

ALLOCATION POLICY RULES AND REGULATIONS¹

and

APPENDICES

of the

THE LOGAN TOWNSHIP MUNICIPAL

UTILITIES AUTHORITY

¹ These Allocation Policy Rules and Regulations (“APRR”) of the Logan Township Municipal Utilities Authority (“LTMUA”) govern the process of reserving and allocating EDU wastewater treatment connection permits. After payment of connection fees, reserved EDUs are connected to the LTMUA’s ETF-1 500,000 gpd addition to the Wastewater Reclamation Facility (“WRF”) in Logan Township, Gloucester County, NJ 08085 in accordance with the APRR adopted May 28, 2019, and amended June 25, 2019 and July 23, 2019 and August 27, 2019. Appendices to the APRR contain an Initial Request to Connect application and 5 Forms of Agreement that will be used by applicants seeking connection to the WRF.

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ARTICLE 1: DEFINITIONS

- 1.0 “**APPENDICES**” a/k/a “**APPENDIX**” a/k/a “**APP.**” refer to the Appendices attached and made a part of the Allocation Policy Rules and Regulations (“**APRR**”) of the Logan Township Municipal Utilities Authority (“**LTMUA**”). These Appendices contain Forms of Agreement that will be used by the LTMUA to complete the process of reserving and/or connecting sites/projects to the LTMUA’s Wastewater Reclamation Facility (“**WRF**”) in Logan Township, Gloucester County, NJ 08085 in accordance with the APRR adopted May 28, 2019, amended and June 25, 2019 and July 23, 2019 and August 27, 2019. The forms consist of: an Initial Request to Connect (“**IRCA**”) p. 46; 90-Day Capacity Purchase Agreement (“**90-Day CPA**” or “**APP. 1.1**”) p. 51; Basic-Capacity Purchase Agreement (“**Basic-CPA**” or **APP. 1.2**”) p. 59; Short Form - Capacity Purchase Agreement (“**SF-CPA**” or “**APP. 1.3**”) p. 63; Short Form - Capacity Allocation Agreement (“**SF-CAA**” or **APP. 2.1**”) p. 71; and Long Form - Capacity Allocation Agreement (“**LF-CAA**” or **APP. 2.2**”) p. 79. See **APPENDICES** attached to these Rules for further explanation.
- 1.1 “**Capacity Allocation Agreement**” (“**CAA**”) and **Capacity Purchase Agreement** (“**CPA**”) consist of five (5) Forms of Agreement authorized to allocate and connect wastewater treatment capacity under the APRR:
- 1.1.1 “**CAAs**” are suited for a project or future development to be connected under the terms of the CAA. Future Connection fees charged for allocated capacity are calculated based on the total number of “Equivalent Domestic Units” or (“**EDUs**”) allocated to the project. One (1) EDU is equivalent to up to 300 gallons per day (gpd) of treatment capacity. The total number of EDUs reserved in the CAA is expected to handle the anticipated daily wastewater flow from the applicant’s site or approved project. These rules authorize Short Form - Capacity Allocation Agreements (“**SF-CAA**”) and Long Form - Allocation Agreements (“**LF-CAA**”) chosen based upon criteria keyed to the anticipated duration and complexity of the project covered by the CAA. See **ART. 9** regulations and **APPENDIX 2.1** and **2.2** containing the CAA forms approved by these regulations and **ART. 1, § 1.0** above.
- 1.1.2 “**CPAs**” address sites/structures already connected to the WRF or a septic system. Connection fees are calculated based upon EDUs as defined in 1.1.1 above. See **ART. 9** regulations and **APPENDIX 1.1, 1.2, 1.3**, containing the CPA forms approved by these regulations. See and **ART. 1, § 1.0** above.
- 1.2 “**Committed Allocation of Capacity**” consists of:
- 1.2.1 “**Historic committed capacity**” is reserved capacity allocated under Sewer Service Agreements (“**SSA**”) or other contracts signed by the LTMUA prior to June 1, 2019.
- 1.2.2 “**Future committed capacity**” is reserved capacity originating from the 500,000 gpd of treatment capacity that ETF-1 added to the WRF and is comprised of 1,667 “ETF-1

EDU Connection Units” and is allocated under a CAA² signed by the LTMUA and a party seeking capacity for a LPA approved application for development after June 1, 2019.

- 1.2.3 CAAs are distinguished from CPAs. The latter pertain to sites/structures already connected to the WRF or a septic system (APP. 1.2) that seek to add one (1) or more EDUs to the WRF and, on occasion, may contain more than one (1) phase of construction; in this event, the CPAs may contain terms that apply to multi-phase projects. However, the APRR contemplate that most CPA contracts relate to EDU additions to sites currently connected to the WRF that will be completed within two (2) years from the date of the CPA and the LTMUA Resolution approving it.

1.3 “Connection Unit” a/k/a “Equivalent Domestic Unit” (“EDU”) originates from three (3) sources:

- 1.3.1 “ETF-1 Connection Unit” is one that: (a) consists of one (1) unit of capacity equivalent up to 300 gpd (“gallons per day”); (b) was authorized by a CAA signed after June 1, 2019; (c) is one of the 1,667 units within the “future allocation of capacity” category and “new growth” category³ and (d) whose gallonage per unit may range from zero up to three hundred (300) gallons per day (“gpd”) from any user connected to the WRF System; (e) comes from ETF-1.
- 1.3.2 “Phase I Historical Connection Unit” is one that is based upon STP-1 gallonage contractually allocated under prior SSAs that expressly provided the right to reserve and reallocate units (including the methodology used to calculate reallocation of an EDU).
- 1.3.3 “Phase II Historical Connection Unit” is one that comes from STP-2 gallonage and is allocated under the prior 1991.01.23 Sewer Agreement for the Phase II Expansion (“STP-2”) and the 2003.10.16 CPA upgrade (that “cured” the 400,000 gpd shortfall) and is equivalent to 300 gpd per unit and does not include any expressed right to reallocate any EDUs.
- 1.3.4 A “connection unit” is synonymous with “Equivalent Domestic Unit” (“EDU”). The EDU nomenclature applies to both non-residential flow and residential flow into the WRF System. The EDU acronym covers all connections transporting residential waste flow whether such flow emanates from a single-family home, apartment complex, single townhouse, duplex, etc. For brevity, accuracy and coverage, “EDU” is the APRR standard. Also, see APPENDIX 3 (p. 90).

² SF-CPA for a project comprised of more than one (1) phase may also contain terms that relate to multi-stage projects. The APRR contemplate most SF-CPA projects will be connected within two years from the date of the SF-CPA.

³ ART. 7, § 4; §§ 4.52 and §§ 4.6, respectively.

- 1.4 “GDP approval” means “general development plan approval” under the New Jersey Municipal Land Use Law (“MLUL”), N.J.S.A. 40:55D-14, N.J.S.A. 40:55D-45.1 to 45.8.
- 1.5 “Inchoate reservation” is a form of executory contract begun, but not completed, until the owner/developer/applicant performs within the deadlines established by the CAA or CPA. The entitlement to connect EDUs allocated under an executed SF-CAA and/or a LF-CAA is based on completion of the project, in whole or in part (i.e., a phase within an approved multi-phased project or GDP) under the specific CAA contract for the project. Upon payment of the current connection fee, the reserved inchoate EDU(s) convert(s) to a connection permit(s) sought by the owner/developer/applicant who signed the CAA for the specific project. The owner/developer/applicant’s timely performance within the deadline(s) specified in the CAA preserves the viability of the remaining allocated but unconnected units reserved inchoately by the SF-CAA or LF-CAA for the remainder of the project or for the remainder of a multi-phase project not yet implemented. See **ART. 8, 9 and 10**. The term “inchoate reservation” has more significance for CAAs than CPAs because the latter should be used for already connected sites/structures that seek to add, generally, a relatively small number of new EDUs for which connection fees are expected to be paid within two (2) years from the date of the CPA and the Resolution approving it; the duration of most CAAs extend much longer than CPAs before the last of the inchoately reserved EDUs are connected after payment of connection fees.
- 1.6 “Local Planning Agency” (“**LPA**”) means those municipal planning and zoning agencies established by ordinance under the authority of the MLUL, N.J.S.A. 40:55D-1 et seq., in Logan Township and Woolwich Township in Gloucester County, New Jersey, and the Gloucester County Planning Board.
- 1.7 “Non-domestic wastewater” and “domestic wastewater” (sometimes referred to herein less precisely as “residential wastewater” and “non-residential wastewater”) require treatment at a “Water Reclamation Facility” (“**WRF**”). All wastewater, i.e., domestic and non-domestic, contains BOD (“Biochemical Oxygen Demand”) and TSS (“Total Suspended Solids”) that require removal if the strength of the wastewater exceeds federal/state standards for permitted discharge. Also, concentration of BOD and/or TSS may be higher in non-domestic wastewater than in domestic wastewater but not in all cases. Regardless of source (domestic or non-domestic) treating high strength wastewater consumes more of the WRF’s capacity per unit gallon of wastewater treated and costs more to treat on a per gallon basis, i.e., more energy and more sludge generated for disposal, the cost of which shall be imposed upon the discharger.
- 1.8 “NJDEP” means the “New Jersey Department of Environmental Protection,” a department within the New Jersey state government.
- 1.9 “Water Use Chart” (“**Chart**”), p. 91, means the chart published by the NJDEP that estimates the expected average daily flow of wastewater from various and sundry uses described in the Chart. However, the LTMUA has tailored the Chart shown as APP. 4, p. 91, to reflect the LTMUA’s usage of EDUs as a connection unit the equivalent of or “up to 300 gpd” as the

benchmark for each connection unit of EDU actually issued by the LTMUA after payment of the appropriate connection fee. The Chart covers both domestic and non-domestic uses.

- 1.10 “Phase I Developers” means Gloucester New Communities Company (GNCC) and State Mutual Life Insurance Company of America (SM) or their successors in interest to the treatment capacity created by construction of Phase I of the LTMUA WWTF. See ART. 2, § 1.
- 1.11 “Phase II Developers” means SM, CNE-NEBC Land Limited Partnership, and Prentiss/Copley Investment Group or their successors in interest to the treatment capacity created by construction of Phase II of the LTMUA WWTF. See ART. 2, § 3.
- 1.12 “Phase II+ Developer” means Summit Ventures LLC (Summit) who bought pre-paid connection units offered by the LTMUA to enable it to finance and/or repay its bond debt. The upgrade was necessary due to only 1.6 mgd of actual treatment capacity in the WWTF verified in 2001 study (rather than the expected 2 mgd of capacity after the Phase II Developers completed the first addition to the WWTF (a/k/a STP-2). See ART. 2, § 4.
- 1.13 “Reallocation” means the process of applying a formula to actual usage of the WRF defined as the arithmetic mean of the 12 monthly actual flows treated at the WRF as monitored by the LTMUA during each preceding fiscal year. Each monthly total and the actual usage so calculated shall be expressed in terms of gallons per day (“gpd”) and all such measurements shall be certified by the LTMUA engineer.
 - 1.13.1 “Actual connection units” shall be defined as 1/12 of the sum of the number of connected EDUs being billed at the end of each of the 12 months in such fiscal year.
 - 1.13.2 “Actual Usage/Unit” means the Actual Usage divided by the Actual Connection Units. No reallocation will be made if actual Usage/Unit equals or exceeds 300gpd. In that event, the LTMUA shall use its best efforts to discover and to bill all Users whose usage of the WRF exceeds the Connected Connection Units assigned and approved for such Users whose Actual Usage/Unit exceeds 300 gpd.
 - 1.13.3 “Annualized Actual Usage” means the Actual Usage/Unit multiplied by the number of Connected EDUs at the end of the fiscal year. If the Actual Usage/Unit is less than 300 gpd, the LTMUA shall proceed as follows:
 - 1.13.3.1 Remaining Capacity shall be defined as 500,000 gpd less Annualized Actual Usage.⁴
 - 1.13.3.2 Remaining Units shall be defined as the “Remaining Capacity” divided by 300 gpd.

⁴ Reallocation defined in ART. 1 is applied to ETF-1 treatment capacity of 500,000 gpd owned by the LTMUA.

1.13.3.3 The number of Remaining Units after division according to §§ 1.11.3.3 constitutes the “Reallocated” EDUs for the fiscal year.⁵

- 1.14 “Sewer Service Agreement” (“SSA”) means those agreements with the LTMUA that financed and built the three (3) phases of the LTMUA WRF, including the 2003.10.16 CPA that cured the deficiency of treatment capacity in STP-2. See ART. 2.
- 1.15 “TWA” means “Treatment Works Approval” regulated by NJDEP. NJAC 7:14A-23 *et seq.* Before NJDEP will issue approval of treatment works for a connection to the WRF system, the LTMUA Licensed Operator (“LO”) must endorse the application certifying that the WRF has sufficient treatment capacity to handle the additional flow defined in the TWA application seeking the permit. In addition, the endorsement by the LO of the conveyance system that will transport the projected flow from connection to the applicant’s site to connection at the WRF is also required as a condition precedent to NJDEP’s approval of the TWA application.
- 1.16 “Unit” means “connection unit” and EDU defined in ART. 1, 1.2.
- 1.17 “Wastewater Treatment Facility” (“WWTF”) and “Water Reclamation Facility” (“WRF”) are interchangeable terms as used in these regulations. Historically, “wastewater” was the term used to describe the content flowing through conveyance pipes connected to a “Wastewater Treatment Facility” for treatment. More recently, the content of such flow has been described as water being reclaimed by transport through a conveyance system connected to a WRF. The content of the “wastewater a/k/a water reclaimed” at a WRF is further described as “non-domestic wastewater “ (see definition 1.5) that contains TSS and/or BOD at levels measurably higher than levels in “domestic or residential wastewater” that must be reduced before discharge from the WRF’s outfall line.
- 1.18 “The Weatherby Project” means the project in Woolwich Township consisting of the land area described and bounded as stated in the approved General Development Plan (“GDP”) for the Project as well as any increased or decreased dimensions of that land area by amendment to the approved GDP.
- 1.19 “Will serve letter (“WSL”)” means a non-binding acknowledgment in a letter requested by the addressee and signed by the LTMUA Superintendent/Licensed Operator (“S/LO”) that, on the date of the WSL, there is adequate treatment capacity available at the WRF to service the anticipated wastewater flow/loading from the addressee’s proposed project. See ART. 8, §3.

⁵ Source: 1989.1.26 SSA, § 3.3, §§ 3.3 (a) through (d), pp. 8-11.

ARTICLE 2: BASIS AND BACKGROUND

§ 1. Formation of the LTMUA and Original Wastewater Treatment Facility

- 1.1 In the early 1970s Gloucester New Communities Company (GNCC) and State Mutual Life Insurance Company of America (SM) sought to develop property in Logan Township and Woolwich Township. The proposed developments required creation, construction and operation of a wastewater treatment facility (“WWTF”). The developers entered various agreements with Logan Township (“Logan”) to achieve this goal.
- 1.2 N.J.S.A. 40:14B-1 et seq. empowered Logan to create the Logan Township Municipal Utilities Authority (“LTMUA”). The LTMUA was created by the Logan Township Council under this statute.
- 1.3 Today, the LTMUA operates a WWTF, now known as the “LTMUA Water Reclamation Facility” (“WRF”), that has the capacity to treat two and one half million gallons per day (2.5 mgd) of wastewater. The WRF is located at 69 Jefferson Lane, Logan Township, New Jersey 08085.

§ 2. WWTF Phase I - Developers Reserve Capacity with Reallocation Rights⁶

- 2.1 The LTMUA, GNCC and SM entered various agreements to finance and construct Phase I of the WWTF.⁷ GNCC provided forty-two (42) acres of land. GNCC and SM (“Phase I Developers”) agreed to pay all construction costs to build Phase I of the WWTF (a/k/a “STP-1”) on that land.
- 2.2 STP-1 was constructed and placed in operation. Under the agreement(s) the Phase I Developers financed its construction by pre-paying connection fees and underwrote LTMUA operating deficits. In consideration for financing the construction of STP-1, the Phase I Developers own STP-1 treatment capacity and the right to reallocate STP-1 capacity. Further, the Phase I Developers granted the LTMUA ownership of 15% of the capacity of STP-1, free of charge; they retained 85% ownership of WWTF Phase I treatment capacity (split so GNCC owned seventy-six (76%) percent and SM owned twenty-four (24%) percent).
- 2.3 The deficit funding agreement remained in force until 1989 when the New Jersey Department of Community Affairs directed the LTMUA to raise user service rates to establish permanent financing for outstanding debt, and to continue to reserve capacity for GNCC and SM.

⁶ See ART. 1, § 1.13.

⁷ See those agreements between and among LTMUA-GNCC dated 1974.07.25, 1975.07.28, 1975.06.04, and those agreements between LTMUA and SM dated 1974.07.25, 1974.08.07, and 1975.07.04.

- 2.4 On January 26, 1989, the LTMUA, GNCC, and SM entered A Sewer Service Agreement (“1989.01.26 SSA”) that, among other provisions, confirmed the Phase I Developers acquired certain rights with respect to reservation of capacity and the right to reallocate the capacity of STP-1 (the original one (1) mgd of WWTF Phase I treatment capacity). The LTMUA is examining records of the connected capacity and reserved unconnected capacity eligible for reallocation in cooperation with the Phase I Developers (and/or their successors in interest).

§3. WWTF Phase II Developers Reserve Capacity but No Reallocation Rights

- 3.1 State Mutual, CNE-NEBC Land Limited Partnership, and Prentiss/Copley Investment Group, (“Phase II Developers”) entered a January 23, 1991 Sewer Agreement with the LTMUA to construct, at the Developers’ cost, an additional one (1) mgd of sewage treatment capacity. This first addition to the WWTF is referred to as Phase II (a/k/a “STP-2”). As part of this agreement, each Phase II Developer reserved units of treatment capacity from the expanded WWTF Facility (i.e., STP-2’s capacity). However, those reserved units of capacity from STP-2 (one mgd generated by the Phase II addition) did not include any right to reallocate capacity under the 1991 Sewer Agreement. STP-2 was built and placed in operation. Unfortunately, STP-2 did not operate in accordance with its projected design capacity. See §4.2 to §4.5. The LTMUA is examining records of the connected capacity and reserved unconnected capacity in cooperation with the Phase II Developers (and/or their successors in interest). As recommended by the Supreme Court, municipal utility authorities need to maintain and update the issuance of units of treatment capacity.⁸

§4. WWTF Phase II+ LTMUA Offers Pre-paid Connection Units to Fund the Correction of STP-2’s 400,000 gpd Shortfall in Treatment Capacity

- 4.1 In 1998, Summit Ventures, L.L.C. (“Summit”), a successor in interest to the Phase 1 Developers, investigated the capacity of the LTMUA WWTF because it planned to undertake a large-scale development (“Weatherby Project”) in Woolwich Township. It hired Metcalf & Eddy (“M&E”) to design a second addition to the WWTF identified as “Expanded Treatment Facility-1” (“ETF-1”). Summit agreed to fund, design, and build ETF-1 under a September 14, 2000 Sewer Service Agreement (“2019.09.14 SSA”) among Summit, the LTMUA and Consumers New Jersey Water Company. See **ART. 4, § 1.**
- 4.2 With LTMUA approval, Summit hired M&E to study capacity bottlenecks and upgrades required to bring the WWTF to rated capacity. In its November 2001 study, M&E concluded that the WWTF could only process a maximum 1.6 mgd, mostly due to

⁸ See In 388 Route 22 Readington Realty Holdings, LLC v. Township of Readington, 221 N.J. 318 (2015); ART. 5, § 1, §§ 1.2.7.

problems with STP-2 (400,000 gpd treatment capacity deficiency). Significant upgrades were required to operate the WWTF at 2 mgd capacity.

- 4.3 The LTMUA informed all stakeholders that the rated capacity of 2.0 mgd of STP-1 and STP-2 was not achievable. On May 1, 2003, the LTMUA hosted a meeting with all stakeholders (Pureland, Trammell Crow, Summit, and others) to inform them of M&E's findings.
- 4.4 The LTMUA further informed the participants that the reserved but unused units of capacity of all stakeholders could be connected at 300 gpd without exceeding the then operating capacity of 1.6 mgd. The LTMUA further presented its decision to correct the shortfall (400,000 gpd of capacity) by undertaking a project to cure the deficiency (the "Upgrade") and assumed all the cost to do so. To help fund the Upgrade Project, the LTMUA also offered to sell one thousand (1000) pre-paid connection units (amounting up to 300,000 gpd) to participants in the Upgrade to help the LTMUA finance the Upgrade. Participants who pre-paid connection fees would buy connection units (a "unit" defined as "unit equivalent up to 300 gpd").
- 4.5 Only Summit and Aqua participated in implementing the Upgrade; the other stakeholders declined to fund the remedial project and avail themselves of additional capacity. The LTMUA and Summit executed an October 16, 2003 Sewer Capacity Purchase Agreement ("2003.10.16 CPA"). The LTMUA assumed full responsibility for the cost of constructing the upgrade.⁹ The upgrade provided 400,000 gpd of capacity to cure the deficiency of STP-2. The LTMUA sold "units" of capacity (one unit defined in the agreement as "equivalent up to 300 GPD)."¹⁰ Summit paid \$1,920,600 to purchase 900 connection units (based upon the current connection fee of \$2134 per unit) from the LTMUA.¹¹ Subsequently, Aqua assigned 100 units it had purchased from the LTMUA to Summit. Thus, Summit acquired 1000 connection units of treatment capacity, each unit comprised of "up to 300 GPD."¹² The LTMUA retained 100,000 gpd of capacity or 333 connection units. Consequently, up to 400,000 gpd of treatment capacity was provided by the LTMUA Upgrade. The upgraded WWTF then achieved operating capacity of 2 mgd.

§ 5. LTMUA Allocation of Capacity Record-Keeping

- 5.1 The LTMUA is updating records of reserved, unused units of treatment capacity. The update shall determine the number of reserved units (further identifying those that vest the right to reallocate) held by the Phase I Developers (and their successors in interest) and the reserved, unused capacity of Phase II Developers (and their successors in interest) that do not include the right to reallocate. The LTMUA intends to complete its review of

⁹ October 16, 2003 Sewer Capacity Purchase Agreement ("2003.10.16 CPA") between LTMUA and Summit, § 2.4, p. 3.

¹⁰ ART. 1, DEFINITIONS, "Unit," p.5.

¹¹ Id. at § 3.1, p. 3.

¹² Id. at §1, p. 2.

these records by January 31, 2020. The completed review will verify the claims of all holders of unconnected capacity, including the number of units claimed to be subject to further reallocation, including units Summit purchased under the 2003.10.16 CPA. See **ART. 2, § 4.5**.

ARTICLE 3: WWTF PHASE 3 EXPANSION – ETF-1

§ 1. WWTF Phase 3 Expansion (a.k.a. “ETF-1”)

- 1.1 A September 14, 2000 Sewer Service Agreement (the “2000.09.14 SSA”) among the LTMUA, Summit, and Consumers New Jersey Water Company (now “Aqua New Jersey,” hereafter “Aqua”) provided for the design and construction of ETF-1 together with components to convey sewage for treatment at the WWTF. Summit agreed to construct up to a 1 mgd expansion of the WWTF and expand the Outfall Pipeline. Pursuant to Paragraph 11 of the 2000.09.14 SSA, in consideration for Summit financing and building ETF-1, the LTMUA granted to Summit the right to reallocate all capacity acquired based on the actual usage in ETF-1, calculated in accordance with the formula agreed upon by the parties. Summit never financed nor built ETF-1 under the original 2000.09.14 SSA. The LTMUA and Summit alternated responsibility to finance and build ETF-1 through adoption of Amendments¹³ to the 2000.09.14 SSA:
 - 1.1.1 The 2nd Amendment dated November 8, 2007 (LTMUA funds and builds) LTMUA never financed nor built ETF-1 under the 2nd Amendment.
 - 1.1.2 The 3rd Amendment dated June 22, 2010 (Summit funds and builds) Summit never financed nor built ETF-1 under the 2nd Amendment. This Amendment identified the number of EDUs that could be reallocated and the reallocation formula.
 - 1.1.3 The 4th Amendment dated April 28, 2015 (LTMUA funds and builds); LTMUA did finance and build ETF-1 under the 4th Amendment. This Amendment also identified the number of EDUs that could be reallocated. Summit was also granted a reservation of up to 300 EDUs subject to meeting contingencies.
- 1.2 As noted in **ART. 2, § 4**, Summit authorized M&E to conduct engineering studies. It did.

¹³ A 1st Amendment to 2000.09.14 SSA was never adopted as an amendment to the 2000.09.14 SSA. It is excluded accordingly.

- 1.3 On October 16, 2003, LTMUA and Summit signed the Capacity Purchase Agreement (“2003.10.16 CPA”). See **ART. 2, § 4.**¹⁴
- 1.4 The right of a Phase I, Phase II, or Phase II+ Developers to reallocate units of treatment capacity created by any SSA with the LTMUA or in any other agreement related to the creation of capacity in the LTMUA WRF depends on whether the contracts created that right or events and funding participation after September 14, 2000 impacted the right to reallocate units.
- 1.5 The LTMUA implemented construction of ETF-1. ETF-1 commenced operation in early June 2019. Summit has also proceeded with its development. Accordingly, the number of units available for reallocation by Summit has changed. The LTMUA has been keeping records of Summit’s issued but unconnected units and reallocated capacity in accordance with the 2000.09.14 SSA, as amended by the 3rd and 4th Amendments.
- 1.6 At the close of each fiscal year (January 31), the LTMUA Business Manager (“BMgr”) shall update the LTMUA records identifying connected and unconnected units of capacity through December 31 of the previous calendar year. The LTMUA shall adopt a resolution at its regular meeting in March of each year that updates the number of current connected and unconnected units, as well as any remaining units eligible for reallocation, for the one (1) year period ending December 31 of the previous year,¹⁵ including the units Summit reallocated under the 3rd and 4th Amendments and “up to “300” reserved EDUs (from ETF-1) under the 4th Amendment.
- 1.7 As noted ETF-1 commenced operation in early June 2019. The LTMUA adopted these Allocation Policy Rules and Regulations (“APRR”) on May 28, 2019 with June 1, 2019 designated the effective date of adoption of these **ART. 1 to 14**, inclusive. The APRR was amended June 25, 2019, July 23, 2019, and August 27, 2019.

¹⁴ The LTMUA agreed to assume the full cost of the upgrade. Summit committed to purchase a minimum of 900 units and pay a \$2134 connection fee for each unit. It committed to post a LOC to cover \$1,493,800 to purchase 700 units and delivered a \$426,800 check to pay for 200 units. According to Paragraph 3.1, p. 3, Summit paid a total of \$1,920,600 for these units. Under Section 6, p. 4, LTMUA agreed to reserve for a period of 20 years the minimum quantity of 900 connection units. LTMUA agreed Summit could assign those 900 units without LTMUA approval only if the units were used within the Weatherby Project; LTMUA approval was needed if the units were assigned for use outside of the Weatherby Project. Summit agreed that 10% of the units purchased was set aside and used for non-residential, commercial and municipal uses.

¹⁵ Since **RULES AND REGULATIONS GOVERNING ALLOCATION OF WASTEWATER TREATMENT CAPACITY**, CHAPTER ___ took effect June 1, 2019, the deadline for updating connection unit status for the 2018 fiscal year is extended to on or before January 31, 2020 to allow the BMgr time to organize the new record-keeping system for Allocation of Capacity records.

ARTICLE 4: LTMUA SEWER SERVICE AREA AND CONVEYANCE SYSTEM

§ 1. LTMUA's Wastewater Management Plan Area

- 1.1 The LTMUA provides wastewater treatment at its WWTF (now known as “Water Reclamation Facility” and the acronym “WRF”). LTMUA’s WRF services encompass the geographical area identified in the NJDEP-approved Wastewater Management Plan (“WMP”) that is comprised of the Logan Township WMP and Woolwich Township WMP as delineated in the LTMUA WMP Area component. The LTMUA Superintendent/Licensed Operator (“S/LO”) is primarily responsible for the operation of the WRF. The LTMUA Business Manager (“BMgr”) assists the S/LO by administering the record-keeping under the APRR, as amended, as well as other delegated duties.
- 1.2 The Sewer Service Agreements (“SSA”) between the LTMUA and Woolwich Township and Aqua (as well as predecessors to Aqua) also provide contractual responsibilities among the parties. The LTMUA provides water reclamation services to users located in portions of Woolwich Township under these agreements. However, Woolwich Township Mayor Marino’s letter dated September 11, 2019 informed the LTMUA that Woolwich Township decided not to connect to the LTMUA’s WRF. Therefore, APRR reference to the 2019 SSA shall be modified when the NJDEP approves an amendment to Woolwich Township’s Sewer Service Area in the LTMUA’s WMP.
- 1.3 The SSAs, as amended, govern allocation of capacity from to STP-1 and STP-2 that are reserved but remain unconnected. **ART. 1, 2, 3, 4, 5 and 6, § 2** elaborate on the interaction between these new allocation of capacity rules and the vested rights of developers (or successors in interest) of STP-1 and STP-2.
- 1.4 This Chapter promulgating Allocation of Capacity Rules and Regulations apply primarily to the 500,000 gpd provided by ETF-1. The LTMUA alone paid for the construction of ETF-1 from LTMUA accounts and the proceeds of a Bond Issue. The principal of the bond and interest thereon are recouped, in part, by annual connection fees calculated according to state statute. No other party has made a financial contribution to defray the cost of construction of ETF-1. Since the LTMUA financed and created 100% of ETF-1:
 - 1.4.1 the LTMUA exclusively owns the 500,000 gpd capacity it created by designing, financing and building ETF-1
 - 1.4.2 the LTMUA exclusively owns the right to reallocate units issued from the 500,000 gpd of treatment capacity it created by designing, financing and building ETF-1
 - 1.4.3 the LTMUA shall preserve its right to allocate and reallocate the 500,000 gpd of treatment capacity based upon future measurement of actual flow treated by the ETF-1 addition to the WRF after June 1, 2019

§ 2. Capacity Allocation and Adequacy of Conveyance Systems

- 2.1 Under **ART. 4**, of capacity to connect to the WRF is subject to a condition precedent that existing conveyance systems are adequate to transport flow from the applicant's site. If existing conveyance facilities are found to be inadequate to fulfill the applicant's requirements for service, projects will not be permitted to utilize allocated capacities within treatment facilities until necessary off-tract improvements are constructed by the applicant. Even if existing conveyance systems are presently adequate to fulfill the applicant's service requirements, the applicant shall still be subject to requirements to contribute to the future improvement or expansion of conveyance systems based upon the applicant's impact thereon.
- 2.2 N.J.S.A. 40:55D-42 of the MLUL provides that an applicant for development, who finances and builds off-tract improvements that provide excess capacity (beyond the capacity needed for the applicant's development), is entitled to pro rata contribution from other users who subsequently connect to the applicant's off-tract improvements. The LTMUA recognizes the applicant has a right to recapture a portion of its expenses in accordance with the MLUL. The Local Planning Agencies and/or the governing body of the municipality are empowered to enforce this provision when other users seek approval of applications for development that require connection to such off-tract improvements such as that installed by the applicant. The LTMUA shall not take any action to interfere with the applicant's pursuit of such rights. The LTMUA has no jurisdiction to assist the applicant who created the off-tract improvement to recapture the contribution owed to it.
- 2.3 Woolwich Township seeks to develop its Route 322 Corridor Project ("Rt. 322 Project"). Development requires construction of a conveyance system to service the Rt. 322 Project. Woolwich represented that its conveyance system would be designed to connect to the LTMUA's WRF situated on Jefferson Lane, Logan Township. The LTMUA spent most of 2018 and part of 2017 negotiating a Sewer Service Agreement with Woolwich Township, Aqua N.J., and Precision Development LCC. During this period, Woolwich Township repeatedly requested assistance from the LTMUA to obtain financing for the Rt. 322 Project. The LTMUA responded by approving Woolwich's TWA for the Rt. 322 Project and by providing written assurance that its WRF would provide adequate treatment capacity to its projected Rt. 322 Project wastewater flow/loading as long as the criterion provided by the LTMUA Engineer was satisfied. LTMUA assistance also required re-engineering of the planned upgrade (ETF-1 expansion of treatment capacity) to accommodate the treatment services required by Woolwich Township's current residents and future Woolwich developments. The recently completed ETF-1 500,000 gpd addition to the WRF has cost the LTMUA \$6,936,422.86 to date. On-going costs continue to accrue. Woolwich Township's completion of the 2019 SSA is essential to properly administer operation of the LTMUA's WRF and conveyance systems as well as complying with NJDEP

rules that monitor periodic reporting of wastewater treatment capacity by our S/LO.
See footnotes 25 and 27.

ARTICLE 5: JUDICIAL GUIDELINES FOR ALLOCATION OF CAPACITY REGULATIONS

§ 1. 388 Route 22 Readington Realty Holdings, LLC v. Township of Readington, 221 N.J. 318 (2015)

- 1.1 In 388 Route 22 Readington Realty Holdings, LLC v. Township of Readington, 221 N.J. 318 (2015), the Supreme Court articulated standards to guide the exercise of municipal discretion when considering whether to repurchase reserved but unused sewer connection units. A municipal sewer department or municipal utilities authority is forced to confront such circumstances when reserved (but unconnected units of treatment capacity) exhaust the rated treatment capacity of the WRF despite the availability of actual capacity to service a new user who is ready, willing, and able to connect.
- 1.2 Summarily, the Supreme Court recognized certain fundamental principles of law and clarified other precepts targeted towards justifiable recapture of unused capacity already issued:
 - 1.2.1 The ordinance [or MUA regulation] may set temporal limits on the right of the property owner to keep unused sewer capacity. 221 N.J. at 343.
 - 1.2.2 An allocation agreement (that reserved units for future connection) “may be extended upon application to the Township [MUA] if there is a showing of good cause, at the option of township committee [MUA Board of Commissioners].”
 - 1.2.3 A governing body [MUA Board] must decide whether to repurchase unused sewer connection units from a landowner when no capacity for wastewater treatment exists and another landowner, seeking to develop its land, properly applies for allocation of capacity.
 - 1.2.4 A governing body [MUA Board] has the discretion to repurchase capacity when the circumstances warrant depending upon equitable principles and practical considerations.
 - 1.2.5 The Court listed certain practical considerations that should be considered in exercising such discretion, including, but not limited to:
 - 1.2.5.1 the length of time a landowner has possessed unused sewer capacity
 - 1.2.5.2 the development plans of the landowner to tap some or all of the unused capacity and the imminence of that happening
 - 1.2.5.3 the complexity of the development project and the importance of the project to the community

- 1.2.5.4 whether the economy has retarded economic development
- 1.2.5.5 proposed development projects by others that cannot proceed because of unavailability of sewer capacity and the importance of those projects to the community and
- 1.2.5.6 other relevant factors
- 1.2.6 These Supreme Court guidelines are incorporated into these CHAPTER ____ rules to implement the equitable principles underlying allocation of capacity decisions in times of scarce treatment capacity.
- 1.2.7 The Supreme Court further recommended record-keeping as a best practice performed routinely and updated annually. ¹⁶

ARTICLE 6: ALLOCATION POLICY RULES DIFFER AMONG STP-1, STP-2, AND ETF-1

The LTMUA's completion of ETF-1 project (increasing treatment capacity from 2.0 mgd to 2.5 mgd) requires adoption of new Allocation of Capacity Policy and Regulations. The SSAs (and related contracts) entered into by different parties at different phases of additions to the WRF necessitate disparate treatment of allocation policy under these revisions.

§ 1. Three Phases of WRF Construction Impact Application of Allocation Policy

- 1.1 Phase I refers to the original construction of the Sewage Treatment Plant ("STP-1"). The Phase I Developers reserved capacity from the original STP-1 (1 mgd capacity) and the right to reallocate capacity. The developers funded the STP-1 project exclusively.
- 1.2 Phase II increased the treatment capacity from 1.0 mgd to 2.0 mgd. The developers who funded Phase II of the project reserved the right to capacity but did not reserve the right to reallocate capacity. Again, the developers funded the project exclusively.¹⁷ Later, acting under the 2003.10.16 C.P.A., the LTMUA cured a 400,000 gpd shortfall to enable STP-2 to reach its expected designed treatment capacity of 2.0 mgd. See **ART. 2, § 4.1**.
- 1.3 Phase III increased treatment capacity from 2.0 mgd to 2.5 mgd. Reservations of ETF-1 capacity shall be issued to:
 - 1.3.1 a qualified new user holding "inchoate EDU reservations"¹⁸ of capacity for multiple-phase, long-term projects or GDPs (that normally require a TWA) provided under a **Long Form-CAA (APP.2.2)** See **APPENDICES** and **ART. 1, §1**.

¹⁶ The LTMUA is verifying such data and anticipates the process recommended by the Court should be completed by January 31, 2020.

¹⁷ See 1991.01.23 SSA discussion in ART. 2, § 3.

¹⁸ "Inchoate reservation," is defined in ART. 1, § 1.5.

- 1.3.2 a qualified new user with capacity reserved under a **Short Form-CAA (APP. 2.1)** whose project does not require a TWA See **APPENDICES** and **ART. 1, §1.**
- 1.3.3 a qualified user with capacity reserved under a **90-Day CPA (APP. 1.1)** a **Basic-CPA (APP.1.2)** and a **Short Form (APP. 1.3)** whose terms of reservation are appreciably shorter than CAA contracts. See **APPENDICES** and **ART. 1, §1.**
- 1.3.4 Summit Ventures LLC for a maximum reservation “up to 300 EDUs” from ETF-1 upon payment of connection fees in effect at the time of purchase within the deadline imposed on the reservation¹⁹ See **ART. 3.**
- 1.3.5 No user may reallocate units from either STP-1 or STP-2 as upgraded that would encroach upon the LTMUA’s exclusive ownership of the 500,000 gpd of capacity from ETF-1²⁰ See **ART. 3.**

§ 2 Limited Application of Allocation Policy Rules to STP-1 and STP-2 Developers/Successors

- 2.1 These regulations governing allocation of treatment capacity do not affect the verified²¹ number of connection units of reserved capacity with respect to STP-1 and STP-2 issued to the original Phase I Developers or the original Phase II developers or each of their respective successors in interest except under circumstances addressed by **ART. 4** and except for new growth developments that fall under **ART. 7, § 4, §§ 4.5.2** and **§§ 4.6** and to which reservations of EDUs are assigned to locations that have not been granted Preliminary or Final Approval by Local Planning Agencies.
- 2.2 These regulations governing allocation of treatment capacity do not affect those reservations of capacity that are vested with the right to reallocate units that have been verified by the LTMUA BMgr and updated annually in accordance with **ART. 2, §§ 1.5** and **§ 3** and **ART. 3, § 4** and **§ 5.**
- 2.3 No provision of this **ARTICLE** exempts or waives any obligation of holders of capacity under the SSAs described in **ART. 1** and **ART. 2** to comply with the **LTMUA RULES** and **REGULATIONS**, or amendments, pertaining to any applicant’s request to connect to the WRF excluding reservations of capacity under **§ 2.1** and **§ 2.2.** See **ART. 2, § 2, § 3** and **§ 4** and **ART. 5.**

§ 3. LTMUA Owns All Treatment-Related Components and Appurtenances of the WRF

- 3.1 Ownership of Facilities. The LTMUA owns, operates and maintains the

¹⁹ See 4th Amendment.

²⁰ Persons seeking re-allocation from STP-1 capacity or from STP-2 capacity, as amended, limit their re-allocation claims to STP-1 and STP-2 capacity. Only the LTMUA may re-allocated EDUs from ETF-1 capacity.

²¹ The LTMUA BMgr and stakeholders claiming reserved capacity and those claiming both reserved capacity and right to reallocate additional EDUs from reserved capacity will be interacting up to January 31, 2020 to finalize the chain of title history that documents a stakeholder’s entitlement to reserved EDUs and reserved EDUs vested with the right to reallocate EDUs.

WRF and all facilities related to its entire water reclamation and collection system, excluding:

- 3.1.1 certain common use facilities serving multi-family units and commercial/industrial construction as determined by the LTMUA
- 3.1.2 conveyance facilities, pump stations, and appurtenances located in Woolwich Township that transport wastewater for reclamation by the LTMUA at its WRF
- 3.1.3 the parties to the pending 2019 SSA anticipate that conveyance facilities located in Logan Township that are owned by the LTMUA may be conveyed to Woolwich Township and/or Aqua, New Jersey. The Logan Township conveyance facilities expected to be conveyed shall be identified in the 2019 SSA, some or all of which may not have been constructed because the 2019 SSA has not been finalized. See fn. 25 and fn. 27. See ART. 4, § 1, §§ 1.2, p. 14.

§ 4. LTMUA Annual Record-Keeping of Allocated and Reserved and Connected Capacity

- 4.1 On or before March 15 of each year, the LTMUA BMgr shall update the LTMUA records of current capacity of the WRF based upon the measured actual flow during the prior fiscal year ending January 31. The annual record shall include:
 - 4.1.1 The number of all connected EDUs of capacity
 - 4.1.2 The number of all unconnected EDUs of capacity
 - 4.1.3 The number of remaining connected EDUs available for reallocation
 - 4.1.4 The number of new EDUs connected through January 31 of the prior fiscal year
 - 4.1.5 The number of newly reserved but unconnected EDUs
- 4.2 Annually, no later than March 31 of each year, the LTMUA shall adopt a resolution updating the number of connected and unconnected EDUs of capacity and EDUs available for reallocation reported by the BMgr.

ARTICLE 7: CATEGORIES FOR ALLOCATION OF CAPACITY

§ 1 Coordination of Planning and Regulatory Actions in Townships

The purpose of this **ARTICLE** is:

- 1.1 to provide guidance for the LTMUA's S/LO and BMgr to interact with Woolwich Township and Aqua officials in areas of planning and regulatory responsibilities
- 1.2 to elicit data from Aqua as the Licensed Operator of Conveyance Systems that transport actual wastewater flow from Woolwich Township sources to enhance the ability of the S/LO to plan, fund and implement the next addition to the WRF

- 1.3 to create categories of various forms of proposed developments in Logan Township for planning purposes (§ 4.1 through § 4.6, inclusive)
- 1.4 to establish priority for health hazard locations and public building locations (§ 4.1 and § 4.2) in Logan Township
- 1.5 to create categories of various forms of proposed developments in Logan Township for regulatory purposes (§ 4.1 through § 4.6, inclusive)²²
- 1.6 to create various Forms of Agreement for already-connected Users of the LTMUA WRF or septic system Users in Logan and for proposed future developments approved by the LPA after June 1, 2019 in Logan Township for regulatory purposes (§§ 4.1 through §§ 4.6, inclusive, § 5 and § 6)²³
- 1.7 to encourage Woolwich Township officials and Aqua officials to implement planning and regulatory initiatives similar to those in this **ART. 7** because a complementary approach will encourage timely completion of the process to fund and build ETF-2, if necessary (but see ART. 4, § 1, §§ 1.2, p. 14)

§2. Planning and Regulation of Projects Located in Woolwich Township

2.1 Allocation of Capacity from a Planning Perspective in Woolwich Township

From a planning perspective, under the Municipal Land Use Law “MLUL”, N.J.S.A. 40:55D-1 et seq., Woolwich Township and its authorized LPA have exclusive jurisdiction over applications for development in Woolwich Township. Nevertheless, pending finalization of the “2019 SSA” between and among LTMUA, Woolwich Township, Aqua New Jersey, and Woolwich Township Redeveloper Precision LLC, the LTMUA S/LO is authorized to undertake reasonable, informal, planning initiatives in cooperation with the three other parties to the pending 2019 SSA. Cooperation is essential to assist the S/LO in making informed decisions on a timetable to expand treatment capacity including, but not limited to, planning, designing, funding, preparing bid specifications, bidding, etc. for the next addition (ETF-2) to the WRF. The executed 2019 SSA²⁴ shall include

²² The categories appearing in ART. 7, §§ 4.1 through §§ 4.6, inclusive, also serve the regulatory purpose of assigning either Short Form - CAA and/or Long Form - CAA for completion as provided in ART. 9. See also fn. 1 for applying App. 1.1 90-Day CPA and CAA, App. 1.2, Basic – CPA and App. 1.3 – SF-CPA to these categories.

²³ The categories appearing in ART. 7, §§ 4.1 through §§ 4.6, inclusive, also serve the regulatory purpose of assigning either Short Form - CAA and/or Long Form - CAA for completion as provided in ART. 9. See also fn. 1 for applying App. 1.1 90-Day CPA and CAA, App. 1.2, Basic – CPA and App. 1.3 – SF-CPA to these categories.

²⁴ In August 2019 Frank Banisch, the Mediator appointed in the pending “Mt. Laurel litigation” informed the LTMUA attorney that Woolwich Township had initiated an attempt to divert the Rt. 322 Force Main Project from an LTMUA connection to a GCUA connection that would require a downsizing of the LTMUA’s Sewer Service Area. Therefore,

timetable(s) and trigger(s) that initiate performance responsibilities assigned to the parties to assure timely completion of ETF-2.²⁵ But see ART. 4, § 1, §§ 1.2, p. 14. Regardless of the fate of the anticipated “2019 SSA” the APRR applies to any wastewater/loading from the Woolwich Conveyance system that flows through the LTMUA WRF for treatment.

2.2 Allocation of Capacity from a Regulatory Perspective in Woolwich Township

From a regulatory perspective, under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. (“MLUL”), Woolwich Township and its LPA have exclusive jurisdiction over review and approval of applications for development in Woolwich Township. Nevertheless, this **CHAPTER** applies to any owner/developer of Woolwich-approved land use development applications whose wastewater flow/loading will be treated at the WRF when connected to any segment of the WRF Conveyance System. Under the authority of the Municipal and County Utilities Authority Law, N.J.S.A. 40:14B-1 et seq. (“MCUAL”), and to the extent necessary to satisfy obligations imposed by NJDEP statutes and rules and regulations (e.g., monitor flows from Woolwich Township conveyance systems to collect and organize data to plan for ETF-2), the S/LO shall exercise supervisory responsibility and shall routinely monitor timely receipt of conveyance systems’ wastewater flow/loading data from the Licensed Operator of each conveyance system transporting flow for treatment at the WRF.²⁶

§3. Planning and Regulation of Projects Located in Logan Township

3.1 Allocation of Capacity from a Planning Perspective in Logan Township

For planning purposes in Logan Township, the S/LO is authorized (with the assistance of the LTMUA BMgr) to assign EDUs to categories **ART. 7, § 4, §§ 4.1 through §§ 4.6 and § 5 and § 6, inclusive**, (p. 22 to 30). NJDEP regulations require the S/LO to prepare a Capacity Assurance Report²⁷ to plan and implement enlargement of WRF treatment capacity as new connections constantly diminish such capacity. In addition to receiving

the future LTMUA’s Sewer Service Area is uncertain. Nevertheless, these rules, as amended, shall apply to the LTMUA’s responsibility to operate the LTMUA’s WRF and all Conveyance Facilities related to its operation.

²⁵ See fn. 21, §§ 1.2 and §§ 1.6.

²⁶ The LTMUA has participated in drafting the 2019 SSA among the LTMUA, Woolwich, Aqua, and Precision for more than 18 months. The SSA shall include allocation of responsibility for providing flow data to the S/LO as well as providing access to data essential for compliance with NJDEP regulation governing WRF and Conveyance Systems. The inability to finalize this SSA has materially hampered adoption of comprehensive allocation of capacity regulations essential for proper regulation of ETF-1’s operation and allocation of treatment capacity. However, the imminent commencement of EFF-1 operation to treat wastewater on or about June 1, 2019, coupled with the demand for treatment capacity by Woolwich and others, necessitate adoption of these APRRs despite the incomplete status of the 2019 SSA. No negotiations have taken place in 2019. Two scheduled negotiation meetings were scheduled but cancelled by Woolwich without explanation.

²⁷ N.J.A.C. 7:14A-22.16.

data from the Logan Conveyance System, the S/LO shall rely upon data received from the licensed operator of the Woolwich Conveyance System. See footnote 25 and footnote 27.

3.1.1 From a planning perspective, the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. (“MLUL”) confers exclusive jurisdiction to Logan Township and its authorized Local Planning Agency (“LPA”) over any application for development to be located in Logan Township. However, under the authority granted by the MCUAL, the S/LO shall gather data from the LTMUA’s recording of actual flow from Logan Township sources. He will also classify Logan-approved land use applications to connect to the WRF System. Under this **ARTICLE** he will combine this data with actual flow data from Woolwich Township sources. See § 2. This process will enable the S/LO to plan and implement construction of ETF-2, when and if necessary.

3.2 Allocation of Capacity from a Regulatory Perspective in Logan Township

3.2.1 To process applications permitting specific sites in Logan Township to connect to the WRF conveyance system, the S/LO is authorized to determine the placement of development applications in the categories defined by **ART. 7, § 4, §§ 4.1 through §§ 4.6 and § 5 and § 6**, inclusive (p. 22-30). These categories assist the S/LO and the Applicant in selecting the Form of Agreement most suitable to process the reservation of EDUs sought by the Applicant. See **ART. 9, § 1** and **APP. 1.1 through APP. 2.4**.

§ 4. List of 6 Categories - Health Hazard Priority, Public Need and Types of Development

4.1 Health hazard locations

This category of allocation concerns making connections to relieve health hazards related to sanitary waste disposal within the Township of Logan in accordance with state statute and state and county health regulations. Applications under this category are a 1st priority.

4.1.1 An applicant seeking to disconnect from a septic system shall complete the **IRCA** p. 46 and sign **APP. 1.2** (Basic-CPA) found in the **APPENDIX** and submit it to the BMgr.

4.2 Public building sites owned by state, county or municipal governmental entities

This category of allocation concerns connections to such public buildings that are to be used for the health, safety and welfare of the public.

4.2.1 Applicants for such public structures shall complete the **IRCA** (**APPENDIX**, p. 46) so the BMgr may arrange for drafting of an appropriate **SF-CPA** or **SF-CAA** as determined by the complexity of the project, its longevity (whether it has

multiple-phases prior to completion), whether loading is a criterion rather than wastewater flow and other criteria deemed pertinent by the S/LO

4.3 Residential infill lot development

This category of allocation concerns existing residential infill lots within Logan Township and Woolwich Township that are:²⁸

- 4.3.1 are not part of a major subdivision of land for development purposes; or
- 4.3.2 are part of a minor subdivision (as defined under Logan Township and Woolwich Township ordinances) that was not subdivided previously and are located within 200 feet of an existing sewer
- 4.3.3 owner/applicants of such lots shall complete the **IRCA** (**APPENDIX**, p. 46) so the BMgr may arrange for drafting of an appropriate **SF-CPA** or **SF-CAA** as determined by the complexity of the project, its longevity (whether it has multiple-phases prior to completion), whether loading is a criterion rather than wastewater flow and other criteria deemed pertinent by the S/LO

4.4 Non-residential infill lots that are:

This category of allocation concerns existing non-residential infill lots within Logan Township and Woolwich Township and includes new applicants for development or re-development of non-residentially zoned properties. Allocations of capacity from this category include:

- 4.4.1 development site not subject to a moratorium on wastewater treatment connections imposed by the state and/or other applicable law or regulation
- 4.4.2 are not part of a major subdivision of land for development purposes; or
- 4.4.3 includes (a) a development site (whose maximum aggregate capacity allocation is greater than 8,000 gpd) that requires Treatment Works Approval (“TWA”) under NJDEP regulations or (b) a development site (whose maximum aggregate capacity

²⁸ Inclusion of Woolwich Township data within Categories 4.1 through 4.6, inclusive, depend on the authorized agent of Woolwich Township providing this data to the LTMUA BMgr on an ongoing basis. Until completion of the 2019 S.S.A., the S/LO and LTMUA BMgr shall rely upon Woolwich Township’s designation of its authorized agent to implement the planning and regulatory goals of these regulations on allocation policy. Woolwich Township owners/developers/applicants most likely will expect such interaction to expedite the timely processing of applications for reservation of EDUs of capacity established by executed CPAs and/or CAAs. See **ART. 8, 9 and 10** and **APPENDIX**.

allocation for the site is not greater than 8,000 gpd) that is exempt from obtaining a TWA²⁹

- 4.4.4 development site is part of a minor site plan and/or a minor subdivision (as defined under Logan Township and Woolwich Township ordinances) that was not subdivided previously or minor site plan and are located within 200 feet of an existing sewer
- 4.4.5 development site within 200 feet of an existing sanitary sewer line that requires a connection to the sanitary sewer system
- 4.4.6 owner/applicants of such lots shall complete the **IRCA** (**APPENDIX**, p. 46) so the BMgr may arrange for drafting of an appropriate **SF-CPA** or **SF-CAA** as determined by the complexity of the project, its longevity (whether it has multiple-phases prior to completion), whether loading is a more significant criterion than wastewater flow, and other criteria deemed pertinent by the S/LO

4.5 Committed unconnected allocations of EDUs - historic and future

These rules governing “committed allocations of capacity” in the context of EDUs distinguish “historic, committed EDUs” from “future committed EDUs” as follows:

4.5.1 Historic, unconnected committed capacity

4.5.1.1 “Historic unconnected committed capacity” under this category encompasses all SSAs, as amended, pertaining to residential and/or non-residential (including industrial and commercial) developments that were signed by all parties including the LTMUA **prior to** June 1, 2019 and that have not been connected to the WRF system as part of an application for development or GDP approved by the LPA under the MLUL **prior to** June 1, 2019.

4.5.1.2 Current owners who claim ownership of EDUs from historic committed capacity, generated by the operation of STP-1 and/or STP-2, are required to present documentation of the **chain of title** to those EDUs of committed capacity to the LTMUA BMgr for verification so the LTMUA may establish a public record of specific verified allocations of capacity.³⁰ The chain of title shall include:

²⁹ The S/LO is granted the discretion to decide whether the project and site require a SF-CAA or LF-CAA despite the particular project exceeding 8,000 gpd of maximum flow.

³⁰ See ART. 6, § 3, §§1.1.

- 4.5.1.2.1 the name, date, and documentation for each EDU starting with the original owner/transferor and original transferee and each subsequent transferor/transferee down to the present owner
 - 4.5.1.2.2 the total number of EDUs issued to the original owner, the number of EDUs connected by the original owner, the number of EDUs retained by the original owner, the number of EDUs transferred to one or more transferees if not all EDUs were transferred to the same transferee, and the same categories of data for each subsequent transferor/transferee down to the present owner within the chain of title and
 - 4.5.1.2.3 the number of such EDUs connected since the initial issuance to the original developer of STP-1 or STP-2 of such reserved connection units and/or connection permits to the owner and the source of these connected units (either STP-1 or STP-2) and
 - 4.5.1.2.4 the number of remaining, unconnected EDUs and the source of these remaining unconnected EDUs (STP-1 or STP-2).
- 4.5.1.3 Specifically for the **Weatherby Project** by Summit Ventures L.L.C. in Woolwich Township, within the land area described and bounded as stated in the approved General Development Plan (“GDP”) for the entire Weatherby Project, as well as any increased or decreased dimensions of the property through approved amendments to the GDP:
- 4.5.1.3.1 the number of EDUs reserved by Summit or any successor interest to connect to structures in the **Weatherby Project**
 - 4.5.1.3.2 the number of EDUs reserved for developments approved by the LPA and the address of EDUs connected to structures in the Weatherby Project by Summit or any successor interest to Summit and
 - 4.5.1.3.3 the number of EDUs reserved for developments approved by the LPA but not connected by Summit or any successor in interest to Summit to a structure in the Weatherby Project and
 - 4.5.1.3.4 the number of EDUs reserved by Summit or any successor interest to Summit to connect to location(s) outside the Weatherby Project limits as defined above
 - 4.5.1.3.5 the sum of the number of EDUs reserved by Summit or successors in interest to Summit allocated to location(s) both inside and outside the Weatherby Project as defined

4.5.2 Future Unconnected Committed Capacity

Future committed unconnected capacity encompasses owners of reserved EDUs that have not been connected to the WRF system as part of an application for development or GDP approved under the MLUL **prior to** June 1, 2019 and who:

- 4.5.2.1 are signatories to SSAs (or successors in interest to signatories) or other contractual reservations of EDU connection units signed by the applicant/owner of reserved EDUs and the LTMUA prior to June 1, 2019
- 4.5.2.2 retain ownership of these reserved but unconnected units
- 4.5.2.3 hold a valid TWA permit, if applicable, issued prior to June 1, 2019
- 4.5.2.4 have not received preliminary and/or final approval under any application for development or GDP that assigned these reserved units for connection at specific locations prior to June 1, 2019
- 4.5.2.5 comply with the terms and conditions of contracts and/or SSAs, as amended, that were signed by all parties prior to June 1, 2019
- 4.5.2.6 such owner/applicants shall complete the **IRCA (APPENDIX , p. 46)** to enable the BMgr to arrange for drafting of an appropriate Capacity Allocation Agreement (“CAA”) ³¹using the **APP. 2.1 or 2.2** format and
- 4.5.2.7 will sign the CAA between the LTMUA and the owner of these units under **ART. 9 and 10** because:
 - 4.5.2.7.1 it is required for the limited purpose of accounting for reserved units not connected under projects that were granted preliminary but not final approval by the LPA
 - 4.5.2.7.2 it is required for the limited purpose of accounting for reserved units assigned to projects whose applications for development not granted preliminary approval by the LPA under a GDP or other major development approval and fit this “future committed

³¹ the **IRCA (APPENDIX, p. 49)** is also needed in the event the project is a relatively small portion of the GDP or major subdivision so the BMgr may arrange for drafting of an appropriate **SF-CPA** rather than a **CAA** as determined by the complexity of the project, its longevity (whether it has multiple-phases prior to completion), whether loading is a more significant criterion than wastewater flow, and other criteria deemed pertinent by the S/LO

capacity” category and/or the **ART. 7, § 4.6**, “new growth” category

- 4.5.2.7.3 the CAA executed for projects categorized under this section shall not modify the terms of the SSA or other contractual reservations of connection units signed by the applicant/developer/owner of reserved EDUs and the LTMUA prior to June 1, 2019
- 4.5.2.7.4 imposition of a deadline under the CAA is more liberal than time limits imposed by the LPA approval or expiration under any TWA regulations since the CAA deadline will extend an additional two (2) years beyond the extension date of any extension granted by the LPA or CPA, subject to **ART. 10**, p. 33.
- 4.5.2.7.5 additionally, terms of the CAA³² preserve the viability of the reservation of unconnected, inchoate EDUs whose application for development was not approved by the LPA under a GDP (or other development requiring LPA approval under the MLUL) until after June 1, 2019.

4.6 New growth

- 4.6.1 This category shall be allocated to applicants for new development projects located in Logan Township or Woolwich Townships. New development projects include new residential or non-residential construction on vacant land and/or the expansion, upgrade, development or re-development of existing non-residential properties. Allocation of capacity from this category shall be applied based upon:
 - 4.6.1.1 the site sought to be connected shall not be subject to a moratorium on connection imposed by the statute and/or any other applicable federal, county or local law or regulation
 - 4.6.1.2 applicants shall comply with NJDEP TWA regulations, if applicable
 - 4.6.1.3 the project, including those under **ART. 7, § 4**, requires either preliminary or final approval by Local Planning Agencies to qualify for allocation of inchoate reservation of ETF-1 EDUs
 - 4.6.1.4 owner/applicants of such lots shall complete the **IRCA (APPENDIX, p. 46)** so the BMgr may arrange for drafting of an appropriate **SF-CPA** or **SF-CAA** as determined by the complexity of the project, its longevity (whether it has multiple-phases prior to completion), whether loading is

³² The Owner/Applicant of land development not yet approved by the LPA shall complete the IRCA (APPENDIX, p. 49) and submitted to the BMgr who shall arrange for drafting of the CPA or CAA as determined by the type of project within the parameters of this §§4.5.2, p. 23.

a more significant criterion than wastewater flow, and other criteria deemed pertinent by the S/LO

§ 5. Connected Non-Residential a/k/a Non-Domestic Users - flow exceeds capacity³³

- 5.1 Non-Residential Users a/k/a Non-Domestic Users already connected to the WRF, whose actual flow from existing facilities/structures exceeds the limit of permitted EDUs of treatment capacity originally issued for that facility, are required to apply for and execute a 90-Day Capacity Purchase Agreement (“90-Day CPA”) with the LTMUA so Users of such facilities/structures may promptly acquire additional EDUs to bring such facilities/structures into compliance with the APRR.
- 5.2 First, the applicant shall complete the **IRCA (APPENDIX, p. 46)** to enable the BMgr to arrange for drafting of an appropriate **90-Day CPA** using the **APP. 1.1** format. The applicant shall request the number of additional EDUs the applicant determines is sufficient to provide increased capacity from the ETF-1 addition to the WRF. See **APP. 1.1**.
- 5.3 The 90-Day CPA shall require the applicant to obtain an additional number of EDUs by paying connection fees for connection permits for each additional EDU, and, if necessary, making any corrective physical connection to accommodate the increased treatment capacity provided by these additional EDUs. The applicant must pay the connection fee not later than ninety (90) days from the date of adoption of the 90-Day CPA (dated the same date as the date of adoption of the LTMUA Resolution authorizing the S/LO to sign the CPA).
- 5.4 The applicant seeking additional EDUs shall confirm that no governmental agency permit must be obtained prior to undertaking the connection authorized by the 90-Day CPA that would extend the 90-day deadline for completion of the corrective action imposed by the CPA.
- 5.5 The S/LO shall state in the 90-Day CPA his opinion whether there is adequate treatment capacity available from ETF-1 to satisfy the increased treatment capacity provided by the additional EDUs.
- 5.6 In the event the additional EDUs the applicant acquired did not provide an adequate increase in treatment capacity and a subsequent discharge(s) violate(s) the increased limits achieved by the number of units the applicant acquired, the applicant remains

³³ Subsection § 5. et seq.(formerly §§ 4.7) was approved by LTMUA Board Resolution 37-19 adopted June 25, 2019 to address the situation where a user’s connected facility has exceeded its permitted use of WRF treatment capacity. The advent of ETF-1’s operation creates unallocated capacity for such users to acquire by paying connections fees for EDUs that raise the permitted limits of the user’s discharge into the WRF System. Classification of this use under § 4 was inappropriate. See APP. 1.14 90-Day CPA Form Contract that pertains to § 5.

responsible for obtaining additional EDUs under another 90-Day CPA and may be subject to penalties and fines for which he/she/it is solely responsible.

- 5.7 The content required in the CPA is set forth in **APP. 1.1** and is approved as consistent with this Amendment to the APRR and shall be substantially replicated in any 90-Day CPA authorized by this Amendment to the APRR.
- 5.8 The S/LO and the BMgr are further authorized and directed to review the data reflecting actual wastewater flow/loading from Non-Residential a/k/a Non-Domestic Users. In the event the review identifies Users in violation of their permitted connections to the WRF System, notice of this violation and a copy of this regulation shall be forwarded to such Users by certified mail, return receipt requested, addressed in accordance with the contact information on file in the LTMUA Office.
- 5.9 No User whose wastewater flow/loading/loading into the WRF System exceeds the permitted limit shall be excused from acquiring the number of additional EDUs required within the 90-day deadline of the 90-Day CPA except for good cause shown. Any user seeking an extension may file with the BMgr a written request for a hearing to show cause why the deadline should be extended. If so requested by a User, after a public hearing held by the LTMUA five-member Board of Commissioners (or a 3-member Subcommittee thereof authorized by the Board), a decision shall be rendered whether to grant an extension. The decision shall be memorialized by Resolution. Extension of the deadline, if approved, shall not relieve the applicant from paying fines/penalties for violations except as may be provided in the 90-Day CPA per these regulations.
- 5.10 Those Users provided notice of their obligation to execute a 90-Day CPA shall execute the CPA within 30 days from the date of delivery of the LTMUA notice sent by certified mail, return receipt requested.
- 5.11 Those Users required to purchase additional EDUs under §§ 5.5 may also be subject to fines and penalties for exceeding the limit on permitted treatment capacity allocated to the User. However, to encourage Users to promptly enter the 90-Day CPA (“CPA” within this subsection) and acquire additional EDUs, thereby eliminating penalties and/or fines for exceeding the previous limit on treatment capacity, the S/LO is authorized to waive any such penalties and/or fines for the month the LTMUA Resolution approving the CPA is adopted and the month connection fees for the additional EDUs are paid by the User under the CPA. However, fines may be waived only after the connection fees for the correct number of EDUs required to achieve compliance have been paid. Should the User’s discharge exceed the new increased discharge limit provided by the CPA, the User shall remain responsible for any fines assessed until the User pays the additional connection fee for the correct number of units that achieve compliance. Under these circumstances, the CPA shall be amended accordingly after the LTMUA Resolution authorizing the amendment is adopted.

§ 6. Connected Non-Residential a/k/a Non-Domestic Users – adding EDUs

- 6.1 Non-Residential Users a/k/a Non-Domestic Users already connected to the WRF System, whose actual flow from existing facilities/structures complies with treatment capacity originally issued for that facility, may request the LTMUA to issue additional EDU connection units.
- 6.2 Such applicants shall complete the **IRCA** (**APPENDIX**, p. 46) so the BMgr may arrange drafting of a **Basic-CPA** (**APP. 1.2**) or **SF-CPA** (**APP. 1.3**).
- 6.3 The S/LO shall state in the **SF-CPA** his opinion whether adequate treatment capacity is available from ETF-1 to satisfy the increased treatment capacity provided by the additional EDUs.

ARTICLE 8: LTMUA POLICIES TO PROCESS ALLOCATION OF ETF-1 CAPACITY

§ 1. Allocation Policy for ETF-1 - Fundamental Principles ³⁴

This **ART. 8** establishes fundamental principles for allocation of capacity and payment of connections fees for EDUs derived from the 500,000 gpd of capacity added by ETF-1 as follows:

- 1.1 The LTMUA exclusively has the right, in its sole discretion, to allocate and/or re-rate 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 capacity achieved by LTMUA's enhancement of treatment capacity due to LTMUA innovations.
- 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 for Logan and Woolwich Townships.
- 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 shall be reallocated by Summit, subject to the terms of the 4th A. to the 2000.09.14 SSA
 - 1.3.2 Inchoate reservation of capacity in a fully-signed Capacity Purchase Agreement (CPA) and/or fully-signed Capacity Allocation Agreement (CAA) based upon one of the five (5) Forms of Agreement appearing in the **APPENDICES**. By completing the **Initial Request to Connect Application ("IRCA")** the Applicant

³⁴ APP. 3 (Summary of Allocation Policy Principles) shall be attached to every Form of Agreement (3 CPAs and 2 CAAs).

enables the BMgr to arrange for the draft of the specific agreement needed by the applicant to satisfy **APRR** requirements.

- 1.3.3 The content of each of the five (5) Forms of Agreement set forth in **APPENDICES** are approved as templates or models of agreement that are consistent with the APRR. The S/LO and the BMgr (with the assistance of the LTMUA Solicitor and/or Engineer if needed) are authorized and directed to draft an appropriate agreement for the Applicant to obtain EDU(s) according to the process established by the APRR, as amended.
- 1.3.4 The three **CPAs** authorized in the **APPENDICES** are: the **90-Day CPA (APP. 1.1)**; the **Basic-CPA (APP. 1.2)** and the **SF-CPA (APP. 1.3)**.
- 1.3.5 The two **CAAs** authorized in the **APPENDIX** are: the **SF-CAA (APP. 2.1)** and the **LF-CPA (APP. 2.2)**
- 1.4 LTMUA will charge connection fees based on the NJDEP standard “of equivalence to” 300 gpd. For allocation purposes, the EDUs of treatment capacity permit a user connecting to the WRF system to utilize up to 300 gpd per unit; actual wastewater flow/loading from one (1) EDU from ETF-1 may range from 0 to 300 gpd.
- 1.5 Because the requirement to sign an authorized CPA or CAA to reserve EDUs applies to residential and non-residential uses, an ETF-1 connection unit is best described as an “EDU,” the acronym for “Equivalent Domestic Unit.” See **ART. 1, § 1.2**.

§ 2. Duration of Inchoate Reservation of Capacity for the Development/Project

- 2.1 The grant of an inchoate reservation of capacity shall not expire as long as the developer faithfully performs within the deadlines incorporated into the CAAs. To connect the total number of units granted inchoate reservation, the applicant/developer must meet the time lines established by the LPA approval and before the expiration date of the TWA (if applicable) and the signed CPA or CAA.³⁵
- 2.2 For a multi-phase project under a LF-CAA, each phase shall be completed within two (2) years of the commencement date of each phase; the 1st phase shall be completed within two (2) years from the date of the LF-CAA. See **ART. 10**, p. 38.
- 2.3 The CAA deadline may be extended for good cause. For a multi-phase project under a

³⁵ A provision of the LF-CAA shall reserve the total number of EDU connection units necessary to service the entire project for which the connections are sought. Reservation of the EDUs requested for the project shall be for two (2) years from the date of the Agreement for a single-phase project. For a multi-phase project, each phase shall be reserved for two (2) years as long as each phase, commencing with the 1st phase, was completed by the acquisition of EDUs and payment of connection fees within two (2) years of the commencement date of each phase as provided in the LF-CAA. See **ART. 10**, p.35.

LF-CAA, an extension of time granted by LPA resolution for any specific phase shall be deemed an extension for “good cause” of the 2-year term of the signed CAA for that specific phase and satisfies this §§ 2.3 requirement, subject to ART. 10.³⁶

§ 3. “Will Serve Letter “ (“WSL”)

- 3.1 A WSL is a letter a potential applicant seeking reserved EDU capacity may request from the S/LO for the purpose of allowing applicant to make an early decision whether there is adequate capacity to warrant pursuit of a reservation of capacity. Some financial institutions request a WSL from the applicant before undertaking a process of evaluating whether to finance the applicant’s project.
- 3.2 The WSL makes no guarantee of capacity in the future. The S/LO does state whether there is adequate treatment capacity on the date of the WSL.
- 3.3 If, on the date of the WSL, there is adequate capacity to treat the number of EDUs the applicant represents is satisfactory to serve his project, the LTMUA S/LO may sign a WSL using the following language:

This letter responds to the request by [name of applicant]. The applicant is exploring development of a project known as [name of project] to be located at [insert address]. He seeks to connect [insert number] EDUs to the LTMUA WRF that the applicant determined will be sufficient to treat the maximum [insert numeral] gpd of wastewater flow/loading to be discharged from his project.

I confirm that on [insert date of WSL] there is sufficient capacity available at the WRF to treat the maximum flow of [insert number] gpd, the equivalent to [insert number] EDUs, he has requested based upon “up to 300 gpd” per EDU.

I will sign a Capacity Allocation Agreement (“CAA”) for this project if, on the date of the CAA, the applicant has satisfied all obligations essential for execution of the CAA and I have verified adequate treatment capacity exists at that time to permit me to sign the CAA.

§ 4. Summary of Forms of Agreement that Reserve Capacity and Provide EDUs to Connect

The following subsection summarizes the nature of each of the three Capacity Purchase Agreements that these rules adopt to reserve treatment capacity from the ETF-1 addition to the WRF. **ART. 10** summarizes the nature of each of the two Capacity Allocation Agreements. The **APPENDICES** contain more comprehensive explanations of the

³⁶ However, at such time as ETF-1’s capacity has diminished to ten (10%) per cent remaining treatment capacity (i.e., 50,000 gpd), the LTMUA may cease granting extensions unless the funding, approval and construction of ETF-2 (the future 4th expansion of the WRF) has advanced sufficiently to warrant granting an extension without exhausting its WRF’s treatment capacity so the public health, safety and welfare will not be in jeopardy.

differences among the agreements and guidelines for choosing the appropriate Form of Agreement.

4.1 APPENDIX 1.1 90-Day Capacity Allocation Agreement (“90-Day CPA”)

- 4.1.1 **APPENDIX 1.1** provides the Form for sites already connected to the WRF whose wastewater flow/loading exceed permitted capacity treatment limits
- 4.1.2 The **90-Day CPA** contains the terms required by the **APRR**, as amended, including the number of connected EDU(s) pre-ETF-1 operation, those additional EDU(s) to be credited against ETF-1 capacity, and the total number of EDU(s) allocated and to be connected by the APPLICANT
- 4.1.3. Addition of the EDU(s) should materially lessen the probability that the wastewater flow/loading from the site would exceed permitted capacity treatment limits
- 4.1.4 **APPENDIX 5** is required

4.2 APPENDIX 1.2 Basic Capacity Purchase Agreement (“Basic-CPA”)

- 4.2.1 **APPENDIX 1.2** provides the Form for persons on septic systems seeking to connect and other persons as well
- 4.2.2 The **Basic-CPA** may also be used by persons who seek to connect to a residential or business retail structure that does not require any LPA approval
- 4.2.3 **APPENDIX 5** may be required

4.3 APPENDIX 1.3 Short-Form Capacity Purchase Agreement (“SF-CPA”)

- 4.3.1 **APPENDIX 1.3** provides the Form for SF-CPA for sites/structures already connected to the WRF whose owner/applicant seeks to increase the limits of its wastewater flow/loading by obtaining additional EDU(s)
- 4.3.2 This Form may also apply to a small project on a lot(s) intended for a residential or business retail use that does not require LPA approval
- 4.3.3 The **SF-CAA** shall contain those terms required by the **APRR**, as amended, including the total number of EDU(s) to be allocated and connected by the applicant
- 4.3.4 **APPENDIX 5** may be required

ARTICLE 9: CAPACITY ALLOCATION AGREEMENTS FOR COMPLEX PROJECTS

The following subsections explain the nature of each of the two Capacity Allocation Agreements Forms of Agreement and processing of the **IRCA** (“**Initial Request to Connect Application**,” p. 46) to formulate these agreements. These agreements apply primarily to multiple-lot developments that require LPA approvals under the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. (“**MLUL**”). The **APPENDICES** contain more comprehensive explanations of the differences between the CAAs and guidelines for choosing the appropriate Form of Agreement. The **APPENDICES** also provide content required in such agreements as established by the **APRR** and the **APPENDICES**.

§ 1. Applicability of TWA Regulations Determine Complexity of CAA to Process

- 1.1 More complex projects needing connections are processed through the signing of a CAA. There are two (2) forms of CAAs: **Short Form-CAA** and **Long Form-CAA**. Whether NJDEP Treatment Works Approval (“**TWA**”) regulations³⁷ apply to the proposed Project determines whether the SF-CAA or LF-CAA applies to the Project.
- 1.2 Applicants who will discharge a maximum daily flow less than 8,000 gpd (<26.67 EDUs) are **exempt** from obtaining a TWA (NJAC 7:14A-22.4). The LTMUA uses **APPENDIX 2.1 Short-Form Capacity Allocation Agreement** (“**SF-CAA**”) for “exempt from TWA” projects.
- 1.3 Applicants who will discharge a maximum daily flow more than 8,000 gpd (>26.67 EDUs) must get a TWA (NJAC 7:14A-22.4). The LTMUA uses **APPENDIX 2.2 Long-Form Capacity Allocation Agreement** (“**SF-CAA**”) for projects requiring TWA approval.

§ 2. **APPENDIX 2.1 Short-Form Capacity Allocation Agreement (“SF-CAA”)**

- 2.1 The TWA exempt applicants shall complete the **IRCA** (**APPENDIX**, p. 46) to enable the BMgr to arrange for drafting of an appropriate **SF-CAA**³⁸.
- 2.2 The applicant must have received minor site plan and/or minor subdivision approval by the LPA under the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. A certified copy of the LPA approval shall be attached to the **IRCA** before an appropriate **SF-CAA** (**APP. 2.1**) may be drafted.
- 2.3 **APPENDIX 5** also may be required

³⁷ Treatment Works Approval by the New Jersey Department of Environmental Protection, N.J.A.C. 7:14A-23 et seq.

³⁸ The content required in the SF-CAA is set forth in **APP. 2.1 (“SF-CAA”)** and is approved as consistent with this Amendment to the APRR and shall be substantially replicated in any LF-CAA authorized by this Amendment to the APRR.

- 2.4 The reservation of the EDU(s) requested for the project shall last for period of two (2) years from the date of the Agreement for a single-phase project. Although unusual for a SF-CAA, should the project consist of more than one (1) phase, for the multi-phase project, each phase shall be reserved for two (2) years as long as each phase, commencing with the 1st phase, was completed by the acquisition of EDU(s) and payment of connection fees within two (2) years as provided in the SF-CAA. The number of EDU connection units will be reserved inchoately and will be registered by the LTMUA BMgr. The inchoate reservation³⁹ of the total number of units for the entire project remains viable on condition that the applicant/developer pays connection fees for and connects the number of units designated in the SF-CAA for completion by the date stated in the SF-CAA, or as extended.

§ 3 **APPENDIX 2.2 Long-Form Capacity Allocation Agreement (“LF-CAA”)**

- 3.1 The TWA applicants shall complete the **IRCA** (**APPENDIX**, p. 46) to enable the BMgr to arrange for drafting of an appropriate **LF-CAA**.⁴⁰
- 3.2 The applicant must have received LPA approval of the application for development for the project under the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. A certified copy of the LPA approval shall be attached to the **IRCA** before an appropriate **LF-CAA** may be drafted.
- 3.3 The applicant must submit a completed a TWA Endorsement Application (Treatment Works Approval by the New Jersey Department of Environmental Protection, N.J.A.C. 7:14A-23 et seq.) with the **IRCA** before an appropriate **LF-CAA** may be drafted.
- 3.4 **APP. 2.2** provides the Form for projects that require LPA approval of the GDP and/or major subdivision and/or site plan approval for the project to be connected to the WRF.
- 3.5 **APPENDIX 5** also may be required
- 3.6 The LF-CAA shall contain the provisions and attachments required by **ART. 10** and, based upon the S/LO’s determination, may also include or exclude provisions that:
- 3.6.1 Based on the nature of the proposed development and site, an applicant (whose flow shall not exceed 8,000 gpd) may request the S/LO to waive or relax a provision(s) of these regulations as long as such shall not cause risk threatening

³⁹ See DEFINITIONS of “inchoate reservation” in ART. 1, DEFINITIONS.

⁴⁰ The content required in the SF-CAA is set forth in **APP. 2.2 (“LF-CAA”)** and is approved as consistent with this Amendment to the APRR and shall be substantially replicated in any LF-CAA authorized by Amendment to the APRR.

the public health, safety, and welfare. The S/LO is granted the discretion to waive such regulation(s) under the conditions noted herein.⁴¹

- 3.6.2 In contrast to §§ 3.6.1 the LTMUA S/LO is further empowered to exercise discretion to incorporate additional provisions into the LF-CAA based on the nature of the project and wastewater flow/loading peculiar to the application that entail a risk that, without the additional provisions providing protection, would threaten the public health, safety, and welfare. The S/LO is granted the discretion to include in the SF-CAA additional provisions under the conditions noted herein.
- 3.7 After the S/LO completes his review of the LF-CAA draft, that may be revised by the LTMUA Solicitor based upon the S/LO's recommendation, the BMgr shall present the approved draft to the applicant for completion and signing. Completion includes appending those attachments required by **ART. 10** except those listed attachments waived by S/LO because the simplicity of the phases within the project does not require them, excluding **Attachment C** that may not be waived and shall be included in every LF-CAA.
- 3.8 After the LF-CAA is reviewed and signed by the applicant and returned to the BMgr , the BMgr shall request the LTMUA Solicitor to prepare a LTMUA Board resolution that approves the LF-CAA and authorizes the S/LO to date and sign the document. The date of the SF-CAA shall be the same as the date of the resolution approving the SC-CAA.
- 3.9 The resolution approving the LF-CAA shall be placed on the agenda of the next regularly scheduled LTMUA Board meeting held at least ten (10) days after the applicant delivered the complete agreement with attachments to the BMgr, signed by both the Applicant and the Applicant's witness.
- 3.10 After the LTMUA Board adopts the resolution, the S/LO shall sign the LF-CAA thereby reserving the total number of EDU connection units necessary to service the entire project for which the connections are sought. The reservation of the EDU(s) requested for the project shall last for period of two (2) years from the date of the Agreement for a single-phase project. Should the project consist of more than one (1) phase, for the multi-phase project, each phase shall be reserved for two (2) years as long

⁴¹ These rules contemplate the S/LO exercising discretion to require a minimal-content form for a single residential lot, not part of a minor subdivision, or a single non-residential use on a lot requiring no infrastructure enhancements other than the sewer lateral connection necessary for occupancy as appears in **APP. 1.2 (Basic-CPA)** and is approved as consistent with this Amendment to the APRR and shall be substantially replicated in any Basic-CPA authorized by this Amendment to the APRR.

as each phase, commencing with the 1st phase, was completed by the acquisition of EDU(s) and payment of connection fees within two (2) years as provided in the SF-CAA. The number of EDU connection units will be reserved inchoately and will be registered by the LTMUA BMgr. The inchoate reservation⁴² of the total number of units for the entire project remains viable on condition that the applicant/developer pays connection fees for and connects the number of units designated in the SF-CAA for completion by the date stated in the SF-CAA, or as extended.

- 3.11 The Resolution approving the LF-CAA shall be placed on the agenda if delivered by the applicant to the BMgr at least ten (10) Business Days before the next regularly scheduled LTMUA Board meeting.
- 3.12 After the LTMUA Board adopts the resolution, the S/LO shall sign the LF-CAA and insert the same date as the approving resolution thereby reserving the total number of EDU connection units necessary to service the entire project for which the connections are sought. The number of EDU connection units will be reserved inchoately and will be registered by the LTMUA BMgr. The inchoate reservation⁴³ of the total number of units for the entire project remains viable on condition that the applicant/developer pays connection fees for and connects the number of units designated in the LF-CAA for completion by the date stated in the LF-CAA, or as extended.

§ 4. Duration of Inchoate Reservation of Capacity and Extensions of Deadlines

- 4.1 In long-term, complex projects (with multiple phases of construction and serial, periodic completion dates for distinct phases) the **LF-CAA** shall establish two (2) year deadlines by detailing the projected dates of each phase and placing a 2-year deadline on each phase. The commencement date for the 1st phase is two (2) years from the date of the LF-CAA. The 2nd phase thereafter commences on the 2nd anniversary of the LF-CAA, the 3rd phase on the 4th anniversary, the 4th phase on the 6th anniversary and so on.
- 4.2 The grant of an inchoate reservation of capacity in CAAs or CPAs shall not expire as long as the developer faithfully performs within the deadlines incorporated into the CAA or CPA to connect the total number of reserved inchoate EDU units. The applicant/developer/owner must perform under the CAAs or CPAs by meeting the time lines established by the LPA approval, the TWA approval, if any, as well as the CAA.
- 4.3 The Short Form - CAA and the Long Form - CAA deadlines are two (2) years from the date of the CAA (or within 2 years of the date of each phase of a multi-phase project set forth in the CAA) as noted §§ 4.1; but their deadlines may be extended for good cause. See **ART. 10**, p. 38.

⁴² See DEFINITIONS OF “inchoate reservation” in ART. 1, DEFINITIONS.

⁴³ See ART. 1, DEFINITIONS, p. 6.

- 4.4 However, at such time as ETF-1's remaining treatment capacity has diminished to ten (10%) percent (i.e., 50,000 gpd), the LTMUA may cease granting extensions unless the funding, approval and construction of ETF-2 (the future 4th expansion of the WRF) has advanced sufficiently to warrant granting an extension without exhausting its WRF's treatment capacity so the public health, safety and welfare will not be in jeopardy.

ARTICLE 10: REQUIRED CONTENT IN THE CAPACITY ALLOCATION AGREEMENTS AND CAPACITY PURCHASE AGREEMENTS

After the BMgr has accepted a completed IRCA with required attachments, the BMgr shall arrange for the drafting of the appropriate CPA or CAA provided in the APPENDICES. If the LTMUA determines a CAA is required to process the connection request, the following guidelines and APPENDICES apply.

Both the Short Form - Capacity Allocation Agreement ("SF-CAA") and the Long Form - Capacity Allocation Agreement ("LF-CAA") contain common provisions. These common provisions are mandatory for both forms, unless waived by the S/LO in SF/CAAs in accordance with **APRR** Guidelines.

§ 1. Mandatory Content for All Capacity Allocation Agreements

Every applicant seeking to purchase capacity from the LTMUA shall sign a CAA that contains the following mandatory provisions:

- 1.1 Name, address, and contact information of the applicant and developer and owner of the site needing connections (and the authorized agent of the owner, if applicable)
- 1.2 Name of project, address of site to be connected and block and lot identification from the Tax Map
- 1.3 A certified copy of the Resolution or other official document of the LPA that granted preliminary approval (if the nature of the application required preliminary and final approval) or LPA final approval (if the nature of the application for development did not require preliminary approval before granting final approval, such as minor subdivisions, minor site plan projects, and the like) shall be attached together with a provision that shall state: "A certified copy of the LPA preliminary approval or final approval (depending on the nature of the application for development) is annexed as **Attachment A** and incorporated herein and made a part hereof as if fully set forth in this CAA."
- 1.4 A list of all approved permits and pending permits from all governmental bodies having jurisdiction, beginning with the LPA application for development under the M.L.U.L., followed by NJDEP (TWA, if applicable), NJDOT (if applicable), and the County Planning Board (if applicable) and other essential permits (including payments of connection fees that converts inchoate EDUs to a connection permit) that must be acquired before the site may connect to the WRF System. The provision shall state: "The list of all required permits or approvals (categorized in a Table containing three (3)

headings “APPROVED” and “PENDING” and “TO BE SUBMITTED”) from all governmental bodies having jurisdiction is attached as **Attachment B** to the CAA and is incorporated herein and made a part hereof as if fully set forth in this CAA.”

- 1.5 The CAA shall incorporate the commencement date and completion deadline for a single, non-phased project and/or commencement dates and completion deadlines for each phase of a multi-phased project. A provision shall state: “For this single-phase-project known as [insert project name] the commencement date is [insert date] and the completion date is [insert date].”
- 1.6 “For this multi-phase-project known as [insert project name] the commencement dates and completion dates of each phase are listed in **Attachment C** and the list is incorporated herein and made a part hereof as if fully set forth in this CAA.” **Attachment C**, if applicable, will be drafted as follows: top line states TITLE OF PROJECT; second line is a table containing three (3) headings above three (3) columns named: PROJECT PHASES then START DATE then COMPLETION DATE.
- 1.7 The CAA shall incorporate a description of all essential infrastructure improvements and completion dates for them or, if a multi-phased development project is involved, a description of the infrastructure improvements for each phase and the dates of completion of the infrastructure for each phase. A provision shall state: “For this single-phase-project known as [insert project name] the essential infrastructure improvements are [insert completion date on installation of essential infrastructure].”
- 1.8 “For this multi-phase-project known as [insert project name] the commencement dates and completion dates of each phase of infrastructure improvements are described and listed in **Attachment D** and the list is incorporated herein and made a part hereof as if fully set forth in this CAA.” **Attachment D**, if applicable, will be drafted as follows: top line states TITLE OF PROJECT; second line is a table containing three (3) headings above three (3) columns named: STAGES of INFRASTRUCTURE then START DATE then COMPLETION DATE. In Column 1, under STAGES etc., a description of essential infrastructure to be installed in chronological order starting with: “Stage 1 Infrastructure consists of;” then the 2nd entry under the STAGES etc. column describes “Stage 2 Infrastructure consists of;” then remaining stages described chronologically as was done in Stage 1 and Stage 2. START DATE then COMPLETION DATE shall be inserted in appropriate location in Column 2 and 3, etc.
- 1.9 A provision stating: “The Allocation Policy-Fundamental Principles” provided in APPENDIX 3, p. 90 is attached and is incorporated herein and made a part hereof as if fully set forth in this CAA.”
- 1.10 A provision stating: “The number of EDU(s) required for the project is [insert numeral] and this [repeat numeral] is the number of inchoate reservations of EDU capacity for this Project known as [insert complete name of project from Attachment A].”

- 1.11 A provision stating: “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, any remaining inchoate EDU(s) reserved for that project revert to the LTMUA” (i.e., unconnected EDU(s) for which no connection fee was paid).
- 1.12 A provision stating: “The LTMUA shall issue inchoate (see APPENDICES § 10 of LF-CAA, p. 88) 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 authorized phases of the 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 connection EDU permits) in accordance with the CAA.”
- 1.13 In the event of unconnected EDU(s) (for which connection fees were paid but never connected) remaining after a project is completed or abandoned before completion, a provision shall provide: “LTMUA is granted the right of first refusal should the applicant/developer/owner seek purchasers for those unconnected sewer connection units for which connection fees have been paid. The offer shall be processed according to **ART. 10 §1.11.**”
- 1.13.1 The offer of first refusal shall be delivered by personal service on the LTMUA BMgr, 69 Jefferson Lane, Logan Township, NJ 08085, or served on the BMgr by certified mail, return receipt requested.
- 1.13.2 The offer shall terminate not earlier than forty-five (45) days from the date of receipt of the offer.
- 1.13.3 The charge to repurchase the EDU(s) shall not exceed the amount charged to the applicant/developer/owner when the EDU(s) was/were acquired from the LTMUA by payment of the connection fee at that time.
- 1.13.4 After expiration of the 45-day offer period, or an earlier date should the LTMUA reject the offer before expiration of the 45-day deadline, the sale price of the EDU(s) shall not exceed the amount of the connection fee charged by the LTMUA when it was purchased by the applicant/developer.
- 1.14 A provision stating: “The applicant/developer/owner is protected by a “force majeure” occurrence under this CAA if a force majeure event prevents timely completion of required improvements within the dates specified in the CAA subject to the condition that the project was insured against such occurrence by the applicant/owner/developer. The Certificate of Insurance shall be presented to the BMgr before the S/LO signs the CAA.” If recommended by the S/LO, the LTMUA may allow, for a commercially reasonable period of time, extension of the term of the CAA’s inchoate reservations of treatment capacity in the developer’s current and future phases of completion on condition that:

1.14.1 The developer eliminates the damage caused by the “force majeure” in a commercially reasonable manner and

1.14.2 Proceeds to develop the next phase in a timely manner.

1.15 A provision stating that: “An applicant/owner/developer may request an extension of the CAA deadline **before its expiration date** by delivering the request to the office of the Business Manager or by mailing the request for a deadline extension by certified mail, return receipt requested, to the LTMUA, Attn: BMgr, 69 Jefferson Lane, Logan Township, NJ 08085 **prior to such deadline.**” A timely request for extension shall be processed under **ART. 11**.

§ 2. Preparing a CAA⁴⁴

- 2.1 No application to reserve EDUs may be accepted until the applicant has presented a certified copy of the LPA preliminary approval of the application for development of the project for which reservation of treatment capacity is sought.
- 2.2 For a project requiring a LF-CAA, no application to reserve EDUs may be accepted until the applicant has filed a completed request for a TWA endorsement of the project from the S/LO of the WRF. Documentation required to draft the LF-CAA is substantially produced by a properly completed request for the TWA endorsement.
- 2.3 For a project needing a SF-CAA or LF-CAA, this **ART. 10, § 1** lists the documentation (and attachments) the applicant must produce and attach before the CAA will be presented for approval.
- 2.4 The lapse of the LPA approval or expiration of the TWA, if applicable, terminates the inchoate reservation of EDUs. The applicant has the burden of meeting these MLUL and TWA expiration dates for each phase of the approved development or, in the alternative, successfully obtaining an extension of the deadlines for the project or the phase of the project approved by the LPA.
- 2.5 As long as the developer/applicant/owner meets the commitment to connect the total number of units within each phase of the development on or before the deadline in the CAA, and pays connection fees for those units connected within each phase, the LTMUA shall continue to recognize the total inchoate reservation for the total number of EDU connection units of the project less the number of units connected.

⁴⁴ These regulations anticipate that applicants who qualify for a Short Form - CAA shall require less onerous documentation. The creation of the Short Form - CAA and the Long Form - CAA is a work in progress. Upon completion, the forms shall be approved by a Resolution adopted at a regular meeting of the LTMUA. After the Resolution has been 33 adopted, the form shall be attached as a schedule to ART. 10 of the **LTMUA RULES and REGULATIONS**. The form shall also appear on the LTMUA website. Not all provisions under ART. 10 may apply nor be required for inclusion into the Short Form - CAA.

§ 3. CAA Deadline

- 3.1 The Short Form - CAA and the Long Form - CAA deadlines are two (2) years from the date of the CAA (or within 2 years of the date of each phase of a multi-phase project set forth in the CAA) as noted in **ART. 9, §§ 4.1**; but may be extended for good cause. See **ART. 10**, p. 38.

ARTICLE 11: EXTENSION OF A CPA or CAA DEADLINES [Reserved]

ARTICLE 12: REVOCATION AND RECAPTURE OF ALLOCATED BUT UNCONNECTED EDUs [Reserved]

ARTICLE 13: CONNECTION PERMIT AND LAPSED PERMIT FEE SCHEDULE [Reserved]

ARTICLE 14: SEVERABILITY AND WAIVER

§ 1. Severability

- 1.1 If a court of competent jurisdiction invalidates any provision, section, subsection, paragraph, clause, or word of LTMUA Rules & Regs, such order of judgment shall not affect or invalidate the remainder of any provision, section, subsection, paragraph or clause of these Rules and Regulations, and to this end the provisions of this Chapter are declared to be severable.

§ 2. Exception or Waiver

- 2.1 The LTMUA shall have the power to grant such exceptions and waivers from the requirements of its RULES AND REGULATIONS as may be reasonable and within the general purpose and intent of the provisions of this CHAPTER ___ if the literal enforcement of one or more provision of LTMUA Rules & Regs is impracticable or will exact undue hardship because of peculiar conditions pertaining to the application in questions. The LTMUA may grant such relief as may be reasonable and in the best interests of the public and in accordance with the general purposes and intent of these requirements. In making its findings, the LTMUA shall consider the nature of the proposed use, the existing use, the existing use of the land in the vicinity, the number of persons who will reside or work in the facilities being proposed, and the probable effect of the proposed application on sanitary sewer facilities in the vicinity. The granting of relief under this section shall not be detrimental to the public welfare, injurious to the surrounding property and not detrimental to the development of sanitary sewer facilities within the service area of the LTMUA.

APPENDICES

to the

ALLOCATION POLICY

RULES and REGULATIONS⁴⁵

⁴⁵ These Appendices contain an Initial Request to Connect Form and five (5) Forms of Agreement that the Logan Township Municipal Utilities Authority (“LTMUA”) shall use to process requests to reserve and/or connect to the LTMUA’s Wastewater Reclamation Facility (“WRF”) in Logan Township, Gloucester County, NJ 08085 in accordance with the Allocation Policy Rules and Regulations (“APRR”) (adopted May 28, 2019, amended June 25, 2019, July 23, 2019 and August 27, 2019)

INTRODUCTION TO APPENDICES

Shortly after June 1, 2019, the LTMUA expanded its wastewater treatment services by completing the ETF-1 Project (500,000 gpd addition) that increased total wastewater treatment capacity from its WRF to 2.5 mgd. The LTMUA adopted the APRR and the APPENDICES to administer the acceptance, processing and monitoring of applications to connect to and/or reserve connections to its WRF. Applicants seeking to connect to the capacity added by ETF-1 must comply with these new rules and regulations. The APRR overrules any prior LTMUA rule or regulation inconsistent with the recently adopted APRR, as amended.

The APPENDICES provide further guidance to Applicants seeking connection to the WRF by summarizing basic steps and providing an Initial Request to Connect Application Form (“IRCA”) and five (5) Forms of Agreement specifically authorized and approved for use by any Applicant requesting to connect to the WRF. The LTMUA, through its Superintendent/Licensed Operator (“S/LO”) and its Business Manager (“BMgr”), shall administer these APRR and Forms of Agreement on behalf of the LTMUA.

Summary of APRR to Process Applications to Connect to the LTMUA WRF

1. Every EDU of capacity taken from ETF-1 must have a document containing terms of allocation of capacity signed by the APPLICANT and filed in the LTMUA Office. Many applications will require prior Board approval by adoption of a resolution at a LTMUA meeting. To start the process, the APPLICANT completes the IRCA Form (p. 46).
2. Upon completion and delivery of this IRCA Form (including attachments) to the S/LO, the LTMUA shall use the information to arrange for drafting the appropriate contract to reserve and/or connect.
3. Connection fees are due on the date required by the signed and approved document allocating capacity (i.e., one of 5 Forms of Agreement a/k/a APP. 1.1, 1.2, 1.3, 2.1, and 2.2) in these APPENDICES. APPENDIX 3 (Allocation Policy Principles) shall be attached to every agreement requiring adoption of a LTMUA resolution authorizing and approving the appropriate Capacity Purchase Agreement (“CPA”) or Capacity Allocation Agreement (“CAA”).
4. The LTMUA Board requires adoption of a resolution that authorizes the S/LO to: (a) sign the appropriate Form of Agreement to reserve capacity; (b) to receive payment of connection fees (unless exempted under the APRR) on due dates determined by the document approved by resolution; ¹ and (c) to issue an EDU connection permit subject to

¹ The current connection fee is five thousand five hundred twenty-eight dollars (\$5,528) 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 provided in these APPENDICES are subject to change as noted

the terms of the signed agreement. The Basic Capacity Purchase Agreement, APP. 1.2 (“BASIC-CPA”) shall contain these provisions but does not require prior approval by LTMUA Board resolution. Nonetheless, for the purpose of accurate tracking of every EDU connection unit reserved and/or connection permit issued, a LTMUA Board resolution shall be adopted at the end of each fiscal year that lists details of each APP. 1.2 connection agreement issued by the S/LO during the year.

5. Generally, before the LTMUA considers adopting the LTMUA Board resolution, the document containing the terms of allocation must be signed by the APPLICANT for connection and received by the LTMUA BMgr at least ten (10) days prior to the regularly-scheduled monthly LTMUA Board Meeting.
6. The LTMUA staff, under supervision of the BMgr, shall record a certified copy of the approving resolution in the appropriate Allocation of ETF-1 Capacity File.
7. The LTMUA S/LO, with the assistance of the BMgr, shall monitor performance under the approved document, including keeping an “EDU Connection Unit Calendar.” The “Calendar” shall contain, at minimum, the reference # of each document (including APP. 1.2 Basic-CPA) and each subsequent date on which connection fees are due and EDU permits issued, according to the timetable established in the document. See fn. 1 below regarding the mutability of the connection fee.
8. As required by the APRR, the BMgr shall issue to the LTMUA Board an Annual Report (pre-approved by the S/LO), that accounts for the portion of the 500,000 gpd of original ETF-1 capacity allocated for the period starting June 1, 2019. The Report shall state the number of connections made during the preceding fiscal year, the balance of reserved but unconnected EDUs, the amount of unreserved capacity remaining in the WRF as well as other data deemed significant by the LTMUA Board, S/LO, and/or BMgr.
9. Except for specific provisions waived by the S/LO in accordance with APRR standards, any application to the LTMUA for connections to the WRF or a reservation of capacity from ETF-1 shall be completed according to the APRR and its APPENDICES (Forms of Agreement APP. 1.1 through 2.2). The forms are available for review on the LTMUA website (loganmua.com).
10. The APRR, as amended, creates an accounting system for treatment capacity availability. It secures adequate capacity and provides data to the LTMUA to properly monitor, plan, design, finance and build additions to its WRF (i.e., ETF-2) sufficiently in advance to avoid inadequate treatment capacity stalemating future land use development in the Sewer Service Area entrusted to the LTMUA. See **APRR, ART. 5: JUDICIAL GUIDELINES FOR ALLOCATION OF CAPACITY REGULATIONS.**

Initial Request to Connect Application (“IRCA”)

I, the undersigned APPLICANT, request the Logan Township Municipal Utilities Authority (“LTMUA”) to provide Wastewater Reclamation Facility (“WRF”) Services by issuing/reserving EDU Connection Permits to connect my site to its ETF-1 500,000 gpd addition to the WRF. I understand my request to reserve and/or issue EDU connection permit(s) to connect my site to its WRF shall be processed according to the ALLOCATION POLICY RULES AND REGULATIONS (“APRR”), as amended. I further understand a current \$5,528.00 connection fee, or the one in effect at the time a connection permit is issued, shall be paid for each EDU connection unit allocated to the following property:

§ 1. APPLICANT INFORMATION

Name: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

§ 2. PROPERTY CONNECTION or to be CONNECTED

Address: _____

Tax Block: ____ Lot: ____

Description of Project: _____

§ 3. EDUs

Current EDU(s) Issued: _____

EDU(s) to be acquired: _____

Total EDU(s) for site: _____

§ 4. OTHER REQUIRED GOVERNMENT PERMITS

4.1 Is LPA approval required to connect the site requested? **Circle: Yes or No.** If required, attach the LPA Approval Resolution with documents identified in the Resolution.

4.1.1 If the LPA Approval Resolution required is not attached, the LTMUA will not process this application until the LPA approval Resolution in its entirety is attached to this Initial Request application.

4.2 Is a TWA approval required to connect to the site requested? **Circle: Yes or No.** If required, attach the completed TWA request for LTMUA endorsement of the TWA.

4.2.1 If the TWA is required and the completed TWA request for LTMUA endorsement is not attached, the LTMUA will not process this application until the APPLICANT's LTMUA TWA endorsement application is attached to this Initial Request

4.3 Attach a list of all other government permits or approvals required for this project.

4.3.1 For each permit approval, state whether the permit/approval has been granted, denied, pending or not applied for by APPLICANT. If pending, include the application or permit number assigned by the government agency.

§ 5. PROCESSING AFTER DELIVERY OF COMPLETED IRCA APPLICATION

5.1 Upon completion and delivery of this IRCA Form, (including attachments,) to the S/LO, the LTMUA shall use the information to arrange for drafting the appropriate contract to reserve and/or connect.

5.2 After the LTMUA drafts the contract, it will send it to the APPLICANT for review and signing by the APPLICANT and a Witness.

5.3 After the signed contract prepared by the LTMUA is delivered to the LTMUA BMgr, the contract shall be placed on the Agenda for review and approval by Resolution of the LTMUA Board adopted at its next regularly-scheduled meeting held at least ten (10) business days after the signed contract was delivered to the BMgr.

DATE:

APPLICANT
BY:

Signature

Type or Print Name

CPA Forms of Agreement Required by APRR

Appendix 1.1: 90-Day Capacity Allocation Agreement (“90-Day CPA”)

1. Appendix 1.1 provides the Form for sites already connected that exceed permitted capacity treatment limits.
2. The 90-Day CPA shall contain those terms required by the APRR, as amended, including the number of existing EDU connection units pre-ETF-1 operation, those additional EDU(s) to be credited against ETF-1 capacity, and the total number of EDU(s) allocated and connected by the APPLICANT.
3. Addition of the EDU(s) should materially lessen the probability that the wastewater flow/loading from the site would exceed permitted capacity treatment limits.

Appendix 1.2: Basic Capacity Purchase Agreement (“Basic-CPA”)

1. Appendix 1.2 provides the Form for persons on septic systems seeking to connect.
2. The Basic-CPA may also be used by persons who seek connection to a residential or business retail structure that does or did not require any LPA approval.

Appendix 1.3: Short-Form Capacity Purchase Agreement (“SF-CPA”)

1. Appendix 1.3 provides the Form for SF-CPA for small projects on a lot(s) intended for domestic or business retail use that do not require LPA approval.
2. The SF-CPA shall contain those terms required by the APRR, as amended, including the total number of EDU(s) to be allocated and connected by the APPLICANT.
3. **Appendix 5 may be required.**

CAA Forms of Agreement Required by APRR

Appendix 2.1: Short-Form Capacity Allocation Agreement (“SF-CAA”)

1. Appendix 2.1 provides the Form for projects that require minor site plan and/or minor subdivision approval by the LPA.
2. The SF-CAA shall contain those terms required by the APRR, as amended, including the total number of EDU(s) to be allocated and connected by the APPLICANT.
3. **Appendix 5 also may be required.**

Appendix 2.2: Long-Form Capacity Allocation Agreement (“LF-CAA”)

1. Appendix 2.2 provides the Form for large-scale projects that require LPA approvals such as GDPs, major subdivisions, major site plans, and usually require numerous other governmental permits that involve long-term multi-phased construction over many years.
2. The LF-CAA shall contain those terms required by the APRR, as amended, including the total number of EDU(s) to be allocated and connected by the APPLICANT.
3. **Appendix 5 also may be required.**

APPENDICES to Supplement the APRR Forms of Agreement

Appendix 3: Summary of Allocation Policy Principles

1. Shall be attached to each CPA or CAA contract
2. See **ART. 8, § 1**

Appendix 4: LTMUA Water Use Chart

1. The LTMUA Water Use Chart lists the number of gallons per day (“gpd”) of wastewater flow/loading from various and sundry residential and non-residential sources to help calculate the number of EDUs necessary for a proposed connection to the WRF.
2. The APPLICANT may use this chart to help make the decision on the minimal number of EDUs that may be necessary to reasonably accommodate the anticipated wastewater flow/loading from its site/structure. The S/LO will apply the Water Use Chart to evaluate the APPLICANT’s request for EDUs to connect to the WRF because the S/LO is required by NJDEP regulations to manage EDU connection requests based upon the current wastewater treatment capacity of the WRF at the time EDUs are requested.

Appendix 5: Wastewater Questionnaire for Commercial and Industrial Users

1. This questionnaire shall be attached to every application to connect wastewater from commercial or industrial users.
2. If the need for this document is questioned by a commercial or industrial APPLICANT, any waiver must be in writing and approved and signed by the S/LO. Otherwise, the completed Questionnaire is required.

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. 52). 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 and fn. 1 located immediately below the Title.

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

Ref. #2019.06.01_90-Day CPA_R.22-19_Proj.Log._Big Bank¹

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 # ____ - ____², adopted _____³

THIS AGREEMENT dated _____⁴

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

_____⁵,

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

WITNESSETH:

¹ Ref. #2019.06.01_90-Day CPA_R.22-19_Proj.Log._Big Bank” is a sample Reference #. To secure tracking of allocation of EDUs, a Reference # must be included in every agreement (i.e., APP. 1.1, 1.2, 1.3, 2.1 and 2.2) and in every approving Resolution for tracking, archiving, and reporting purposes. The correct form and content for this **90-Day CPA** is : (a) assuming the Resolution was adopted June 1, 2019 – its date format is “#2019.06.01;” (b) assuming the Resolution number is Resolution 22-19, its Resolution format is “**R.22-19**;” (c) its municipal location format is “**Proj.Log.**” for a project located in Logan Township, (or “**Proj.Wool**” if in Woolwich Township); (d) the final insertion for “Project Name” in the sample is “**Big Bank**” (or if the Project had no name assigned by the LPA or TWA approval was not required, insert the site’s street address that appears in the APPLICANT’s IRCA).

² See fn. 1 above. Insert Resolution number.

³ See fn. 1 above. Insert date the Resolution approving the 90-Day CPA was adopted.

⁴ Insert date of Resolution because it controls date of the Agreement

⁵ Insert **APPLICANT’s** name, street address, city, zip code.

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 _____⁶ additional EDU(s) are required to increase the total EDU limit on wastewater flow/loading from the APPLICANT’s site to _____⁷ 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 _____⁸ 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 dollars (\$5,528) for each of the _____⁹ additional EDUs to be acquired under this Agreement, for a total connection fee payment of \$ _____¹⁰ 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;

⁶ Insert the number (use numeral) of additional EDUs the APPLICANT seeks to acquire. Example: if 5 EDUs are to be acquired insert the numeral “5.” See §§ 3.2 of this Agreement for the numeral to insert.

⁷ Insert total number (use numeral) of EDU connection units for the APPLICANT’s site from §§ 3.3 of this Agreement.

⁸ See fn. 6.

⁹ See fn. 6.

¹⁰ Insert the dollar amount produced by multiplying the number of additional EDUs in §§ 3.2 by the current connection fee of \$5528.

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

Name: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

§ 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 \$ _____¹¹ for the additional EDUs 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 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.

¹¹ Insert the total dollar amount calculated in fn. 10.

- 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 § 8.3 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 § 8, 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 § 8.

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:

12

13

Title: _____ 14

REMINDER: Insert **APPENDIX 3** (p. 90) immediately after this signature page

¹² Type or Print the Name of the Witness below the line

¹³ Type or Print the Name of the Signatory for the Applicant below the line

¹⁴ Type or Print the Title held by the Applicant on the line

APPENDIX 1.2: BASIC CAPACITY PURCHASE AGREEMENT (“BASIC-CPA”) is intended for use by:

1. APPLICANT who is connected to a septic system and seeks to connect to WRF and other APPLICANTS whose “project” meets the criteria in this section
2. Local Planning Agency approval under the Municipal Land Use Law is NOT required
3. involves a “small” project needing little or no phasing of minimal stages of construction
4. user expects to connect all EDU(s) within 18 months of signing the Basic-CPA
5. typically involves a single-stage, one-lot, residential or commercial structure
6. is NOT part of an already-connected facility whose wastewater flow/loading exceeds the treatment capacity limit (See 90-Day CPA)
7. is NOT intended for long-term, multi-stage projects like major site plans or large residential subdivisions that require numerous governmental permits or approvals and reservation of inchoate capacity over many phases of construction (See LF-CAA)

The Basic-CPA Form to use starts on the next page (p. 60). The Basic-CPA to be signed and submitted by the APPLICANT/OWNER must begin with the Title of the CPA and include the Reference number and fn. 1 located immediately below the Title.

TITLE: BASIC CAPACITY PURCHASE AGREEMENT (“BASIC-CPA”)

Ref. #2019.06.01_Basic-CPA_R.22-19_Proj.Log._Big Bank ¹

The parties agree to enter this **Basic-CPA** between the LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (“LTMUA”) and the APPLICANT (identified below). It provides for the APPLICANT to offer to connect to the LTMUA’s 500,000 gpd ETF-1 addition to the LTMUA Wastewater Reclamation Facility (“WRF”) located at 69 Jefferson Lane, Logan Township, Gloucester County, NJ 08085. It further provides for the LTMUA to accept the offer. Under the Basic-CPA, after payment of the connection fee, the LTMUA issues a connection permit for the EDU(s) acquired under the Basic-CPA and shall be memorialized by an LTMUA Resolution to be adopted at the end of the fiscal year.

RESOLUTION # ____ - ____ ², adopted _____ ³

I, the undersigned, request that one (1) EDU be issued to me and offer and agree to pay a \$5,528.00 connection fee for one (1) EDU for the following property:

§ 1. APPLICANT INFORMATION

Name: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

¹ Ref. #2019.06.01_Basic CPA_R.22-19_Proj.Log. 123 Main Street is a sample Reference #. To secure tracking of allocation of EDUs, a Reference # must be included in every agreement (i.e., APP. 1.1, 1.2, 1.3, 2.1 and 2.2) and in every approving Resolution for tracking, archiving, and reporting purposes. The correct form and content for this **Basic-CPA** is : (a) assuming the Resolution was adopted June 1, 2019 – its date format is “#2019.06.01;” (b) assuming the Resolution number is Resolution 22-19, its Resolution format is “**R.22-19**;” (c) its municipal location format is “**Proj.Log.**” for a project located in Logan Township, (or “**Proj.Wool**” if in Woolwich Township); (d) the final insertion states the site’s street address (e.g., **123 Main Street**) that appears in the APPLICANT’s IRCA.

² Insert Resolution Number

³ Insert Date Resolution was Adopted

§ 2. PROPERTY CONNECTION

Address: _____

Tax Block: _____ Lot: _____

Description of Project: _____

§ 3. CONNECTION FEE FOR EDU CONNECTION PERMITS

Current EDU(s) Issued: None

EDU to be acquired: 1

Total Connection Fee for site: \$5,528 (1 EDU x \$5,528) ⁴

§ 4. REPRESENTATIONS BY APPLICANT

- 4.1 The Project for which an EDU is sought under this Basic-CPA does not require any additional 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.
- 2 A connection fee for the EDU shall be paid by the APPLICANT. Thereafter, the LTMUA shall issue one (1) EDU for connection no later than two (2) years from the date of the LTMUA's acceptance of this Offer to obtain the 1 EDU.
- 4.3 No essential infrastructure improvements are necessary to handle the additional flow/loading added by the EDU issued under this Basic-CPA or, if any infrastructure improvements are necessary, APPLICANT shall install such improvements not later than eighteen (18) months from the date of the accepted Offer.

§ 5. REPRESENTATIONS BY THE LTMUA

- 5.1 The S/LO certifies that ETF-1 has sufficient unused treatment capacity to accommodate the reasonably anticipated wastewater flow/loading from APPLICANT's single-lot property under the terms of the Basic-CPA.

⁴ See fn. 1, p. 44, "Introduction to Appendices"

5.2 The LTMUA’s Superintendent/Licensed Operator accepts APPLICANT’s offer to acquire 1 EDU under the terms recited herein.

APPLICANT

BY:

_____ ⁵

LOGAN TOWNSHIP MUNICIPAL
UTILITIES AUTHORITY

BY:

CHRISTOPHER WHALEN
Title: LTMUA Superintendent/Licensed Operator

REMINDER: Insert **APPENDIX 3** (p. 90) immediately after this signature page

⁵ Type or Print the Name of the Applicant below the line

APPENDIX 1.3: SHORT-FORM CAPACITY PURCHASE AGREEMENT (“SF-CPA”) is intended for a project that:

1. involves a connected facility that seeks additional EDUs
2. LPA approval is NOT required
3. the connected facility is NOT violating flow/loading limits from its current connection
4. is NOT connected to a septic system (see Basic-CPA)
5. is a small project typically expected to connect all EDUs within 18 months of the SF-CPA
6. is generally a single-stage, one-lot residential or commercial project
7. has no need for long-term, reserved capacity, although 2 years is permitted by the SF-CPA
8. requires a completed Industrial/Commercial Wastewater Questionnaire if the connected use is industrial or commercial

The SF-CPA Form to use starts on the next page (p. 64). The SF-CPA to be signed and submitted by the APPLICANT/OWNER must begin with the Title of the CPA and include the Reference number and fn. 1 located immediately below the Title.

TITLE: SHORT-FORM CAPACITY PURCHASE AGREEMENT (“SF-CPA”)

Ref. #2019.06.01_SF-CPA_R.22-19_Proj.Log._Big Bank ¹

The parties agree to enter this **SF-CPA** between the LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (“LTMUA”) and the APPLICANT (identified below in this SF-CPA). It provides for the purchase of additional EDU(s) of Treatment Capacity from the 500,000 gpd ETF-1 addition for a site already connected to the LTMUA Wastewater Reclamation Facility (“WRF”) located at 69 Jefferson Lane, Logan Township, Gloucester County, NJ 08085 and authorized by

RESOLUTION ____ - ____ ² adopted _____ ³

THIS AGREEMENT dated _____ ⁴

By and Between:

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

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

and

_____, ⁵

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

WITNESSETH:

¹ Ref. #2019.06.01_SF-CPA_R.22-19_Proj.Log._Big Bank” is a sample Reference #. To secure tracking of allocation of EDUs, a Reference # must be included in every agreement (i.e., APP. 1.1, 1.2, 1.3, 2.1 and 2.2) and in every approving Resolution for tracking, archiving, and reporting purposes. The correct form and content for this **SF-CPA** is : (a) assuming the Resolution was adopted June 1, 2019 – its date format is “#2019.06.01;” (b) assuming the Resolution number is Resolution 22-19, its Resolution format is “**R.22-19**;” (c) its municipal location format is “**Proj.Log.**” for a project located in Logan Township, (or “**Proj.Wool**” if in Woolwich Township); (d) the final insertion for “Project Name” in the sample is “**Big Bank**” (or if the Project had no name assigned by the LPA or TWA approval was not required, insert the site’s street address that appears in the APPLICANT’s IRCA).

² See fn. 1 above. Insert Resolution number. Example from sample: 22-19.

³ See fn. 1 above. Insert date the Resolution approving the SF-CPA was adopted. Example from sample: 6/1/2019

⁴ See fn. 1 above. Insert date the Resolution approving the SF-CPA was adopted. Example from sample: 6/1/2019

⁵ Insert **APPLICANT’s NAME**, street address, city, zip code.

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 flow/loading through a current connection to the LTMUA WRF System; and

WHEREAS, the APPLICANT anticipates an increase of actual wastewater flow/loading into the LTMUA WRF System; and

WHEREAS, the APPLICANT has investigated the site’s discharge data and has determined that _____⁶ additional EDU(s) are required to increase the total EDU limit on wastewater flow/loading from the APPLICANT’s site to _____⁷ EDU(s) 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”) disclaim any responsibility for APPLICANT’s actual wastewater flow/loading (should it exceed the increased EDU limit chosen by the S/LO) and agrees the APPLICANT alone has the discretion to acquire the number of EDU(s) for the facility because the APPLICANT is responsible for controlling the actual wastewater flow/loading from the site/structure for which the EDU(s) are requested; and

WHEREAS, the APPLICANT understands it, he or she may be responsible for payment of fines and penalties should actual wastewater flow/loading from the facility exceed the total treatment capacity limit increased by the additional _____⁸ EDU(s) that the APPLICANT decided to obtain; and

WHEREAS, APPLICANT acknowledges that this Short-Form Capacity Purchase Agreement requires APPLICANT to pay the current connection fee of five thousand five hundred twenty-eight dollars (\$5,528) for each of the _____⁹ additional EDUs to be acquired under this Agreement, for a total connection fee payment of \$ _____¹⁰ and the EDUs must be connected not later than ninety (90) days from the date of the LTMUA Resolution authorizing the execution of this CPA;

⁶ Insert the number (use the numeral) of additional EDUs the APPLICANT seeks to acquire. Example: if 5 EDUs are to be acquired insert the numeral “5.” See §§ 4.2 of this Agreement for the numeral to insert.

⁷ Insert total number (use the numeral) of EDU connection units for the APPLICANT’s site from §§ 4.3 of this Agreement.

⁸ See fn. 6.

⁹ See fn. 6.

¹⁰ Insert the dollar amount produced by multiplying the number of additional EDU(s) in §§ 3.2 by the current connection fee of \$5,528.

WHEREAS, APPLICANT acknowledges that this SF-CPA requires APPLICANT to pay the connection fee in effect at the time of connection in accordance with the timeline(s) established in this SF-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 the APPLICANT: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

1.2 Name of the OWNER of Site: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

§ 2. PROJECT SITE ALREADY CONNECTED

2.1 Address of connected property: _____

2.2 Tax Block: _____ Lot: _____

2.3 Description of the Use of the Property: _____

§3. CONNECTION FEES

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

3.2 The number of EDUs to be acquired is _____¹¹

3.3 The total connection fee is \$ _____¹² (\$5,528 X _____)¹³

§ 4. EDUs

4.1 Total number of EDU(s) connected before this SF-CPA: _____¹⁴

4.2 The number of EDU(s) added by this SF-CPA: _____¹⁵

4.3 Total EDU(s) for the site after signing this SF-CPA: _____¹⁶

SUMMARY: _____¹⁷ EDU(s) (the total number of EDU(s) added by this SF-CPA for the entire Project) is the number of inchoate reservations of EDU capacity for this site.

§ 5. REPRESENTATIONS BY APPLICANT

5.1 The facility/structure for which EDUs are sought under this SF-CPA does NOT require: (a) any governmental permit or approval or, if required, have already been acquired from the Local Planning Agency under the New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.; (b) a Treatment Works Approval from the New Jersey Department of Environmental Protection, ("NJDEP"), N.J.A.C. 7:14A-23 et seq. or, if the TWA was required, it has been issued to the APPLICANT; (c) approval by the Gloucester County Planning Board or, if the County Planning Board approval was required, it has been issued to the APPLICANT; (d) any other NJDEP permits or approvals; or, if required, have already been acquired from NJDEP. APPLICANT has completed and attached **Attachment C** as follows:

5.1.1 The governmental permits required and obtained, if any, are listed on **Attachment C (List of Required Permits)** and incorporated herein. The list must include the name of the permitting agency, the permit number, the date of issue of the permit, and expiration date (if any) of the permit.

5.1.2 If no government approval is required, **Attachment C** shall note that accordingly.

¹¹ Insert number of EDU(s) the APPLICANT decided to acquire. See fn. 6.

¹² Insert the product of multiplying the numeral of additional EDUs found in §§ 3.2 by the current connection fee (presently \$5,528).

¹³ Insert the number of EDU(s) from §§ 3.2.

¹⁴ Insert the number of EDU(s) connected to the site before this SF-CPA.

¹⁵ Insert the number of EDU(s) added by this SF-CPA.

¹⁶ Insert the sum of number of EDUs from §§ 4.1 and §§ 4.2. See fn. 1, p. 44, "Introduction to Appendices"

¹⁷ Insert the number of EDUs from §§ 3.2

- 5.2 Connection fees for the _____¹⁸ EDU(s) in the sum of _____¹⁹ shall be paid no later than two (2) years from the date of adoption of the LTMUA Resolution authorizing execution of this Agreement. Thereafter, the LTMUA shall issue the connection permits for the EDU(s).
- 5.3 No essential infrastructure improvements are necessary to handle the additional flow represented by the additional EDU(s) issued under this SF-CPA or, if any infrastructure improvements are necessary, such improvements shall be installed not later than eighteen (18) months from the date of the Resolution approving the SF-CPA.
- 5.4 APPLICANT understands and agrees that if the connection fees are not paid and EDU(s) are not issued prior to the 2-year deadline established herein, the LTMUA may adopt a Resolution terminating this SF-CPA.
- 5.5 APPLICANT acknowledges that any of the additional EDU(s) authorized in this SF-CPA may not be transferred for connection to any structures other than a structure at the location identified herein.

§ 6. REPRESENTATIONS BY THE LTMUA

- 6.1 Upon APPLICANT's compliance with the terms of this SF-CPA, the S/LO is authorized to issue the EDU(s) provided for in this SF-CPA.
- 6.2 The LTMUA agrees that this SF-CPA may be extended for a reasonable period of time in the event a force majeure occurrence 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 Allocation Policy Rules and Regulations, as amended.

§ 7. TIMELY PRESENTATION OF SF-CPA FOR APPROVAL

- 7.1 The LTMUA Board shall consider adoption of a Resolution authorizing the S/LO to sign this SF-CPA on condition that the APPLICANT has delivered to the LTMUA Business Manager this SF-CPA, signed by both the APPLICANT and the witness who attests to the signature by the APPLICANT.

¹⁸ Insert the number of EDU(s) from §§ 3.2.

¹⁹ Insert the number of EDU(s) from §§ 3.3.

- 7.2 The Resolution to approve this SF-CPA shall be placed on the agenda of the 1st LTMUA regular meeting held at least ten (10) days after the signed SF-CPA is delivered to the Business Manager.

§ 8. LTMUA RIGHT OF FIRST REFUSAL

- 8.1 The transfer of inchoate reservations of EDU capacity for connection to structures not part of the OWNER/APPLICANT's LPA-approved site is prohibited.
- 8.2 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.
- 8.3 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.
- 8.4 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.

- 8.5 The APPLICANT/OWNER of an abandoned project/site (as defined in § 8.3 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.
- 8.6 In addition to the rights conferred on the LTMUA under this § 8, 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 § 8.

IN WITNESS WHEREOF, the parties hereto have caused this SF-CPA 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 SF-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:

20

21

Title: _____

22

REMINDER: Insert **APPENDIX 3** (p. 90) immediately after this signature page.

²⁰ Type or Print the Name of the Witness below the line

²¹ Type or Print the Name of Signatory for APPLICANT below the line

²² Type or Print Title of Signatory on the line

APPENDIX 2.1: SHORT-FORM CAPACITY ALLOCATION AGREEMENT (“SF-CAA”) is intended for a connection for a project that:

1. requires LPA minor site plan and/or minor subdivision approval with little or no phasing
2. is a small project expected to connect all EDU(s) within 2 years of the date of the SF-CAA
3. reserves capacity as provided in the SF-CAA
4. is NOT intended for single-stage, one-lot residential or commercial project (See Basic-CPA and/or SF-CPA)
5. is NOT intended for violators exceeding wastewater flow/loading limits into the WRF (See 90-Day CPA)
6. is NOT intended for long-term, multi-stage projects like major site plans or large residential subdivisions that require numerous governmental permits or approvals and reservation of inchoate capacity over many phases of construction (See LF-CAA)

The SF-CAA Form to use starts on the next page (p. 72). The SF-CAA to be signed and submitted by the APPLICANT/OWNER must begin with the Title of the SF-CAA and include the Reference # and fn. 1 located immediately below the Title.

TITLE: SHORT FORM CAPACITY ALLOCATION AGREEMENT (“SF-CAA”)

Ref. #**2019.06.01_SF-CAA_R.22-19_Proj.Log._Big Bank** ¹

The parties agree to enter this **SF-CAA** between the LOGAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (“LTMUA”) and the APPLICANT (identified below in this **SF-CAA**). It provides for the relatively short-term reservation of EDU(s) and payment of connection fees consistent with the LPA-approved timeline for completion of the minor subdivision and /or the minor site plan. EDU connection permits allowing connection to 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. The SF-CAA was authorized and approved by

RESOLUTION # ____ - ____,² adopted _____.³

THIS AGREEMENT dated _____⁴

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

5

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

¹ Ref. #**2019.06.01_SF-CAA_R.22-19_Proj.Log._Big Bank**” is a sample Reference #. To secure tracking of allocation of EDUs, a Reference # must be included in every agreement (i.e., APP. 1.1, 1.2, 1.3, 2.1 and 2.2) and in every approving Resolution for tracking, archiving, and reporting purposes. The correct form and content for this **SF-CAA** is : (a) assuming the resolution was adopted June 1, 2019 – its date format is “**#2019.06.01**;” (b) assuming the resolution number is Resolution 22-19, its Resolution format is “**R.22-19**;” (c) its municipal location format is “**Proj.Log.**” for a project located in Logan Township, (or “**Proj.Wool**” if in Woolwich Township); (d) the final insertion for “Project Name” in the sample is “**Big Bank**” (or if the Project had no name assigned by the LPA or TWA approval was not required, insert the site’s street address that appears in the APPLICANT’s IRCA).

² See fn. 1 above. Insert Resolution number. Example from sample: **R. 22-19**.

³ See fn. 1 above. Insert date the Resolution approving the 90-Day CPA was adopted. Example from sample: **6/1/2019**

⁴ Insert date of Resolution because it controls date of the Agreement.

⁵ Insert **APPLICANT**’s name, street address, city, zip code.

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 requests the LTMUA to issue _____⁶ EDU(s) for its proposed facility that will permit APPLICANT to connect and transport its wastewater flow from its proposed facility through the LTMUA WRF System for treatment; and

WHEREAS, based upon data provided by the APPLICANT, the LTMUA’s Superintendent/Licensed Operator (“S/LO”) has determined that APPLICANT’s facility/structure needs _____⁷ EDU(s) of wastewater treatment capacity to handle the anticipated actual wastewater flow from APPLICANT’S proposed location; and

WHEREAS, APPLICANT agrees to obtain connection permits for _____⁸ EDU(s) allocated for connection to the WRF System no later than two (2) years from the date of this SF-CAA, or an extension thereof; and

WHEREAS, the S/LO confirms that the total permitted capacity of _____⁹ EDUs provides adequate treatment capacity for the reasonably anticipated wastewater flow/loading from APPLICANT’s site and such capacity is available from the WRF, whose treatment capacity increased by 500,000 GPD based on the recent completion of the ETF-1 addition; and

WHEREAS, APPLICANT acknowledges that this Short-Form Capacity Allocation Agreement (“SF-CAA”) requires APPLICANT to pay the current connection fee of five thousand five hundred twenty-eight dollars (\$5,528) for each of the _____¹⁰ EDU(s) to be acquired under this Agreement, for a total connection fee payment of \$ _____¹¹ and must be connected not later than two (2) years from _____¹², the date of the LTMUA Resolution authorizing the execution of this SF-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:

⁶ Insert numeral of EDU(s) to be acquired

⁷ Insert numeral of EDU(s) to be acquired

⁸ Insert written number, then numeral of EDU(s) to be acquired

⁹ Insert the total number of EDU(s)

¹⁰ Insert numeral of EDU(s) to be acquired

¹¹ Insert the product of multiplying the numeral of additional EDU(s) found in §§ 3.2 by the current \$5,528 connection fee

¹² Insert date of Resolution

§ 1. APPLICANT INFORMATION

Name: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

§ 2. PROPERTY TO BE CONNECTED

Address: _____

Tax Block: _____ and Lot: _____

Description of Project: _____

§ 3. EDUs

3.1 Current EDU(s) Issued: _____

3.2 EDU(s) to be acquired: _____

3.3 Total EDU(s) for site: _____

§ 4. CONNECTION FEES

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

4.2 The number of EDU(s) to be acquired is _____¹⁴

4.3 The total connection fee is \$ _____¹⁵ (\$5,528 X _____)¹⁶

§ 5. REPRESENTATIONS BY APPLICANT

¹⁴ Insert number of EDUs the APPLICANT decided to acquire. See fn. 6.

¹⁵ Insert the product of multiplying the numeral of additional EDUs found in §§ 3.2 by the current connection fee (presently \$5,528). See fn. 1, p. 44 “Introduction to Appendices”

¹⁶ Insert the numeral of EDU(s) from §§ 3.2.

- 5.1 The Project for which EDU(s) are sought under this SF-CAA does not require any additional 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. (Attachment 5.1 LPA) or the LTMUA endorsement for the (Attachment 5.1 TWA Endorsement) Treatment Works Approval by the New Jersey Department of Environmental Protection, N.J.A.C. 7:14A-23 et seq.
- 5.2 Connection fees for the _____¹⁷ EDU(s) shall be paid by the APPLICANT and then issued by the LTMUA, no later than two (2) years from _____¹⁸, the date of adoption of the LTMUA Resolution authorizing execution of this Agreement.
- 5.3 No essential infrastructure improvements are necessary to handle the additional flow represented by the additional EDU(s) issued under this SF-CAA or, if any infrastructure improvements are necessary, such improvements shall be installed not later than 2-years from the date of the Resolution approving the SF-CAA.
- 5.4 APPLICANT understands and agrees that if the connection fees are not paid and EDU connection permits are not issued prior to the 2-year deadline established herein, or as extended, the LTMUA may adopt a Resolution terminating the reservation of these _____¹⁹ EDU(s) under this SF-CAA.
- 5.5 APPLICANT acknowledges that reservation of _____²⁰ EDU(s) of treatment capacity is for a term not to exceed two years from the date of this SF-CAA unless extended by timely application and for good cause shown.
- 5.6 APPLICANT acknowledges that any of the EDU(s) authorized in this SF-CAA may not be transferred for connection to any structures other than a structure at the location identified herein unless such transfer was approved in a resolution adopted by the LTMUA at a regular meeting or special meeting of the LTMUA, and is subject to the LTMUA's right of first refusal under § 8 below.

§ 6. REPRESENTATIONS BY THE LTMUA

- 6.1 The S/LO certifies that the total capacity provided upon issuance of the _____²¹ EDU(s) under this SF-CAA constitutes adequate treatment capacity for the reasonably anticipated wastewater flow from APPLICANT's Project and that such capacity is

¹⁷ Insert numeral of EDU(s) to be acquired

¹⁸ Insert date of resolution

¹⁹ Insert numeral of EDU(s) to be acquired

²⁰ Insert numeral of EDU(s) to be acquired

²¹ Insert numeral of EDU(s) to be acquired

allocated from the unused treatment capacity of ETF-1 and has been reserved for 2 years from the date of this SF-CAA unless such deadline has been extended in accordance with the LTMUA's APPR.

- 6.2 Upon APPLICANT's compliance with the terms of this SF-CAA, the S/LO is authorized to inchoately reserve the EDU(s) provided for in this SF-CAA.
- 6.3 The LTMUA agrees that this SF-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 under this SF-CAA. Application of this provision shall be consistent with the force majeure regulations in the LTMUA APPR, as amended.
- 6.4 The S/LO shall issue endorsement of the TWA application no later than the date of the Resolution approving this SF-CAA.

§ 7. TIMELY PRESENTATION OF SF-CAA FOR APPROVAL

- 7.1 The LTMUA Board shall consider adoption of a Resolution authorizing the S/LO to sign this SF-CAA on condition that the APPLICANT has delivered to the LTMUA Business Manager this SF-CAA, signed by both the APPLICANT and the witness who attests to the signature by the APPLICANT.
- 7.2 The Resolution to approve this SF-CAA shall be placed on the agenda of the 1st LTMUA regular meeting held at least ten (10) business days after the signed SF-CAA was delivered to the BMgr.

§ 8. LTMUA RIGHT OF FIRST REFUSAL

- 8.1 The transfer of inchoate reservations of EDU capacity for connection to structures not part of the OWNER/APPLICANT's LPA-approved site is prohibited.
- 8.2 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 SF-CAA. 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.

- 8.3 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 SF-CAA. 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.
- 8.4 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.
- 8.5 The APPLICANT/OWNER of an abandoned project/site (as defined in § 8.3 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.
- 8.6 In addition to the rights conferred on the LTMUA under this § 8, 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 § 8.

IN WITNESS WHEREOF, the parties hereto have caused this Short-Form Capacity Allocation 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 the LTMUA Resolution authorizing the SF-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:

22

23

Title: _____ 24

REMINDER: Insert **APPENDIX 3** (p. 90) immediately after this signature page

²² Type or Print the Name of the Witness below the line

²³ Type or Print the Name of the Applicant below the line

²⁴ Type or Print the Title of the Applicant on the line

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. 80). 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 # and fn. 1.

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

Ref. #**2019.06.01_LF-CAA_R.22-19_Proj.Log._Big Bank**¹

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 # ____ - ____² adopted _____³

THIS AGREEMENT dated _____⁴

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

5

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

¹ Ref. #**2019.06.01_LF-CAA_R.22-19_Proj.Log._Big Bank**” is a sample Reference #. To secure tracking of allocation of EDUs, a Reference # must be included in every agreement (i.e., APP. 1.1, 1.2, 1.3, 2.1 and 2.2) and in every approving Resolution for tracking, archiving, and reporting purposes. The correct form and content for this **LF-CAA** is : (a) assuming the resolution was adopted June 1, 2019 – its date format is “**#2019.06.01;**” (b) assuming the resolution number is Resolution 22-19, its Resolution format is “**R.22-19;**” (c) its municipal location format is “**Proj.Log.**” for a project located in Logan Township, (or “**Proj.Wool**” if in Woolwich Township); (d) the final insertion for “Project Name” in the sample is “**Big Bank**” (or if the Project had no name assigned by the LPA or TWA approval was not required, insert the site’s street address that appears in the APPLICANT’s IRCA).

² See fn. 1 above. Insert Resolution number. Example from sample: **R. 22-19**

³ See fn. 1 above. Insert date the Resolution approving the LF-CAA was adopted. Example from sample: **6/1/2019**

⁴ Insert date of Resolution because it controls date of the agreement

⁵ Insert **APPLICANT’s** name, street address, city, zip code

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 _____⁶ 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 _____⁷ 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 _____⁸ EDU(s) that ultimately will be the total number of EDUs connected to the WRF.

WHEREAS, the S/LO confirms that _____⁹ EDU(s) 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

Name of the OWNER of Site: _____

Address: _____

Telephone: _____

Email Address: _____

⁶ Insert name of the Project approved by LPA

⁷ Insert total number of EDU connection units for the APPLICANT’s site from §§ 3.2 of this agreement

⁸ Insert the amount identified by fn. 7

⁹ Insert the amount identified by fn. 7

Fax No.: _____

1.1 Name of the APPLICANT: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

1.2 Name of the DEVELOPER: _____

Address: _____

Telephone: _____

Email Address: _____

Fax No.: _____

1.3 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: _____¹⁰

2.2 Tax Block: _____ Lot: _____¹¹

2.3 Description of Project: _____¹²

¹⁰ Insert address of property to be connected

¹¹ Insert Tax Block and Lot information of property to be connected

¹² Describe the project. For example, "Weatherby Project" is a mixed-use development, primarily a residential

§ 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 _____¹³

3.3 The total connection fee is \$ _____¹⁴

§ 4. EDUs

Phase 1 EDU(s) connected: _____¹⁵ EDU(s) connection fees paid \$ _____¹⁶

Phase 2 EDU(s) connected: _____¹⁷ EDU(s) connection fees paid \$ _____¹⁸

Phase 3 EDU(s) connected: _____¹⁹ EDU(s) connection fees paid \$ _____²⁰

Phase 4 EDU(s) connected: _____²¹ EDU(s) connection fees paid \$ _____²²

Total EDUs for site: _____²³

Total connection fee paid _____²⁴

SUMMARY: The total number of EDUs required for the entire Project is _____²⁵ and
_____²⁶ is the number of inchoate reservations of EDU capacity for this Project
known as _____.²⁷

GDP.”

¹³ Insert the number identified in §§ 3.2. Caveat: The actual connection fee due is the one in effect at the time the fee is paid for the EDU. See fn. 1, p 44 “Introduction to Appendices”

¹⁴ Insert the product of multiplying (\$5,528 X number in §§ 3.2 to be acquired under the CAA). 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.

¹⁵ Insert the number of EDU(s) connected in Phase 1

¹⁶ Insert the total connection fee paid for the EDU(s) connected in Phase 1

¹⁷ Insert the number of EDU(s) connected in Phase 2

¹⁸ Insert the total connection fee paid for the EDU(s) connected in Phase 2

¹⁹ Insert the number of EDU(s) connected in Phase 3

²⁰ Insert the total connection fee paid for the EDU(s) connected in Phase 3

²¹ Insert the number of EDU(s) connected in Phase 4

²² Insert the total connection fee paid for the EDU(s) connected in Phase 4

²³ Insert the sum of the EDUs from § 4

²⁴ As noted in fn. 14, 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.

²⁵ Insert the amount identified by fn. 7

²⁶ Insert the amount identified by fn. 7

²⁷ Insert name of the Project approved by LPA

§ 5. REPRESENTATIONS BY APPLICANT

5.1 The Project for which EDU(s) 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 _____²⁸ the commencement date is _____²⁹ and the completion date is _____³⁰.

5.3.2 () For this **multi-phase project** known as _____³¹ the commencement dates and completion dates and completion dates of each phase are listed in **Attachment C**³² attached hereto and incorporated herein and made a part hereof as if fully set forth.

²⁸ APPLICANT must provide the information designated by fn. 28 through 35

²⁹ See fn. 28

³⁰ See fn. 28

³¹ See fn. 28

³² **Attachment C** contains the commencement dates and completion dates of each phase of a multi-phase project

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

5.4.1 () For this **single-phase project** known as _____³³ the essential infrastructure improvements are described and listed in **Attachment D-1**³⁴ and are scheduled for completion no later than _____.³⁵

5.4.2 () For this **multi-phase project** known as _____³⁶ the commencement dates and completion dates of each phase of infrastructure improvements are described and listed in **Attachment D-2**³⁷ 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

³³ See fn. 28

³⁴ **Attachment D-1** contains the commencement dates and completion dates of infrastructure improvements

³⁵ See fn. 28

³⁶ See fn. 31

³⁷ **Attachment D-2** contains the commencement dates and completion dates of each phase of infrastructure improvements

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 EDU(s) 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 EDU(s) 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 _____³⁸ EDU(s) 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

³⁸ Insert the number of EDUs identified in fn. 7

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 EDU(s) 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 EDU(s) 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:

39

40

Title: _____

41

REMINDER: Insert APPENDIX 3 (p. 90) immediately after this signature page

³⁹ Type or Print the Name of the Witness below the line

⁴⁰ Type or Print the Name of Signatory for APPLICANT below the line

⁴¹ Type or Print the Title of Signatory on 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.

APPENDIX 4

Water Use Chart - Gallons per Day (“gpd”)

Unit Calculation Sheet

The values specified below are to be used in computing the projected flow to wastewater conveyance and treatment facilities and when making an application for a treatment works approval. The specific measurement unit listed for each category shall be used as the basis for the projected flow. No additional provisions for inflow and infiltration are required. For the purposes of design only, other values, proposed by the engineer, through actual water usage data, may be accepted at the Department's discretion, with an appropriate safety factor. However, all determination concerning whether or not any specific project requires a treatment works approval and/or sewer ban exemption shall be based upon the projected flow criteria established below.

Type of Establishment	Measurement Unit	Gallons Per Day
Residential Dwellings (Single Family, Duplex, Townhouses, Condominiums, Apartments, Age Restricted)		
1 Bedroom Unit	Per Dwelling	300
2 Bedroom Unit	Per Dwelling	300
3 Bedroom Unit or larger	Per Dwelling	300
Transit Dwelling Units		
Hotels	Bedroom	75
Lodging Houses & Tourist Homes	Bedroom	60
Motels & Tourist Cabins	Bedroom	60
Boarding Houses (max. permitted occupancy)	Boarder	50
Camps		
Campground/Mobile Rec. Vehicle/Tent	Site	100
Parked Mobile Trailer Site	Site	200
Children's Camps	Bed	50
Labor Camps	Bed	40
Day Camps - No Meals	Person	15
Restaurants (including washrooms & turnover)		

Average Restaurant	Seat	35
Bar/Cocktail Lounges	Seat	20
Fast Food Restaurant	Seat	15
24 Hour Service Restaurant	Seat	50
Curb Service/Drive-In Restaurant	Car Space	50
Clubs		
Residential	Member	75
Nonresidential	Member	35
Racquet Club	(per court per hour)	80
Bathhouse with Shower	Person	25
Bathhouse without Shower	Person	10
Institutions (includes staff)		
Hospitals	Bed	175
Assisted Living Facility	Bed	100
Skilled Nursing Facility	Bed	75
Other Institutions	Bed	125
Schools (includes staff)		
No Shower or Cafeteria	Student	10
With Cafeteria	Student	15
With Cafeteria and Showers	Student	20
With Cafeteria, Showers, and Labs	Student	25
Boarding	Student	75
Automobile Service Stations		
Gas/Diesel Stations	Per Filling Position	125
Service Bays	Per Bay	50
Mini-Market	Sq. Feet	0.1

Miscellaneous		
Office Buildings (Gross Area)	Sq. Feet	0.1
Stores and Shopping Centers (Gross Area)	Sq. Feet	0.1
Factories/Warehouses (Add Process Wastewater)	Employee	25
With Showers (Add Process Wastewater)	Employee	40
Laundromats	Per Machine	580
Bowling Alleys	Alley	200
Picnic Parks (Restrooms Only)	Person	10
Picnic Parks (With Showers)	Person	15
Fairgrounds (Based upon Average Attendance)	Person	5
Assembly Halls	Seat	3
Airports (Based on Passenger Use)	Passenger	3
Churches (Worship Area Only)	Seat	3
Theater (Indoor)	Seat	3
Dinner Theater	Seat	20
Catering/Banquet Hall	Person	20
Sports Stadium	Seat	3
Visitor Center	Visitor	5
Multi-Member Swimming Pool	Person	15

Flow for facilities that have combined uses shall be determined by the summation of all appropriate projected flow values for each use.

The Authority recognizes that the table above may not cover all establishments and facilities, and in particular facilities that require an industrial treatment works approval. In the event that a facility is not covered, the APPLICANT shall propose the projected flow based upon operation of similar facilities or best professional judgement.

APPENDIX 5

WASTEWATER QUESTIONNAIRE COMMERCIAL/INDUSTRIAL

NOTE: This questionnaire must be completed by the person who has responsible charge of the facility. **This original form must be returned to the Logan Township MUA and you should send a copy of this questionnaire to your Landlord or OWNER. The LTMUA will not allow any discharge of wastewater into its system until it receives this completed questionnaire.** Thank You

Company Name: _____

Location: _____

Mailing Address: _____

OWNER (If Different from Above): _____

Company Manager/Contact: _____ Title: _____

Phone: _____

PLEASE ANSWER ALL QUESTIONS, USE ADDITIONAL SHEETS IF NECESSARY.

Primary Standard Industrial Classification (SIC) code: _____

SIU Permit Number (If Applicable): _____

Number of employees per shift – 1st: _____ ; 2nd: _____ ; 3rd: _____

Shift Hours – 1st: _____ ; 2nd: _____ ; 3rd: _____ Days: M T W T F S S
(Please Circle)

Brief description of activity at this location: _____

Raw materials used at this location: _____

Principal product or service at this location: _____

Is there a regularly scheduled shutdown? _____ If yes, explain: _____

When? _____ How Long? _____ Is operation seasonal? _____

If yes, explain indicating month(s) of peak production: _____

Is process wastewater discharge to sanitary sewer continuous or batch? _____

of batches days: _____

What is the volume and source of potable water used at this location (include account number if applicable): _____

Describe any raw water treatment processes in use: _____

List water consumption at this location:

Cooling Water: Gallons per day: _____

Process Water: Gallons per day: _____

Contained in Product: Gallons per day: _____

Other: _____

List average volume of discharge or water loss to:

Municipal Sewer System: Gallons per day: _____

Stream or other water Course: Gallons per day: _____

Waste Hauler: Gallons per day: _____

Contained in Product: Gallons per day: _____

Other: _____ Gallons per day: _____

Describe any wastewater treatment equipment or processes in use: _____

Is there a spill prevention control and counter measure plan in effect for this location? _____

Does the wastewater discharge to the sewer system contain any of the following:

Chlorinated Hydrocarbons, Radioactive Isotopes, Natural Oils & Greases, Petroleum Distillates,
Pesticides, Toxic Organic, or any other Hazardous Substances

_____ Yes _____ No

If yes, please comment as to compound, quantities and concentrations:

Please provide the following analytical results from your last wastewater analysis:

<u>PARAMETER</u>	<u>RESULTS (ppm)</u>	<u>PARAMETER</u>	<u>RESULTS (ppm)</u>
BOD	_____	Lead	_____
COD	_____	Copper	_____
TOC	_____	Zinc	_____
TSS	_____	Chromium	_____
VSS	_____	Nickel	_____
TS	_____	Selenium	_____
TVS	_____	Arsenic	_____
Ammonia	_____	Cadmium	_____
Total Phosphorous	_____	Beryllium	_____
pH	_____	Vanadium	_____
Oil & Grease	_____	Other	_____
Mercury	_____		

Analysis performed by: _____

Cert.#: _____

Date of last analysis: _____

If the APPLICANT has entered N/A to the above questions, the section below must be signed.

Responsible Official in charge of this facility shall sign this form stating that **NO** process water will be discharged from this facility.

Signature of Official

Date

Name (Print or Type)

Title

Square feet or building space: OFFICE: _____

WAREHOUSE: _____

MANUFACTURING: _____

OTHER: _____

TOTAL: _____

Do you anticipate any future expansion at this location? _____

If yes, explain: _____

Please comment on any additional information that you feel may affect the volume or characteristics of wastewater discharged from this location: _____

The information contained in this questionnaire is familiar to me and to the best of my knowledge and belief is true, complete and accurate.

Signature of Official

Date

Name (Print or Type)

Title