



Mount Laurel Township

Municipal Utilities Authority

Mailing Address-**1201 South Church Street – Mount Laurel, NJ 08054**
Engineering Office: 81 Elbo Lane – Mount Laurel, NJ 08054-9641
Phone: (856) 722-5900 ext. 117
Email: engineering@mltmua.com
Fax: (856) 235-0816

FORM W-2

WATER SERVICE AGREEMENT
Between
MOUNT LAUREL TOWNSHIP
MUNICIPAL UTILITES AUTHORITY
and

WHEREAS, the Mount Laurel Township Municipal Utilities Authority (MLTMUA), 1201 South Church Street, Mount Laurel, New Jersey, is a public body created by the governing body of the Township of Mount Laurel pursuant to the Authority of N.J.S.A. 40:14B-1 et seq.; and

WHEREAS, the MLTMUA is charged, inter alia, with the responsibility for the operation, maintenance, and improvement of facilities for the supply, treatment, and distribution of water within the Township of Mount Laurel; and

WHEREAS _____

(Name of Applicant)

(Hereinafter “Applicant/Developer”) has its address or principal place of business at:

and

WHEREAS, the Applicant/Developer is the legal or beneficial owner of real property within the Township of Mount Laurel described by the following Block and Lot numbers of the Official Tax Map of the Township of Mount Laurel:

and

WHEREAS, the Applicant/Developer has received conceptual approval for connection of the units enumerated on the attached W-1 Application to the MLTMUA water system.

NOW, THEREFORE, IT IS HEREBY AGREED, CONTRACTED AND STIPULATED between the MLTMUA and the Applicant/Developer as follows:

1. **CONTINGENT UPON APPROVAL AND AVAILABILITY.** The parties hereto fully understand that the United States Environmental Protection Agency (USEPA) and the New Jersey Department of Environmental Protection (NJDEP) may exercise jurisdiction over water supplies and from time to time may promulgate rules and regulations affecting said supplies. The parties hereto agree that their respective obligations under the terms of this Agreement shall be contingent upon the MLTMUA receiving all necessary approvals from the aforesaid agencies to provide said supplies and services. In the event that the MLTMUA is prohibited from providing, offering or extending said water supplies and services to the Applicant/Developer, then the obligation of the MLTMUA to provide, offer or extend such supplies and services to Applicant/Developer shall be suspended until such time as the MLTMUA shall receive authorization. The MLTMUA reserves the right to refuse acceptance of conditional approvals from any agency if the conditions set forth are detrimental to the overall operation of the Authority.

FURTHER, Applicant/Developer expressly understands that this Agreement and the obligations imposed upon the MLTMUA herein for water service connections are contingent upon the MLTMUA having the water supply and/or water treatment capacity in its facilities at the time this service agreement is executed, taking into consideration any water service agreements with and requests for water permits with other Applicant/Developers which are completed and fully paid. The MLTMUA shall be obligated to provide service to the Applicant/Developer as soon as it is permitted or as soon as the capacity is available, taking into consideration any prior service agreements and requests for water permits with other Applicants/Developers which had been completed and fully paid at the time the capacity is available.

The MLTMUA shall seek approval from the aforementioned state or federal agencies on behalf of the Applicant/Developer. Applications should be prepared by the Applicant/Developer and submitted with the appropriate permit fees and water connection fees. Capacity is not reserved until connection fees are paid.

2. MLTMUA RULES AND REGULATIONS AND SPECIFICATIONS FOR

CONSTRUCTION. The Applicant/Developer agrees to abide by the Rules and Regulations and Specifications promulgated by the MLTMUA for construction as they are in existence now and as they may be modified from time to time. Applicant/Developer acknowledges that said Rules, Regulations and Specifications have been made available to Applicant/Developer prior to signing this Agreement and that said Rules, Regulations and Specifications are satisfactory to Applicant/Developer.

3. ENGINEERING PLANS FOR SYSTEMS AND FACILITIES. For the purposes of this Agreement “systems and facilities” shall be defined to include all mains, booster stations, fire hydrants and any and all related appurtenances. Conceptual engineering plans, having been approved by the MLTMUA upon the advice of its consulting engineers, shall be redrafted into construction plans and re-submitted for final construction plan approval (W-3). The water system and facilities shall be constructed in strict accordance with the final approved plan and all other rules, regulations and specifications of the MLTMUA as applicable.

4. CONNECTION FEES AND REQUEST FOR WATER PERMITS. Upon final approval of construction plans and the W-3 application the Applicant/Developer shall be entitled to submit a request for water connection permits for any or all units located in sections for which all approvals have been approved.

Water connection fees, if applicable, shall be paid as follows:

- A. Prior to the endorsement by the MLTMUA and submittal to the NJDEP Bureau of Water Supply Engineering permit application
- B. Prior to issuance of the Water Connection Permit (if BWSE permit is not required)

Connection fees are subject to reassessment at the current rate at the time of building permit release.

Permits will not be issued until the following have been submitted, approved or received:

- A. Payment of water connection fees
- B. Payment of meter fees
- C. A signed Water Service Agreement (W-2)
- D. A completed Application for Water Connection (W-4) for each property to be connected.
- F. Filed easements
- G. Performance bonds

H. A completed Application for Water Connection (W-4) for each property to be connected

I. Cost reimbursement- satisfaction of pro-rata cost reimbursement requirements in accordance with MLTMUA Resolution No. 1988-23

J. Inspection escrow

5. **PERFORMANCE BONDS.** Prior to the commencement of any construction, the Applicant/Developer shall post with the MLTMUA a performance bond with corporate surety authorized to do business in the State of New Jersey, in the amount of One Hundred Twenty Percent (120%) of the estimated cost of the systems and facilities to be constructed under the terms of this Agreement. The estimated cost shall be determined by the MLTMUA, upon the advice of its consulting engineer. Performance bonds shall be posted for the entire project unless approval is given by the MLTMUA to post by sections or phases.

Bonds shall be posted in the form of:

- Performance Bond or Maintenance Bond in the accepted MLTMUA format.
- Letter of Credit in the accepted MLTMUA format,
- Cash

6. **CONSTRUCTION.** The Applicant/Developer shall construct and install, at no cost to the MLTMUA, all off-site and all on-site water systems and facilities, including mains, fire hydrants and booster stations and any and all related appurtenances which are necessary to extend service from the existing water system and facilities of the MLTMUA to the units for which application for service has been made under this Agreement. All construction shall be in accordance with the Rules, Regulations and Specifications of the MLTMUA and the engineering plans submitted by Applicant/Developer and approved by the MLTMUA.

7. **INSPECTION.** The MLTMUA or its consulting engineers shall inspect the construction of the aforesaid water systems and facilities to determine whether said systems and facilities are being constructed in the approved manner. The MLTMUA shall inform Applicant/Developer of any improper construction or of any deviation from the approved plans or MLTMUA Rules, Regulations and Specifications. Applicant/Developer shall thereafter correct any defects or deficiencies. The MLTMUA shall be under no obligation, notwithstanding any other paragraph in this Agreement to the contrary, to provide water service to the Applicant/Developer if said

systems and facilities are not built in accordance with the approved construction plans and the MLTMUA Rules, Regulations and Specifications. The cost of all inspections shall be borne by the Applicant/Developer.

8. SUBMISSION FOR ACCEPTANCE. After construction has been completed and deemed by the MLTMUA and its consulting engineer acceptable for public use, the Applicant/Developer shall request in writing that the MLTMUA accept the systems and facilities constructed pursuant to this Agreement. The Applicant/Developer shall, at the time of the request, submit to the MLTMUA the following supporting documents, which shall be prepared at the expense of the Applicant/Developer and shall be signed by the Applicant/Developer and attested to either by a Notary public or an attorney at law of the State of New Jersey. The failure of the Applicant/Developer to submit the required documents, to properly execute it and/or to have proper attestation will result in the MLTMUA refusing to accept the systems and facilities constructed pursuant to this Agreement. The documents to be submitted by the Applicant/Developer are as follows:

A. A document dedicating all water systems and facilities including mains, fire hydrants, booster stations and any and all related appurtenances except laterals to the MLTMUA.

B. Deed for all necessary titles or easements to lands necessary for the maintenance or operation of the water system and facilities including easements for extensions of mains to adjacent properties.

C. A two-year maintenance bond in the amount of fifteen percent (15%) of the original performance bond amount as determined by the MLTMUA to cover costs of repair for any latent defects discovered during the two-year period.

D. As-built drawings of the water system and facilities shall be provided to accurately locate and identify all structures, mains, valves, hydrants, etc., and associated material, size and location for future reference.

9. ACCEPTANCE. The MLTMUA shall determine whether said systems are constructed in accordance with the approved plans and the MLTMUA Rules, Regulations and Specifications and shall determine whether all supporting documents are in order. If all construction and submissions are approved, the MLTMUA shall adopt a Resolution accepting the systems and facilities as constructed. All dedications, deeds, easements, bonds and as-built drawings shall be formally recorded or processed as required. All costs shall be paid by the Applicant/Developer.

10. SPECIAL CONDITIONS OF ISSUED PERMITS. It is expressly understood by the Applicant/Developer that a MLTMUA water permit (W-4), which is issued for any unit, shall be valid for a period of one (1) year from the date of issuance. Upon the date of physical connection or if after one (1) year construction is not complete, but physical connection has been made to the main the MLTMUA shall charge, and Applicant/Developer agrees to pay, water service charges for the service connected. In the event that physical connection is not made within the one (1) year period, the authority reserves the right to void the permit. The Applicant/Developer hereby agrees that in the event that the permit is voided the MLTMUA shall retain twenty percent (20%) of the connection fee paid for each expired permit as a charge for reservation of capacity and loss of service revenue. It is hereby stipulated and agreed that said charge is reasonable in amount and is to be considered as liquidated damages, and not as a penalty. The parties agree that actual damages would be difficult to calculate and stipulate that this amount is reasonable as liquidated damages. The balance of the connection fee paid for the expired permit shall be returned to the Applicant/Developer by the MLTMUA. Applicant/Developer may file a new request for permit at any time thereafter. Approval will be subject to review if more than two (2) years have lapsed.

11. FEE SCHEDULE. Applicant/Developer shall pay to the MLTMUA the following fees:

A. An application fee in the amount as indicated shall be paid at the submission of the Application for Conceptual Approval of Water (W-1).

B. Review escrow fees shall be posted at the time of submission of the Application for Conceptual Approval of Water (W-1) as stipulated in the application. In the event that the review escrow fund is depleted or deficient, the Applicant/Developer shall post additional review escrow funds with the MLTMUA in an amount agreed upon by both the Applicant/Developer and the MLTMUA. Review escrow closeout will proceed after the Authority has granted final approval of the construction plans. Any unused portion of the review escrow fee will be refunded upon written request from the Applicant/Developer.

C. An application fee in the amount as indicated shall be paid at the time of submission of the Application for Final Approval of Water Construction Plans (W-3).

D. Inspection escrow fees shall be posted prior to the commencement of any construction. In the event that the escrow fund is depleted or is deficient, the Applicant/Developer shall post additional escrow funds

with the MLTMUA in an amount to be agreed upon by both the Applicant/Developer and the MLTMUA. In the interim, work will cease except for required health or safety inspections. Inspection escrow close out will proceed only after all improvements have been approved and accepted by the MLTMUA. The Applicant/Developer shall send a written notice by certified mail to the Authority that the application or improvements are complete. The MLTMUA's professionals will render a final bill to the Authority within 30 days of receipt of the Applicant/Developer's request. Within 45 days of receipt of the final bill, the Authority will render a final accounting to the Applicant/Developer of the uses to which the deposit was applied. Any funds remaining will be refunded to the Applicant/Developer along with the final accounting.

E. Escrow Statements shall be sent on a quarterly basis to the Applicant/Developer if monthly charges are less than \$1,000.00. If escrow charges are greater than \$1,000.00, escrow statements will be sent on a monthly basis.

12. **USE OF FACILITIES.** The MLTMUA shall be permitted the free and uninterrupted use of all water systems and facilities constructed and installed by Applicant/Developer during the periods prior to final acceptance by the MLTMUA.

13. **INDEMNIFICATION.** The Applicant/Developer agrees to indemnify and hold the MLTMUA harmless from any and all liability in connection with the water systems, facilities and appurtenances which are being constructed pursuant to this Agreement including, but not limited to, any and all claims that may be made by the Applicant/Developer or any other party relating to a pro rata or other contribution toward the construction cost of the system, facilities and appurtenances built by the Applicant/Developer in accordance with the terms of this agreement.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE CAUSED THESE PRESENTS TO BE SIGNED BY THEIR DULY AUTHORIZED OFFICER THIS _____ DAY OF _____ 20

BY: _____

Signature of Applicant/Developer

ATTEST

Notary