

APPENDIX 2.2: LONG-FORM CAPACITY ALLOCATION AGREEMENT (“LF-CAA”)
is the Form of Contract intended for a project that:

1. requires LPA approval
2. is intended for long-term, multi-stage projects under a general development plan, major site plan or large residential subdivisions, and other large-scale developments needing N.J. Municipal Land Use Law (“MLUL,” N.J.S.A. 40:55D-1 et seq.) approvals and that usually require other governmental permits or approvals such as, but not limited to, TWA permits, other NJDEP permits, NJDOT approvals, County Planning Board approvals, and the like
3. the APPLICANT expects to connect each LPA-approved phase of its large multi-phased development within the time limits set forth in the LF-CAA
4. is NOT part of a connected facility/project violating its discharge limit (See 90-Day CPA)
5. is NOT intended for single-stage, one-lot residential or commercial structure whose horizon for completion is less than 18 months (See Basic-CPA)
6. is NOT intended for minor site plan and minor subdivision projects that need little or no phasing of multiple stages of construction before a completion date expected to be less than 2 years of date of agreement (See SF-CAA)

The LF-CAA Form to use starts on the next page (p. 2). The LF-CAA to be signed and submitted by the APPLICANT/OWNER must begin with the Title of the LF-CAA and include the Reference #.

TITLE: LONG FORM - CAPACITY ALLOCATION AGREEMENT (“LF-CAA”)

Ref. # _____

The parties agree to enter this **LF-CAA** between the LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (“LTMUA”) and the APPLICANT (identified below in this **LF-CAA**). It provides for the reservation of EDU(s) and periodic payment of connection fees for connection of a portion of the reserved EDU(s). The periodic payment of connection fees is completed within the LPA-approved timeline for completion of each stage of the project described in the GDP, or major subdivision, or major site plan, or other large-sale project the LPA approved. The source of the reserved treatment capacity is 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 **LF-CAA** was authorized and approved by

RESOLUTION # ____ - ____, adopted _____

THIS AGREEMENT dated _____

By and Between

LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY, a Municipal Corporation, 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/DEVELOPER of a Project _____ that requires a connection to the LTMUA WRF System; and

WHEREAS, based upon data provided by the APPLICANT, the LTMUA’s Superintendent/Licensed Operator (“S/LO”), and the APPLICANT agree that APPLICANT’s facility/structure requires _____ EDU connection units that should be sufficient to accommodate the reasonably anticipated actual wastewater flow/loading from the APPLICANT’s location so such wastewater flow/loading should not exceed the treatment capacity allocated to that location; and

WHEREAS, APPLICANT agrees to acquire _____ EDUs that ultimately will be the total number of EDUs connected to the WRF.

WHEREAS, the S/LO confirms that _____ EDUs provides adequate treatment capacity for the reasonably anticipated wastewater flow/loading from APPLICANT's site based upon data provided by the APPLICANT and such capacity is available from the unused treatment capacity of ETF-1; and

WHEREAS, APPLICANT acknowledges that this Capacity Allocation Agreement ("LF-CAA") requires APPLICANT to pay the connection fee in effect at the time connection permits must be issued in accordance with the timeline(s) established in this LF-CAA;

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 OWNER of Site: _____

Address: _____

Phone #: _____

Fax #: _____

Email: _____

1.2 Name of APPLICANT: _____

Address: _____

Phone #: _____

Fax #: _____

Email: _____

1.3 Name of DEVELOPER: _____

Address: _____

Phone #: _____

Fax #: _____

Email: _____

1.4 Name of Authorized AGENT: _____

1.4.1 If the APPLICANT is not the OWNER but is authorized to act on behalf of the OWNER, the written authorization from the OWNER for the AGENT to act on his behalf must be signed and certified by the OWNER and attached as **Attachment F** to this **LF-CAA**. The authorization for the AGENT must contain the same data required of the APPLICANT in § 1.2

1.4.2 Should the DEVELOPER be acting as AGENT for the OWNER, the DEVELOPER's information shall be stated in **Attachment F**.

§ 2. PROPERTY TO BE CONNECTED

2.1 Address: _____

2.2 Tax Block: _____ Lot: _____

2.3 Description of Project: _____

§ 3. CONNECTION FEES

3.1 The current connection fee per EDU is \$5,528.00

3.2 The number of EDU(s) to be acquired is _____

3.3 The total connection fee is \$ _____¹

§ 4. EDUs

Phase 1 EDUs connected: _____ EDUs connection fees paid \$ _____²

Phase 2 EDUs connected: _____ EDUs connection fees paid \$ _____³

Phase 3 EDUs connected: _____ EDUs connection fees paid \$ _____⁴

Phase 4 EDUs connected: _____ EDUs connection fees paid \$ _____⁵

Total EDUs for site: _____

¹ See fn. 1, p. 44 "Introduction to Appendices". In multi-phase projects, the longevity of such projects may result in a change of the connection fee due during any given phase of the project. The parties understand that the total connection fee when the project is complete may be greater than the projected cost appearing at the end of each phase itemized under § 4 above.

² Refer to fn. 1

³ Refer to fn. 1

⁴ Refer to fn. 1

⁵ Refer to fn. 1

Total connection fee paid _____⁶

SUMMARY: The total number of EDUs required for the entire Project is _____ and _____ is the number of inchoate reservations of EDU capacity for this Project known as _____.

§ 5. REPRESENTATIONS BY APPLICANT

5.1 The Project for which EDUs are requested has received:

5.1.1 Local Planning Agency approvals under the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. A certified copy of the LPA approval is attached as **Attachment A**. [ART. 10, §§ 1.3]

5.1.2 Treatment Works Approval by the New Jersey Department of Environmental Protection, N.J.A.C. 7:14A-23 et seq. (mark and initial applicable provision):

() was received and a certified copy of the TWA is attached as **Attachment A-1**. [ART. 10, §§ 1.4] or

() TWA has not received and is listed in **Attachment B**

() TWA was not required for this Project

5.2 A list of all required permits or approvals (categorized under headings “APPROVED” and “PENDING” and “TO BE SUBMITTED”) from all governmental bodies having jurisdiction is attached as **Attachment B** to the LF-CAA and is incorporated herein and made a part hereof as if fully set forth [ART. 10. § 1.4]

5.3 Single-phase and Multi-phase Projects – check the applicable provision:

5.3.1 () For this **single-phase project** known as _____ the commencement date is _____ and the completion date is _____.

5.3.2 () For this **multi-phase project** known as _____ the commencement dates and completion dates and completion dates of each phase are listed in **Attachment C** attached hereto and incorporated herein and made a part hereof as if fully set forth.

5.4 Single-phase and multi-phase projects infrastructure installation timetable - check the applicable provision:

⁶ As noted in fn. 1, this sum may vary when the project is completed due to the longevity of the project and any changes in the connection fee amount before completion of the project.

5.4.1 () For this **single-phase project** known as _____ the essential infrastructure improvements are described and listed in **Attachment D-1** and are scheduled for completion no later than _____.

5.4.2 () For this **multi-phase project** known as _____ the commencement dates and completion dates of each phase of infrastructure improvements are described and listed in **Attachment D-2** and the list is incorporated herein and made a part hereof as if fully set forth.

§ 6. FUNDAMENTAL PRINCIPLES THAT APPLY TO THIS LF-CAA

- 6.1 The Allocation Policy-Fundamental Principles provided in **ART. 8, § 1** is attached as **APPENDIX 3** and is incorporated herein and made a part hereof as if fully set forth.
- 6.2 The transfer of inchoate reservations of EDU capacity for connection to structures not part of the LPA approved site is prohibited. After completion of the project or after abandonment of the project, the remaining inchoate EDU(s) reserved for that project revert to the LTMUA to increase the available capacity of ETF-1 as addressed under §10 of this LF-CAA.
- 6.3 The LTMUA shall issue inchoate reservation of EDU(s) to provide sewage treatment for the number of EDU(s) required for the project and, based upon timely completion of the project or timely completion of each phase of a multi-phase project shall issue connection permits for the EDU(s) ready for connection (after payment of the connection fee in effect at the time of conversion of EDU(s) inchoate units to EDU connection permits).
- 6.4 LTMUA is granted the right of first refusal should the APPLICANT/DEVELOPER/OWNER hold remaining unconnected EDU(s) for which connection fees have been paid. The offer shall be processed according to **ART. 10, § 1.11** of the LTMUA Allocation Policy Rules & Regulations (“APRR”) and § 10 of this LF-CAA.
- 6.5 If the project is abandoned before completion, the LTMUA may take further action in accordance with **§10** of this LF-CAA.
- 6.6 The APPLICANT/DEVELOPER/OWNER is protected by a “force majeure” occurrence if a force majeure event prevents timely completion of required improvements within the dates specified in this LF-CAA subject to the condition that the project was insured against such occurrence by the APPLICANT/DEVELOPER/OWNER. A claim shall be processed as provided by **ART. 10, § 1.14** of the LTMUA Allocation Policy Rules & Regulations.

- 6.7 An APPLICANT/OWNER/DEVELOPER may request an extension of the LF-CAA deadline **before its expiration date** by delivering the request to the office of the Business Administrator or by mailing the request for a deadline extension by certified mail, return receipt requested, to the LTMUA, Attn: Business Manager, 69 Jefferson Lane, Logan Township, New Jersey 08085 **prior to such deadline.** A timely request for extension shall be processed under **ARTICLE 11 (RESERVED).**

§ 7. CONNECTION FEES

- 7.1 Connection fees for the EDUs shall be paid, and EDU connection permits shall be issued by the LTMUA, in accordance with the due dates appearing for each phase in § 3, or for a period of two (2) years from the date of this LF-CAA, which ever date is last.
- 7.2 APPLICANT understands and agrees that if the connection fees are not paid and EDU(s) are not issued prior to the deadline established in § 5.1, the LTMUA may adopt a Resolution terminating this LF-CAA unless extended by the LTMUA for good cause shown.
- 7.3 APPLICANT acknowledges that none of the EDUs authorized in this LF-CAA may be transferred for connection to any structures not part of the Project location identified herein.

§ 8. REPRESENTATIONS BY THE LTMUA

- 8.1 The S/LO certifies that _____ EDUs should provide adequate treatment capacity for the reasonably anticipated wastewater flow/loading from APPLICANT's Project and from APPLICANT's site based upon the data supplied by the APPLICANT. However, the APPLICANT/OWNER is solely responsible for the actual wastewater flow/loading from the site.
- 8.2 The S/LO certifies that adequate treatment capacity is available from the unused treatment capacity of ETF-1 for the reasonably anticipated wastewater flow/loading from APPLICANT's Project/Site.
- 8.3 Upon APPLICANT's compliance with the terms of this LF-CAA, the S/LO is authorized to reserve and/or issue the EDUs provided for in this LF-CAA.
- 8.4 At the LTMUA's regular monthly meeting following the first scheduled payment of connection fees under this LF- CAA, the S/LO shall report to the LTMUA Board whether the APPLICANT has satisfied the terms of this LF-CAA by timely payment of connection fees and connection of the EDUs to the APPLICANT's Project improvements.
- 8.5 The LTMUA agrees that this LF-CAA 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. Application of this provision shall be consistent with the force majeure regulations in the LTMUA APRR, as amended.

§ 9. TIMELY PRESENTATION OF LF-CAA FOR APPROVAL

- 9.1 The LTMUA Board shall consider adoption of a Resolution authorizing the S/LO to sign this LF-CAA on condition that the APPLICANT has delivered to the LTMUA BMgr this Agreement signed by both the APPLICANT and the witness attesting to the APPLICANT's signature at least ten (10) business days prior to the date of the LTMUA regular meeting scheduled for that month.

§ 10. LTMUA RIGHT OF FIRST REFUSAL

- 10.1 The transfer of inchoate reservations of EDU capacity for connection to structures not part of the OWNER/APPLICANT's LPA-approved site is prohibited.
- 10.2 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.
- 10.3 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.
- 10.4 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.

10.5 The APPLICANT/OWNER of an abandoned project/site (as defined in §10.3) 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.

10.6 In addition to the rights conferred on the LTMUA under this §10, 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 §10.

IN WITNESS WHEREOF, the parties hereto have caused this LF-CAA 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 the LTMUA Resolution authorizing the LF-CAA 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:

_____ 7

_____ 8

Title: _____

⁷ Type or Print the Name of the Witness below the line
⁸ Type or Print the Name of Signatory for 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.