

TOWNSHIP OF OCEAN SEWERAGE AUTHORITY
SPECIAL MEETING
January 29, 2025

1. Meeting called to Order
2. Pledge of Allegiance
3. Roll Call - Galvin, Johnson, Miller, Theodora, Valentino
4. Let the minutes show this meeting is being held in accordance with the requirements of the Open Public Meetings Act of 1975 and adequate notice has been duly posted where required and sent to the Asbury Park Press and the Star Ledger on January 21, 2025 and mailed to its service communities on January 24, 2025, and posted on its website. The minutes of this meeting will be available after Board approval at a subsequent meeting.

The meeting is available in real time to the public by logging in to meet.google.com/hvy-nivn-pdi or calling 857-323-2408, PIN 182 159 490#.

EXECUTIVE SESSION

Attorney/Client Privilege

BUSINESS SESSION

1. Comments from the public
2. Resolution 25-07 – Authorizing Execution of Agreement With BLH Holding, LLC for Sewer Connection Fee Payments
3. Adjournment

Authorizing Execution of Agreement With BLH, Holding, LLC for Sewer Connection Fee Payments

WHEREAS, the Authority has agreed to provide a sewerage connection to Ocean Residence Inn by Marriott, located at 1615 NJ-35, Ocean Township, New Jersey, (the "Property") in accordance with Application #189 filed by Ocean 35 Acquisitions LLC July 10, 2018 in accordance with the conditions of the final approval and the rules and regulations of the Authority; and

WHEREAS, BLH Holding, LLC (Company) constructed and was the owner of a hotel known as the Ocean Residence Inn by Marriott (the "Hotel"), located at 1615 NJ-35, Ocean Township, New Jersey, which was sold to PHG Ocean Township, LLC on July 24, 2024 with the sewer connection fee unpaid; and

WHEREAS, after the sale of the Hotel, and a Temporary Certificate of Occupancy (the "TCO") was issued, Company became aware of an outstanding sewer connection fee charged by TOSA in the amount of \$377,568.00 ("Sewer Fee") charged to the Company; and

WHEREAS, Company has requested and TOSA has agreed that Company and Brad Honigfeld may pay the outstanding Sewer Connection Fee to TOSA over time and with interest with a bond backing payment;

NOW, THEREFORE, BE IT RESOLVED, this 29th day of January, 2025 that the Township of Ocean Sewerage Authority shall execute an Agreement with BLH Holding, LLC for sewer connection fee payments.

| | Motion | Second | Aye | Nay | Abstain | Absent |
|-----------|--------|--------|-----|-----|---------|--------|
| Galvin | | | | | | |
| Miller | | | | | | |
| Theodora | | | | | | |
| Valentino | | | | | | |
| Johnson | | | | | | |

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Special Meeting held on January 29, 2025.

Secretary

**TOSA AGREEMENT
WITH BLH HOLDING, LLC
FOR SEWER CONNECTION FEE PAYMENTS**

THIS AGREEMENT made this ____ day of _____, 2025, by and between the TOWNSHIP OF OCEAN SEWERAGE AUTHORITY, 224 Roosevelt Avenue, Township of Ocean, County of Monmouth and State of New Jersey (“TOSA or the Authority”) and BLH HOLDING, LLC, 78 Okner Parkway, Livingston, New Jersey 07039 (the, “Company”) and Brad Honigfeld, individually, and as Guarantor (the “Guarantor”).

WITNESSETH:

WHEREAS, the Authority has agreed to provide a sewerage connection to Ocean Residence Inn by Marriott, located at 1615 NJ-35, Ocean Township, New Jersey, (the “Property”) in accordance with Application #189 filed by Ocean 35 Acquisitions LLC, July 10, 2018, in accordance with the conditions of the final approval and the rules and regulations of the Authority; and

WHEREAS, the Company constructed and was the owner of a hotel known as the Ocean Residence Inn by Marriott (the “Hotel”), located at 1615 NJ-35, Ocean Township, New Jersey, which was sold to PHG Ocean Township, LLC on July 24, 2024 with the sewer connection fee unpaid; and

WHEREAS, after the sale of the Hotel, and a Temporary Certificate of Occupancy (the “TCO”) was issued, Company became aware of an outstanding sewer connection fee charged by TOSA in the amount of \$377,568.00 (“Sewer Fee”) charged to the Company; and

WHEREAS, Company has requested and TOSA has agreed that Company and Brad Honigfeld may pay the outstanding Sewer Connection Fee to TOSA over time and with interest with a bond backing payment;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge the Company and TOSA do hereby covenant and agree as follows:

1. Recitals True. The Recitals set forth above are agreed to be correct and are incorporated herein.

2. Payment Terms. Company will pay TOSA twelve (12) equal payments in the amount of \$31,464.00 plus interest of 18% annually as set forth in the Amortization Schedule annexed hereto as EXHIBIT A (all monthly payments plus interest are referred to as the "Payment Amount"). The payments will be due on the tenth (10th) day of each month (the "Due Date") by check payable to TOSA. The first payment shall commence on February 1, 2025 and shall continue in full force and effect until payment is made in full of the Payment Amount and the terms and conditions of this Agreement required of Company shall have been fully performed, fully paid and satisfied and discharged. The Company will have the right to make early payments of any portion of the Sewer Fee outstanding.
3. Guaranty. To secure the payment of the Sewer Fee, Brad Honigfeld, the sole and managing member of the Company, has agreed to provide a full guaranty of all outstanding amounts. The Guaranty will be in the form of a payment bond issued by First Indemnity of America Insurance Company ("Bond Company") and is attached hereto as EXHIBIT B (the "Payment Bond").
4. No Action. TOSA agrees that as long as Company makes the monthly payment in the amount due to TOSA by the monthly due date, subject to any grace and cure period, TOSA will take no further action against the Company, Brad Honigfeld or the Payment Bond. The parties mutually agree that the TCO will remain in effect during the entire term of payment of the Sewer Connection Fee. No final Certificate of Occupancy (the "C/O") shall be considered or issued by the Township of Ocean prior to the receipt and clearance of the entire payment of the outstanding Sewer Connection Fee.
5. Event of Default. Failure of Company to make the monthly payment within five (5) days of the monthly Due Date will be a default of this Agreement. If TOSA does not receive a monthly payment within five (5) days after the monthly Due Date, TOSA will have the right to charge the Company a late fee in the amount of three (3%) of the amount due that month and TOSA will be permitted, after notice to Company of its failure to receive the monthly payment, to accelerate the remaining payments due hereunder or take such action as it elects to obtain payment of the remaining amount of the Sewer Fee including but not limited to seeking reimbursement of any outstanding payment(s) from the Company and/or pursuing a tax lien on the property at 1615 NJ-35, Ocean Township, New Jersey. Company and Brad Honigfeld shall be responsible for any costs incurred by TOSA, including reasonable legal counsel fees, involved in pursuing the outstanding portion of the Sewer Fee or seeking reimbursement from the Bond Company.
6. Representations. Company represents and warrants to TOSA, knowing and intending that TOSA is relying upon such representations and warranties in entering into this Agreement, as follows:
 - a. To the best of Company's knowledge, no consent or approval of any other person to the execution of this Agreement is required.

- b. This Agreement, the execution and delivery hereof by Company and payment of the Sewer Fee with interest have been duly and validly authorized by resolution of the Company.
 - c. OSA represents and warrants to Company and Guarantor knowing and intending that Company and Guarantor are relying upon such representations and warranties, that the execution of this Agreement by TOSA shall be duly authorized by resolution of the TOSA Commissioners at a public meeting.
7. Entire Agreement. This Agreement represents the entire agreement of Company, Guarantor and TOSA with respect to the subject matter hereof, and the terms hereof shall not be amended or changed by any oral representation or agreement. To be effective, any amendments to this Agreement shall be in writing and shall be executed by both parties hereto.
8. Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing addressed to the at the address provided in the preamble (unless another address is designated in writing by the Party) and shall be deemed to have been duly given upon delivery by hand, by a nationally recognized overnight courier service, or first-class mail return receipt requested, on the date of delivery or refusal of delivery. Any notice sent by the attorney representing a Party, shall qualify as notice under this Agreement.
9. Counterparts. This Agreement may be executed in counterparts, including counterparts transmitted by facsimile or electronic mail, each of which shall be deemed an original, but all of which, together, shall constitute one Agreement. Signatures to this Agreement transmitted by facsimile, sent by email (including “.pdf”), or delivered by other electronic means shall be valid and effective to bind the Party so signing. Each Party agrees to promptly deliver an execution original to this Agreement with its actual signature to the other Party upon request, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each Party to this Agreement shall be bound by its own facsimile or other electronic signature and shall likewise accept the facsimile or other electronic signature of the other Party.
10. Signatories. Each signatory of this Agreement represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.
11. Successors. The provisions of this Agreement shall bind and inure to the benefit of the heirs, representatives, successors and assigns of the parties.

Signatures on following page

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

BLH HOLDING, LLC

By: [Signature]
Name: BRAD HONIGFELD
Title:

[Signature]
BRAD HONIGFELD, INDIVIDUALLY
AND AS A GUARANTOR

Dated:

WITNESS

By: [Signature]
Name: SANDRA F. KANTER
Title: EXECUTIVE RELATIONS MGR

WITNESS

By: [Signature]
Name: SANDRA F. KANTER
Title: EXECUTIVE RELATIONS MGR

TOWNSHIP OF OCEAN SEWERAGE AUTHORITY

By: _____
Name:
Title:

Dated:

WITNESS

By: _____
Name:
Title:

EXHIBIT A
AMORTIZATION SCHEDULE

Exhibit A
BLH Holdings, LLC
Ocean Residence Inn by Marriott

rev 1.16.25

Amortization Schedule

Principal \$ 377,568.00

Interest Rate: 18%

Payment: \$34,615.43

of Payments: 12

| Pmt # | Date | Payment | Principal | Interest | Balance |
|--------------|--------------|----------------------|----------------------|---------------------|----------------|
| 1 | 2/1/2025 | \$ 34,615.43 | \$ 28,951.91 | \$ 5,663.52 | \$ 348,616.09 |
| 2 | 3/1/2025 | \$ 34,615.43 | \$ 29,386.19 | \$ 5,229.24 | \$ 319,229.90 |
| 3 | 4/1/2025 | \$ 34,615.43 | \$ 29,826.98 | \$ 4,788.45 | \$ 289,402.92 |
| 4 | 5/1/2025 | \$ 34,615.43 | \$ 30,274.39 | \$ 4,341.04 | \$ 259,128.53 |
| 5 | 6/1/2025 | \$ 34,615.43 | \$ 30,728.50 | \$ 3,886.93 | \$ 228,400.03 |
| 6 | 7/1/2025 | \$ 34,615.43 | \$ 31,189.43 | \$ 3,426.00 | \$ 197,210.60 |
| 7 | 8/1/2025 | \$ 34,615.43 | \$ 31,657.27 | \$ 2,958.16 | \$ 165,553.33 |
| 8 | 9/1/2025 | \$ 34,615.43 | \$ 32,132.13 | \$ 2,483.30 | \$ 133,421.20 |
| 9 | 10/1/2025 | \$ 34,615.43 | \$ 32,614.11 | \$ 2,001.32 | \$ 100,807.09 |
| 10 | 11/1/2025 | \$ 34,615.43 | \$ 33,103.32 | \$ 1,512.11 | \$ 67,703.77 |
| 11 | 12/1/2025 | \$ 34,615.43 | \$ 33,599.87 | \$ 1,015.56 | \$ 34,103.90 |
| 12 | 1/1/2026 | \$ 34,615.43 | \$ 34,103.90 | \$ 511.56 | \$ - |
| | Total | \$ 415,385.16 | \$ 377,568.00 | \$ 37,817.19 | |

EXHIBIT B
PAYMENT BOND

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned, BLH Holdings, LLC as Principal and First Indemnity of America Insurance Company as Surety, are hereby held and firmly bound unto the Township of Ocean Sewerage Authority in the penal sum of Four Hundred Fifteen Thousand Three Hundred Eighty Five Dollars and 19/100 (\$415,385.19/100 Dollars) for the payment of which will and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

Signed this 21st day of January, 2025.

NOW, if the said Principal shall promptly make payment to all persons in accordance with said Agreement, then this obligation shall be void, otherwise the same shall remain in full force and effect, it being expressly understood and agreed that the liability of the surety for any and all claims hereunder shall in no event exceed the penal amount of this obligation as herein stated.

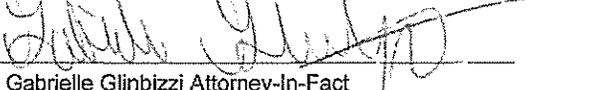
The said surety hereby stipulates and agrees that no modifications, omissions or additions in or to the terms of said Contract or in or to the plans and specifications therefore shall in any way affect the obligations of said surety on its bond.

BLH Holdings LLC



Principal: BRAD HONIGFELD

First Indemnity of America Insurance Company



Gabrielle Glinbizzi Attorney-In-Fact

Surety

(seal)

(acknowledgements)

NOTE: The attorney-in-fact signing the Payment Bond on behalf of the surety should attach a valid power of attorney to the Payment Bond.

FIRST INDEMNITY OF AMERICA INSURANCE COMPANY
2740 Route 10 West, Suite 205
Morris Plains, New Jersey 07950
(973) 402-1200 Fax (973) 402-0770

SURETY DISCLOSURE STATEMENT AND CERTIFICATION

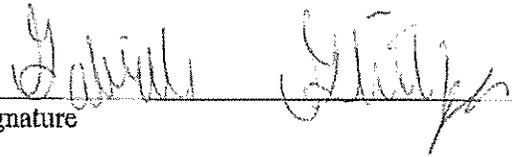
First Indemnity of America Insurance Company ("the Surety"), on the attached bond, hereby certifies the following:

1. The Surety meets the applicable capital and surplus requirements of R.S. 17.17-6 or R.S. 17.17-7 as of the Surety's most current annual filing with the New Jersey Department of Insurance.
2. The capital and surplus, as determined in accordance with the applicable laws of the State of New Jersey, is in the amount set forth on the annexed sheet, which said amount has been certified and is on file with the New Jersey Department of Insurance as required by law. Copies of the Annual Statement reflecting such information are on file with the New Jersey Department of Insurance and may be obtained from that agency.
3. The amount of the bond to which this statement and certification is attached is \$ 415,385.19.
4. The bond annexed hereto may be reinsured pursuant to treaties of reinsurance between First Indemnity of America Insurance Company and any of the reinsurers set forth in Schedule F, Parts (1) (2) (3) and (4) of the Annual Statement for First Indemnity of America Insurance Company for the year ended December 31, 2023, as on file with the New Jersey Department of Insurance.
5. The Surety certifies that each reinsurer referred to in Item (4) satisfies the credit for reinsurance requirement established by law as of the date on which the bond to which this statement and certification is attached shall have been issued.

CERTIFICATION

(To be completed by an authorized certifying agent for each surety on the bond.)

I, Gabrielle Glinbizzi as ATTORNEY-IN-FACT for First Indemnity of America Insurance Company, a corporation domiciled in New Jersey, DO HEREBY CERTIFY that, to the best of my knowledge, the foregoing statements made by me are true and acknowledge that if any of those statements are false, this bond is voidable.


Signature

Gabrielle Glinbizzi
Print Name

ATTORNEY-IN-FACT
Title

**FIRST INDEMNITY OF AMERICA
INSURANCE COMPANY**
2740 Rt. 10 West, Suite 205 Morris Plains, New Jersey 07950
Telephone: (973) 402-1200

POWER OF ATTORNEY FOR BONDS AND UNDERTAKINGS

Know All Men By These Presents: That First Indemnity of America Insurance Company, a Corporation of the State of New Jersey does hereby appoint: Gabriella Glinbizzi, its true and lawful Attorneys-in-Fact: to make, execute, sign, acknowledge, affix the Company Seal to, deliver any and all surety bonds, undertakings, recognizances, and other contracts of indemnity and writings obligatory in the nature of a bond, for and on behalf of said Company and as an act and deed of said Company.

IN WITNESS WHEREOF, First Indemnity of America Insurance Company of the State of New Jersey has executed these presents this 25th day of November, 2019.



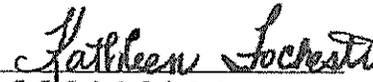


Patrick J. Lynch, President

STATE OF NEW JERSEY)
COUNTY OF MORRIS) ss:

On this 25th day of November, 2019, before me came the above named officer of First Indemnity of America Insurance Company of New Jersey, to me personally known to be the individual and officer described herein, and acknowledge that he executed the foregoing instrument and affixed the seal of said corporation thereto by authority of this office.




KATHLEEN FOCHESTO
Commission # 2394310
Notary Public, State of New Jersey
My Commission Expires
March 16, 2025

CERTIFICATE

Excerpts of Resolutions (Article V, Paragraph 5, of the By-Laws of said Company) adopted by the Board of Directors of the First Indemnity of America Insurance Company of the State of New Jersey, November 25, 2019.

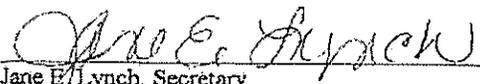
RESOLVED, on November 25, 2019, that the President, or any one of the Vice Presidents specially authorized to do so by the Board of Directors, or by the Executive Committee, shall have power to appoint Attorneys-in-Fact as the business of the company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and release and assignment of judgments, decrees, mortgages and instruments in the nature of mortgages, and also all other instruments and documents which the business of the Company may require and to affix the Seal of the Company thereto.

FURTHER RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating to the Power of Attorney by facsimile and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company with respect to any bond, undertaking, recognizances or other contract of indemnity of writing obligatory in the nature thereof.

I, Jane E. Lynch, Secretary of First Indemnity of America Insurance Company of New Jersey, do hereby certify that the foregoing excerpts of the Resolution adopted by the Board of Directors of the Corporation and the Powers of Attorney issued pursuant thereto, are true and correct and that both the Resolution and the Powers of Attorney are in full force and effect.

IN WITNESS WHEREOF, I have herewith set my hand and affixed the seal of said Corporation this 21st day of January, 2025.





Jane E. Lynch, Secretary

FIRST INDEMNITY OF AMERICA INSURANCE COMPANY
2740 Route 10 West, Suite 205, Morris Plains, N.J. 07950
STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2023

| | |
|--|-----------------------------|
| Assets: | |
| Bonds | \$ 13,948,561 |
| Preferred & Common Stocks | 6,760,615 |
| Mortgage Loans | 97,104 |
| Real Estate | 1,354,308 |
| Cash and Short Term Investments | 5,432,614 |
| Investment Income Due and Accrued | 144,555 |
| Premiums in the Course of Collection (under 90 days) | 907,137 |
| Reinsurance Recoverable on Loss and LAE Payments | 112,171 |
| Deferred Tax Asset | 593,605 |
| Other Assets | <u>38,472</u> |
| Total Admitted Assets | \$ <u>29,389,132</u> |
| Liabilities and Surplus: | |
| Reserve for Loss and Loss Adjustment Expenses | 6,610,281 |
| Other Expenses | 489,345 |
| Taxes Licenses and Fees | 51,509 |
| Federal Income Tax Payable | 438,252 |
| Unearned Premium | 2,979,370 |
| Amounts Withheld or Retained for Others | 4,536,068 |
| Ceded Reinsurance Balances Payable | 353,055 |
| Security Deposits | <u>12,600</u> |
| Total Liabilities | 15,470,480 |
| Capital & Surplus: | |
| Common Stock, Paid Up | 2,500,000 |
| Paid in and Contributed Surplus | 1,480,945 |
| Unassigned Surplus | <u>9,937,707</u> |
| Surplus as Regards to Policyholders | <u>13,918,652</u> |
| Total Liabilities and Surplus | \$ <u>29,389,132</u> |

I, Glenn A. Runne, Chief Financial Officer of First Indemnity of America Insurance Company, do hereby certify that the foregoing statement is a correct exhibit of the assets and surplus of the said company, on the 31st day of December, 2023, according to the best information, knowledge, and belief.


 Glenn A. Runne
 Chief Financial Officer

State of New Jersey)
 County of Morris) SS:

Subscribed and sworn to, before me, a Notary Public of the State of New Jersey in the Township of Morris Plains, this 21st day of February, 2024.

KATHLEEN FOCHESTO
 Commission # 2391310
 Notary Public, State of New Jersey
 My Commission Expires
 March 16, 2025


 Kathleen Fochesto
 My Commission Expires March 16, 2025