



Legislation Details (With Text)

File #: 23-1170 **Version:** 1 **Name:** Ordinance: PSE&G License Agreement Extension (Washington Street)
Type: Ordinance **Status:** Returned to Administration
File created: 7/13/2023 **In control:** Economic and Housing Development
On agenda: 9/7/2023 **Final action:** 10/4/2023
Title: AN ORDINANCE OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY, AUTHORIZING AN EXTENSION OF THE LICENSE AGREEMENT BETWEEN THE CITY AND PUBLIC SERVICE ELECTRIC AND GAS COMPANY.

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
10/4/2023	1	Municipal Council	Returned to Administration	Pass
9/20/2023	1	Municipal Council	Adopt on First Reading	Pass
9/20/2023	1	Municipal Council	Adopt on First Reading	Pass
9/7/2023	1	Municipal Council	Advance to First Reading	Pass

AN ORDINANCE OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY, AUTHORIZING AN EXTENSION OF THE LICENSE AGREEMENT BETWEEN THE CITY AND PUBLIC SERVICE ELECTRIC AND GAS COMPANY.

WHEREAS, the City of Newark (the “City”) is the fee owner of certain properties located in the City of Newark, County of Essex and State of New Jersey, identified on the Official Tax Map of the city of Newark, as Block 96, Lots 8, 10, 32 and 33, more commonly known as 342-346 and 348 Washington Street and 283-285 and 287 Halsey Street, Newark, New Jersey 07102 (herein referred as the “Property”); and

WHEREAS, pursuant to N.J.S.A. 40A:12-14(b) the City is authorized to enter a lease upon such terms and conditions and for nominal or other consideration as the Governing Body of the municipality shall approve; and

WHEREAS, by way of Resolution 7R2-a adopted on May 15, 2019, the City was authorized to enter into and execute a three (3) year, Temporary Construction Staging License Agreement with the Public Service Electric and Gas Company (“PSE&G”) for PSE&G’s temporary use and access on the Property (the “License Agreement”); and

WHEREAS, the purpose of the License Agreement was to facilitate PSE&G to provide safe and reliable service to the public and allow PSE&G to obtain a temporary, non-exclusive revocable construction access on the Property for staging purposes so PSE&G could upgrade the PSE&G Newark Switching Station located at 343-357 Washington Street, Newark, New Jersey 07102, and identified on the Official Tax Map of the City of Newark, as Block 97, Lots 24, 26, 28, 30 and 31 (the

“Project”); and

WHEREAS, the City has determined that the Project is critical to serving the City’s electric distribution and transmission network; and

WHEREAS, on June 12, 2019, the City and PSE&G executed the License Agreement, a copy of which is annexed hereto as Exhibit A; and

WHEREAS, the three (3) year term of the License Agreement expired on June 12, 2022; and

WHEREAS, the License Agreement, Section 4, contains a provision to extend its term for three (3) separate one (1) year options at the request of PSE&G, subject to Municipal Council approval at the following fee schedules:

Year	Option Number	Monthly Fee	Term
4	Renewal Option One	\$4,051.69	June 12, 2022-June 11, 2023
5	Renewal Option Two	\$4,254.27	June 12, 2023-June 11, 2024
6	Renewal Option Three	\$4,466.99	June 12, 2024-June 11, 2025

WHEREAS, on March 16, 2022, PSE&G wrote a letter to the City seeking to invoke Option One of the License Agreement and on February 22, 2023, PSE&G wrote an email to the City seeking to invoke Option Two of the License Agreement, a copy of said communications are annexed hereto as Exhibit B; and

WHEREAS, the City has determined that it is appropriate for the City to ratify and authorize the Option One and Option Two extensions of the License Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor of the City of Newark, and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development hereby ratifies and authorizes the Option One and Option Two extensions under Section 4 of the Temporary Construction Staging License Agreement (the “License Agreement”) between the City of Newark (the “City”) and the Public Service Electric and Gas Company (the “PSE&G”) for PSE&G’s temporary use and access on the City-owned property located on the Official Tax Map of the City of Newark, as Block 96, Lots 8, 10, 32 and 33, more commonly known as 342-346 and 348 Washington Street and 283-285 and 287 Halsey Street, Newark, New Jersey 07102 (the “Property”), described and more fully depicted on Exhibit A annexed hereto.

2. The consideration payable to the City of Newark for the rights and privileges set forth in the License Agreement are governed by Section 4 of the Lease Agreement, as follows:

Year	Option Number	Monthly Fee	Term
4	Renewal Option One	\$4,051.69	June 12, 2022-June 11, 2023
5	Renewal Option Two	\$4,254.27	June 12, 2023-June 11, 2024

6	Renewal Option Three	\$4,466.99	June 12, 2024-June 11, 2025
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3. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the License Agreement and may enter into any related documents which may be necessary in order to effectuate the License Agreement.

4. This Ordinance, exhibits and the executed License Agreement shall be placed on file in the Office of the City Clerk by the Deputy Mayor/Director of Department of Economic and Housing Development.

STATEMENT

This Ordinance authorizes the Mayor of the City of Newark, and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development to ratify and authorize the Option One and Option Two extensions under Section 4 of the Temporary Construction Staging License Agreement between the City of Newark and the Public Service Electric and Gas Company for PSE&G's temporary use and access on the City-owned property located on the Official Tax Map of the City of Newark, as Block 96, Lots 8, 10, 32 and 33, more commonly known as 342-346 and 348 Washington Street and 283-285 and 287 Halsey Street, Newark, New Jersey 07102, described and more fully depicted on Exhibit A annexed hereto.