

OFFICE OF THE COUNTY MANAGER

Alfred J. Faella, County Manager

April 25, 2012

Honorable Jamel C. Holley

BOARD OF CHOSEN FREEHOLDERS Mayor of Roselle

ALEXANDER MIRABELLA

210 Chestnut Street

Chairman

Roselle, NJ 07023

LINDA CARTER

ANGEL G. ESTRADA

Dear Mayor Holley:

CHRISTOPHER HUDAK

CHRISTOTHER HUDAR

MOHAMED S. JALLOH

BETTE JANE KOWALSKI

DEBORAH P. SCANLON

DANIEL P. SULLIVAN

VERNELL WRIGHT

ALFRED J. FAELLA County Manager

ROBERT E. BARRY, ESQ. County Counsel

JAMES E. PELLETTIERE Clerk of the Board As you may be aware, in 2002, the County of Union entered into contract with M&E Railway with regard to the Union County Rail Freight project, which included the reactivation of a rail line which would have passed through your

municipality.

Enclosed please find a letter to M&E Railway confirming that due to their failure to exercise their option to extend the operating agreement, the agreement terminates effective May 15th, 2012.

I am providing you this information to share with your governing body and constituency. If you have any questions regarding maintenance issues, please feel free to contact Parks and Community Renewal Director Ron Zuber at 908-527-4910.

Sincerely,

Alfred J. Faella

Union County Manager



COUNTY OF UNION

OFFICE OF THE COUNTY MANAGER Alfred J. Faella, County Manager

BOARD OF CHOSEN FREEHOLDERS

April 20, 2012

ALEXANDER MIRABELLA Chairman

LINDA CARTER Vice Chairman

ANGEL G. ESTRADA

CHRISTOPHER HUDAK

MOHAMED S. JALLOH

BETTE JANE KOWALSKI

DEBORAH P. SCANLON

DANIEL P. SULLIVAN

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ROBERT E. BARRY, ESQ. County Counsel

JAMES E. PELLETTIERE Clerk of the Board

Wes Weiss, President

Morristown & Erie Railroad, Inc.

49 Abbett Avenue

Morristown, New Jersey 07960

Termination of Operating Agreement between the County of Union and

M & E Railway

Dear Mr. Weiss:

Re:

Please accept this correspondence to advise you that due to the failure of M&E Railway to exercise the option contained in paragraph two of the Operating Agreement dated May 2, 2002, the Agreement will terminate on May 15, 2012. Under the specific terms of the Agreement M&E Railway was to exercise its option to extend the Agreement by March 15, 2012, 60 days prior to the date of the scheduled expiration of the Operating Agreement. The termination of this Operating Agreement does not however terminate all of your company's obligations to the County of Union, as set forth in paragraph twenty of the Agreement entitled Return of Premises.

This letter will also serve to inform you that effective May 15, 2012, any rights that M&E has to enter the right of way shall terminate and that any equipment or materials remaining on the right of way belonging solely to the M&E Railroad must be removed on or before that date. This does not include any materials that were purchased specifically for this project with either County or State funds which were delivered to the property during the course of the rehabilitation of the rail lines pursuant to said Operation Agreement.

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County Manager

ROBERT E. BARRY, ESQ. County Counsel

JAMES E. PELLETTIERE Clerk of the Board Please be further advised that the County of Union does not waive any rights it may have under this agreement or by law to seek reimbursement for any costs or damages which may have resulted from M & E Railway's failure to meet its obligations under contract, pursuant to paragraph ten of the Agreement. Finally, be advised that the County does not waive its rights to audit this project and to seek reimbursement for any costs or damages that may be uncovered as a result of such an audit.

Please be guided accordingly.

Very truly yours,

Alfred J. Faella County Manager

CC: Alexander Mirabella, Freeholder Chairman

Freeholder Board Members

Robert E. Barry, Esq., County Counsel

Steven H. Merman, Assistant County Counsel

Ronald Zuber, Director Parks & Community Renewal

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