

APPENDIX 1.1: 90-DAY CAPACITY PURCHASE AGREEMENT (“90-DAY-CPA”) is intended for use by:

A user already connected to the LTMUA Wastewater Reclamation Facility (“WRF”)

1. whose actual wastewater flow/loading into the WRF system exceeds the limit permitted
2. who needs to increase the limit on wastewater flow/loading by acquiring additional EDU(s)
3. who pays connection fee(s) for new EDU(s) within 90 days from the date of 90-Day CPA
4. who complies with the 90-Day CPA deadline for connection so that the violator may avoid future fines/penalties for exceeding limits

The 90-Day CPA Form to use starts on the next page (p. 2). The 90-Day CPA to be signed and submitted by the APPLICANT/OWNER must begin with the Title of the CPA and include the Reference number located immediately below the Title.

TITLE: 90-DAY CAPACITY PURCHASE AGREEMENT (“90-Day CPA”)

Ref. # _____

The parties agree to enter this **90-Day CPA** between the LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (“LTMUA”) and the APPLICANT (identified below). It provides for the purchase of additional EDU(s) to increase the treatment capacity of wastewater flow/loading from the APPLICANT’s already connected site. Treatment is contracted from the 500,000 gpd ETF-1 addition to the LTMUA Wastewater Reclamation Facility (“WRF”) located at 69 Jefferson Lane, Logan Township, Gloucester County, NJ 08085. This **90-Day-CPA** was authorized and approved by

RESOLUTION # ____ - ____, adopted _____

THIS AGREEMENT dated _____

By and Between:

LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY, a Municipal Corporation of the State of New Jersey with offices at 69 Jefferson Lane, Logan Township, New Jersey 08085

(hereinafter referred to as “**LTMUA**”)

and

_____ ,

(hereinafter referred to as “**APPLICANT**”)

WITNESSETH:

WHEREAS, the LTMUA owns and operates a Water Reclamation Facility (“WRF”) serving users located within the Sewer Service Area of the LTMUA; and

WHEREAS, the APPLICANT is the OWNER of an existing facility that discharges wastewater through a current connection to the LTMUA WRF System; and

WHEREAS, the APPLICANT acknowledges that its current wastewater flow/loading into the WRF exceeds the limit authorized by the EDU(s) currently connected, subjecting the APPLICANT to recurring fines and penalties until additional units are connected (after payment of the applicable connection fee per each additional unit to be connected); and

WHEREAS, the APPLICANT has investigated the site’s discharge data and has determined that _____ additional EDU(s) are required to increase the total EDU limit on

wastewater flow/loading from the APPLICANT's site to _____ EDUs and believes this higher capacity will accommodate the reasonably anticipated wastewater flow/loading from APPLICANT's facility without exceeding the increased EDU limit; and

WHEREAS, the APPLICANT understands and acknowledges that the LTMUA and the LTMUA Superintendent/Licensed Operator ("S/LO") have no responsibility for APPLICANT's actual wastewater flow/loading should it exceed the increased EDU limit; and

WHEREAS, the APPLICANT acknowledges sole responsibility for controlling the actual wastewater flow/loading from the site/structure for which the additional EDUs are requested. In the event actual wastewater flow/loading from that site/structure exceeds the higher total treatment capacity limit, the APPLICANT may be liable for fines and penalties that may be imposed for violating those limits despite the APPLICANT's addition of _____ EDUs under this 90-Day CPA; and

WHEREAS, APPLICANT acknowledges that this Short-Term 90-day Capacity Purchase Agreement requires APPLICANT to pay the current connection fee of five thousand five hundred twenty-eight (\$5,528) dollars for each of the _____ additional EDU(s) to be acquired under this Agreement, for a total connection fee payment of \$ _____¹ and those EDU(s) must be connected after those fees are paid, but no later than ninety (90) days from the date of the LTMUA Resolution authorizing the execution of this CPA;

NOW, THEREFORE, in consideration for the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

§ 1. APPLICANT INFORMATION

1.1 Name of APPLICANT: _____

Address: _____

Phone #: _____

Fax #: _____

Email: _____

1.2 Name of OWNER of Site: _____

¹ The current connection fee is five thousand five hundred twenty-eight (\$5,528) dollars subject to recalculation of the amount of the connection fee to be paid should a different connection fee take effect (according to the statutory formula mandated by state law) before the actual date of payment of the connection fee. Connection fees for the EDU(s) allocated for a project may vary depending upon the number of stages of construction and the longevity of the project. All connection fee obligations under all Forms of Agreement are subject to change as noted.

Address: _____

Phone #: _____
Fax #: _____
Email: _____

§ 2. PROPERTY CONNECTED

Address: _____

Tax Block: _____ Lot: _____

Summary Description of Use of Site: _____

§ 3. EDUs

Current EDU(s) Issued: _____

Additional EDU(s) to be acquired: _____

Total EDUs for site: _____

§ 4. REPRESENTATIONS BY APPLICANT

4.1 The facility/structure for which additional EDU(s) is sought under this CPA does not require any governmental approvals including, but not limited to, Local Planning Agency approvals under the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. or Treatment Works Approval by the New Jersey Department of Environmental Protection, N.J.A.C. 7:14A-23 et seq.,

4.2 The total connection fee of \$ _____² for the additional EDU(s) shall be paid, and thereafter the LTMUA shall issue EDU(s) no later than ninety (90) days from the date of adoption of the LTMUA Resolution authorizing execution of this Agreement.

4.3 No essential infrastructure improvements are necessary to handle the additional flow represented by the additional EDU(s) issued under this CPA or, if any

² The current connection fee is five thousand five hundred twenty-eight (\$5,528) dollars subject to recalculation of the amount of the connection fee to be paid should a different connection fee take effect (according to the statutory formula mandated by state law) before the actual date of payment of the connection fee. Connection fees for the EDU(s) allocated for a project may vary depending upon the number of stages of construction and the longevity of the project. All connection fee obligations under all Forms of Agreement are subject to change as noted.

infrastructure improvements are necessary, such improvements shall be installed not later than 90-days from the date of the Resolution approving the CPA.

- 4.4 APPLICANT understands and agrees that if the connection fees are not paid and EDU(s) are not issued prior to the 90-day deadline established herein, the LTMUA may adopt a Resolution terminating this CPA. The APPLICANT may be subject to imposition of fines and penalties for exceeding permitted limits on flow/loading requiring treatment by the WRF.
- 4.5 However, the S/LO is authorized to waive or compromise any fine or penalty that could be assessed for the month the LTMUA adopts the Resolution and the month the APPLICANT pays the connections fees for the additional EDU(s) authorized by the 90-Day CPA. Any waiver or compromise only applies after the LTMUA adopts the resolution approving the 90-Day CPA and pays the connection fees within 90 days of the date of the Resolution. Both conditions must be satisfied before the S/LO may grant a waiver or compromise of fines or penalties.
- 4.6 APPLICANT acknowledges that any of the additional EDU(s) authorized in this 90-Day CPA may not be transferred for connection to any structures other than a structure at the location identified herein.

§ 5. REPRESENTATIONS BY THE LTMUA

- 5.1 Upon APPLICANT's compliance with the terms of this CPA, the S/LO is authorized to issue the additional EDU(s) provided in this CPA.
- 5.2 At the LTMUA's third regular monthly meeting following the meeting it adopted the Resolution approving this CPA, the S/LO shall report to the LTMUA Board whether the APPLICANT has satisfied the terms of this CPA by payment of connection fees and whether the EDU(s) have been allocated to the APPLICANT's connected facility/structure.
- 5.3 The LTMUA agrees that this CPA may be extended for a reasonable period of time in the event a force majeure event prevents timely completion of the performance required by the APPLICANT under this CPA. Application of this provision shall be consistent with the force majeure regulations in the LTMUA APRR, as amended.

§ 6. TIMELY PRESENTATION OF CPA FOR APPROVAL

- 6.1 Before the LTMUA Board considers adoption of a Resolution authorizing the S/LO to sign this CPA, the APPLICANT must deliver to the LTMUA BMgr this 90-Day CPA signed by the APPLICANT and the witness.
- 6.2 The Resolution to approve this 90-Day CPA shall be placed on the agenda of the 1st LTMUA regularly scheduled meeting to be held at least ten (10) business days after the APPLICANT delivers the signed 90-Day CPA to the LTMUA BMgr.

§ 7. LTMUA RIGHT OF FIRST REFUSAL

- 7.1 The transfer of inchoate reservations of EDU capacity for connection to structures not part of the LPA approved site is prohibited.
- 7.2 In the event the Project is completed (with reserved but unconnected inchoate EDU(s) remaining), every reserved inchoate EDU remaining that is not connected to the completed project/site reverts to the LTMUA thirty (30) days after Notice is mailed to the OWNER/APPLICANT by certified mail sent to the mailing address of the OWNER/APPLICANT appearing in § 1.1 and § 1.2 of this 90-Day CPA. Since no connection fee was paid for such units, the OWNER/APPLICANT's inchoate reservation of capacity was never converted to an unconditional EDU and never connected to the completed site. Therefore, the LTMUA does not owe and shall not pay a refund for termination of the reservation of inchoate EDU units that remain unconnected. The BMgr shall strike from the LTMUA records such inchoately reserved units and add them to the ETF-1's capacity thirty (30) days after the date of mailing the Notice by certified mail.
- 7.3 In the event the Project/Site is abandoned (i.e., the facility has ceased operating, ceased wastewater flow/loading into the system, and terminated payments of user fees) with reserved but unconnected inchoate EDU(s) remaining, every reserved inchoate EDU remaining that is not connected to the abandoned site reverts back to the LTMUA thirty (30) days after Notice is mailed to the OWNER/APPLICANT by certified mail sent to the mailing address of the OWNER/APPLICANT appearing in § 1.1 and § 1.2 of this 90-Day CPA. Since no connection fee was paid for such units, the OWNER/APPLICANT's inchoate reservation of capacity was never converted to an unconditional EDU and never connected to the abandoned site. Therefore, the LTMUA does not owe and shall not pay a refund for termination of the reservation of inchoate EDU units that remain unconnected. The BMgr shall strike from the LTMUA records such inchoately reserved units and add them to the ETF-1's capacity thirty (30) days after the date of mailing the Notice by certified mail.
- 7.4 The APPLICANT/OWNER of a completed project grants the LTMUA the right to purchase every remaining unconnected EDU for which connection fees have been paid. Should the LTMUA decide to exercise its right to purchase, the LTMUA shall refund connection fees the OWNER/APPLICANT of the completed project paid for the unconnected EDU(s). The offer and acceptance shall be processed in accordance with ART. 10, § 1.11 of the LTMUA's APRR. The refund shall not exceed the cost of the connection fee paid by the OWNER/APPLICANT for the unconnected EDU(s) when those EDU(s) was/were issued.
- 7.5 The APPLICANT/OWNER of an abandoned project/site (as defined in § 7.3) its project/site grants the LTMUA the right to purchase every remaining unconnected

EDU for which connection fees have been paid. Should the LTMUA decide to exercise its right to purchase, the LTMUA shall refund connection fees the OWNER/APPLICANT of the completed project paid for the unconnected EDU(s). The offer and acceptance shall be processed in accordance with ART. 10, § 1.11 of the LTMUA's APRR. The refund shall not exceed the cost of the connection fee paid by the OWNER/APPLICANT for the unconnected EDU(s) when those EDU(s) was/were issued.

7.6 In addition to the rights conferred on the LTMUA under this § 7, the LTMUA may take any other lawful action necessary to recapture the connected EDU(s) (for which no user rates have been paid after operations ceased) that were allocated to the abandoned site. Such LTMUA action shall not be restricted to the process authorized under this § 7.

IN WITNESS WHEREOF, the parties hereto have caused this 90-day Capacity Purchase Agreement to be executed and delivered by their respective officers thereunder duly authorized on the day and the year first above written, which date shall be identical to the date of the LTMUA Resolution authorizing the CPA has been adopted by the LTMUA

LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
ATTEST: BY:

CARLY SCHULTZ
Title: LTMUA Business Manager

CHRISTOPHER WHALEN
Title: LTMUA Superintendent/Licensed Operator

WITNESS:

APPLICANT
BY:

3

4

Title: _____

³ Type or Print the Name of the Witness below the line

⁴ Type or Print the Name of the Signatory for the Applicant below the line

APPENDIX 3

Summary of Fundamental Principles for Allocation of Capacity

APRR, ART. 8, § 1 establishes fundamental principles for allocation of capacity by issuing EDUs derived from the 500,000 gpd of capacity added by ETF-1:

- 1.1 The LTMUA exclusively has the right, in its sole discretion, to allocate and/or reallocate treatment capacity based upon actual flows treated by the WRF from all connected units after June 1, 2019 as well as additional treatment capacity achieved by LTMUA innovation and efficient operation of the WRF.
- 1.2 Access to connections to the WRF shall be granted on a “1st come, 1st served” basis to users within the NJDEP-approved Wastewater Management Plan Area.
- 1.3 There shall be no reservation of EDUs of treatment capacity to any APPLICANT seeking connection to the capacity of ETF-1 except for the following:
 - 1.3.1 Summit’s reservation of 300 connection units, none of which may be reallocated, subject to the terms of the 4th A. to the 2000.09.14 SSA
 - 1.3.2 an inchoate reservation of capacity in a fully-signed SF-CAA (“APP.2.1”) that remains viable under the terms established by the SF-CAA ¹
 - 1.3.3 an inchoate reservation of capacity in a fully-signed LF-CAA (“APP.2.2”) that remains viable under the terms established by the LF-CAA (See fn. 1)
 - 1.3.4 an inchoate reservation of capacity in a fully-signed SF-CPA (“APP.1.3”) that remains viable under the terms established by the SF-CPA (See fn. 1)
 - 1.3.5 an inchoate reservation of capacity under APP. 1.2 (See fn. 1)
- 1.4 The **APRR** adopts the NJDEP standard of “equivalent to 300 gpd” for a single unit of treatment capacity (known as an “Equivalent Domestic Unit” and the acronym “EDU”). For allocation purposes, one EDU consists of “up to 300 gpd” per unit; actual flow from an EDU may range from 0 to 300 gpd. Since CPAs and CAAs apply to residential and non-residential uses, a connection unit under the APRR and APPENDICES is referred to as an EDU as an appropriate standard of measurement encompassing wastewater flow/loading from either residential or non-residential sites. See ART. 1, § 1.2. §2.

¹ After payment of the connection fee(s) before passing deadlines imposed by the signed CAA (APP. 2.1 and 2.2) or CPA (APP. 1.2 and 1.3), reserved inchoate EDUs of capacity convert to connection units eligible for connection permits.