proposed.

2.7 Certificate of Completion - Upon completion of the construction of the Project in accordance with the Governmental Approvals, Redeveloper may apply to the Authority for a Certificate of Completion for the Project improvements. If requested by Redeveloper, the Borough agrees to request that the Authority issue a Certificate of Completion, in proper form for recording, which shall acknowledge that Redeveloper has performed all of its duties and obligations under this Agreement and has completed construction of the Project in accordance with the requirements of this Agreement. The Certificate of Completion shall constitute a recordable conclusive determination of the satisfaction and termination of the agreements and covenants in this Agreement and in the Redevelopment Plan with respect to Redeveloper's obligation to construct the Project in accordance with this Agreement. Upon issuance of a Certificate of Completion, the conditions determined to exist at the time the Project Site was determined to be in need of redevelopment shall be deemed to no longer exist, and the land and improvements constituting the Project, and the Project Site shall no longer be subject to eminent domain. If the Authority shall fail or refuse to provide the Certificate of Completion within thirty (30) days after written request by Redeveloper, the Borough shall request in writing that the Authority provide, and the Authority shall provide within ten (10) business days to Redeveloper a written statement, setting forth in detail the respects in which it believes that Redeveloper has failed to complete the Project in accordance with the provisions of this Agreement and what reasonable measures or acts will be necessary in order for Redeveloper to be entitled to a Certificate of Completion.

2.8 Scope of Undertaking - Redeveloper shall undertake the services and responsibilities required to be undertaken or performed with respect to the Project as set forth in this Agreement. Such services and responsibilities include, without limitation, all aspects of the design, development and construction of the Project including (a) all design, engineering, permitting and administrative aspects, and (b) the performance of or contracting for and administration and supervision of all physical work required in connection with the Project, and (c) arrangement for interim and final inspections and any other actions required to satisfy the requirements of any applicable Governmental Approvals.

2.9 Standards of Construction - Without limitation, all work on the Project shall be performed in a good and workmanlike manner, with the quality of materials called for under the applicable Governmental Approvals. All construction shall be in accordance with the International Building Code, N.J.A.C. 5:23-1 et seq., based on height and area, unless another class is specifically approved in writing by the Planning Board.

2.10 Existence of Utilities - Redeveloper acknowledges that utility providers may have certain rights with respect to the Project Site and may own certain facilities located therein. Redeveloper agrees that it will undertake, as a Project Cost, the appropriate measures to negotiate with, acquire, relocate or otherwise address the existence of these utilities and improvements and easements therefore, in order to complete the Project as provided by this Agreement, provided that the Authority shall provide any appropriate order to accomplish such relocation, consistent with the provisions of N.J.S.A. 40A:12A-10. Redeveloper shall use the services of "Call Before You Dig" and take all other precautions to prevent personal injury, property damage and other liabilities related to utilities above, at or under the Project Site.

2.11 Construction Representative - The Authority shall appoint, and at all times during the design and construction period may maintain, a qualified construction consultant as a Construction Representative to review and inspect the work performed by Redeveloper and to advise the Authority in connection therewith (the "**Construction Representative**"). In the exercise of its duties on behalf of the Authority, the Construction Representative shall have the right to exercise on behalf of the Authority, all of the rights granted to the Authority hereunder. Compensation for the Authority's Construction Representative shall be an Authority cost. The Authority hereby agrees to indemnify and hold Redeveloper harmless for any injury to any person or properties sustained in connection with any inspection to the Project Site by the Construction Representative except to the extent that Redeveloper violates the standard of due care owed to the Authority and its invitees. The definition of the Construction Representative shall not include state mandated inspectors pursuant to the Uniform Construction Code (N.J.A.C. 5:23-1 et seq.) and the Uniform Fire Code (N.J.A.C. 5:70-1 et seq.).

2.12 Designated Representatives; Communication - Redeveloper and the Authority shall designate their respective Designated Representatives after the Effective Date. Each of the Designated Representatives shall be the agent of Redeveloper and the Authority, respectively, until Completion of the Project and shall be authorized to act on behalf of each Party, except to the extent that such authorization is limited by Redeveloper or the Authority, as the case may be, in writing, provided to the other Party. In order to maintain clear channels of reporting authority and avoid inconsistent directions and miscommunication, all communication by the (a) Authority's Designated Representative with any of Redeveloper's Project Professionals or contractors shall be processed through Redeveloper's Designated Representative, and (b) Redeveloper's Designated Representative with any of the Authority's staff, consultants and/or professionals shall be processed through the Authority's Designated Representative. Each of Redeveloper and the Authority may change the Designated Representative from time to time, upon written notice to the other Party.

2.13 Compliance with Government Approvals - The Project shall be constructed substantially in the manner and at the locations shown and described (a) in the site plan; (b) the Governmental Approvals, and (c) all other approved plans and specifications related to the development of the Project.

2.14 Maintenance, Safety and Security of Project Site - During any activities on the Project Site by Redeveloper, it shall be required to maintain, secure and address public safety for all affected areas of the Project Site and its surroundings, including any buildings, structures, parking areas, landscaping, streetscaping, sidewalks, including curbing and traffic calming devices, trash collection and receptacles, and all such issues identified in the Borough Property Maintenance Code.

2.15 Access to the Project Site – The Authority and its authorized representatives shall generally have the right to enter the Project Site to inspect the Project and any and all work in progress on reasonable advance notice to Redeveloper for the purpose of furthering its interest in this Redevelopment Agreement, during normal business hours and in the company of a representative of Redeveloper or Contractor. In no event shall the Authority's inspection of the Project (or any construction activities related thereto) be deemed acceptance of the work or be deemed to waive any right the Authority has under this Redevelopment Agreement. The Authority acknowledges that the Project Site will be an active construction site and that Redeveloper shall not be liable or responsible to the Authority, its employees or agents for injury to person or Property sustained in connection with any such inspection, except to the extent that Redeveloper violates the standard of due care owed to invitees.

ARTICLE 3

REPRESENTATIONS WARRANTIES AND COVENANTS

3.1 Redeveloper's Representations, Warranties, and Covenants

(a) **Description of Covenant** - Redeveloper and its successors and assigns shall: not discriminate upon the basis of age, race, color, creed, religion, ancestry, national origin, sex, disability, or marital status in the construction of the Project, and shall comply with all State and local laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sex, disability or marital status.

(b) **Enforcement by Authority** - In amplification, and not in restriction of the provisions of this Article, it is intended and agreed that the Authority and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Article, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants shall run in favor of the Authority for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Authority has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The Authority shall have the right; in the event of any breach of any such agreement or covenant by Redeveloper, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity

or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which they or any other beneficiaries of such agreement or covenant may be entitled.

(c) **Redeveloper's Representations** - Redeveloper makes the following representations and covenants:

(i) It has the legal capacity to enter into this Agreement and perform each of its undertakings herein set forth;

(ii) It is a duly organized and validly existing legal entity under the laws of the State of New Jersey and has duly adopted the necessary resolutions authorizing the execution and Delivery of this Agreement and authorizing and directing the persons executing this Agreement to do so for and on its behalf.

(iii) To the best of its knowledge, there is no action, proceeding or investigation now pending, nor any basis therefor, known or believed to exist which (1) questions the validity of this Agreement or any action or act taken or to be taken by them pursuant to this Agreement; or (2) is likely to result in a material adverse change in its authority, property, assets, liabilities or condition which will materially and substantially impair its ability to perform pursuant to the terms of this Agreement.

(iv) The execution, delivery, or performance of this Agreement will not constitute a violation of any partnership and or stockholder agreement or of any agreement, mortgage, indenture, instrument or judgment, to which it is a party.

(v) It will use its commercially reasonable efforts to assure the completion of the Project within the time periods specified in this Agreement.

3.2 Authority's Representations, Warranties and Covenants - The Authority hereby represents the following to Redeveloper to consummate the transactions contemplated hereby, all of which shall be true as of the date of this Agreement:

(a) Authority to Enter into Agreement -The Authority has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which the Authority is a party, to consummate the transactions contemplated hereby, and to perform its obligations hereunder.

(b) Binding Upon the Authority -This Agreement is duly executed by the Authority and is valid and legally binding upon the Authority and enforceable in accordance with its terms on the basis of applicable laws.

(c) No Pending or Threatened Litigation - Except as disclosed in writing, there is no pending, or to the best of the Authority's knowledge, threatened litigation, suit, proceeding, or investigation that would prevent the Authority from performing its duties and obligations hereunder. The Authority shall notify Redeveloper of any and all litigation that may prevent the Authority from performing its duties and obligations hereunder.

(d) Adoption of Resolutions - That the Resolutions designating Redeveloper to serve as Redeveloper of the Project Site and approving this Agreement were duly adopted by the Authority in accordance with the Redevelopment Law and any other legal requirements, subject to any such ruling as may be issued by a court of competent jurisdiction.

(e) No Other Rehabilitation Agreements - No other Rehabilitation Agreements are in effect with respect to the Project Site.

3.3 Prohibition Against Transfers - Redeveloper further represents and agrees for itself, its successors, and assigns that prior to the completion of the Project, make or create, or suffer to be made or created, any sale, lease, conveyance or other transfer, in any other mode or form, of this Agreement, or any interest therein, without the prior written approval of the Authority, which shall not be unreasonably withheld, conditioned or delayed, excepting the transfers identified in Section 6.03 hereof.

ARTICLE 4

DEFAULT

4.1 Except as otherwise provided in this Agreement, any party shall be in default of this Agreement if, prior to Redeveloper's Commencement Date, such party shall default under or breach this Agreement any terms or conditions by any party hereto or any successor to such party, such party (or successor) shall, within thirty (30) days of receiving written notice from another, proceed to commence to cure or remedy such default or breach; provided that if such default cannot reasonably be cured within thirty (30) days, then if the defaulting party shall commence cure within such thirty (30) day period and shall thereafter proceed diligently to cure such default, then such party shall have a reasonable time to cure such default.

4.2 Remedy for Default. If any default or failure is not cured as provided in Section 7.01, the aggrieved party may:

4.2.1 institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations; and/or

4.2.2 terminate this Agreement by written notice, and there shall be no further rights or obligations of the parties, except for such obligations as expressly survive termination of this Agreement.

In the event such termination is a result of default by the Redeveloper, the Authority shall terminate Redeveloper's designation as the redeveloper of the Project and the Borough shall have the right to withdraw, to the extent possible, from purchase agreements and condemnation proceedings heretofore undertaken. Redeveloper shall pay over to the Authority all of the costs and/or damages (including reasonable counsel fees) incurred by the Authority on account of the default of Redeveloper.

In the event such termination is a result of the fault of the Public Entities, Redeveloper shall have the right to withdraw, to the extent possible, of from purchase and other agreements entered into by Redeveloper. The Public Parties shall pay to Redeveloper all of the costs and/or damages (including, but not limited to, all Project Costs and reasonable counsel fees) incurred by the Redeveloper.

4.3 No Consequential Damages - Notwithstanding anything to the contrary in this Agreement, in no event shall any party be liable for consequential, indirect, exemplary, treble or punitive damages.

ARTICLE 5

INSURANCE

5.1 Workers' Compensation and Employers' Liability Insurance - Workers' compensation and employers' liability insurance shall be maintained by each of Redeveloper, Design Professional and Contractor for all employees providing Project or services in connection with the Project, in accordance with the laws of the State of New Jersey. The amount of the employers' liability insurance shall not be less than:

Workers' Compensation New Jersey statutory requirements

Employer's Liability

\$100,000.00 limit each accident

\$500,000.00 limit disease aggregate

\$100,000.00 limit disease each employee

5.2 Commercial General Liability Insurance - Commercial General Liability Insurance shall be maintained by each of Redeveloper, Design Professional and Contractor with Authority as an additional insured on an occurrence form. Coverage shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual for the Redevelopment Agreement, Independent Contractors, Broad Form Property Damage and Products & Completed Operations. Coverages shall not exclude "X" (explosion), "C" (collapse) and "U" (underground). Limits of coverage shall not be less than:

Bodily Injury & Property Damage Liability

\$1,000,000.00 Combined Single Limit Each Occurrence

and \$2,000,000.00 Policy Aggregate

5.3 Umbrella Liability Insurance or Excess Liability Insurance - Each of Redeveloper, Design Professional and Contractor shall maintain umbrella liability insurance or excess liability insurance in an amount not less than \$5,000,000.00 each occurrence and aggregate. Coverage shall be in excess of the Employers Liability, Commercial General Liability and Automobile Liability insurance required herein and shall include all coverages on a "following form" basis. Coverage shall drop down as primary on the exhaustion of any aggregate limit. The deductible/self-insured retention shall not exceed \$25,000.00 each claim not covered by underlying liability coverage.

5.4 Automobile Liability Insurance - Automobile Liability Insurance shall be maintained by each of Redeveloper, Design Professional, and Contractor as to ownership, maintenance, use, loading and unloading, of all owned, non-owned, leased or hired vehicles with limited of not less than \$1,000,000 combined single limit each accident for bodily injury, including death and property damage liability.

5.5 Builder's Risk Insurance - Once Redeveloper's Commencement Date has occurred, builder's risk insurance shall be maintained by Authority, at the Authority's cost and not chargeable against the Guaranteed Maximum Price, with Authority as the first named insured and Redeveloper as an additional named insured, for the benefit of the Authority and Redeveloper, as their interests may appear. The amount of insurance shall be the replacement cost value and shall insure against, but not be limited to, fire, lightning, windstorm, hail, riot, riot attending a strike, sinkhole, civil commotion, aircraft, vehicle, explosion, smoke, vandalism, malicious mischief, earthquake, flood and collapse on an "all risk" type policy with coverages, deductibles, and sublimit acceptable to Authority. Coverage shall include transportation and offsite storage for building materials and equipment to become part of the Project along with debris removal and building ordinance and law coverage in amounts of insurance acceptable to Authority. Loss, if any, under this insurance coverage shall be adjusted by Authority with the claim check made payable to Authority for the interests of all concerned. The Authority waives all rights against Redeveloper, the Contractor and the Design Professional and their agents, employees, consultants, subcontractors and subconsultants for damages caused by fire or other perils to the Project. A waiver of subrogation provision shall be included in the policy for the benefit of Authority, Redeveloper, Design Professional, Contractor and each of their respective officers, directors and agents. If for any reason Authority's insurance coverage policies do not allow for the waiver of subrogation at the time of loss, then this waiver of subrogation requirement shall not be applicable. The premium cost for any Builder's Risk Insurance secured by Authority shall not be deducted from the Guaranteed Maximum Price.

5.6 Insurance on Personal Property and Equipment - Redeveloper shall, and shall cause Contractor and its subcontractors and sub-contractors to, maintain insurance coverage for its respective property and equipment for the full replacement value thereof. Redeveloper shall, and shall cause Contractor and its subcontractors and sub-contractors to, waive and cause their respective insurance carriers to waive all rights against Authority and Authority's agents and employees for damages caused by fire or other perils to Redeveloper's or the Contractor's and its

subcontractors' or sub-subcontractors', as the case may be, property. The foregoing policies shall provide such waiver of subrogation by endorsement.

5.7 Products and Completed Operations - With respect to any general liability insurance purchased hereunder, Redeveloper shall maintain, or require the Contractor to maintain, products and completed operations insurance for a minimum period of two (2) years after Substantial Completion of the Project.

5.8 Professional Liability Insurance - Professional liability insurance shall be maintained by Design Professional insuring its legal liability arising out of the performance of professional services under the Design Agreement or the Redevelopment Agreement. Such insurance shall have limits of not less than \$2,000,000.00 each claim and aggregate, and the insurance company shall waive its right of subrogation against Authority. In addition, Design Professional shall maintain professional liability insurance for its services in connection with the Project only in an amount of not less than \$1,000,000.00 each claim and aggregate, and the insurance company providing such policy shall waive its right of subrogation against Authority. Any deductible or self-insured retention applicable to any claim under either of the insurance policies required by this subparagraph shall be the sole responsibility of Design Professional and/or Redeveloper and shall not be greater than \$100,000.00 each claim. Design Professional must continue the coverage required under this subparagraph for a period of not less than five (5) years after completion of its services to Authority. The retroactive date each policy required under this subparagraph will always be prior to the date services were first performed by Design Professional for Authority, and the date will not be moved forward during the term of the Redevelopment Agreement and for five (5) years thereafter. Design Professional shall promptly submit Certificates of Insurance providing for an unqualified written notice to Authority of any cancellation of coverage or reduction in limits, other than the application of the aggregate limits provision. In the event of more than a twenty percent (20%) reduction in the aggregate limit of any policy required by this subparagraph, Design Professional shall immediately take steps to have the aggregate limit reinstated to the full extent permitted under such policy. Design Professional shall promptly submit a certified, true copy of each policy required by this subparagraph and any endorsements issued or to be issued on the policy if requested by Authority.

5.9 Requirements - All insurance required to be maintained pursuant to this Section shall provide that (i) no cancellation, material change or reduction thereof shall be effective until at least thirty (30) days after written notice thereof is given to Authority, (ii) the rights of the insured(s) to receive and collect the proceeds thereof shall not be diminished because of any additional insurance carried by Redeveloper on its own account, (iii) all losses shall be payable notwithstanding any act or negligence of Authority or Redeveloper which might, absent such agreement, result in a forfeiture of all or part of such insurance payment and notwithstanding the occupation of the Property for purposes more hazardous than permitted by the terms of such policy; (iv) be written with insurance companies authorized to do business in New Jersey, reasonably acceptable to Authority, and having an A. M. Best Rating of A-NIII or better in Best's Insurance Guide (or a similar rating in an equivalent publication if Best's Insurance Guide is no longer in publication; and (v) be written on an occurrence basis and endorsed to name Authority

and Authority's mortgagee, if any, as additional insureds. Each policy, other than the builders risk insurance, shall state that such insurance is primary over any insurance carried by Authority. No insurance required to be maintained by Redeveloper shall be subject to any deductible in excess of \$25,000 or such higher amount as is provided in' this Construction Terms Addendum without Authority's prior written consent.

5.10 Certificates - Upon the commencement of the term of the Redevelopment, Agreement, Redeveloper shall deliver to Authority certificates of insurance evidencing the insurance required to be maintained under the Redevelopment Agreement. Redeveloper also shall deliver to Authority at least thirty (30) days prior to the expiration date of any such policy or policies or any other policies required to be maintained under the Redevelopment Agreement (or of any renewal policy or policies), certificates for the renewal policies of such insurance. Redeveloper covenants to furnish Authority promptly upon Authority's request copies of insurance policies: required to be maintained by Redeveloper hereunder, certified by the insurance carrier or broker.

ARTICLE 6

NOTICES AND DEMANDS

A notice, demand or other communication under this Agreement by any party to the other shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (and receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Article 10.

To:

Union County Improvement Authority
Attn: Executive Director
1499 Routes 1 & 9 North
Rahway, NJ 07065

Copy to:

Rainone Coughlin Minchello, LLC
Attn: David L. Minchello, Esq.
One Woodbridge Center
Suite 515
Woodbridge, New Jersey 07095

To:

Netta Architects, LLC
Attn.: Nicholas J. Netta
1084 Route 22 West
Mountainside, NJ 07092

ARTICLE 7

TITLE OF ARTICLES.

7.1 The titles of the several Articles and Sections of this Agreement as set forth in the Table of Contents or at the heads of said Articles and Sections, are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

ARTICLE 8

SEVERABILITY AND CONFLICTS

8.1 The validity of any Article, Section, clause or provision of this Agreement shall not affect the validity of the remaining Articles, Sections, clauses or provisions hereof.

8.2 To the extent of any conflict between the terms of this Rehabilitation Agreement and the Rehabilitation Agreement, the terms of the Rehabilitation Agreement will control and supersede the provisions of the Rehabilitation Agreement.

ARTICLE 9

SUCCESSORS BOUND.

9.1 The Agreement shall be binding upon the respective parties hereto and their successors.

ARTICLE 10

GOVERNING LAW

10.1 This Agreement shall be governed by and construed by the laws of the State of New Jersey.

ARTICLE 11

SCHEDULES AND EXHIBITS

11.1 Any and all Schedules and Exhibits annexed to this Agreement are hereby made a part of this Agreement by this reference thereto.

ARTICLE 12

ENTIRE AGREEMENT

12.1 This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof except as otherwise provided herein, except, with respect to the Borough and the Authority, the Interlocal Agreements and the Purchase Agreement.

ARTICLE 13

EFFECTIVE DATE

13.1 Anything herein contained to the contrary notwithstanding, the "Effective Date" of this Agreement shall be the date upon which all of the parties hereto have executed and delivered this Agreement and all of the other agreements referred to herein or relative hereto have been fully executed and delivered by the parties to such agreements.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of Effective Date.

NETTA ARCHITECTS, LLC

Witness

By: _____
Nicholas J. Netta, Principal

Date

Date

**UNION COUNTY IMPROVEMENT
AUTHORITY**

By: _____
Lisa M. Da Silva, Authority Clerk

By: _____
Daniel P. Sullivan, Executive Director

Date

Date

Exhibit “A”



NETTAARCHITECTS

September 13, 2017

Mr. Dan Sullivan
Union County Improvement Authority
1499 Routes 1 & 9 North
Rahway, NJ 07065

**RE: PROPOSED NEW LINER BUILDING
FOR THE ELIZABETH PARKING AUTHORITY
17 CALDWELL PLACE
ELIZABETH, NJ
P17-144**

Dear Mr. Sullivan:

Pursuant to your request and careful review of the conceptual layout prepared by the State of New Jersey in February 2017, I am pleased to submit our proposal for comprehensive Architectural and Engineering professional services for the above referenced project.

This proposal is based upon this office completing the Scope of Services as outlined in discussions and meetings with the Union county Improvement Authority and the Elizabeth Parking Authority. The firm of Netta Architects and its engineering consultant, Concord Engineering (mechanical, electrical and plumbing engineers) agree to perform the following scope of professional services as outlined below in Article-I.

ARTICLE I – SCOPE OF SERVICES

PHASE I – PRELIMINARY DESIGN

Preliminary Design:

Architectural

1. Photographical documentation of the existing conditions;
2. Field verification of all existing building conditions;
3. Preliminary design meetings with the Elizabeth Parking Authority and the Union County Improvement Authority to establish project requirements; and
4. Preparation of preliminary Architectural Design plans.

**Preliminary Design Fee \$ 30,000.00
(Task Time Frame 10 Days)**

PHASE II – DESIGN DEVELOPMENT

Design Development:

1. Preparation of preliminary Architectural and Interior Design plans;
2. Allow for all required meetings with the Elizabeth Parking Authority and the State of New Jersey to review and approve the Architectural design plans;
3. Provide for all necessary design and coordination meetings with the Elizabeth Parking Authority;
4. Preparation of a project schedule; and
5. Submission of two (2) sets of drawings for project review.

Design Development Fee \$ 78,000.00
(Task Time Frame 20 Days)

PHASE IIA – BOARD SUBMISSION – NOT APPLICABLE

PHASE III – CONTRACT DOCUMENTS

Contract Documents:

Prepare the following architectural and engineering plans and specifications in sufficient detail to receive competitive bids.. Plans will be prepared in strict conformance to the State of New Jersey's Uniform Construction code and all of its pertinent sub-codes.

50% Level Design Submission

1. Prepare 50% complete Architectural and Interior Design plans;
2. Prepare 50% complete Mechanical/Electrical/Plumbing and Fire Protection plans;
3. Prepare a Construction Cost Estimate based on the 50% complete level design documents;
4. Submission of two (2) sets of progress drawings and a CD; and
5. Provide for all necessary progress and coordination meetings with the Elizabeth Parking Authority and the Union County Improvement Authority.

100% Level Design Submission

1. Submit two (2) sets of 100% Contract Documents to the Union County Improvement Authority for final review and approval; and
2. Prepare a final Construction Cost Estimate..

Contract Documents Fee \$ 116,500.00
(Task Time Frame 60 Days)

PHASE IV – BIDDING AND NEGOTIATION

Bid Assistance:

1. Attend one (1) pre-bid and site tour;
2. Provide interpretation of Contract Documents for contractors;
3. Prepare addenda based on contractor's Request for Information; and
4. Preparation of final conformed drawings for permit submission.

Bidding and Negotiation Fee \$ 5,000.00
(Task Time Frame 15 Days)

PHASE V – CONSTRUCTION ADMINISTRATION

Construction Administration:

1. Attend one (1) pre-construction meeting;
2. Review contractor's shop drawings;
3. Respond to all contractor's Request for Information;
4. Review and approve all contractor's Application for Payments;
5. Perform bi-weekly site inspections to monitor the contractor's performance in accordance to the contract documents;
6. Attend thirteen (13) weekly construction progress meetings;
7. Perform final punch list inspection; and
8. Preparation of final As-Built documents for Project Close-Out.

Construction Administration Fee \$ 40,000.00
(Task Time Frame 6 Months)

ARTICLE II

Compensation:

The above outlined professional architectural and engineering design services listed in Article I shall be completed for a fee of **Two Hundred and Seventy-Two Thousand Dollars (\$ 272,000.00) including reimbursable expenses in the amount of Two Thousand, Five Hundred Dollars (\$ 2,500.00).**

Fee Breakdown:

Phase I - Preliminary Design Fee	\$ 30,000.00
Phase II - Design Development Fee	\$ 78,000.00
Phase IIA - Board Submission Fee	\$ NA
Phase III - Contract Documents Fee*	\$ 116,500.00
Phase IV - Bidding and Negotiation Fee	\$ 5,000.00
Phase V - Construction Administration Fee**	\$ 40,000.00
Reimbursable Expenses.....	\$ 2,500.00
TOTAL CONTRACTED SERVICES	\$ 272,000.00

REIMBURSABLE EXPENSES BILLED MONTHLY

Contract Endnotes:

*Reimbursable expenses incurred by Netta Architects will be billed monthly with a complete record of all incurred expenses.

*Professional design services billing is on a monthly basis. Payments are due upon receipt and not beyond any 30 day period. Reimbursable expenses will be billed in accordance to our standard fee schedule hereby attached and made a part of this agreement. In the event professional design fees are not paid in accordance with the 30-day term noted above, architect reserves the right to stop providing professional services until past due progress payments are received.

*Delivery of Final Documents may not be made available to the client from our office unless contracted service payments have been made in full prior to the client receipt of Final Documents.

**Construction Administration Fee quoted is based upon our professional estimate of time required and anticipated from similar past project requirements during this phase. Any extended construction periods beyond the number of months or excessively noted monthly hours expended by the architect, may require a review between the owner and architect to determine the need for an amendment to this agreement through a Change Order for additional services above the scope of services contracted.

TERMS AND CONDITIONS

Professional design services billing is on a monthly basis. Payment is due within a 30 day period. Reimbursable expenses will be billed in accordance to our standard fee schedule hereby attached and made a part of this proposal.

ARTICLE III

LIMITATIONS OF SERVICES

1. This proposal is valid for sixty (60) days from the proposal date.
2. Netta Architects will rely on the accuracy of any information submitted to us by the client in the performance of our services, and will not be held responsible for errors or inaccuracies contained in information provided to us.
3. Netta Architects Scope of Service is as defined in the Project Scope and Scope of Professional Services as outlined in Article 1. Additional services beyond our outlined Scope will be performed under a separate agreement.
4. Geotechnical services are not included in the scope of this proposal. If Geotechnical services are required, it will be performed under a separate Agreement.
5. Structural Engineering services are not included in the scope of this proposal. If Structural Engineering services are required they will be performed under a separate Agreement.

ARTICLE IV

TERMS

We anticipate that our statements will be paid promptly upon their presentation. In the event that a statement is not paid within 30 days of receipt, the firm will charge interest on the outstanding balance at a rate of 1.5% per month for the period the statement remains unpaid after the initial 30 days. The firm of Netta Architects shall also be reimbursed for any collection fees incurred for any unpaid balances after 90 days, including, but not limited to, reasonable counsel fees and costs.

ARTICLE V

REIMBURSABLE EXPENSES

Payment for reimbursable expenses may be included in each progress payment or billed to the client on a monthly basis. Reimbursable expenses, in a "not to exceed fee" of **Two Thousand, Five Hundred Dollars (\$2,500.00)** include all actual expenditures made by the Architect or his consultants for the project, which included but are not limited to travel, special mailings, and all blue printing or reproductions including the regular prints noted within the contract above.

ARTICLE VI

RESPONSIBILITIES OF THE PARTIES

The Owner and the Architect shall cooperate with one another to fulfill their respective obligations under this agreement. Both parties shall endeavor to maintain good working relationships among all members of the Project team.

Owner:

Unless otherwise provided under this Agreement, the Owner shall provide full information in a timely manner regarding requirements for, and limitations on, the Project. The Owner shall furnish to the

Architect, within 15 days after receipt of a written request, information necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.

The Owner shall periodically update the budget for the Project, including the portion allocated for the Cost of Work. The Owner shall not significantly increase or decrease the overall budget or a portion of the budget, without the agreement of the Architect to a corresponding change in the Project scope of quality.

Architect:

The services performed by the Architect, Architect's employees and Architect's consultants shall be as enumerated in Article I – Scope of Service.

The Architect's services shall be performed as expeditiously as is consistent with professional skill and care and the orderly progress of the Project. The Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services which initially shall be consistent with the time periods established in Article I and which shall be adjusted, if necessary, as the Project proceeds. This schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submission by authorities having jurisdiction over the Project. Time limits established by this schedule approved by the Owner shall not, except for reasonable cause, be exceeded by the Architect or Owner.

ARTICLE VII

INSTRUMENTS OF SERVICE

Drawings, specifications and other documents, including those in electronic form, prepared by the Architect and the Architect's consultants are Instruments of Service for use solely with respect to this Project. The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service and shall retain all common law, statutory and other reserved rights, including copyrights.

Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive license to reproduce the Architect's Instruments of Service solely for the purpose of constructing, using and maintaining the Project, provided that the Owner shall comply with all obligation, including prompt payment of all sums when due, under this agreement. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this agreement. Any termination of this agreement prior to completion of the Project shall terminate this license. Upon such termination, the Owner shall refrain from making further reproductions of Instruments of Service and shall return to the Architect within seven days of termination all original and reproduction in the Owner's possession or control. If and upon the date the Architect is adjudged in default of this Agreement, the foregoing license shall be deemed terminated and replaced by a second, nonexclusive license permitting the Owner to authorize other similarly credentialed design professionals to reproduce and, where permitted by law, to make changes, corrections or additions to the Instruments of Service solely for purposes of completing, using and maintaining the Project.

ARTICLE VIII

TERMINATION OR SUSPENSION

If the Owner fails to make payments to the Architect in accordance with this agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, prior to suspension of services, the Architect shall give seven days written notice to the Owner. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or

damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

If the Project is suspended by the owner for more than 30 consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

ARTICLE IX

CONSTRUCTION

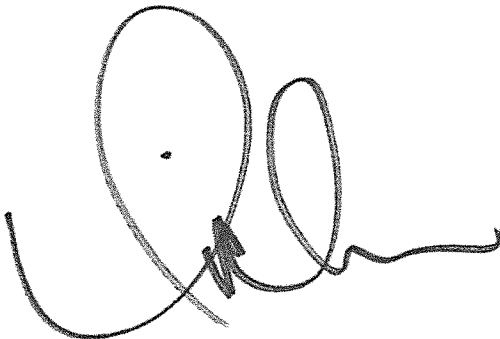
The architect shall not be responsible for the acts and omissions of the building contractor, or any subsequent subcontractor, or their agents or employees or any other person performing the work.

ARTICLE X

ADDITIONAL DESIGN SERVICES

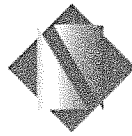
Any additional architectural and or engineering services not outlined in Article I – Scope of Services, within this contract, shall be reflected by means of a required change order and billed to the client at an hourly rate set forth and described herewith in our "Standard Schedule of Services" attached hereto and made a part of this contract.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized 'N' followed by a smaller 'J' and a series of loops and a horizontal stroke at the end.

NICHOLAS J. NETTA, AIA, NCARB
PRINCIPAL

NJN/mm



NETTAARCHITECTS

STANDARD SCHEDULE OF RATES

Professional Services:

• Principal	\$	265.00 per hr.
• Senior Vice President	\$	245.00 per hr.
• Vice President	\$	230.00 per hr.
• Director	\$	200.00 per hr.
• Project Manager	\$	180.00 per hr.
• Senior Architect	\$	155.00 per hr.
• Architect Level I	\$	130.00 per hr.
• Architect Level II	\$	125.00 per hr.
• Architect Level III	\$	110.00 per hr.
• Draftsman	\$	65.00 per hr.
• Engineer	\$	150.00 per hr.
• Clerical	\$	50.00 per hr.
• Planning Board Appearance	\$	700.00 per app.

Reimbursable Expenses:

• Automobile Travel		Federal Rate
• Tolls		Direct Cost
• Reproductions	\$.50 per s.f.
• Digital Files	\$	200.00 per CD
• B&W Prints (8 ½ " x 11")	\$.25 per sheet
• B&W Prints (8 ½ " x 11" double sided)	\$.35 per sheet
• Color Prints (8 ½ " x 11")	\$	2.50 per sheet
• B&W Prints (11 " x 17")	\$	1.00 per sheet
• Color Prints (11 x 17")	\$	5.00 per sheet
• B&W Plotting (12 " x 18")	\$	1.50 per plot
• B&W Plotting (15 " x 21")	\$	3.00 per plot
• B&W Plotting (24 " x 36")	\$	3.00 per plot
• B&W Plotting (30" x 42")	\$	6.00 per plot
• B&W Plotting (36 " x 48")	\$	9.00 per plot
• Color Plotting (8 ½ " x 11")	\$	20.00 per plot
• Color Plotting (11 " x 17")	\$	40.00 per plot
• Color Plotting (24 " x 36")	\$	75.00 per plot
• Color Plotting (30" x 42")	\$	90.00 per plot
• Color Plotting (36 " x 48")	\$	100.00 per plot
• Express Mailing		1.2 x direct cost
• Computer Renderings Copies		1.3 x direct cost

Additional Professional Costs:

Surveyors, Professional Photography, Scientists, Engineers, Planners and Artist Renderings

- Consultants referenced above..... 1.2 x cost

Exhibit “B”

**Parking Authority of the City of Elizabeth
Interior Tenant Fit-out
17 Caldwell Place
Elizabeth, New Jersey**

