

RESOLUTION NO. 2021-43

WHEREAS, Somerset Development has requested the release of performance guarantees posted for the on-site improvements on property located at Block 155, Lots 1 on the Official Tax Map of the Township of Aberdeen; and

WHEREAS, the Township Engineer has recommended release of performance guarantees in a letter dated December 10, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Aberdeen that it hereby authorizes release of performance guarantees for On-Site Improvements as follows: Performance Bond #44BCSFA8319 in the Amount of \$377,637.05 in accordance with the December 10, 2020 recommendation of the Township Engineer.

BE IT FURTHER RESOLVED that the release of the aforesaid bond is subject to the posting of a satisfactory maintenance bond in the amount of \$1,258,790.18, payment of any outstanding inspection and professional fees and concurrence by the Township Manager and Township Attorney.

All resolutions or part of resolutions inconsistent wherewith are hereby repealed.



JOHN H. ALLGAIR, PE, PP, LS (1983-2001)
DAVID J. SAMUEL, PE, PP, CME
JOHN J. STEFANI, PE, LS, PP, CME
JAY B. CORNELL, PE, PP, CME
MICHAEL J. McCLELLAND, PE, PP, CME
GREGORY R. VALESI, PE, PP, CME

TIM W. GILLEN, PE, PP, CME (1991-2019)
BRUCE M. KOCH, PE, PP, CME
LOUIS J. PLOSKONKA, PE, CME
TREVOR J. TAYLOR, PE, PP, CME
BEHRAM TURAN, PE, LSRP
LAURA J. NEUMANN, PE, PP
DOUGLAS ROHMEYER, PE, CFM, CME
ROBERT J. RUSSO, PE, PP, CME
JOHN J. HESS, PE, PP, CME

December 10, 2020

Ms. Karen Ventura, Township Clerk
Township of Aberdeen
One Aberdeen Square
Aberdeen, NJ 07747

Re: Request for Performance Bond Release (Phase 1A,1B,1C)
Somerset Anchor, LLC (The Glassworks)
145 Cliffwood Avenue
Block 155 Lot 1
Application No.: SP 12-508
Our File No.: PABP0155.02

Dear Ms. Ventura:

Pursuant to a request from Somerset Anchor LLC for a release of the performance guarantees posted for the work associated with the above referenced site, please be advised that we have made the necessary site evaluation and we are reporting herein.

OFF-SITE IMPROVEMENTS

The original off-site performance guarantees recommended by our office and posted by the developer were calculated as follows:

Total Performance Guarantee \$ 2,543,424.00

10% Cash Portion \$ 254,342.40
90% Bond Portion \$2,289,081.60

Based upon information received from the Township Clerk the off-site performance guarantees were posted in such a manner that the pump station guarantees and the remaining balance were posted separately for the off-site improvements. As such, the pump station bonds that were originally posted were as follows:

Total Pump Station Performance Guarantee \$ 1,800,000.00

10% Cash Portion \$ 180,000.00
90% Bond Portion \$ 1,620,000.00

It is our understanding that the performance guarantees posted for the pump station had previously been reduced to 30% of the original performance guarantee or \$540,000.00 of which \$486,000.00



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Glassworks – Ph 1A, 1B, 1C
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should have been posted as a surety guarantee with the remaining \$54,000.00 held as cash guarantee.

Under separate cover, a bond release recommendation was sent to the Township recommending a full release of the pump station bonds with a 15% maintenance bond to be posted in the amount of \$270,000.00.

Therefore, based upon a discussion with the Township Clerk, the remaining balance of the bonds for the remaining off-site improvements should be as follows:

Balance of Off-Site Improvement Performance Guarantee	\$ 743,424.00
10% Cash Portion	\$ 74,342.40
90% Bond Portion	\$ 669,081.60

It is our understanding that the performance guarantees posted for the remaining off-site improvements have previously been reduced to 30% of the original performance guarantee or \$223,027.20 of which \$200,724.48 should have been posted as a surety guarantee with the remaining \$22,302.72 held as cash guarantee.

Relative to our recent observation of the site and review of our files, it should be noted that the off-site improvements associated with The Glassworks have been completed.

The Township Ordinance indicates that a maintenance guarantee is required for a period not to exceed two (2) years after final acceptance of the improvement in an amount not to exceed fifteen percent (15%) of the cost of the improvement.

The maintenance guarantee amount for the balance of the off-site improvements for The Glassworks is calculated as follows:

$$\$743,424.00 \times 0.15 = \$111,513.60$$

Total Maintenance Guarantee = \$111,513.60



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ON-SITE IMPROVEMENTS

The original on-site performance guarantees recommended by our office and posted by the developer were calculated as follows:

Total Performance Guarantee	\$8,391,934.50
10% Cash Portion	\$ 839,193.45
OR	
15% Bond Portion	\$1,258,790.18

Accordingly, the total performance guarantee which should have been posted for the on-site improvements is \$839,193.45 as a cash guarantee OR 15%, \$1,258,790.18 submitted as a performance bond.

Based upon a discussion with the Township Clerk, it is our understanding that the performance guarantees posted for the on-site improvements has previously been reduced to 30% of the original performance guarantee or \$2,517,580.35 of which \$251,758.04 should have been posted as a cash bond or \$377,637.05 as a surety guarantee. It is our understanding that the Surety guarantee was posted in the amount of \$377,637.05.

Relative to our recent observation of the site and review of our files, it should be noted that the improvements associated with The Glassworks have been completed.

The Township Ordinance indicates that a maintenance guarantee is required for a period not to exceed two (2) years after final acceptance of the improvement in an amount not to exceed fifteen percent (15%) of the cost of the improvement.

The maintenance guarantee amount for the on-site improvements for The Glassworks is calculated as follows:

$$\$8,391,934.50 \times 0.15 = \$1,258,790.18$$

Total Maintenance Guarantee = \$1,258,790.18



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Finally, any release of the off-site and on-site improvements shall be subject to paying all outstanding escrow fees, if any.

Should you have any questions concerning this matter, please do not hesitate to contact this office.

Very truly yours



Anthony Abbonizio Jr., PE
Township Engineer's Office

AA

Enclosure

cc: Bryan Russell, Township Manager
Michael Augello, Esq., Township Attorney
Peter Tisdale, Somerset Anchor, LLC



S O M E R S E T

D E V E L O P M E N T

This is living.

Karen Ventura
Aberdeen Township
1 Aberdeen Square
Matawan, NJ 07747

Re: Bond Release for Aberdeen Glassworks
145 Cliffwood Ave
Cliffwood, NJ 07721
Block 155 Lot 1

Application # 44BCSFA8319-Site Improvements
Application #44BCSFA8318-Off site Balance for Pump Stations
Application #44BCSFA8317-Off site Balance without Pump Stations

November 20, 2020

Dear Mrs. Ventura,

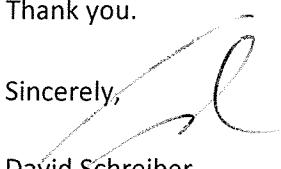
The site improvements for the first phases (1A, 1B, 1C) at the Glassworks Project are complete and as discussed at our meeting in December 2019, the previous punch list items have been addressed. We would like to put in a request for a full release of bond application #44BCSFA8319.

We would also like to put in a request for a full release for both bonds related to the offsite work, application #44BCSFA8318 and application #44BCSFA8317. All work has been complete.

If there are any questions, please do not hesitate to contact me at 732-415-7102 or david@sdnj.com.

Thank you.

Sincerely,


David Schreiber
Executive Vice President

CC: Maxine Rescorl
CC: Anthony Abbonizio