

**TOWNSHIP OF LONG HILL, NEW JERSEY**

**REQUEST FOR BIDS**

**SALE OF WASTEWATER SYSTEM**

**Issued: May 3, 2017**

**Bids Due: June 14, 2017**

**Optional Pre-Bid Meeting: May 12, 2017**

**ISSUED BY:**

**Township of Long Hill  
915 Valley Road  
Gillette, NJ 07933**

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## **1.0 INTRODUCTION AND DESCRIPTION OF THE BID PROCESS**

### **1.1 Issuing Entity, Nature and Purpose of Procurement**

Through the issuance of this Request for Bids (“RFB”), the Township of Long Hill, New Jersey (the “Township”) is hereby requesting Bids from parties interested in entering into an agreement to purchase the Township’s Wastewater System. The Wastewater System is owned, operated and maintained by the Township. After analyzing the operations and finances of the Wastewater System and the anticipated future needs of the System, the Township Committee concluded that it should issue this RFB to determine if a larger, private sector enterprise would be better suited to address the long-term needs of the Township’s customers. In the event that the Township receives one or more advantageous bids and decides to move forward with the sale process, a public referendum will be conducted in accordance with N.J.S.A 40:62-3 et seq.

### **1.2 General Overview**

The Township owns and operates eight (8) sanitary pump stations, a wastewater collection system and a wastewater treatment plant (the “WWTP”), (collectively, the “Wastewater System”). The WWTP is permitted by the NJDEP to treat and discharge flows at a rated capacity of 0.9 MGD. For a comprehensive description of the Wastewater System, see Sections 2 and 3 of the Township of Long Hill Sanitary Utility System Asset Evaluation and Capital Improvement Plan prepared by Remington and Vernick Engineers, dated January 2017 (“R&V Evaluation Report”). The R&V Evaluation Report is posted on the Township’s website: <http://longhillnj.gov/>.

#### **1.2.1 Wastewater Utility Assets to be Sold by the Township**

The Township is seeking bids, subject to the requirements stated hereinafter in this RFB for all rights in real property, facilities and stationary equipment, relating to the wastewater collection, pumping and treatment system identified in the Description of the Wastewater System in Appendix D to this RFB. The purchase will include all existing assets and rights thereto, wastewater treatment facilities, pumping stations, emergency generators, gravity collection mains, force mains, manholes and appurtenances, but shall exclude personal property, Township-owned vehicles, cash, securities and accounts receivable of the wastewater system for services

rendered up to and including the Closing Date. Further, the NJDEP will be required to issue or transfer certain permits and licenses currently held by the Township to the Buyer. The existing Township permits are attached in Appendix M.

### **1.2.2 Explanation of Real Property Interests to be Conveyed**

The Township will transfer its interest in all of its title, easements or other interests in the real property it is conveying, as described in Appendix D.

### **1.3 Township Objectives**

The Township is seeking to sell the Wastewater System to a single qualified and experienced company which company will take over ownership, operations, maintenance and management of the Wastewater System. The Township's objectives include the following: (i) obtain highest value for the Wastewater System; (ii) utilize proceeds, at a minimum, to pay off Wastewater System debt and other liabilities; (iii) minimize rate volatility for ratepayers; (iv) transfer responsibility for regulatory requirements to the Buyer; (v) have the Buyer undertake specified capital improvements; (vi) lift the sewer ban; (vii) increase permitted capacity of the wastewater treatment plant to design capacity in order to support future growth; (viii) reduce the environmental and financial risk to the Township; and (ix) connect the remaining areas of the Township that are not currently connected to the sewer system.

### **1.4 Bid Submission Date**

Copies of the Bid responding to this RFB must be submitted no later than 10:00 a.m. (Eastern Time) on Wednesday, June 14, 2017 in accordance with Section 5 of this RFB. Bids shall be in a sealed package addressed to:

Township of Long Hill  
Attention: Debbie Brooks, Municipal Clerk  
915 Valley Road  
Gillette, New Jersey 07933

Instructions on the form and content of the Bid are given in Section 5 of this RFB.

### **1.5 Project Participants and Advisors**

The Township Committee is responsible for authorizing all activities relating to the Wastewater System. The Township Committee has assembled a group of Township representatives (Wastewater Advisory Committee) and consultants to form a project team to assist in this procurement process (Project Team). The Project Team will serve the function of directing and reviewing the detailed activities undertaken with regard to the procurement.

## **1.6 Inquiries and Correspondence**

All inquiries and correspondence relating to this RFB should be directed to:

Debbie Brooks, Municipal Clerk  
Township of Long Hill  
915 Valley Road  
Gillette, New Jersey 07933  
Phone: (908) 647-8000 x215  
Email: [municipalclerk@longhillnj.gov](mailto:municipalclerk@longhillnj.gov)

with a copy of all written (including electronic) correspondence to:

Rick Sapir, Esq.  
Hawkins Delafield & Wood LLP  
One Gateway Center, 24<sup>th</sup> Floor  
Newark, NJ 07102  
Phone: (973) 642-1188  
Email: [esapir@hawkins.com](mailto:esapir@hawkins.com)

**Bidders shall not contact any Township employees or Committee Members in connection with this RFB at any time during the procurement process except for Debbie Brooks or Tom Sweeney.** All questions shall be sent in writing and delivered to the above addresses or sent by email to Debbie Brooks and Rick Sapir by 5:00 p.m. (Eastern Time) by the applicable date as described in subsection 1.7.2 of this RFB. The Township will respond to those written questions which it deems appropriate. Responses will be distributed to all Bidders that have registered with the Township.

## **1.7 Procurement Process**

### **1.7.1 Legal Authority**

In accordance with N.J.S.A. 40:62-3 et seq. (“Referendum Law”), the Township will

utilize a Request for Bids process that includes the issuance of an RFB followed by the review, clarification and evaluation of Bids received. The Draft Agreement of Sale reflects the terms of the sale desired by the Township. If a Bidder takes material exceptions to the Draft Agreement of Sale, the Bid may be deemed non-responsive. In the event that the Township determines to move forward with the sale following review and receipt of the Bids, the Township will select the Highest Responsible Bidder and will finalize the terms of the Agreement of Sale. Once the Agreement of Sale is finalized, the Township intends to pass an ordinance authorizing the sale of the Wastewater System. The Township will then submit a question to the County Clerk to be included on the November 2017 election ballot regarding whether the Township should sell its Wastewater System. If the public referendum passes in November, the Township anticipates that it will execute the Agreement of Sale with the Highest Responsible Bidder. Bidders are advised that the Agreement of Sale is subject to approval by the New Jersey State Board of Public Utilities (the "BPU") pursuant to N.J.S.A. 48:2-51.1. **Nothing herein shall prohibit the Township from deciding not to sell the Wastewater System and the Township reserves the right to do so at any time prior to execution of the Agreement of Sale.**

### 1.7.2 Schedule Adherence

In order for the Township to have the option of going to referendum in November of 2017, a tight procurement schedule is required. The following schedule identifies major activities and dates in the procurement process:

Optional Pre-Bid Meeting	May 12, 2017 at 10:00 a.m.
Site Visits	May 15-19, 2017 (by appointment only)
Bidder Questions Due	June 1, 2017
Bids Due	June 14, 2017

To efficiently review and evaluate the Bids received (and to avoid the need for a costly and lengthy clarification process), the Bidder should conform to the submission and format requirements set forth in Section 5 of this RFB.

### **1.7.3 Pre-Bid Meeting and Site Visits**

An optional pre-Bid meeting will be held at 10:00 a.m. on Friday, May 12, 2017 at Town Hall located at 915 Valley Road, Gillette, New Jersey 07933. Attendance at the pre-Bid meeting is not mandatory but it is highly encouraged. Individual Bidder site visits will be conducted during May 15-19, 2017 by appointment on a first come first serve basis. Bidders that desire to schedule a site tour of the Wastewater System during this timeframe should contact Tom Sweeney, Director of Public Works, at 908-647-0070 to arrange for such tours. Bidders shall agree to indemnify and hold the Township harmless from any and all claims arising from Bidder's obtaining access and/or having access to the Wastewater System.

### **1.7.4 Written Questions Regarding RFB or Process**

Prospective Bidders may submit written (or electronic) questions regarding this RFB. All such questions should be submitted by close of business on June 1, 2017. The Township may, but shall not be obligated to, respond to such questions. Any responses to questions will be circulated to all prospective Bidders.

### **1.7.5 Addenda or Amendments to the RFB**

During the period provided for the preparation of Bids, the Township may issue addenda or amendments to this RFB. The Township shall issue notice that addenda or amendments have been made available, and will send such addenda or amendments to the prospective Bidders that registered in accordance with Appendix E. These addenda will be issued by, or on behalf of, the Township, and will constitute a part of the RFB. Each Bidder is required to acknowledge receipt of all addenda at the time of submission of the Bids by submitting an executed acknowledgment form included as Bid Form 5 contained in Appendix C. All responses to this RFB shall be prepared with full consideration of the addenda issued prior to the Bid submittal date. In order for a Bidder to ensure that it receives all updates/addenda to this RFB, it must provide a completed registration form, which can be found in Appendix E, to the Municipal Clerk with a copy to Rick Sapir, whose contact information is provided in Section 1.6 above.



### **1.7.6 Cost of Bid Preparation**

Each Bid and preparation of all information required pursuant to this RFB shall be prepared at the sole cost and expense (including legal costs) of the Bidder. There shall be no claims whatsoever against the Township, its staff, or its consultants for reimbursement for the costs or expenses (including legal costs) incurred during the preparation of the Bid or other information required by this RFB or procurement process.

### **1.7.7 Correction of Errors**

Prior to the submission of Bids, erasures or other corrections in the Bid must be initialed by a designated signatory of the Bidder. The Bidder further agrees that in the event any errors are noticed by the Township after the Bid is opened, the Township reserves the right, but does not have the obligation, to waive such errors.

### **1.7.8 Modification of Bids**

Prior to the Bid submission date, a Bidder may modify its previously submitted Bid if a modified Bid is either hand delivered to Debbie Brooks by or on behalf of an authorized representative of the Bidder, or delivered to Debbie Brooks by certified mail.

### **1.7.9 Disclosure of Information in Bids**

The Township will consider requests to protect proprietary information submitted with Bids. The Bidder should clearly and specifically label all such material and cite the appropriate law which protects such proprietary information. General requests to protect the entire Bid are not acceptable. The Township shall notify a Bidder of any Open Public Records Act request for information that has been designated as proprietary information by the Bidder.

### **1.7.10 Withdrawal from Procurement Process**

Bids received by the Municipal Clerk and/or his designated representative before the time of opening of Bids may be withdrawn upon written application of the Bidder who shall be required to produce evidence showing that they are or they represent the principal or principals involved in the Bid. Bids may not be withdrawn within twenty-four (24) hours of the stipulated

time for receipt of Bids unless otherwise expressly allowed under applicable law. Once Bids have been opened, they must remain firm for a period of 270 days following submission.

#### **1.7.11 Disposal of Bids**

All Bids are the property of the Township and will not be returned (except with respect to bid bonds, which will be returned in accordance with this RFB). At the conclusion of the procurement process, the Township may dispose of any and all copies of Bids received in whatever manner it deems appropriate. In no event will the Township assume liability for any loss, damage or injury which may result from any disclosure or use of marked data which occurs prior to the disposal of Bids.

#### **1.7.12 Rights of the Township and Conditions**

The Township reserves, holds and may exercise, at its sole discretion, the following rights and conditions with regard to this RFB. By responding to this RFB, Bidders acknowledge and consent to the following conditions relative to the procurement process and the determination of the Highest Responsible Bidder:

- All inquiries will be addressed as set forth in Section 1.6 of this RFB.
- This RFB does not obligate the Township to contract for the sale of the Wastewater System.
- The Township reserves the right to change or alter the schedule for any events associated with this procurement.
- All costs incurred in connection with responding to this RFB will be borne by the Bidder and the Township will in no event (including upon a successful procurement challenge) be responsible for any Bidder's cost or be liable to a Bidder.
- The Township reserves the right to reject, for any valid reason, any and all Bids and components thereof and to eliminate, for any valid reason, any and all

Bidders responding to this RFB from further consideration for this procurement in accordance with applicable law.

- The Township reserves the right to eliminate any Bidder who submits incomplete, inadequate responses or is not responsive to the requirements of this RFB.
- The Township reserves the right to reject all Bids and to cancel the procurement.
- The Township reserves the right to designate a representative to act in its place or on its behalf during this procurement process.
- The Township reserves the right to supplement, amend, or otherwise modify this RFB, or otherwise request additional information, prior to or following Bid submissions.
- All Bids become the property of the Township and will not be returned.
- All activities related to the Sale shall be subject to all applicable federal, State and local laws, regulations, rules and/or requirements.
- The Township (including its staff and advisors) reserves the right to visit any of the facilities referenced in each Bid to observe the operations of such facilities. Such site visits will be made at a mutually agreeable time.
- The Township reserves the right to conduct investigations of any or all of the Bidders, as the Township deems necessary or convenient, to verify the information provided as part of a response and to request additional information to support the information included in any Bid.
- The Township reserves the right to seek clarification of any aspect of a Bid.
- The Township reserves the right to reject any Bid which it deems to be non-responsive to its objectives or not in the best interest of the Township in accordance with applicable law.

- The Township reserves the right to determine that any Bid received complies or fails to comply with the terms of this RFB.
- The Township reserves the right to waive any technical non-conformance with the terms of this RFB.
- All responses may be made available to the public at the appropriate time, as determined by the Township (in the exercise of its sole discretion) in accordance with law.
- The Township may request Bidders to send representatives to the Township for interviews and/or presentations.
- Neither the Township, nor its staff, and/or advisors shall be liable for any claims or damages resulting from the solicitation or preparation of this RFB, nor will there be any reimbursement to Bidders for the cost of preparing and submitting a response or for participating in this procurement process.
- The Township reserves the right to suspend or terminate the procurement process described in this RFB (or implied) at any time (at its sole discretion.) If terminated, the Township may determine to commence a new procurement process or exercise any other rights provided under applicable law without any obligation to the Bidders.

### **1.8 Pay-to-Play Law**

The successful Bidder must comply with the State's Pay-to-Play law (N.J.S.A. 19:44A et seq.) and sign all associated documents (Business Entity Disclosure Certification, P.L. 2005, C.271 Political Contribution Disclosure Form and Stockholder Disclosure Certification). It is highly recommended that Bidders become familiar with this law prior to submitting a Bid.

### **1.9 Pending Litigation, Conflicts of Interest**

The Township requires that the Highest Responsible Bidder must (a) not be a party to, or otherwise involved in, any pending litigation, investigation, financial foreclosure or other action,

or any other procedure that would in any way impair its ability to perform its responsibilities under the anticipated contract; (2) not be affiliated with, owned by, or otherwise engaged with any other firms that could pose a real or potential conflict of interest with Township of Long Hill; (3) not be in arrears to Township of Long Hill for any taxes, fees, or other obligations; and (4) not be found guilty of, either as an organization and/or on the part of its owned, principals, or executives, any illegal activities that preclude it from establishing contracts with government entities.

### **1.10 Public Referendum**

Once an Agreement of Sale has been finalized with the Highest Responsible Bidder, the Township intends to introduce an Ordinance authorizing the execution of the Agreement of Sale and submission of a public question to the County Clerk to be placed on the General Election ballot in November 2017. The Township will accept public comments on the Ordinance, and, if the Ordinance is ultimately adopted by the Township, the Ordinance and public question will be submitted to the County Clerk for inclusion on the November ballot. If the referendum passes in November, the Township intends to execute the Agreement of Sale with the Highest Responsible Bidder.

### **1.11 Independent Due Diligence Required**

While the Township believes that the information supplied as part of this RFB is an accurate reflection of its understanding related to the Wastewater System being sold, it is provided only to assist Bidders in evaluating the Wastewater System. Neither the Township nor its employees, officials, consultants or advisors make any warranty as to the accuracy or completeness of such information. Bidders are required to make their own evaluations before submitting a Bid and should not rely on the documents listed above or contained herein as the basis for their Bid.

## **2.0 BACKGROUND INFORMATION**

### **2.1 General Township Profile**

The Township of Long Hill is located in Morris County, New Jersey, and has approximately 8,702 residents based upon the 2010 census. The Township owns and operates their sanitary system which consists of the following:

- Eight (8) sanitary pump stations;
- One (1) WWTP with rated capacity of 0.9 MGD;
- Estimated 286,290 linear feet of sanitary sewers;
- Estimated 1,260 sanitary manholes;
- Estimated 15,200 linear feet of force mains;
- Estimated 221,325 linear feet of privately owned service lateral.

The Township Wastewater System currently serves 2,799 accounts.

### **2.2 Description of Wastewater System**

Please refer to Sections 2 and 3 of the R&V Evaluation Report for a comprehensive description of the Wastewater System. Appendix J contains a 20-year capital plan which was prepared for the Township in 2016-2017.

### **2.3 Rates**

Current rate information is included in Appendix K to this RFB. Rates were last increased in 2016. There is a pending Township Ordinance which will authorize a further \$150,000 increase to the sewer rates in 2017. It should be noted that \$130,000 of the \$150,000 rate increase for 2017 is for one-time litigation expenses. The 3% maximum rate increase described in Section 5.6.4 shall be based on the 2016 sewer rates.

### **2.4 Annual Financial Statements and Audit Reports**

Copies of the Township's 2016, 2015 and 2014 annual financial statements and audit reports can be downloaded from the Long Hill Township website: <http://longhillnj.gov/>.

### **2.5 Existing Township Agreements**

The Township has two existing agreements in place that the Buyer may be required to assume upon Closing including: (i) sludge hauling; and (ii) sludge treatment and disposal. Copies of the existing Township agreements are included in Appendix H. A brief description of each existing agreement is included in Exhibit E to the Draft Agreement of Sale.

## **2.6 Township Employees**

The list of current Township employee positions is included in Appendix L.

## **2.7 Customer Billing Information**

The Township currently utilizes Government Utility Billing System (GUBS) (InterSoft Technologies International, LLC) for sewer customer billing.

### **3.0 COMPANY RESPONSIBILITIES**

#### **3.1 General**

This Section provides a summary of the responsibilities and financial obligations that the Company will assume following the sale of the Wastewater System. Bidders are advised that the Agreement of Sale will be the definitive statement of the responsibilities of the Bidder.

#### **3.2 Operation of Township Wastewater System**

The Township will continue to operate the Wastewater System until the Closing Date. Buyer will operate the Wastewater System thereafter at its own cost and expense. Buyer must be aware that the customers of the Wastewater System (domestic users, industrial users and commercial users) have received the services as set forth in the Customer Service Standards as defined in the Agreement of Sale. By executing the Agreement of Sale, Buyer will covenant to continue to provide services in accordance with the Customer Service Standards and will covenant to guarantee the safe and reliable service, as well as, collection and treatment of wastewater to the customers of the Township's Wastewater System as part of the purchase in a manner that meets all local, state and federal laws and regulations relating to the collection and treatment of wastewater.

#### **3.3 Current Township Employee Interviews**

The Highest Responsible Bidder will be required to interview for employment the Township's four existing Wastewater System employees, if qualified, which employee positions are listed in Appendix L.

#### **3.4 Municipal Consent and BPU Approval of Sale**

It is anticipated that the Township will grant the municipal consent required by N.J.S.A. 48:19-17. The Buyer shall be responsible for obtaining BPU approval of such municipal consent pursuant to N.J.S.A. 48:2-14 as well as approval of the sale pursuant to N.J.S.A. 48:2-51.1.



### **3.5 Required Capital Improvements to Pump Stations**

The Buyer will be required to make the capital improvements to the Morristown Road and Clover Hill Pump Stations identified in Exhibit G within two years from the Closing Date.

### **3.6 Required Capital Improvements to Lift Sewer Ban**

The Buyer will be required to identify and undertake the capital improvements necessary to allow the Township to lift the existing sewer ban. The Buyer will be required to begin to undertake such capital improvements as soon as reasonably practicable and no later than two years following Closing, and all capital improvements necessary to lift the sewer ban will be required to be completed within five years from Closing.

### **3.7 Capacity for Affordable Housing Units**

The Township has filed a declaratory judgment action in the Superior Court of New Jersey, pursuant to the New Jersey Supreme Court decision in, *In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing*, 221 N.J. 1 (2015), seeking approval of a Housing Element and Fair Share Plan to satisfy the Township's affordable housing obligations. In accordance with the requirements of N.J.A.C. 5:93-4.3, the Buyer shall reserve and set aside new sewer capacity on a priority basis, when it becomes available, for the low and moderate income housing that is included in the Township's Housing Element and Fair Share Plan, once it is approved by the court.

### **3.8 Permitted Capacity of WWTP**

The Buyer will be responsible for increasing the existing permitted capacity of the WWTP up to design capacity to accommodate future growth as necessary.

### **3.9 Connection of Non-Sewered Properties Within the Township**

The Buyer will be required to extend the Wastewater System to connect the non-sewered properties of the Township to the Wastewater System so that at least 95% of the Township is connected no later than five years following Closing. Section 22-2 of the Long Hill Township Code requires property owners to connect to a public or private sewer system if it is available or at any time becomes available within 200 feet of such property within 120 days of notice from the Township Committee or the Board of Health, subject to certain exceptions. A copy of the

applicable Code section is included in Appendix B. The Township intends to enforce such Code section once the Wastewater System is extended to such properties.

### **3.10 Senior Discount Program**

The Buyer will be required to continue the Township's current senior citizen discount program for eligible senior citizens. The senior discount is described in Section 22-23(f) of Ordinance #384-16 which is included in Appendix K.

## **4.0 QUALIFICATION CRITERIA**

### **4.1 General**

The Township will undertake a review and evaluation of Bids submitted in response to this RFB in a manner consistent with the provisions of this RFB. Upon receipt of Bids, the Project Team will review each Bid to determine its completeness and compliance with submittal requirements. Only complete Bids will be fully evaluated.

#### **4.1.1 Transaction Cost Reimbursement**

In addition to payment of the Purchase Price, the Township will require that the Buyer provide a lump sum payment on the Closing Date in the amount of \$250,000 to cover the Township's administrative costs in connection with the sale ("Transaction Reimbursement Costs").

#### **4.1.2 Technical Qualifications and Experience**

The Bidder must demonstrate through its submittal that it is technically "responsible" to own, operate, maintain and manage the Wastewater System.

#### **4.1.3 Financial Strength**

The Bidder must demonstrate through its submittal that it is financially capable of purchasing, owning, operating and maintaining the Township's Wastewater System and investing the capital for the improvements required herein.

## **5.0 INSTRUCTIONS FOR PREPARATION AND SUBMISSION OF BIDS**

### **5.1 Submission Requirements**

#### **5.1.1 Bid Submission; Timing of Submission; Number of Bids to be Submitted**

Bids must be submitted by 10:00 a.m. (Eastern Time) on Wednesday, June 14, 2017. One original, five (5) hard copies and one electronic copy (cd or thumb drive) of the Bid shall be submitted to:

Debbie Brooks  
Municipal Clerk  
Township of Long Hill  
915 Valley Road  
Gillette, New Jersey 07933

One copy of the Bid documents must be clearly marked as the original and must contain the original signature forms and other original documents. The remaining 5 copies can be reproductions. Bidders shall number each set of documents in sequential order on the upper right corner of each cover.

All Bids submitted will remain unopened until the deadline for submission of the Bids has passed. At such time, all Bids received will be opened and distributed to the Project Team for review.

The delivery of the Bid to the Township on the above date and prior to the time specified herein is solely and strictly the responsibility of the Bidder. The Township shall not, under any circumstances, be responsible for delays caused by the United States Postal Service or any private delivery service, or for delays caused by any other occurrence.

#### **5.1.2 Bid Forms**

The Bid Forms specifically enumerate the requirements set forth in this RFB. A complete set of Bid Forms shall be included in each Bid.

Each Bidder must fill out all of the forms completely. Use “N/A” to specify any items set forth in the Bid Forms which are not applicable to a Bid. It should be noted that the failure to fully complete all applicable Bid Forms by incorrectly providing that certain Bid Forms (or portions thereof) are not applicable to a Bid may result in a determination that the Bid is unresponsive. To provide additional information, use separate sheets following the Bid Form format.

In cases where a written price is used with a numeric price, the written price will govern.

### **5.1.3 Completeness**

The Bidder must follow each and all of the instructions set forth in this Section in order for a Bid to be deemed responsive to this RFB. In all cases, the Township reserves the right to determine, at its sole discretion, whether any aspect of the Bid meets the submission requirements of this RFB. The Township reserves the right to reject any Bid which, in its judgment, does not comply with these Bid submission guidelines. In providing the information required within this Section 5.0 of this RFB, the Bidder should emphasize and should be responsive to the qualification criteria described in this RFB.

## **5.2 Organization and Form of Bid**

### **5.2.1 Organization of Bid**

Bids submitted in response to this RFB should consist of the following sections:

SECTION I: Executive Summary

SECTION II: Technical Qualifications and Experience

SECTION III: Purchase Price

SECTION IV: Financial Qualifications and Rate Plan

### **5.2.2 Form of Bid**

The Bidder shall provide the appropriate information required for each section, in accordance with the following content and format requirements:

1. The responses shall be concise, clear, factual, and complete with a minimum of extraneous material.
2. The information provided shall identify the section of the RFB being addressed.
3. The Bid shall be indexed and divided into sections and shall be prefaced with a table of contents.

### **5.3 Section I: Executive Summary**

#### **5.3.1 General Provisions**

The Executive Summary shall summarize, in clear and concise language, the information contained in all other parts of the Bid. The Executive Summary should be drafted so that it may be easily understood.

#### **5.3.2 Letter of Qualification, Letter of Intent and Signature Requirements**

Together with each Bid, the Township must receive one Letter of Qualification and one Letter of Intent, in the forms attached as Bid Form 1 and Bid Form 4, respectively, copied onto the official letterhead of the Bidder. The Letter of Qualification and Letter of Intent must be signed by an officer of the Bidder's entity who is empowered to sign such material and to commit the Bidder to the obligations contained in the Bid. If the Bidder is a partnership, the Bid shall be signed in the name of each firm by one or more of the general partners. If the Bidder is a corporation, the authorized officer shall sign his/her name and his/her title beneath the full corporate name.

All forms which require Bidder signatures shall be signed by the same individual(s) signing the Letter of Qualification and Letter of Intent.

#### **5.3.3 Bid Bond**

A Bid Bond in the amount of \$20,000, payable to THE TOWNSHIP OF LONG HILL, must accompany the Bid when submitted. Such Bid Bond shall provide that if the Bid is accepted and the Bidder is determined to be the Highest Responsible Bidder, then prior to the expiration or termination of said Bond, the Highest Responsible Bidder will enter into an Agreement of Sale with the Township, or if the Highest Responsible Bidder shall fail to do so, said surety will pay to the Township the full amount of the Bid Bond. At the option of the

Bidder, the Bid Bond may be a bond secured by a guarantee of a surety company listed in the latest issue of United States Treasury Circular 570 and within the maximum amount specified in said circular and authorized to do business in the State, or an irrevocable, standby “letter of credit” from a bank with a credit rating from either Standard & Poor’s Corporation or Moody’s Investors Service of at least “A.”

Any Bid Bond must be valid for a period of at least 270 days from the Bid submission date. If the Agreement of Sale has not been executed prior to the expiration of the Bid Bond, the Township may require the renewal of the Bid Bond for an additional period of time. No Bid shall be considered unless accompanied by the required Bid Bond. The form of the Bid Bond which must be submitted is included in Appendix C.

The Bid Bonds submitted by the Bidders shall be returned within 10 business days after execution of the Agreement of Sale by and between the Township and the Highest Responsible Bidder.

#### **5.4 Section II: Technical Qualifications and Experience**

This Section shall describe the qualifications and experience of both the organization and key personnel that will undertake the operation, maintenance and management of the Wastewater System.

##### **5.4.1 Qualifications and Experience of Bidder**

The Bidder shall provide information on the general expertise, experience, and reputation of the Bidder. The Bidder must demonstrate to the satisfaction of the Township that it has the necessary qualifications to operate the Wastewater System, maintain the physical plants and maintain all equipment in order to adequately operate and maintain the Wastewater System. The Bidder shall describe the Bidder's experience and qualifications relevant to the operation and maintenance of wastewater systems.

##### **5.4.2 Qualifications and Experience of Key Personnel**

The Bidder must demonstrate to the satisfaction of the Township that it has on staff a sufficient number of qualified personnel to operate the Wastewater System, maintain the

physical plants and maintain all equipment in order to adequately operate and maintain the existing Wastewater System. The Bidder shall provide a description of all personnel anticipated to be significantly involved in the operation of the Wastewater System, with a list of their educational degrees, licenses held and years of experience in wastewater utility service operation and maintenance. Personnel shall be appropriately licensed and experienced in the performance of operating, maintaining, monitoring and repairing wastewater treatment and collection systems.

#### **5.4.3 Regulatory Compliance**

The Bidder shall describe its record of compliance with applicable regulatory requirements. The Bidder shall list any material violations of any applicable regulatory requirements, including any that resulted in fines over \$50,000.

#### **5.4.4 Other Wastewater System Acquisitions**

The Bidder shall describe the rate structure and history of rate increases in connection with its municipal wastewater system acquisitions within the last five years. The Bidder shall also provide information regarding any capital improvements made by the Bidder to such systems following such acquisitions.

### **5.5 Section III: Purchase Price**

The proposed Purchase Price shall be set forth on Bid Form 3 (Purchase Price).

### **5.6 Section IV: Financial Qualifications and Rate Plan**

#### **5.6.1 Financial Strength**

The Bidder must demonstrate to the satisfaction of the Township that Bidder has the adequate financial resources to purchase the Wastewater System from the Township in accordance with the terms contained in the RFB and Draft Agreement of Sale and to own, operate, maintain and improve the Wastewater System. The Purchaser shall provide annual audited financial reports of its operations for the past three (3) years as part of the Bid.



### **5.6.2 Capital Investments**

The Bidder shall provide its assumptions with respect to how much capital it expects to invest in the Wastewater System in order to allow the Township to be in a position to lift the sewer ban. The Bidder shall identify anticipated capital improvements necessary to lift the sewer ban and provide an anticipated schedule for completing such improvements in accordance with Section 3.6 above. The Bidder shall also identify any other capital improvements it anticipates making to the Wastewater System.

### **5.6.3 Customer Service Plan and Plan for Billing Customers**

The Bidder shall describe its proposed customer service plan and plan for billing customers, which shall address the basis on which the Bidder proposes to bill well users. The Township prefers that the Buyer continue the existing billing structure for wastewater customers as set forth in Appendix K. The Bidder shall also describe how the Township's service area will be incorporated into the Bidder's existing operations and shall indicate whether any of its existing operations are in close proximity to the Township of Long Hill.

### **5.6.4 Rate Plan**

The Bidder shall describe in detail its plan for implementing a binding rate structure for the ratepayers following the sale. Bidder shall propose its best offer to address the Township's objective of stabilizing rates for its ratepayers following the sale. Proposed binding rate freezes or decreases, limits on annual rate escalation, etc. shall be described in detail. Bidders shall submit a five-year binding rate schedule following the Closing Date. Bidders may propose a binding rate schedule in excess of five years. The binding rate schedule should reflect that existing rates will not be raised more than 3% per year (based on the 2016 sewer rates) for at least five years following Closing. In addition, Bidders shall submit a projected (non-binding) rate schedule that projects rates for a minimum of 20 years following the Closing Date.

### **5.6.5 Exceptions to the Agreement of Sale**

The Bidder shall review the draft Agreement of Sale prior to submitting a Bid and identify areas where the Bidder takes exception, if any, during the Pre-Bid Question and Answer period. The Township will review such exceptions, if any, and, if the Township decides to revise

the draft Agreement of Sale based on potential Bidder comments, a revised Agreement will be issued via an addendum to this RFB. Bidders proposing significant changes to the draft Agreement of Sale with their Bid may be deemed non-responsive.

APPENDIX A

GLOSSARY

## GLOSSARY

Capitalized terms used in this RFB have the meanings assigned herein as set forth below. Certain other capitalized terms not defined herein shall have the meanings assigned in the Agreement of Sale.

“Addenda” shall mean the as written amendment(s) to the RFB issued prior to the Bid due date to prospective Bidders who obtained the RFB.

“Agreement of Sale” shall mean the agreement attached hereto as Appendix N.

“Bid” means a document submitted for evaluation in response to this RFB.

“Bid Security” shall mean the amount of Twenty Thousand Dollars (\$20,000), by a certified check or bid bond issued by a surety/bonding company licensed in the State of New Jersey and acceptable to the Township.

“Bidder” means a Company that submits a Bid in response to this RFB.

“Closing Date” shall mean 30 days following the receipt of BPU approval of the municipal consent or such other date as provided for in the terms of the Agreement of Sale.

“Highest Responsible Bidder” means the Bidder that submits the Bid with the highest Purchase Price and is deemed financially and technically responsible by the Township.

“Seller” shall mean the Township.

“Township” shall mean the Township of Long Hill, in the County of Morris, New Jersey.

“Wastewater System” shall mean the Township’s wastewater collection system, pump stations and wastewater treatment plant.

APPENDIX B

SECTION 22-2 OF LONG HILL TOWNSHIP CODE

## CHAPTER XXII SEWERS

### ARTICLE I SEWERAGE CONNECTIONS

#### 22-1 PERMIT REQUIRED; APPLICATION.

A permit to connect to the sanitary sewer system of the Township must be obtained and the fee specified herein must be paid before a cut or connection is made to the system including to an existing Y or T. Applications for such a permit must be made on forms approved and furnished by the Administrator. The application must be filed by the owner of the property and, accompanied by the fee prescribed in subsections 22-3.1 and 22-3.4. After a permit has been obtained, the actual connection shall be made by the owner of the property at his own expense. (1967 Code § 75-1)

#### 22-2 CONNECTIONS.

##### *22-2.1 Connection With Sewerage System.*

When a public or private sewer system is available or at any time becomes available within two hundred (200) feet of a building, connection must be made to the public or private system within one hundred twenty (120) days of receipt of notice from the Township Committee or the Board of Health. In the event of adverse weather conditions and on application to the Township Committee or the Board of Health, the period of time within which connection must be made may be extended for a reasonable period not exceeding thirty (30) days. (Ord. No. 9-84; 1967 Code § 75-2)

##### *22-2.2 Deferrals.*

The connection required by subsection 22-2.1 above may be deferred for a period not to exceed twenty (20) years (the approximate useful life of a new septic system) from the date of installation when and as long as the existing individual sewage disposal system was constructed during the period of the voluntary sewer ban (which was imposed on September 14, 2000) and the owner can prove that the existing system meets the design requirements of N.J.A.C. 7:9A - Standards for Subsurface Individual Sewage Disposable Systems, and is operating satisfactorily. The owner may pay the current connection fee at the time of the deferral or, in his or her discretion, may pay the connection fee in effect when the physical connection is made to the Township sewer system. Any connection fee paid shall be nonrefundable. (Ord. No. 223-07 § 1)

##### *22-2.3 Inoperative Private Systems.*

In the event that an individual sewerage disposal system becomes inoperative at any time or is not functioning in a proper manner and a public or private sewerage system is available, connection to the public or private sewerage system must be made within ninety (90) days of receipt of notice from the Township Committee or the Board of Health. (Ord. No. 9-84; 1967 Code § 75-3; Ord. No. 223-09 § 3)

#### 22-3 FEES.

##### *22-3.1 Connection Fees.*

In addition to the sewer use charges set forth in Article III of this chapter, a separate charge in the

APPENDIX C

BID FORMS

**BID CHECKLIST**

Owner's **CHECKMARKS**

Items Submitted with Bid  
Bidder's **INITIALS**

**A. FAILURE TO SUBMIT ANY OF THESE ITEMS WITH  
THE BID IS MANDATORY CAUSE FOR REJECTION**

↓

↓

- X Letter of Qualification –Bid Form 1 \_\_\_\_\_
- X Bid Bond or certified/cashier's check - Bid Form 2 \_\_\_\_\_
- X Purchase Price –Bid Form 3 \_\_\_\_\_
- X Letter of Intent –Bid Form 4 \_\_\_\_\_
- X Acknowledgment of Receipt of Addenda (if any) – Bid Form 5 \_\_\_\_\_
- X Statement of Ownership –Bid Form 6 \_\_\_\_\_
- X Non-Collusion Affidavit –Bid Form 7 \_\_\_\_\_

**B. ITEMS PREFERRED AT TIME OF BID, BUT MANDATORY AT THE TIME  
INDICATED**

- X New Jersey Business Registration Certificate (Prior to Contract Award) \_\_\_\_\_

PRINT NAME OF BIDDER: \_\_\_\_\_

SIGNED BY: \_\_\_\_\_

PRINT NAME AND TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

***COMPLETE AND SUBMIT THIS CHECKLIST WITH THE BID***



**BID FORM 1**

**LETTER OF QUALIFICATION**

*(Note: To be typed on Bidder's Letterhead. No modifications may be made to this letter, except to italicized items.)*

*[Insert date]*

Dear Municipal Clerk:

The undersigned *has/have* reviewed *my/our* Bid submitted in response to the Request for Bid (RFB) issued by Township of Long Hill ("the Township "), in connection with the sale of the Township's Wastewater System.

*I/We* affirm that the contents of *my/our* Bid (which Bid is incorporated herein by reference) is accurate, factual and complete to the best of our knowledge and belief and that the Bid is submitted in good faith upon express understanding that any false statement may result in the disqualification of *(Name of Bidder)*.

*(Bidder shall sign and complete the spaces provided below.)*

*(Signature)*

*(Typed Name and Title)*

*(Type Name of Firm)\**

Dated: \_\_\_\_\_

## **BID FORM 2**

### **BID BOND**

KNOW ALL MEN BY THESE PRESENT, that we [NAME OF BIDDER], as Principal (hereinafter the "Bidder") and [NAME OF SURETY], a [Corporation], [Partnership] duly organized under the laws of the State of \_\_\_\_\_, as Surety, are held and firmly bound unto the Township of Long Hill (the "Township"), as Obligee, in the sum of Twenty Thousand Dollars (\$20,000) lawful money of the United States of America to be paid to the Township, its successors or assigns, for which payment, well and truly to be made, we bind ourselves, our successors and assigns, jointly and severally, firmly by these present; and

WHEREAS, the above-named Bidder has submitted or is about to submit to the Township a Bid to enter into an Agreement of Sale to purchase the Township's Wastewater System as described in the Request for Bids, dated May 3, 2017 (the "RFB"), issued by the Township and covered by the Bid submitted by the Bidder in response thereto, which Bid is made a part hereof.

NOW, THEREFORE, the Surety hereby understands that if the above-referenced Bid is accepted by the Township, then the Bidder will in good faith enter into a final Agreement of Sale in writing and give bond with surety acceptable to the Township for the purchase of the Township's Wastewater System within the time specified in the RFB, or any extension thereof agreed to in writing by the Township. Surety hereby agrees that if the Bidder shall fail to do so, Surety will pay to the Township, as liquidated damages, the full amount of this Bond within 30 calendar days after receipt by Bidder and Surety of written notice of such failure from the Township, which notice shall be given with reasonable promptness, identifying this Bond and including a statement of the amount due. Upon execution of the Agreement of Sale, this Bond shall thereafter become null and void, otherwise to remain in full force and effect unless terminated as hereinafter provided.

It is agreed that this Bond shall become effective on the date the Bid is submitted and will continue in full force and effect for two hundred seventy (270) days from such date of submittal (unless extended) or until terminated as hereinafter provided.

If the Bid is not accepted within such 270-day time period, or any extension thereof agreed to in writing by the Township and the Bidder, then after written notice by the Township of such non-acceptance, this Bond may be terminated by the Surety or Bidder upon written notice to each other and to the Township by registered mail at least 10 days prior to the termination date specified in such notice. Upon the giving of such notice, the Surety shall be discharged from all liability under this Bond for any act or omission of the Bidder occurring after the date of the notice of non-acceptance.

Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the State of New Jersey.

All capitalized terms used herein and not otherwise defined shall have the meaning set forth in the RFB.

IN WITNESS WHEREOF, the Surety and Bidder, intending to be legally bound hereby, do each cause this Bid Bond to be duly executed on its behalf by its authorized officers, agents or representatives.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**SURETY**  
[NAME OF SURETY]

**BIDDER**  
[NAME OF BIDDER]

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name of Authorized Signatory

\_\_\_\_\_  
Name of Designated Signatory

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**BID FORM 3**

**PURCHASE PRICE**

Total Purchase Price: Bidder hereby proposes a TOTAL PURCHASE PRICE in accordance with the RFB for the assets described therein at an amount set forth in words as follows:

and in dollars as follows:

\$ \_\_\_\_\_

(Bidders acknowledge that in case of discrepancy, the amount in words will govern)

Plus an amount of \$250,000 payable to Seller for Transaction Reimbursement Costs.

\_\_\_\_\_  
Name of Bidder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

## BID FORM 4

### LETTER OF INTENT

*(Note: To be typed on Bidder's Letterhead. No modifications may be made to this letter, except to italicized items.)*

*[Insert date]*

Dear Municipal Clerk:

The undersigned, as Bidder, *has (have)* submitted the attached Bid in response to a Request for Bid (RFB), issued by the Township of Long Hill (“the Township”), for the Sale of the Township’s Wastewater System.

*(Name of Bidder)* HEREBY STATES:

1. The Bid contains accurate, factual and complete information.
2. *(Name of Bidder)* *agrees/agrees* to participate in good faith in the contract process as described in the RFB and to adhere to the Township’s procurement schedule.
3. *(Name of Bidder)* *acknowledges/acknowledge* that all costs incurred by *it (them)* in connection with the preparation and submission of the Bid prepared and submitted in response to the RFB, or any negotiation which results from this RFB shall be borne exclusively by the Bidder.
4. *(Name of Bidder)* hereby *declares/declare* that the only persons participating in this Bid as Principals are named herein and that no person other than those herein mentioned has any participation in this Bid or in any contract to be entered into with respect thereto. Additional persons may subsequently be included as participating Principals, but only if acceptable to the Township.
5. *(Name of Bidder)* declares that this Bid is made without connection with any other person, firm or parties who has submitted a Bid, except as expressly set forth below and that it has been prepared and has been submitted in good faith and without collusion or fraud.
6. *(Name of Bidder)* acknowledge and agrees that the Township may modify, amend, suspend and/or terminate the procurement process (in its sole judgment). In any case, the Township shall not have any liability to the Bidder for any costs

incurred by the Bidder with respect to the contract activities described in this RFB.

*(Bidder shall sign and complete the space provided below.)*

*(Signature)*

*(Typed Name and Title)*

*(Type Name of Firm)\**

Dated: \_\_\_\_\_

**BID FORM 5**

**ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA OR REVISIONS (IF ANY)**

Bidder has examined and carefully studied the RFB, the other related data identified in the RFB, if any, and the following Addenda, receipt of all of which is hereby acknowledged.

<u>Addendum No.</u>	<u>Date Received</u>	<u>Addendum No.</u>	<u>Date Received</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\_\_\_\_\_  
Name of Bidder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

## BID FORM 6

### **STATEMENT OF OWNERSHIP**

(N.J.S.A. 52:25-24.2)

**(Must be completed for Response to RFB to be accepted.)**

N.J.S.A. 52:25-24.2 requires corporate and partnership Bidders for contracts with the Township to submit a statement setting forth the following:

1. The names and addresses of all stockholders of a corporate Bidder who own 10% or more of its stock.
2. The names and addresses of all partners of a partnership Bidder who owns 10% or more of its partnership interests.
3. If one or more such stockholders or partners are itself a corporation or partnership, the names and addresses of all stockholders holding 10% or more of that latter corporation's stock, or the names and addresses of all partners holding a 10% or more interest in latter partnership.

In addition, the Township, in the event that a Bidder is a limited liability company, requires that the Bidder must submit a statement setting forth the following:

- A. The names and addresses of all members owning a 10% or greater interest therein and, if any member of the limited liability company is a corporation or a partnership or a limited liability company.
- B. The names and addresses of the stockholders or partners or members holding a 10% or greater interest in such corporation, partnership or limited liability company.

The statement of such names and addresses must be submitted accompany the Response.

**No Bidder will be qualified if there is a failure to comply with the requirements set forth above.**



LIST HERE (OR ATTACH) THE NAMES AND ADDRESSES REQUIRED, AS DISCUSSED ABOVE.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

The undersigned acknowledges that it is mandatory that Bidders submit the required information with the response to the RFB. This information will not be accepted after the receipt of the responses. Failure to submit a disclosure statement, which conforms to the requirements of N.J.S.A. 52:25-24.2 will result in rejection of the response.

**NAME OF PROPOSER:** \_\_\_\_\_

**AUTHORIZED SIGNATURE:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**BID FORM 7**

**NON-COLLUSION AFFIDAVIT**

**Township of Long Hill**

**Request for Bids – Sale Wastewater System**

STATE OF \_\_\_\_\_ )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_ of the City of \_\_\_\_\_ in the County of \_\_\_\_\_ and the State of \_\_\_\_\_ of full age, being duly sworn according to law on my oath depose and say that:

I am \_\_\_\_\_ of the firm of \_\_\_\_\_ the bidder making the Bid for the above named project, and that I executed the said Bid with full authority so to do; that said Bidder has not, directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named project; and that all statements contained in said Bid and in this affidavit are true and correct, and made with full knowledge that the Township of Long Hill relies upon the truth of the statements contained in said Bid and in the statements contained in this affidavit in awarding the contract for the said project.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or prospective employees or bona fide established commercial or selling agencies maintained by \_\_\_\_\_ for the purpose of securing business.

(N.J.S.A. 52:34-15) (NAME OF CONTRACTOR)

Subscribed and sworn to

\_\_\_\_\_  
(Type or print name of affiant under signature)

before me this \_\_\_ day

of \_\_\_\_\_ 20\_\_.

\_\_\_\_\_  
Notary Public of \_\_\_\_\_  
My commission expires \_\_\_\_\_, 20\_\_.

## NEW JERSEY BUSINESS REGISTRATION

### REQUIREMENTS – NON-CONSTRUCTION

All New Jersey and out of state business organizations must obtain a Business Registration Certificate (BRC) from the Department of Treasury, Division of Revenue, prior to conducting business in the State of New Jersey. Proof of valid business registration with the Division of Revenue, Department of Treasury, State of New Jersey, must be submitted for the vendor. No contract will be awarded without proof of business registration with the Division of Revenue. The contract will contain provisions in compliance with N.J.S.A. 52:32-44, as amended, outlined below.

The contractor shall provide written notice to its subcontractors and suppliers of the responsibility to submit proof of business registration to the contractor.

Before final payment of the contract is made by the contracting agency, the contractor shall submit an accurate list and proof of business registration of each subcontractor or supplier used in the fulfillment of the contract, or shall attest that no subcontractors were used.

For the term of the contract, the contractor and each of its affiliates and each subcontractor and each of its affiliates (N.J.S.A 52:32-44 (g) (3) ) shall collect and remit to the Director, New Jersey Division of Taxation, the use tax due pursuant to the “Sales and Use Tax Act” (N.J.S.A. 54:32 B-1, et seq.) on all sales of tangible personal property delivered into this state.


A business organization that fails to provide a copy of a registration as required pursuant to P.L. 2009, c.315 (N.J.S.A. 52:32-44 et seq.) or subsection e. of section 92 of P.L. 1977, c.110 (N.J.S.A. 5:12-92), or that provides false business registration information under the requirements of either of those sections, shall be liable for a penalty of \$25.00 for each day of violation, not to exceed \$50,000.00 for each business registration copy not properly provided under a contract with a contracting agency.

Sample Business Registration Certificates are attached. Certain other forms, such as a Certificate of Township to collect Sales and Use Taxes or a Certificate of Employee Information Report Approval, are **not** proof of business registration.

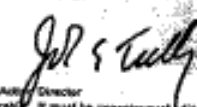
Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG can be filed online at:

<http://www.state.nj.us/treasury/revenue/gettingregistered.htm#busentity>

THESE ARE SAMPLES OF BUSINESS REGISTRATION CERTIFICATES.

	<b>STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE</b>
Taxpayer Name:	
Trade Name:	
Address:	
Certificate Number:	
Date of Issuance:	
For Office Use Only:	

OR

<b>STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE</b>		DEPARTMENT OF TREASURY DIVISION OF REVENUE PO BOX 732 TRENTON, N.J. 08646-0212
TAXPAYER NAME:	TRADE NAME:	
TAXPAYER IDENTIFICATION#:	SEQUENCE NUMBER:	
ADDRESS:	ISSUANCE DATE:	
EFFECTIVE DATE:		
FORM-BRC(08-01)	<small>Acting Director</small>	<small>This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.</small>

APPENDIX D  
DESCRIPTION OF WASTEWATER SYSTEM

For a comprehensive description of the Wastewater System, please refer to Sections 2 and 3 of the R&V Evaluation report which can be viewed and downloaded from the Township website: <http://longhillnj.gov/>.

A 2013 Engineer's Report prepared on behalf of the Township for a Wastewater System Improvements Project is also posted on the Township website for reference.

APPENDIX E  
REGISTRATION FOR UPDATES

**TOWNSHIP OF LONG HILL**

**REGISTRATION**

**Sale of Wastewater System**

The Bidder, \_\_\_\_\_, as designated below hereby wishes to receive any updates for the Request For Bids and its appendices.

BIDDER: \_\_\_\_\_

BY: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FAX: \_\_\_\_\_

EMAIL: \_\_\_\_\_

**NOTE: As set forth in Section 1.7.5 this completed form must be submitted to the parties identified in Section 1.6 to ensure that the Bidder receives all addenda/notices related to this RFB.**



APPENDIX F

2016, 2015 AND 2014 FINANCIAL STATEMENTS AND AUDIT REPORTS

The Township's financial statements and audit reports can be viewed and downloaded from the Township website: <http://longhillnj.gov/>. Click on the "Documents/Forms" tab and then "Financial Documents".

APPENDIX G  
REQUIRED CAPITAL IMPROVEMENTS TO PUMP STATIONS

Clover Hill Road Pump Station

<u>Priority List</u>
Cloverhill Road Pump Station Upgrade and Repairs
New Generator & transfer switch
New ventilation system
New heater
New electrical service & panel
New potable well pump
New explosion proof lighting
Replace check valves & gate valves
Replace (2)-20 hp pumps
Replace roof system, gutters, soffets
grinder installation
Install new flow meter
Install new acces hatch
Pave access road
Replace propane tank

Morristown Road Pump Station

<u>Priority List</u>
Morristown Road Pump Station Upgrade and Repairs
Generator & transfer switch replacement
Wet well hatch, stairs & safety grating
Grinder installation
Flow meter replacement
Pump motor replacements
New check valve & gate valves
Electrical upgrades
Lighting upgrades
Ventilation/heating upgrades
Roof and lintel replacement
Tree maintenance
Spiral stair maintenance

APPENDIX H  
EXISTING AGREEMENTS

**LONG HILL TOWNSHIP  
SERVICES CONTRACT**

**AGREEMENT** made this \_\_\_\_\_ day of March, 2017, between  
**ACCURATE WASTE REMOVAL SERVICES, LLC**, 160 Gold Mine Road, Mount Olive,  
New Jersey 07828 ("Contractor") and the **TOWNSHIP OF LONG HILL, IN THE  
COUNTY OF MORRIS**, a municipal corporation of the State of New Jersey, having its  
offices at 915 Valley Road, Gillette, New Jersey 07933 ("Township").

**WITNESSETH**

**WHEREAS**, the Township requires the services of a hauler for the transportation  
of sludge from the Township wastewater facility; and

**WHEREAS**, bids were received by the Township Administrator on February 9  
2017; and

**WHEREAS**, the lowest responsible bid was submitted by the Contractor;

**NOW, THEREFORE**, in consideration of the premises and other good and  
valuable consideration, the parties hereto mutually covenant and agree as follows:

1. The Contractor shall perform all the labor and furnish all the materials, tools and  
implements and will well and faithfully perform and complete the entire work of  
**TRANSPORATION OF SLUDGE FROM TOWNSHIP WASTEWATER FACILITY**  
in strict and entire conformity and in accordance with the Notice to Bidders,  
Proposal, Conditions, Specifications and other documents relative thereto and  
hereto annexed and made apart hereof, which Notice to Bidders, Proposal,  
Conditions and Specifications, together with all documents annexed hereto are  
collectively called the "Contract Documents", and in consideration of the

Contractor performing this contract in the manner herein stated and as stated in the Contract Documents, the Township promises and agrees to pay or cause to be paid to the Contractor the sums of money mentioned in said Contract Documents in the manner and under the conditions therein provided.

2. The term of the Contract shall be two (2) years commencing April 1, 2017 and ending March 31, 2019, subject to the annual cancellation clause set forth below.
3. In accordance with the requirements of *N.J.S.A. 40A:11-15* this Contract is contingent upon appropriations being made by the Township in its 2018 budget. If funds sufficient to pay the charges set forth in paragraph 4 are not appropriated in each year's budget, this Contract shall be voidable by the Township upon seventy-two (72) hours written notice to the Contractor. In addition, if the contractual amount is included in each annual budget but if any of such budgets exceeds the limitation imposed by *N.J.S.A. 40A:4-45.2* (the CAP law) and said budget is rejected by the voters in a referendum as provided for in *N.J.S.A. 40A:45-3a*, the contract shall be voidable by the Township upon seventy-two (72) hours written notice to Contractor.
4. In accordance with its February 7, 2017 bid, the Contractor shall be paid \$.028 per gallon and \$250 per emergency response. Payments will be made to the Contractor on a monthly basis upon submission of properly executed vouchers in accordance with established Township procedures.
5. The Contractor shall secure and maintain in force, for the term of this agreement, the insurance coverages described below. The Contractor shall provide the Township with certificates of insurance for all coverage and renewals thereof

which must contain the provision that the insurance provided in the certificate shall not be canceled for any reason except after 30 days written notice to the Township (10 days for non-payment of premium). The policies of insurance are to be from a company licensed to sell such insurance in the State of New Jersey and the company is to have an A.M. Best's rating of A-VIII or better. The following coverages shall be provided with minimum limits as indicated:

- A. **Commercial General Liability – Limit of liability shall not be less than \$1,000,000 combined single limit (Bodily Injury and Property Damage) per occurrence, \$1,000,000 general aggregate limit, \$1,000,000 products/completed operations aggregate, and \$1,000,000 in Personal Injury & Advertising Injury Liability. Coverage is to be for premises and operations, products and completed operations. On the Commercial General Liability Policy, the Township of Long Hill shall be included as an additional insured, and the insurance certificate shall indicate such coverage.**
  - C. **Automobile Liability – Limit of liability shall not be less than \$1,000,000 combined single limit (Bodily Injury and Property Damage) for owned autos (if any), non-owned and hired autos.**
  - D. **Workers' Compensation Policy – Statutory Coverage for the State and New Jersey and Employers liability coverage for limits of at least \$100,000 each accident, \$100,000 each employee for disease, and \$500,000 policy limit for disease. The Workers Compensation policy is to include NO exclusion for members of an LLC, partners in a partnership or for a sole proprietor.**
6. **The Contractor and the Township hereby incorporate into this contract the mandatory affirmative action provisions set forth in Exhibit "A" attached hereto.**
7. **The Contractor has filed with the Township Clerk the Business Registration Certificate as required by N.J.S.A. 54A:7-1.2.**



WITNESS

ACCURATE WASTE REMOVAL SERVICES, <sup>INC.</sup>~~LLC~~

Rose M. Robichaux

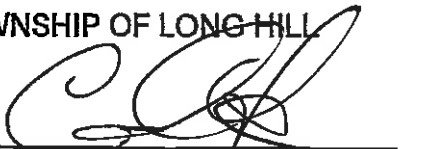
By: 

Adam W. Jacobs, Secretary

ATTEST:

TOWNSHIP OF LONG HILL



By: 

Deborah Brook, RMC, CMR  
Township Clerk

Cornel Schuler, Mayor

## RIDER A

During the performance of this contract, the contractor agrees as follows:

- 1 The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex. Except with respect to affectional or sexual orientation, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the public agency compliance officer setting forth provisions of this nondiscrimination clause;
- 2 The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex;
- 3 The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment;
- 4 The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c.127, as amended and supplemented from time to time.
- 5 The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers consistent with the applicable county employment goals prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c.127, as amended and supplemented from time to time.
- 6 The contractor or subcontractor agrees to inform in writing appropriate

recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

7 The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

8 The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

KENNETH J. LUCIANIN  
THOMAS TUCCI, JR.  
Commissioners



MICHAEL DeFRANCISCI  
Executive Director

GREGORY A. TRAMONTOZZI  
General Counsel  
Acting Clerk

600 Wilson Avenue  
Newark, NJ 07105  
P (973) 344-1800 F (973) 334-2931  
www.nj.gov/pvsc  
"Protecting Public Health and the Environment"

**MUNICIPAL AGREEMENT**  
**(Non-Categorical) 6/1/15**  
**Long Hill Township**

THIS AGREEMENT made this 24 day of June, 2015

**BETWEEN: THE PASSAIC VALLEY SEWERAGE COMMISSION**, public corporation of the State of New Jersey (hereinafter referred to as "PVSC");

**AND: Long Hill Township**  
1223 Valley Road  
Stirling, NJ 07980

(hereinafter referred to as the "CUSTOMER").

**W I T N E S S E T H:**

**WHEREAS**, PVSC owns and operates a wastewater treatment facility located in Newark, New Jersey, generally referred to as the PVSC Wastewater Treatment Plant; and

**WHEREAS**, the PVSC Wastewater Treatment Plan has waste disposal facilities and capabilities; and

**WHEREAS**, the CUSTOMER, is a Generator of a Municipal Sludge and desires to have the waste treated and disposed of by PVSC; and

**WHEREAS**, PVSC is agreeable to treatment and disposal of the waste of the CUSTOMER subject to certain terms and conditions including terms for the fixing of fees for treatment and disposal of the waste and other related matters;

**NOW, THEREFORE**, in consideration of these premises and of the mutual covenants and agreements herein set forth, and of the undertakings of each party to the other, the parties hereto, each binding itself, its successors and assigns, do mutually covenant, promise and agree as follows:

Section 1. GENERAL SCOPE OF THE AGREEMENT

The CUSTOMER agrees to deliver its non-hazardous waste at no cost to PVSC to the point of connection to PVSC's system, as designated by PVSC. If CUSTOMER utilizes a hauler to deliver its waste, the hauler must be approved by PVSC pursuant to its procedures. If CUSTOMER is not the generator of the waste being delivered to PVSC pursuant to this Agreement, CUSTOMER shall deliver to PVSC, prior to the delivery of any waste, an executed Consent of Generator the form of which is annexed hereto as Exhibit A. The non-hazardous waste shall meet all of PVSC's standards, including the applicable sections of PVSC's Rules and Regulations, and it shall not be detrimental to PVSC's treatment plant. The PVSC will accept the non-hazardous waste from the CUSTOMER subject to the limitations as set forth in Section 2 and the CUSTOMER will pay for the treatment of the waste in the amount and manner set forth hereinafter. The terms non-hazardous waste, and waste shall be deemed synonymous whenever they appear in this Agreement.

Section 2. TREATMENT OF THE CUSTOMER'S NON-HAZARDOUS WASTE AND SERVICE CHARGES TO BE LEVIED THEREFOR

(a) The CUSTOMER expressly warrants and guarantees that it will deliver to PVSC 100% of its total production of waste during the term of this Agreement. The CUSTOMER agrees that PVSC shall be the exclusive and sole provider of treatment and disposal of CUSTOMER'S waste during the term of this Agreement. The CUSTOMER agrees that if it does not deliver 100% of its total waste production, it will pay PVSC for any waste production not delivered at the rate specified in this Agreement. The PVSC agrees to accept, treat and dispose of the non-hazardous waste delivered by CUSTOMER to PVSC during the term of this Agreement or any extension of it based on the description provided in the attached CUSTOMER'S application.

(b) The CUSTOMER shall not, however, discharge into the PVSC's system;

1. Any prohibited waste as defined by Section 312 or any other of PVSC's Rules and Regulations.

2. Any ashes, cinders, sand, mud, stones, rocks, straw, shavings, metal, glass, rags, feathers, tar, wood or any other solid or viscous substance capable of causing obstruction to flow in pipes or other interference with the proper operation of the sewage works.

3. Any waste with a pollutant content greater than contained in the documentation submitted in the CUSTOMER'S Application.

4. Any waste which is Hazardous as defined by USEPA, NJDEP and/or any other regulatory agency.

5. Mixtures of the approved waste, as defined in the CUSTOMER'S Application, with any other waste.

6. Any waste which exceeds the maximum percent total solids contained in Schedule A hereof.

(c) PVSC reserves the right to sample any delivery for any parameter before or during discharge.

(d) PVSC reserves the right to reject a delivery if information reveals that the introduction of the contents may negatively impact the operation of the PVSC system.

(e) In consideration for the treatment and disposal of the waste by PVSC, the CUSTOMER agrees to pay PVSC at the thousand gallon rate specified in Schedule A hereof (the "Rate"). PVSC shall have the right to adjust the Rate annually upon thirty (30) days notice which notice, shall be given not less than sixty (60) days before December 31<sup>st</sup> of any year of this Agreement effective on January 1 following the notice. Unless CUSTOMER notifies PVSC of its intention to terminate this Agreement, not later than thirty (30) days prior to December 31<sup>st</sup> of the current year of this Agreement, CUSTOMER shall be deemed to have agreed to the increased Rate. In the event CUSTOMER does notify PVSC of its intention to terminate this Agreement, pursuant to this provision, such termination shall be effective on the ensuing December 31<sup>st</sup>. The termination shall in no way relieve the CUSTOMER'S obligation to pay any outstanding charges then due and owing or to become due and owing.

(f) PVSC shall base its charges for waste deliveries, upon full truckloads, regardless of whether a full truckload is actually delivered to PVSC's treatment plant. At PVSC's option it may require CUSTOMER to provide Certified Scale Weight Tickets to confirm the volume. The waste will be delivered at the sole cost of the CUSTOMER to PVSC's plant by a tank truck provided with either a gravity discharge or a self-contained pump capable of discharging the waste through approximately 10 feet of a 4 or 6 inch discharge hose to the at grade connection or other designated discharge point.

Section 3. PAYMENT AND TERM OF AGREEMENT

(a) PVSC shall bill the CUSTOMER monthly for charges due on this Agreement. The charges shall be payable upon receipt by the CUSTOMER of the monthly bill. Interest shall accrue at the rate of one and one half percent (1½%) per month on charges not paid within ninety (90) days of the billing date.

(c) The CUSTOMER will in each fiscal year make all budgetary and other provisions or appropriations necessary to provide for or authorize the payment to the PVSC during such fiscal year to the annual payments due hereunder.

(d) If the CUSTOMER defaults in any of its obligations of the terms of this Agreement, PVSC may terminate the services provided hereunder forthwith, provided that such termination shall in no way relieve the CUSTOMER'S obligation to pay any outstanding charges then due and owing or to become due and owing. If payment is not made by the CUSTOMER timely, PVSC shall be entitled to be reimbursed for costs of collection, including reasonable attorney fees.

(e) It is expressly agreed and understood that the CUSTOMER is solely a contract customer of PVSC and shall acquire by this Agreement no ownership, capital, property rights or equity in the system or plant of PVSC whatsoever, nor shall the CUSTOMER acquire by this Agreement any rights, express or implied, to participate in any way in the operation or the administration of PVSC, or participate in any capacity in any agreements or proceedings concerning the acquisition, sale, lease or any other imposition of PVSC's property, including but not limited to participation in eminent domain proceedings.

(f) The term of this Agreement shall commence on the date the Agreement is executed and, unless sooner terminated in accordance with its terms, shall expire five (5) year(s) from the date of execution. If upon the expiration of this Agreement, PVSC continues to provide service and the CUSTOMER continues to dispose of the waste at PVSC, then and in such events, the terms of this Agreement shall bind the parties for all services provided post-expiration of this Agreement.

(g) Anything contained in this Agreement to the contrary notwithstanding, if the New Jersey Department of Environmental Protection (NJDEP), or any other governmental agency having jurisdiction over PVSC or the subject matter of this Agreement, institutes a District Sludge Management Plan, or other plan of similar nature, which makes this Agreement unenforceable by its terms, then this Agreement shall terminate within sixty (60)

days of implementation of the Plan. If the Plan renders any provision of this Agreement unenforceable, or requires changes and modifications in the Agreement which PVSC is unwilling to accept, then PVSC reserves the right to terminate this Agreement on sixty (60) days notice.

(h) Anything in this Agreement to the contrary notwithstanding, PVSC shall have the absolute right to terminate this Agreement or suspend deliveries if PVSC determines, in its sole and absolute discretion, that it does not have the capacity to treat the waste to be delivered pursuant to this Agreement, or if the treatment of such waste will or has caused PVSC to violate its current permit under which it operates its facility and the violation cannot be corrected or removed despite PVSC's good faith efforts to do so. The termination or suspension provided for in this Agreement shall be on seven (7) days written notice to CUSTOMER. CUSTOMER expressly agrees that PVSC will incur no liability of any kind in exercising its right to terminate or suspend the Agreement pursuant to this provision.

(i) DETERMINATION AND MEASUREMENT OF SOLIDS CONTENT: The weight or weighted average of total solids will be determined EXCLUSIVELY by the PASSAIC VALLEY SEWERAGE COMMISSION's DEP certified laboratory. PVSC Laboratory determinations/results will be the basis for weight and/or weighted averages of solids used for PVSC billing purposes.

#### Section 4. ENFORCEMENT

(a) If the CUSTOMER violates any of the terms of this Agreement, including but not limited to the limitations set forth in Section 2 (b), PVSC may terminate the services provided hereunder forthwith and refuse to accept the waste into its system, provided that such termination shall in no way relieve the CUSTOMER'S obligation to pay any outstanding charges then due and owing or to become due and owing or constitute a waiver of any of PVSC's rights to enforce this Agreement.

(b) In addition to its right of termination, PVSC reserves the right to institute such measures as contained in PVSC's Rules and Regulations including, but not limited to, Section 601 Authority, Violations, etc.

(c) In the event any waste discharged by the CUSTOMER to PVSC'S system does not meet the requirements of Section 2 (b), or any other provision of this Agreement or provisions or regulation of any governmental agency having jurisdiction, and causes unusual maintenance or operating costs to PVSC, or causes PVSC to incur any fines or penalties for violation of any USEPA,



NJDEP or other governmental agency law, rule or permit, then in any such case, the CUSTOMER shall reimburse PVSC in full for such additional costs incurred, or fines or penalties assessed. Provided, however, that CUSTOMER shall not incur any liability under this subsection unless PVSC can reasonably demonstrate that the CUSTOMER, or its agents, or its waste was the cause of the unusual maintenance, operating costs, or fine or penalty, and in no event shall CUSTOMER be responsible for reimbursement of any amount unreasonably incurred. Nonpayment of any costs or fines and penalties shall constitute a default of this Agreement.

#### Section 5. COVENANT BY PVSC

PVSC shall use reasonable diligence and care to provide waste treatment service at its sewage treatment plant for the use of the CUSTOMER. PVSC shall not be liable for any failure to provide the services which are the subject of this Agreement, or for any interruption, or loss or damage resulting therefrom occasioned in whole or in part by any cause beyond the reasonable control of PVSC or any cause considered an event of force majeure.

PVSC shall not be responsible for any interruption or cessation of services due to the action of any governmental agency having jurisdiction over PVSC. If PVSC is unable to provide the service under the terms of this Agreement because of failure to obtain the necessary approval or licenses from the governmental agencies having jurisdiction over PVSC, then this Agreement shall become null and void.

#### Section 6. INDEMNIFICATION

The CUSTOMER agrees to indemnify and save PVSC harmless from all damages and claims for damages, actual or alleged, suits, recoveries, judgments or executions (including costs, expenses and reasonable attorney's fees) which may be made, had, brought or recovered by reason of injury for and including death resulting therefrom, to any person, or damage to the property of any person arising out of the making and performance of this Agreement; provided that this indemnification shall not apply to any damages and claims for damages, arising from the negligence of PVSC, its agents or employees. This Agreement shall be made a part of the CUSTOMER'S Comprehensive General Liability Policy, and PVSC shall also be designated as an additional named insured on such policy.

#### Section 7. INSURANCE

The CUSTOMER shall, at its own cost and expense, obtain and maintain for the life of the contract, and shall cause its subcontractors to obtain and maintain for the life of their subcontracts, all statutory insurance such as worker's compensation, bodily injury liability and property damage liability insurance and automobile and truck bodily injury liability and property damage insurance to be provided in not less than the following amounts:

- |     |  |             |
|-----|--|-------------|
| (a) | Injury or death to one person  | \$1,000,000 |
| (b) | Injury or death to more than one person or more than a single occurrence | \$2,000,000 |
| (c) | Property damage  | \$1,000,000 |
| (d) | Property damage on account of all occurrences                            | \$2,000,000 |

The CUSTOMER shall have PVSC named as an additional insured on its policy for coverages required by this Agreement, and a certificate of insurance evidencing the required insurance shall be filed by the CUSTOMER with the Executive Director of PVSC. If the CUSTOMER is self-insured, the CUSTOMER shall provide PVSC proof of its self-insurance, and provide a Certificate of Self-Insurance as required by this section.

#### Section 8. GOVERNING LAW AND VENUE

This Agreement shall be deemed to be executed in the State of New Jersey, regardless of the domicile of the CUSTOMER and generator, and shall be governed by and construed in accordance with the laws of the State of New Jersey.

The Parties agree that any and all claims asserted by PVSC arising under this Agreement, or related thereto, shall be heard and determined either in the courts of the United States located in New Jersey or in the Courts of the state of New Jersey located in Essex County, New Jersey. The parties further waive all rights to trial by jury.

Further, the CUSTOMER and generator agree to waive as a defense to any actions arising out of the discharge of wastes to PVSC's facility, the fact that the CUSTOMER or generator are not entirely located within or subject to the jurisdiction of PVSC and its Rules and Regulations.

Section 9. ASSIGNMENT PROHIBITED

No assignment or transfer of this Agreement or resale of the services provided hereunder shall be made without the express written consent of PVSC, and the CUSTOMER shall not permit any use or benefit to be made of this Agreement by any other party.

Section 10. TESTING AND MONITORING

(a) The CUSTOMER shall be responsible for waste sampling, testing, reporting or other requirement of the NJDEP and the USEPA and for the cost thereof, for monitoring for waste quality parameters, including heavy metals and toxic organic chemicals, copies of the waste analysis reports sent to NJDEP, USEPA and/or any other governing agency by the generator for waste quality parameters, shall be filed with PVSC within thirty (30) days of their submission to the regulatory agency(s).

(b) The CUSTOMER shall maintain such records as necessary to demonstrate compliance with the requirements of this Agreement, PVSC's Rules and Regulations and any applicable State and Federal pretreatment standard or requirement. All records and information resulting from any monitoring activities required by this Agreement, including all records of analysis performed, shall be retained for a minimum of five years.

Section 11. SPILLAGE

Any spillage caused by the CUSTOMER, his hauler or his equipment while on PVSC property, shall be the CUSTOMER'S responsibility to properly clean up at the CUSTOMER'S expense. The clean up shall meet all Federal and State requirements and regulations, including supplying all documentation.

Section 12. VERBAL COMMUNICATION

Verbal communication by the CUSTOMER shall not be accepted and no representative, agent or employee of PVSC is authorized to accept any verbal communication from the CUSTOMER to vary, alter or modify the terms of this Agreement. Similarly, no representative, agent, or employee of PVSC has been authorized to make any representations or to vary, alter or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by the CUSTOMER and PVSC.

Revised 03/13/14


Section 13. RE-APPLICATION


If this Agreement is renewed or extended, the CUSTOMER shall submit a complete PVSC Application including all required laboratory analysis. In addition, CUSTOMER or generator shall certify annually to PVSC that there has been no "significant change" in the waste as defined in PVSC's Rules and Regulations. Failure to submit a complete Application or certify annually shall constitute a CUSTOMER default of this Agreement.

IN WITNESS WHEREOF, PVSC and the CUSTOMER have caused their respective corporate seals. to be hereto affixed and attested and these presents to be signed by their respective officers duly authorized, and this Agreement to be dated as of the date first above written.

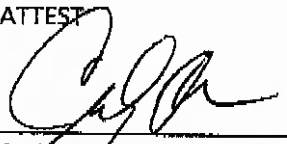
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PASSAIC VALLEY SEWERAGE COMMISSION

  
ATTEST:  
GREGORY A. TRAMONTOZZI  
Acting Clerk

By:   
MICHAEL DeFRANCISCI  
Executive Director

---

ATTEST  
  
Cathy Reese, RMC, CMR  
Township Clerk

TOWNSHIP OF LONG HILL  
  
Brendan P. Rae  
MAYOR

**TOWNSHIP OF LONG HILL  
RESOLUTION 15-207  
SLUDGE DISPOSAL AGREEMENT**

**WHEREAS**, the Township of Long Hill provides sewerage services to the residents of the Township of Long Hill and

**WHEREAS**, as a result of those services must dispose of the sewage sludge pursuant to the Sewerage Authorities Law P.L. 1946, c.138, and

**WHEREAS**, the Township of Long Hill wishes to enter into an agreement for disposal of this sewer sludge with the Passaic Valley Sewerage Commission

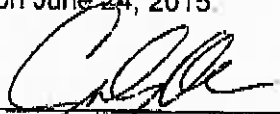
**NOW THEREFOR BE IT RESOLVED**, by the Township Committee of the Township of Long Hill, in the County of Morris, State of New Jersey agrees to the following terms of the agreement as follows:

1. PVSC shall be the exclusive provider of treatment and disposal of the Township of Long Hill's waste during the course of this agreement
2. The date of this agreement shall be June 24, 2015 through June 23, 2020
3. The price of disposal per thousands of gallons will be \$43.00 per thousand gallons.
4. The Township of Long Hill shall comply with the PVSC's rules and regulations as stated in the agreement and any applicable State and Federal pretreatment standard as or requirement

**BE IT FURTHER RESOLVED**, that the Township Committee of the Township of Long Hill does hereby authorize the Mayor and the Township Clerk to sign the 5 year agreement with the Passaic Valley Sewerage Commission

Adopted by the Township Committee on June 24, 2015

I, Cathy Reese, Township Clerk of the Township of Long Hill, County of Morris, State of New Jersey, hereby certify this to be a true copy of a resolution adopted by the Township Committee on June 24, 2015.



Cathy Reese, RMC  
Township Clerk

INTRODUCED	SECONDED	COMMITTEE	AYE	NAY	ABSTAIN	ABSENT
		DORSI	x			
	x	MERINGOLO	x			
x		PISERCHIA	x			
		SCHULER				x
		RAE	x			

APPENDIX I  
NJDEP DSW PERMIT

A copy of the Township's NJDEP DSW Permit is posted on the Township website:  
<http://longhillnj.gov>.

APPENDIX J  
20 YEAR CAPITAL PLAN



The 20 Year Capital Plan is contained in the R&V Evaluation Report which can be viewed and downloaded from the Township website: <http://longhillnj.gov/>.

APPENDIX K

CURRENT SEWER USER FEES AND HISTORY OF RATE INCREASES

Year	Per 1K gallon
2012	<b>9.11</b> Usage based on 9 Winter Months
2013	<b>9.11</b> Usage based on 9 Winter Months
2014	<b>9.11</b> Usage based on 9 Winter Months
2015	<b>14.91</b> Usage based on 6 Winter Months
2016	<b>15.05</b> Usage based on 6 Winter Months
2017	<b>16.61</b> Usage based on 6 Winter Months

**TOWNSHIP OF LONG HILL  
ORDINANCE #384-16  
AN ORDINANCE CONCERNING SEWER USER RATES AND  
AMENDING CHAPTER XXII OF THE TOWNSHIP CODE ENTITLED "SEWERS"**

**BE IT ORDAINED** by the Township Committee of the Township of Long Hill in the County of Morris, New Jersey that Chapter XXII of the Township Code entitled "Sewers" is hereby amended as follows:

Section 1. Section 22-23 entitled "User Rates" & Section 22-24 entitled "Miscellaneous Provisions" are hereby amended to read as follows:

**22-23 USER RATES**

The following sewer service and usage fees are hereby established effective January 1, 2016, and shall remain in full force and effect until revised by ordinance duly adopted by the Township Committee:

- a. All sewer users shall be charged a service fee of **\$75** per year per unit.
- b. Sewer users that are metered shall be charged a sewer usage fee at the rate of ~~\$14.91~~ **\$15.05** per thousand gallons.
  1. The gallons used shall be the total water metered for the six (6) winter months preceding the billing year. By example, in the billing year of 2016, the gallons are determined from the six months January through April 2015 and November through December 2015. The months excluded are: May through October 2015.
  2. Water consumption figures for each user will be obtained from the water company servicing the premises or by the Township Sewer department if the meter is not serviced by the water company.
  3. If the meter is not read or incorrectly read for one or more months of the usage period as determined by the Sewer Utility Collector, the amount charged for those months shall be equal to the approximate average monthly usage among other billable months during the same period.
- c. Sewer Users that are not metered shall be charged a usage fee as follows:
  1. Residential units: **\$400.00** per unit
  2. Commercial or Industrial units: **\$525.00** per unit
- d. If a user has multiple water sources, the usage fee shall be the combined total of each source as specified in 22-23b if metered and 22-23c if unmetered. Only one service fee shall be applied.
- e. The Township Committee may require a water meter to be installed by any sewer user utilizing a well or other private water system at the property owner's expense.

- f. Each user who is a resident of this Township and who was sixty-five (65) years of age or older during the prior calendar year shall be entitled annually, upon submission of a claim on proper forms, to a deduction of fifteen (\$15.00) dollars from his or her sewer use charge as established hereinabove.

## **22-24 MISCELLANEOUS PROVISIONS**

### **22-24.1 Multiple Unit Properties.**

In the case of a building in single ownership having several stores, offices or residential units or a combination of stores, offices and residential units except for "accessory apartments," served by a common water meter, the annual charges paid shall be a service charge (subsection 22-23) for each individual store, office and residential unit plus the per thousand gallon charge (subsection 22-23) for the water use recorded by the common meter. (1967 Code § 76-6; Ord. No. 182-05 § 1; Ord. No. 279-11 § 4)

### **22-24.2 Payment of Charges.**

The sewer service charge established and fixed herein shall be an annual charge for each calendar year. The charge for each residential unit and the basic charge for each nonresidential unit shall be payable in one (1) payment before the due date as specified in section 22-24.4 (1967 Code § 76-7; Ord. No. 182-05 § 1; Ord. No. 303-12)

### **22-24.3 Proration.**

In the case of any unit, residential or business, or any other type of unit which is not connected to the sanitary sewer system during the entire year, the charge shall be prorated on a calendar year basis, and the unit shall be charged a sewer use charge for the entire month during which the connection is made. For the purpose of construing this article, the date of issuance of an occupancy permit on new construction of buildings shall be considered as the date of connection. (1967 Code § 76-8; Ord. No. 182-05 § 1)

### **22-24.4 Billing and Collection.**

a. The Sewer Utility Collector shall bill the owners of sewer property for the sewer service charge annually. Sewer use charges shall be due 30 days after sewer bills are mailed. In the event that the annual sewer charges are not paid as provided herein, the following provision of this article shall apply.

b. The charges hereby imposed shall be payable to the Sewer Utility Collector and shall draw the same interest from the time they become due as taxes upon real estate and shall be a lien upon the premises connected to the sanitary sewer until paid, and the Township shall have the same remedies for collection thereof, with interest, costs and penalties, as it has by law for the collection of taxes on real estate.

(1967 Code § 76-9; Ord. No. 26-94 § 5; Ord. No. 182-05 § 1; Ord. No. 303-12)

### **22-24.5 Exemptions.**

There shall be no sewer service charge levied or collected from the Board of Education, volunteer fire companies, or first-aid squads. (1967 Code § 76-10; Ord. No. 182-05 § 1)

**22-24.6 Matters Not Affected.**

Nothing herein shall preclude the Township from requiring developers of property to install sewer lines at their own expense or from providing for construction of sewer lines by local improvement assessments. (1967 Code § 76-11; Ord. No. 182-05 § 1)

Section 2. Any and all other ordinances or parts thereof in conflict or inconsistent with any of the terms hereof are hereby repealed to such extent as they are so in conflict or inconsistent.

Section 3. In case any article, section or provision of this ordinance shall be held invalid in any court of competent jurisdiction, the same shall not affect any other article, section or provision of this ordinance except insofar as the article, section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

Section 4. This ordinance shall take effect immediately upon final passage and publication as required by law.

ATTEST

TOWNSHIP OF LONG HILL

\_\_\_\_\_  
Cathy Reese  
Township Clerk

\_\_\_\_\_  
Bruce Meringolo  
Mayor

NOTICE

The foregoing ordinance having been introduced and passed on first reading by the Township Committee of the Township of Long Hill, in the County of Morris on Wednesday, April 27, 2016 will be considered for final passage and adoption at a public hearing held at a meeting beginning at 7:30 p.m. on Wednesday, May 25, 2016 at the Municipal Building, 915 valley Road, Gillette, New Jersey when and where or at such time and place to which said meeting may be adjourned, all persons interested will be given an opportunity to be heard concerning said ordinance.

Cathy Reese, RMC, CMR  
Township Clerk

*First Reading and Introduction: April 27, 2016*  
*1<sup>st</sup> Publication: May 5, 2016*  
*Second Reading and Adoption: May 25, 2016*  
*2<sup>nd</sup> Publication: June 2, 2016*

APPENDIX L  
CURRENT WASTEWATER SYSTEM EMPLOYEE INFORMATION

Employee 1:

Superintendent/Lab Manager

Certifications-S-3, C-3, CPWM, Back Flow Certified, CDL Class A/Tanker Endorsement

Job Duties-Implementation of and compliance with OSHA, NJDEP and EPA regulations

Compliance with Municipal Policies and Procedures

Preparation of Monthly discharge Monitoring Reports for submission to NJDEP

Daily Sampling for process control and DMR's

Management, Supervision, Schedule, and direct oversight of all plant personnel

Management of process improvement and facility upgrade projects

Scheduling and oversight of routine maintenance programs

Coordination with the Public Works Director and Consulting Engineers

Certification of laboratory parameters

Capital planning and budget preparation

Perform all permitted back flow device quarterly testing

Oversight of facility purchasing through GFMS

Employee reviews and evaluation including implementation of disciplinary actions

Public outreach and community relations

Date Hired-2/22/93-Present

Employee 2:

Wastewater Control Operator

Certifications-S-2, C-2, CDL Class B/Tanker Endorsement

Job Duties-Assumes all responsibility when Superintendent is not available

Oversees collection system-Jetting and Camera work, Pump Station daily maintenance

Performs daily maintenance of all mechanical equipment

Performs daily lab testing

Performs daily data collection and record keeping

Date Hired-9/25/06-Present

Employee 3:

Utility Manager

Certifications-CDL Class B/Tanker Endorsement

Job Duties-Performs daily maintenance of all mechanical equipment

Performs daily lab testing

Performs daily data collection and record keeping

Date Hired-12/11/06-5/10/13 (Road Dept.)

Date Hired-5/13/13-Present (Wastewater Dept.)

Employee 4:

Utility Manager

Certifications-CDL Class A

Job Duties-Performs daily maintenance of all mechanical equipment

Performs daily lab testing

Performs daily data collection and record keeping

Date Hired-5/3/04-10/24/14 (Road Dept.)

Date Hired-10/27/14-Present (Wastewater Dept.)



APPENDIX M  
WASTEWATER SYSTEM OPERATING BUDGET

<u>Sewer Projected cost</u>	2015	2016	2017
Salary	328,500	336,000	314,500
Other Expenses	234,860	228,800	242,025
Health Benefit	123,838	137,666	137,666
FICA-7.65% of salary	25,130	25,704	24,059
Pension - est. 12% of salary	36,135	36,960	37,740
Utilities	197,000	207,000	227,000
Insurance - 10% of total bill	39,000	39,000	39,000
Fleet Expenses(budget)	10,000	10,000	11,000
Debt Service-NJEIT Loan(budget)	288,627	285,096	285,327
<u>Total:</u>	<u>1,283,090</u>	<u>1,306,226</u>	<u>1,318,317</u>
Litigation & Sewer Sales	-	-	130,000
Capital Improvements / Contingency	186,000	172,000	158,530
<u>Totals:</u>	<u>1,469,090</u>	<u>1,478,226</u>	<u>1,606,847</u>
* Anticipated Sewer Revenues in Budget	1,470,000	1,480,000	1,610,000

\*rounded up to nearest 10,000

APPENDIX N  
DRAFT AGREEMENT OF SALE

**HDW DRAFT 4/25/17**

**DRAFT**

**AGREEMENT OF SALE**

**BETWEEN**

**THE TOWNSHIP OF LONG HILL, NEW JERSEY**

**AND**

**[BUYER]**

**[Date]**

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- Exhibit A. Description of the Wastewater System
- Exhibit B. Form of Assignment and Assumption Agreement
- Exhibit C. Form of Bill of Sale
- Exhibit D. Tariff
- Exhibit E. List of Written Contracts to Which Township is a Party which Relate to the Wastewater System
- Exhibit F. Form of Assignment and Grant of Easements, Rights of Way and other Property
- Exhibit G. Form of General Assignment
- Exhibit H. Disclosure Schedule to the Agreement of Sale
- Exhibit I. Escrow Agreement
- Exhibit J. Existing Township Wastewater System Employees
- Exhibit K. Customer Service Standards
- Exhibit L. Capital Improvements to Lift Sewer Ban
- Exhibit M. Capital Improvements to Pump Stations



## **AGREEMENT OF SALE**

**THIS AGREEMENT OF SALE** (this “Agreement”), dated [Date] is made and entered into by and between the **TOWNSHIP OF LONG HILL**, a public body corporate and politic in Morris County in the State of New Jersey (the “Township”) and [BUYER], a [\_\_\_\_\_] [Corporation] with principal corporate offices at [ ] (the “Buyer”). The Buyer and the Township are referred to collectively herein as the “Parties.”

**WHEREAS**, the Township currently owns and operates a Wastewater Treatment Plant, wastewater collection system and eight sanitary pump stations (collectively, the “Wastewater System”), more particularly described herein, located in the Township of Long Hill, New Jersey; and

**WHEREAS**, in connection with the proposed sale of its Wastewater System, the Township prepared, advertised, and made available to all prospective buyers a Request for Bids on May 3, 2017; and

**WHEREAS**, on [June 14, 2017], the Township received bids from [ ] private water utilities in response to the RFB; and

**WHEREAS**, after review and clarifications of the Bids received, the Township determined that the Buyer had submitted the Highest Responsible Bid; and

**WHEREAS**, the Township and the Buyer have agreed to the terms and conditions set forth in this Agreement, which sets forth the terms upon which sale of the Township’s Wastewater System to the Buyer will take place, provided all conditions of the Closing are satisfied; and

**WHEREAS**, the Township desires to sell and the Buyer desires to purchase the Wastewater System pursuant to the terms of the Agreement; and

**NOW, THEREFORE**, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows:

## ARTICLE I

### DEFINITIONS

“Agreement” shall mean this Agreement of Sale of the Wastewater System and all exhibits, attachments, and schedules hereto, dated [\_\_\_\_\_, 2017].

“Assumed Liabilities” shall have the meaning set forth in Section 4.5 below.

“BPU” means the New Jersey Board of Public Utilities or any successor agency.

“Buyer” means [\_\_\_\_\_].

“Township” means the Township of Long Hill, New Jersey.

“Closing” has the meaning set forth in Section 4.6 below.

“Closing Date” shall mean the date upon which Closing takes place as more particularly described in Section 4.6 below.

“Deposit” shall mean a payment of money equal to 10% of the Purchase Price, which is payable to the Township upon execution of this Agreement, and which shall be held by the Escrow Agent under the Escrow Agreement attached hereto and incorporated herein by reference as **Exhibit I**, and together with the earnings accrued thereon shall be the Deposit.

“Disclosure Schedule” has the meaning set forth in Section 2.1.

“Encumbrances” means any security interest, pledge, mortgage, lien (including, without limitation, environmental and tax liens), charge, encumbrance, adverse claim or restriction on use or transfer.

“Escrow Agent” shall mean [\_\_\_\_\_].

“Final Approval Order” shall mean an order of the BPU authorizing the Buyer and the Township to consummate the purchase of assets as contemplated by this Agreement; and as to which the time for filing an appeal as of right has expired, and as to which there are no appeals, petitions for reconsideration, petitions for re-argument, or similar petitions pending.

“Governmental Authority” means any federal, state, regional, or local legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any official thereof having jurisdiction.

“Monetary Liens” shall mean (a) judgment liens and tax liens entered against the Township and encumbering any part of the Wastewater System, and (b) mortgages, security interests and other liens granted by the Township and encumbering the Wastewater System.

“NJDEP” means the New Jersey Department of Environmental Protection or any successor agency.

“Party” shall mean either the Township or the Buyer.

“Parties” shall mean the Township and the Buyer.

“Permits” shall mean all permits, certificates, licenses, orders, registrations, franchises, authorizations and other rights and approvals from any governmental authority with respect to the Wastewater System held by the Township.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

“Permitted Encumbrances” shall have the meaning set forth in Article VI.

“Purchase Price” has the meaning set forth in Section 4.3 below.

“RFB” means the Request for Bids for the sale of the Wastewater System issued by the Township on May 3, 2017 and responded to by the Buyer.

“Wastewater System” shall mean the Township’s wastewater treatment plant, the wastewater collection system and the eight pumping stations, as described in detail in **Exhibit A**.

“Township” means the Township of Long Hill, New Jersey.

“Township Consent” shall mean the municipal consent ordinance that is to be enacted by the Township as a condition of the Closing.

“Transaction Documents” means collectively this Agreement and all agreements, documents, and certificates required by this Agreement.

“Transaction Costs Payment” has the meaning set forth in Section 4.4 below.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF THE TOWNSHIP

Section 2.1. REPRESENTATIONS AND WARRANTIES OF THE TOWNSHIP. Except as set forth in the disclosure schedule accompanying this Agreement and initialed by the Parties (the “Disclosure Schedule”), which is attached as **Exhibit H**, the Township represents and warrants to the Buyer that the statements contained in this Article II are correct and complete as of the date of this Agreement. The Disclosure Schedule will be arranged in paragraphs corresponding to the lettered paragraphs contained in this Article II.

- (A) Organization of the Township. The Township is a public body corporate and politic in Morris County in the State of New Jersey.
- (B) Authorization of Transaction. The Township has full right and authority to execute and deliver this Agreement and to perform its obligations hereunder.
- (C) Title. The Township is the sole owner of all assets and each fee parcel of real property included in the Wastewater System, and leasehold interest, license or easement in all other real property in the Wastewater System,.
- (D) No Litigation. To the best of the Township’s knowledge, there is no litigation, either at law or in equity, nor any proceedings before any commission or regulatory body pending, or threatened against the Township, in any way that would adversely affect its ability to perform its obligations under the Agreement.
- (E) No Default. To the best of the Township’s knowledge, the Township is not in default of any provisions of law, charter, by-laws, contract, franchise, rules or regulations of any governmental agency or any instrument to which it is a party and which in any way affects the Wastewater System.
- (F) No Reimbursement Obligations. To the best of the Township’s knowledge, the Township is not party to any wastewater extension agreement or other contract which, if assigned to the Buyer, would obligate the Buyer by rebate, reimbursement, or other payment to return moneys to third parties by reason of installation of some portion of the Wastewater System.
- (G) System Compliance. The Wastewater System is in compliance with all State, federal, and local laws and regulations.
- (H) Tariff. The tariff, attached as Exhibit D, represents the true rates of the Wastewater System and are in effect as of the Contract Date.

Section 2.2. DISCLAIMER OF OTHER REPRESENTATIONS AND WARRANTIES. Except for representations and warranties as expressly set forth in this Article II, the Township makes no other representation or warranty, express or implied, at law or in equity, with respect to the Wastewater System or operations, including with respect to merchantability or fitness for any particular purpose and any such other representations or

warranties are hereby expressly disclaimed. The Buyer hereby acknowledges and agrees that, except for the representations and warranties specifically set forth in this Article II, the Buyer is purchasing the Wastewater System on an “as-is, where-is” basis. The Buyer has satisfied itself on all aspects , of the Wastewater System, including but not limited to all physical, economic, operational, regulatory, tax and title matters that the Buyer deems relevant, and is not relying on any representation of the Township in connection therewith except for the representations and warranties set forth in this Agreement. The Township shall not be liable for any latent or patent defects in the System.

Section 2.3. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

All of the representations and warranties made by the Township are true and correct as of the date of this Agreement and shall be true and correct and deemed repeated as of Closing, subject to the Disclosure Statement as same may be modified by the terms of this Agreement. No claim for a misrepresentation or breach of warranty of the Township shall be actionable or payable if the breach in question results from or is based on a condition, state of facts or other matter which was known to the Buyer prior to the Closing.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES OF THE BUYER

Section 3.1. REPRESENTATIONS AND WARRANTIES OF THE BUYER. Except as set forth in the Disclosure Schedule, the Buyer represents and warrants to the Township that the statements contained in this Article III are correct and complete as of the date of this Agreement. The Disclosure Schedule will be arranged in paragraphs corresponding to the lettered paragraphs contained in this Article III.

- (A) Organization of Buyer. The Buyer is a corporation duly organized, validly existing and in good standing under the law of the State of [New Jersey].
- (B) Authorization of Transaction. The Buyer has full right and authority to execute and deliver this Agreement and to perform its obligations hereunder.
- (C) No Litigation. To the best of the Buyer's knowledge, there is no litigation, either at law or in equity, nor any proceedings before any commission or regulatory body pending, or threatened against the Buyer, in any way that would affect its ability to perform its obligations under this Agreement.
- (D) No Warranties. The Buyer is purchasing the Wastewater System "as is", and that the Buyer will have no recourse against the Township with respect to any condition of the Wastewater System that might be discovered after the Closing.
- (E) Right to Inspect. Prior to the Contract Date, the Buyer has been afforded the opportunity to inspect and has inspected the Wastewater System to the extent that the Buyer deemed necessary and has made such examination of the Wastewater System, the operation, income and expenses thereof and all other matters affecting or relating to this transaction as Buyer deemed necessary. In entering into this Contract, the Buyer has not been induced by and has not relied upon any representations, warranties or statements, whether express or implied, made by the Township or any agent, employee or other representative of the Township or by any broker or any other person representing or purporting to represent the Township, which are not expressly set forth in this Contract, whether or not any such representations, warranties or statements were made in writing or verbally.
- (F) Other Limitations of Local, State, and Federal Laws and Regulations. The Buyer accepts the terms of this Agreement subject to the terms and limitations of all applicable local, State, and federal laws, statutes, rules and/or regulations.
- (G) Source of Funds. The funds comprising the Purchase Price to be delivered to the Township in accordance with this Contract are not derived from any illegal activity.
- (H) Not a Blocked Person. The Buyer is not a, and is not acting directly or indirectly for or on behalf of any, person, group, entity or nation named by Executive Order of the United States Treasury Department as a terrorist, "Specifically Designated

National and Blocked Person,” or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control and the Buyer is not engaged in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of any such person, group, entity or nation.

Section 3.2. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

All of the representations and warranties made by the Buyer are true and correct as of the date of this Agreement and shall be true and correct and deemed repeated as of Closing, subject to the Disclosure Statement as same may be modified by the terms of this Agreement.

## ARTICLE IV

### BASIC TRANSACTION

Section 4.1. PURCHASE AND SALE OF ASSETS. Subject to the terms and conditions of this Agreement, at the Closing referred to in Section 4.6, the Township will sell to the Buyer, and Buyer will buy from the Township, all of the Township's rights, title, and interest in the Wastewater System as further described in **Exhibit A** for the consideration specified below in Section 4.3.

Section 4.2. EXCLUDED ITEMS. Except as specifically described in **Exhibit A**, in no event shall the Wastewater System include personal property, office equipment, office supplies, Township-owned vehicles, cash, securities, and the accounts receivable of the Township relating to the Wastewater System up to and including the Closing Date.

Section 4.3. PURCHASE PRICE. The Buyer agrees, subject to the terms and conditions set forth in this Agreement, to pay to the Township, at the Closing referred to in Section 4.6, the sum of [(\$\_\_\_)] (the "Purchase Price"). Upon the execution of this Agreement, the Buyer shall pay the Deposit to be held by Escrow Agent pursuant to the terms of the Escrow Agreement, with any interest or earnings to follow the Deposit, and which Deposit shall be credited against the Purchase Price. Subject to the terms and conditions of this Agreement, the balance of the Purchase Price less the Deposit, increased or decreased by the items to be apportioned pursuant to Section 4.8 of this Agreement (such sum, before the apportionments referred to herein is referred to as the "Closing Balance" and after such apportionments is referred to as the "Adjusted Closing Balance") shall be paid on the Closing Date by wire transfer in federal funds to a bank account designated in writing by the Township at least five (5) business days prior to the Closing Date.

Section 4.4. TOWNSHIP TRANSACTION EXPENSE. Notwithstanding any obligations of the Township set forth in the Agreement to solely bear its expenses and costs in connection herewith, and in addition to the Purchase Price provided for in Section 4.3, the Buyer agrees to pay the Township \$250,000 for costs and expenses incurred and reasonably anticipated to be incurred by the Township in connection with the sale of the Wastewater System, including, but not limited to, outside attorney, engineering, inspection, and other consultant costs (collectively the "Transaction Costs Payment"). The Buyer agrees to pay the Township one-third (\$83,333) of the Transaction Costs Payment upon the full execution of this Agreement and the remaining two-thirds (\$166,667) upon approval of the referendum by the voters of the Township. In the event that the Closing does not occur due to the acts or omissions of the Township, and this Agreement is terminated pursuant to Section 9.2, the Township shall return the Transaction Costs Payment to the Buyer.

Section 4.5. ADDITIONAL OBLIGATIONS. In addition to the payment of the amounts set forth in Sections 4.3 and 4.4 hereof, the Buyer agrees to:

- (A) assume responsibility for all claims and liabilities relating to the Wastewater System that arise post-Closing;



- (B) assume and meet all contractual commitments of the Township on and after the Closing Date in connection with the contracts set forth in **Exhibit E** (collectively, (A) and (B) constitute the "Assumed Liabilities");
- (C) comply with the Rate Stabilization Covenant set forth in Section 8.4;
- (E) provide the customers of the Wastewater System with continuous, safe and reliable service in accordance with applicable laws and regulations, and the Buyer's tariff as approved by the BPU;
- (F) maintain or expand the Wastewater System in conformance with existing Township land use and zoning ordinances, master plan, and historic district standards, as applicable;
- (G) interview for employment each of the four Township employees listed in **Exhibit J**, if qualified;
- (H) connect at least 95% of Township properties to the Wastewater System as described in Section 8.8;
- (I) make the required capital improvements pursuant to Sections 8.4 and 8.5; and
- (J) make application for the transfer, effective at the Closing, of all wastewater system permits and approvals issued to the Township prior to Closing by the NJDEP or any other local, State or federal agency.

Section 4.6. THE CLOSING. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of [\_\_\_\_\_] forty-five (45) days after the satisfaction of the last condition to be satisfied pursuant to Article VII herein (the "Closing Date"). The Parties may mutually agree in writing to have the Closing at another time or place.

Section 4.7. DELIVERIES AT THE CLOSING. At the Closing:

- (A) The Township will execute, acknowledge (if appropriate), and deliver to the Buyer:
  - (i) a bargain and sale deed associated with the Wastewater System without covenant against grantor's acts, in recordable form, duly executed by Township;
  - (ii) an assignment of easements in the form attached hereto as **Exhibit F**, to convey all easement rights associated with the Wastewater System, subject to the Permitted Encumbrances;
  - (iii) a Bill of Sale in the form attached hereto as **Exhibit C**;
  - (iv) an Assignment and Assumption Agreement in the form attached hereto as **Exhibit B**;
  - (v) a General Assignment in the form attached hereto as **Exhibit G**;

- (vi) a Settlement Statement;
  - (vii) a certified copy of the appropriate Township resolution(s) and/or ordinances authorizing the transactions contemplated hereunder;
  - (viii) a signed certification by the Township that the warranties and representations in Article II are true and correct as of the Closing Date;
  - (ix) such other documents, including a resolution and/or ordinance by the Township Committee authorizing the transactions contemplated by this Agreement and the Transaction Documents, as may reasonably be requested by the Buyer's attorneys, title insurance company, or, if applicable, lender, concerning the status and authority of the Township to consummate the transactions contemplated by this Agreement and the Transaction Documents;
  - (x) originals or copies of all governmental permits and licenses for the System, or any component thereof, in the Township's possession, to the extent transferable;
  - (xi) Any other tax information regarding the Township that the Settlement Agent (as that term is used in Section 6045 of the Code) is required to report to the Internal Revenue Service pursuant to the Code.
- (B) Buyer will execute, acknowledge (if appropriate) and deliver to Township:
- (i) an assignment of easements in the form attached hereto as **Exhibit F**, to convey all casement rights associated with the Wastewater System, subject to the Permitted Encumbrances;
  - (ii) an Assignment and Assumption Agreement in the form attached hereto as **Exhibit B**;
  - (iii) a General Assignment in the form attached hereto as **Exhibit G**;
  - (iv) a Settlement Statement;
  - (v) Certified copy of appropriate corporate resolution(s) authorizing the transactions contemplated hereunder;
  - (vi) a signed certification by Buyer that the warranties and representations in Article III are true and correct as of the Closing Date;
  - (vii) Any tax information regarding Buyer that the Settlement Agent (as that term is used in Section 6045 of the Code) is required to report to the Internal Revenue Service pursuant to the Code;
  - (viii) The Purchase Price;

- (ix) The balance of the Transaction Costs Payment (\$166,667); and
- (x) Such other documents, resolutions, instruments, affidavits and documents as may be reasonably necessary to effectuate the transaction..

Section 4.8. APPORTIONMENTS. At the Closing, real estate taxes, if any, for the fee parcels constituting Wastewater System assets to be transferred to the Buyer and all other operating expenses for the Wastewater System allocable to periods before and after the Closing Date, shall be apportioned for the Wastewater System as of 11:59 p.m. on the day preceding the Closing Date.

Section 4.9. SETTLEMENT STATEMENT. At the Closing, the parties shall jointly execute the Settlement Statement setting forth all adjustments to the Purchase Price and the basis for same. In the event that any adjustments or apportionment cannot be apportioned or adjusted at the Closing by reason of the fact that final amounts have not been ascertained, or are not available as of such date, the parties hereto agree to apportion or adjust such items on the basis of their best estimates of the amounts known at the Closing and to re-prorate any and all of such amounts promptly when the final amounts are ascertained, which obligation shall survive the Closing.

## ARTICLE V

### PRE-CLOSING COVENANTS

Section 5.1. PRE-CLOSING COVENANTS. The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

- (A) General. Each of the Parties will use its reasonable best efforts to take all actions and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement and the Transaction Documents.
- (B) Access to Books. Upon reasonable prior notice, the Township will give the Buyer, its accountants, engineers, counsel and other representatives full access during normal business hours throughout the period from the date of this Agreement through the Closing Date to all of the Township's records, books, and properties with respect to the Wastewater System, including, without limitation, all customer usage data and will furnish the Buyer copies, including in electronic format reasonably acceptable to the Buyer, at the Buyer's expense, of such documents or portions of documents related to the ownership, operation and maintenance of the Wastewater System as the Buyer may reasonably request, provided such documents and electronic media are in the Township's possession or in the possession of third parties under contract with the Township.
- (C) Permits. Prior to the Closing, the Parties shall cooperate to effect the transfer of all Permits related to the operation of the Wastewater System which were granted to the Township by any Governmental Authority, which transfer shall be effective on or after but not before the Closing. The Township shall provide reasonable assistance to the Buyer as reasonably requested by the Buyer with respect to such applications.
- (D) Operation of Wastewater System. The Township will:
  - (i) continue to operate and maintain the Wastewater System;
  - (ii) maintain the Wastewater System in at least as good order and condition as existed on the date of this Agreement, casualty and normal wear and tear excepted;
  - (iii) timely comply with the provisions of all leases, agreements, and contracts relating to the Wastewater System; and
- (E) BPU Approvals.
  - (i) The Buyer shall as soon as reasonably practicable after the execution of this Agreement by both Parties, at its sole cost and expense, file or cause to be filed all necessary documentation with the BPU to obtain the approvals required for the sale of the Wastewater System to the Buyer.

- (F) Township Consent. The Buyer shall be responsible, at its sole cost and expense, with reasonable assistance from the Township, for obtaining BPU approval of the Township Consent pursuant to N.J.S.A. 48:2-14.
- (G) Risk of Loss. The Parties agree that the Township shall bear the risk of and be responsible for loss with respect to the assets and properties constituting the Wastewater System from the date of this Agreement through the Closing Date. In event that the condition of the Wastewater System is significantly adversely changed from the date of this Agreement to the Closing Date by virtue of fire, casualty, act of God or condemnation, the Township and the Buyer may mutually agree, in writing, to a reduction in Purchase Price or other consideration as compensation for the significant adverse change in the System. If the Township and the Buyer cannot reach agreement within sixty (60) days of the event despite good faith efforts, either party has the option to terminate this Agreement upon written notice to the other Party. If the Buyer terminates the Agreement pursuant to this section, the Township shall promptly, and in no event later than five (5) business days after such termination, repay to the Buyer, the Deposit and the \$83,333 portion of the Transaction Costs Payment, and upon such termination this Agreement shall be deemed canceled, null and void and neither Party shall have any further obligation or liability to the other hereunder.
- (H) Customer List and Information; Final Bills. The Township shall provide or cause to be provided to the Buyer a full and complete customer list for the Wastewater System as of the date of the execution of the Agreement by both parties, together with an electronic data file, in a format reasonably satisfactory to the Buyer, containing such customer information; such list and electronic file are to be updated by the Township and provided to the Buyer within 60 days before the Closing or as otherwise agreed to between the Parties. The Parties shall agree no later than 60 days before the Closing to a process and method for the final billing of the Wastewater System' customers.
- (I) Publicity. The Parties agree to cooperate on any formal public announcement or statement regarding this Agreement or the transactions contemplated herein. Each Party shall make a good faith effort to provide the other with advance notice of the proposed content of any public announcement or statement.
- (J) [Identification of Contracts to be Assigned. As set for in Section 4.5(C), the Buyer must assume the Township's obligations on and following the Closing Date for those agreements set forth in **Exhibit E.**] **[NOTE: To be included if applicable.]**
- (K) Buyer Access. The Township shall provide the Buyer, at the Buyer's sole cost, reasonable access to the Wastewater System from the Contract Date until the Closing Date for purposes including, but not limited to, examination of customer accounts, ordinances, deeds, contracts, maps, and plans; inspection and tests of plant and equipment; and surveys of the real property comprising the Wastewater System and easements. The Buyer hereby agrees to indemnify and hold the

Township harmless from any and all claims, demands, suits, actions, damages, liabilities, or expenses with respect to or arising from the Buyer's access to the Wastewater System during this period. The Buyer's rights under this Section shall be exercised during normal business hours, with reasonable notice and shall not interfere with the Township's continuing operation of the Wastewater System. The Township shall cooperate with the Buyer with respect to such access to ensure a smooth transition in ownership of the Wastewater System.

- (L) Confidentiality. Any information provided by the Township to the Buyer regarding the Township's customers and the Wastewater System that is not generally available to the public shall remain confidential.
- (M) Cooperation During Transition. Generally, the parties shall cooperate to facilitate a smooth transition and the Buyer shall not do anything that will interfere with the Township's operation and administration of the Wastewater System.
- (N) Referendum Education Campaign. The Buyer shall provide reasonable assistance to the Township in connection with its public referendum education campaign.

## ARTICLE VI

### TITLE AND CONDITION OF SYSTEMS

Section 6.1. TITLE. Title to the Wastewater System shall be conveyed by the Township to the Buyer at the Closing free and clear of all Encumbrances, subject only to the Permitted Encumbrances. "Permitted Encumbrances" means any and all:

- (A) matters disclosed by the Property Information Materials (as defined in Section 6.2 hereof);
- (B) matters that become Permitted Encumbrances in accordance with the provisions of this Article VI;
- (C) matters that would be revealed by a physical inspection of or a complete and accurate survey, of the real property comprising the Wastewater System;
- (D) rights of way and easements that do not materially interfere with the existing use of the real property comprising the Wastewater System;
- (E) zoning and other governmental restrictions;
- (F) matters common to any plot or subdivision in which the real property comprising the Wastewater System is located; and
- (G) taxes, assessments and other public charges on real property comprising the Wastewater System not due as of the Closing Date, provided, however, in no event shall Permitted Encumbrances include Monetary Liens. With respect to the real property comprising the Wastewater System, Buyer shall within five (5) business days of execution of this Agreement apply for an owner's title insurance policy or policies from a reputable title insurance company licensed to do business in New Jersey (the "Commitment"). Within five (5) business days after receipt of the Commitment, the Buyer shall notify the Township of any objections, other than the Permitted Encumbrances. Any matters set forth on the Commitment and not objected to by the Buyer within said five (5) day period shall become Permitted Encumbrances hereunder. The Township may elect to cure any title defect by so notifying the Buyer. If the Township does not so elect within twenty (20) days after notice of the objection, or if after so electing, the Township fails to cure the defect(s) prior to the Closing, then the Buyer's sole remedy shall be to close without any reduction in the Purchase Price or to terminate this Agreement upon notice to the Township, said notice to be delivered within seven (7) days of the Township's failure to so elect or, if the Township elects to cure but does not, to be delivered at the Closing. If the Buyer terminates the Agreement pursuant to this section, the Township shall promptly, and in no event later than 5 business days after such termination, repay to the Buyer the Deposit and the \$83,333 portion of the Transaction Costs Payment paid to the Township upon execution of the Agreement, and upon such termination this

Agreement shall be deemed canceled, null and void and neither Party shall have any further obligation or liability to the other hereunder.

Section 6.2. PROPERTY INFORMATION MATERIALS. The Buyer acknowledges that prior to the Buyer's execution of this Agreement, the Township delivered to the Buyer and the Buyer reviewed the materials and information concerning the Wastewater System provided as part of the RFB (collectively, "Property Information Materials"). The Buyer acknowledges and understands that the Property Information Materials may have been prepared by parties other than the Township and that the Township makes no representation or warranty whatsoever, express or implied, as to the content, completeness, or accuracy of the Property Information Materials. The Buyer specifically releases the Township from all claims, demands, causes of action, judgments, losses, damages, liabilities, costs and expenses (including attorney's fees whether suit is instituted or not) – whether known or unknown, liquidated or contingent (collectively, "Claims"), asserted against or incurred by the Buyer by reason of the information contained in, or that should have been contained in, the Property Information Materials or any inconsistency between such information and any representation or warranty of the Township contained in this Contract. However, the foregoing release shall not apply to any Claims resulting from any intentional misstatements or willful misconduct on the part of the Township.

Section 6.3. CONDITION OF THE SYSTEMS. Subject to the terms and conditions of this Agreement, and the representations and warranties contained in the other Transaction Documents, the Buyer has agreed to purchase the Wastewater System in its "AS-IS" condition, including their environmental condition, operating condition, and condition of repair. The Buyer acknowledges that the Buyer has had and/or has been given pursuant to the RFB, an adequate opportunity to make such legal, factual, and other inquiries and investigation as the Buyer deems necessary, desirable, or appropriate with respect to the Wastewater System. The Buyer has satisfied itself on all aspects, without limitation, of the Wastewater System and is not relying on any representation of the Township in connection therewith except for the representations and warranties contained in this Agreement and the other Transaction Documents.



## ARTICLE VII

### CONDITIONS TO OBLIGATION TO CLOSE

Section 7.1. CONDITIONS TO OBLIGATION OF THE BUYER. The obligation of the Buyer to perform its obligations in connection with the Closing is subject to the satisfaction or waiver by the Buyer of the following conditions:

- (A) the representations and warranties set forth in Article II of this Agreement and the other Transaction Documents shall be true and correct in all material respects as of the Closing Date;
- (B) the Township shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;
- (C) there shall not be any injunction, judgment, order, decree, ruling, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement and the Transaction Documents;
- (D) the Buyer shall have secured from the Township, the BPU, NJDEP, and all other applicable governmental and quasi-governmental entities, all authorizations and approvals required for the transfer of the Wastewater System to the Buyer, including but not limited to the NJDEP Permits, if necessary (the "Approvals"). The Parties shall use all reasonable efforts to obtain the Approvals and to do so as expeditiously as reasonably possible. In connection with the Approvals, the Buyer shall deliver to the Township or cause to be delivered to the Township, through addition(s) to the applicable service list(s), copies of all correspondences to and from the bodies with whom the applications have been filed or will be filed. The Township covenants to cooperate with the Buyer, at the Buyer's cost and expense, in the Buyer's efforts to obtain the Approvals and to promptly consent, when required by law, to all applications for the Approvals filed by the Buyer. The Buyer shall immediately notify the Township in writing of any determinations made by any authority considering any application; and

Section 7.2. CONDITIONS TO OBLIGATION OF THE TOWNSHIP. The obligation of the Township to perform its obligations in connection with the Closing is subject to satisfaction or waiver by the Township of the following conditions:

- (A) the representations and warranties set forth in Article III of this Agreement and in the other Transaction Documents shall be true and correct in all material respects as of the Closing Date;
- (B) the Buyer shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;
- (C) there shall not be any injunction, judgment, order, decree, ruling, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement or the Transaction Documents;

- (D) the Buyer shall have secured from the Township, the BPU, NJDEP, and all other applicable governmental and quasi-governmental entities, all authorizations and approvals required for the transfer of the Wastewater System to the Buyer, including but not limited to the NJDEP Permits, if necessary (the "Approvals"). The Parties shall use all reasonable efforts to obtain the Approvals and to do so as expeditiously as reasonably possible. In connection with the Approvals, the Buyer shall deliver to the Township or cause to be delivered to the Township, through addition(s) to the applicable service list(s), copies of all correspondences to and from the bodies with whom the applications have been filed or will be filed. The Township covenants to cooperate with the Buyer, at the Buyer's cost and expense, in the Buyer's efforts to obtain the Approvals and to promptly consent, when required by law, to all applications for the Approvals filed by the Buyer. The Buyer shall immediately notify the Township in writing of any determinations made by any authority considering any application;
- (E) the Township shall have obtained any necessary consents and releases for the assignment and assumption of the assumed liabilities as defined in Exhibit B; and
- (F) the Buyer shall have interviewed the four existing Township employees identified in Exhibit J, if qualified for employment.

Section 7.3. SCHEDULE FOR CLOSING CONDITIONS. The Buyer shall promptly initiate and complete its conditions of Closing set forth in Section 7.1, provided, however, that all such conditions must be met no later than the date that is nine (9) months following the date of this Agreement. In the event that all such Closing conditions are not completed by such date notwithstanding the Company's good faith efforts, the Township shall have the right to terminate this Agreement and keep the Deposit and the \$83,333 portion of the Transaction Costs Payment that had been paid to the Township on the date of the Agreement.

## ARTICLE VIII

### POST-CLOSING OBLIGATIONS OF BUYER

Section 8.1. CONTINUATION OF WASTEWATER SERVICES. The Buyer shall continue to provide services in accordance with the Customer Service Standards described in **Exhibit K** and shall guarantee the collection, conveyance, and treatment of wastewater to the customers of the Wastewater System in a manner that meets all local, state, and federal laws and regulations relating to the collection, conveyance and treatment of wastewater and shall operate and maintain the Wastewater System to provide safe, reliable and adequate service.

Section 8.2. MAINTENANCE, REPAIRS, AND REPLACEMENT. The Buyer shall perform, at its own expense, all maintenance, repair, and replacement of the machinery, equipment, structures, improvements, and all other property and components constituting the Wastewater System. The Buyer shall provide or make provisions for all labor, materials, supplies, equipment, spare parts, and services which are necessary for the normal and ordinary maintenance of the Wastewater System and shall conduct predictive, preventive, and corrective maintenance of the Wastewater System as required by applicable law.

Section 8.3. RATE STABILIZATION COVENANT. [To be developed based on Buyer's Bid. Covenant will reflect that rates will not be increased by more than 3% per year (based on 2016 sewer rates) for at least the first 5 years after Closing.]

Section 8.4. CAPITAL IMPROVEMENTS TO PUMP STATIONS. The Buyer shall make the capital improvements to the Morristown Road and Clover Hill Pump Stations identified in Exhibit M within two years from the Closing Date.

Section 8.5. CAPITAL IMPROVEMENTS TO LIFT SEWER BAN. As soon as reasonably practicable and no later than two years following Closing, the Buyer shall begin to undertake the capital improvements necessary to allow the Township to lift the existing sewer ban as described in Exhibit L. All capital improvements necessary to lift the sewer ban shall be completed within five years from Closing.

Section 8.6. SERVICE TO TOWNSHIP FACILITIES. The Buyer shall provide wastewater service to Township-owned facilities at no cost to the Township at the same volume levels as existed as of the Closing Date.

Section 8.7. CAPACITY FOR AFFORDABLE HOUSING UNITS. In accordance with the requirements of N.J.A.C. 5:93-4.3, the Buyer shall reserve and set aside new sewer capacity on a priority basis, when it becomes available, for the low and moderate income housing that is included in the Township's Housing Element and Fair Share Plan, once it is approved by the court.

Section 8.8. CONNECTION OF NON-SEWERED PROPERTIES WITHIN THE TOWNSHIP. The Buyer shall extend the Wastewater System to connect the non-sewered properties of the Township to the Wastewater System so that at least 95% of the Township is connected to the Wastewater System no later than five years following Closing.

Section 8.9. PERMITTED CAPACITY OF WWTP. The Buyer shall be responsible for increasing the existing permitted capacity of the WWTP up to design capacity to accommodate future growth as necessary.

Section 8.10. SENIOR DISCOUNT PROGRAM. The Buyer shall continue the Township's current senior citizen discount program for eligible senior citizens. The existing senior citizen discount is set forth in Exhibit D.

Section 8.11. CITIZENS ADVISORY PANEL. The Buyer shall allow citizens of the Township to volunteer to serve on a citizens advisory panel for customer service issues.

Section 8.12. PAVING. The Buyer shall pave curb to curb on streets where sewer connection repairs or replacements are being performed. The Buyer shall coordinate its paving schedule with other Township construction projects.

## ARTICLE IX

### REMEDIES FOR BREACHES OF THIS AGREEMENT

Section 9.1. PRE-CLOSING DEFAULT BY THE BUYER. In the event that the Buyer materially breaches or defaults under this Agreement before the Closing hereunder, and such material breach or default continues for ten (10) business days after written notice from the Township to the Buyer specifying such material breach or default, the Township shall have the right as its sole remedy to terminate this Agreement and retain the Deposit and the \$83,333 portion of the Transaction Costs Reimbursement paid to the Township on the date of the Agreement as liquidated damages . The Township's rights and remedies pursuant to this Section 9.1 shall survive any termination of this Agreement by the Township as a result of the Buyer's default.

Section 9.2. PRE-CLOSING DEFAULT BY THE TOWNSHIP. In the event that the Township materially breaches or defaults under this Agreement before Closing and such material breach or default continues for ten (10) business days after written notice from the Buyer to the Township specifying such material breach or default the Buyer shall have the right as its sole remedy to either seek to enforce the Agreement by an action for specific performance (but not an action for damages) or to terminate this Agreement and have the Deposit and the \$83,333 portion of the Transaction Costs Reimbursement paid to the Township on the date of the Agreement returned. The Buyer's rights and remedies pursuant to this section shall survive any termination of this Agreement by the Buyer as a result of the Township's default.

Section 9.3. POST-CLOSING DEFAULTS. In the event that either party materially breaches or defaults under this Agreement or the Transaction Documents after the Closing, and such material breach or default continues for ten (10) business days after written notice from the non-defaulting party to the defaulting party specifying such material breach or default, the non-defaulting party shall have the right to seek any available remedies at law or equity.

## ARTICLE X

### ESCROW AGENT

Section 10.1. ESCROW. The Deposit shall be held by the Escrow Agent, in trust, for the benefit of the Parties as their interests appear hereunder under the Escrow Agreement attached hereto and incorporated herein by reference as **Exhibit I**.

## ARTICLE XI

### NON-BINDING MEDIATION; FORUM FOR DISPUTE RESOLUTION

Section 11.1. RIGHTS TO REQUEST AND DECLINE NON-BINDING MEDIATION. Either party may request non-binding mediation of any dispute arising under this Agreement. The non-requesting party may decline the request in its sole discretion. If there is concurrence that any particular matter shall be mediated, the provisions of this Article shall apply. The costs of such non-binding mediation shall be divided equally between the Township and the Buyer.

Section 11.2. PROCEDURE. The mediator shall be a professional engineer, attorney or other professional mutually acceptable to the parties who has no current or on-going relationship to either party. The mediator shall have full discretion as to the conduct of the mediation. Each party shall participate in the mediator's program to resolve the dispute until and unless the parties reach agreement with respect to the disputed matter or one party determines in its sole discretion that its interests are not being served by the mediation.

Section 11.3. NON-BINDING EFFECT. Mediation is intended to assist the parties in resolving disputes over the correct interpretation of this Agreement. No mediator shall be empowered to render a binding decision.

Section 11.4. RELATION TO JUDICIAL LEGAL PROCEEDINGS. Nothing in this Article shall operate to limit, interfere with, or delay the right of either party under this Article to commence judicial legal proceedings upon a breach of this Agreement by the other party, whether in lieu of, concurrently with, or at the conclusion of any non-binding mediation.

Section 11.5. FORUM FOR DISPUTE RESOLUTION. It is the express intention of the parties that all legal proceedings related to this Agreement or to the Wastewater System or to any rights or any relationship between the parties arising therefrom shall be solely and exclusively initiated and maintained in the applicable State courts located in Morris County, New Jersey.

## ARTICLE XII

### INDEMNIFICATION

Section 12.1. INDEMNIFICATION BY THE BUYER. The Buyer shall indemnify, defend and hold harmless, including paying all attorneys' fees, the Township, and its elected officials, employees, representatives, agents, consultants and contractors (each, a "Township Indemnitee"), from and against any and all third-party claims, demands, suits, actions, damages, liabilities or expenses arising from (or alleged to arise from or in connection with: (1) the operation of the Wastewater System subsequent to the Closing Date; (2) any failure by the Buyer to perform its obligations under this Agreement; and (3) the negligent acts, errors or omissions or willful misconduct of the Buyer or any of its officers, directors, employees, agents, representatives or subcontractors in connection with this Agreement.

Section 12.2. INDEMNIFICATION BY THE TOWNSHIP. To the extent permitted by law, the Township shall indemnify, defend and hold harmless the Buyer from and against any and all third-party claims, demands, suits, actions, damages, liabilities or expenses arising from (or alleged to arise from or in connection with: (1) the operation of the Wastewater System prior to the Closing Date; and (2) the willful misconduct of the Township in connection with this Agreement.

Section 12.3. THIRD PARTY CLAIMS. An Indemnitee shall give the Indemnitor notice of any matter which an Indemnitee has determined has given or could give rise to a right of indemnification under this Agreement (an "Indemnified Claim") within sixty (60) days of such determination, stating the amount of the Losses, if known, the method of computation thereof, and containing a reference to the provisions of this Agreement from which such right of indemnification is claimed or arises.. If the Indemnitor acknowledges in writing that its obligation to indemnify the Indemnitee hereunder against any Losses that may result from such Indemnified Claim, then the Indemnitor shall be entitled to assume and control the defense of such Indemnified Claim at its expense and through counsel of its choice if it gives notice of its intention to do so to the Indemnitee within five (5) days of the receipt of such notice from the Indemnitee. In the event the Indemnitor exercises the right to undertake any such defense against any such Indemnified Claim as provided above, the Indemnitee shall cooperate with the Indemnitor in such defense and make available to the Indemnitor, at the Indemnitor's expense, all witnesses, pertinent records, materials and information in the Indemnitee's possession or under the Indemnitee's control relating thereto as is reasonably required by the Indemnitor. Similarly, in the event the Indemnitee is, directly or indirectly, conducting the defense against any such Indemnified Claim, the Indemnitor shall cooperate with the Indemnitee in such defense and make available to the Indemnitee, at the Indemnitor's expense, all such witnesses, records, materials and information in the Indemnitor's possession or under the Indemnitor's control relating thereto as is reasonably required by the Indemnitee. No such Indemnified Claim may be settled by the Indemnitor without the prior written consent of the Indemnitee which shall not be unreasonably withheld. If the Indemnitor fails to acknowledge its indemnity obligation within the time period provided above then the Indemnitee may undertake its own defense without waiving its right to seek indemnity hereunder, including reimbursement of any defense costs incurred.



Section 12.4. NO OTHER DAMAGES. Other than in connection with third party claims, in no event shall either Party be liable to the other for any reason under this Agreement or any other Transaction Document for any form of special, incidental, indirect, consequential, or punitive damages of any kind (whether or not foreseeable), even if informed in advance of the possibility of such damages, and whether arising in contract, tort (including negligence), or otherwise.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. THIRD PARTY BENEFICIARIES. Neither this Agreement nor any Transaction Document shall confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

Section 13.2. ENTIRE AGREEMENT. This Agreement (including the other Transaction Documents), constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter of any such agreement or document.

Section 13.3. SUCCESSION AND ASSIGNMENT. This Agreement and each Transaction Documents shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Neither party shall assign this Agreement to any Person without the other party's prior written consent.

Section 13.4. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

Section 13.5. HEADINGS. The article and section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 13.6. NOTICES. All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given if it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to Township:

Copy to:

If to Buyer:

Copy to:

Any Party may send any notice, request, demand, claim, or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it is actually received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

Section 13.7. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of New Jersey without giving effect to any choice or conflict of law provision or rule (whether of the State of New Jersey or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New Jersey.

Section 13.8. AMENDMENTS AND WAIVERS. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Buyer and the Township. No waiver by any Party of any default, misrepresentation, breach of warranty, or breach of covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, breach of warranty, or breach of covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Section 13.9. SEVERABILITY. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 13.10. EXPENSES. Subject to the Township's retention of the \$83,333 portion of the Transaction Costs Payment paid to the Township upon execution of the Agreement (except as provided in Section 6.1), in the event the Closing does not occur, other than by reason of a material default by one of the Parties, each Party shall bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

Section 13.11. CONSTRUCTION. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

Section 13.12. VARIATIONS IN PRONOUNS. All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.

Section 13.13. INCORPORATION OF EXHIBITS AND SCHEDULES. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

Section 13.14. TRANSFER TAXES. The Buyer shall be responsible for all transfer taxes or other taxes applicable to the transaction, if any.

Section 13.15. TIME IS OF THE ESSENCE. Time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement.

Section 13.16. REVIEW OR AUDIT BY OFFICE OF THE STATE COMPTROLLER. In accordance with N.J.S.A. 52:15C-14(d), Buyer shall maintain all documentation related to products, transactions or services under this Agreement for a period of five years from the Closing Date. Such records shall be made available to the New Jersey Office of the State Comptroller upon request.

**(Signature Page Follows)**

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement of the date first above written.

**TOWNSHIP OF LONG HILL**

By: \_\_\_\_\_

Name:

Title:

**[BUYER]**

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT A**

**DESCRIPTION OF THE WASTEWATER SYSTEM**

Please refer to Sections 2 and 3 of the R&V Evaluation report which can be viewed and downloaded from the Township website: <http://longhillnj.gov/> for a comprehensive description of the Wastewater System.

## **EXHIBIT B**

### **FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT** (the “Assignment and Assumption Agreement”) is made and entered into on [ ] by and between the Township of Long Hill, a public body corporate and politic in Morris County in the State of New Jersey (the “Assignor”) and [ ], a [New Jersey] Corporation with principal corporate offices at [ ] (the “Assignee”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Agreement of Sale (as defined below).

**WHEREAS**, Assignor and Assignee are parties to a certain Agreement of Sale, dated [ ], 2017 (the “Agreement”), providing for the sale by the Assignor of the assets constituting the Wastewater System to the Assignee; and

**WHEREAS**, the Assignor and the Assignee have agreed that on or prior to the Closing, the Assignor shall assign, and Assignee shall assume, the Assumed Liabilities, as more fully described herein.

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

Section 1. **ASSIGNMENT AND ASSUMPTION**. Subject to the terms and conditions of the Agreement of Sale, the Assignor hereby assigns, sells, transfers, and sets over (collectively, the “Assignment”) to the Assignee all of Assignor's rights, obligations, and liabilities relating to the Assumed Liabilities as more particularly set forth on Schedule I attached hereto and made a part hereof. Subject to the terms and conditions of the Agreement, the Assignee hereby accepts the Assignment and will assume, observe, and perform all of the duties, obligations, terms, provisions, and covenants contained therein. The Assignee shall also pay and discharge all of the obligations and liabilities of the Assignor to be observed, performed, paid, or discharged in connection with the Assumed Liabilities. To the extent that the Assignment contemplated by this Section 1 constitutes or would be deemed to constitute a grant, sale, assignment, transfer, conveyance, or delivery, or an attempted grant, sale, assignment, transfer, conveyance, or delivery to the Assignee of any Assumed Liabilities, and such transaction would be prohibited by any applicable law or would require any governmental or third party authorizations, approvals, consents, or waivers, and such authorizations, approvals, consents, or waivers have not been obtained prior to the date hereof, this Assignment and Assumption Agreement shall not constitute a grant, sale, assignment, transfer, conveyance, or delivery, or an attempted grant, sale, assignment, transfer, conveyance, or delivery thereof. Following the date hereof, the parties shall cooperate and use commercially reasonable best efforts to obtain promptly such authorizations, approvals, consents, or waivers, and to obtain novations or other agreements if appropriate and, after obtaining such, to complete the transactions contemplated hereby. Pending such authorization, approval, novation, consent, or waiver, the parties shall cooperate with each other in any reasonable and lawful arrangement designed to provide the economic costs and benefits of the Assumed Liabilities to the Assignee. To the extent possible,



performance obligations of Assignor with respect to any such Assumed Liabilities shall be deemed to be subcontracted to the Assignee.

Section 2. FURTHER ASSURANCES. The Assignor and the Assignee each covenants and agrees to execute and deliver, at the request and expense of the other party hereto, such further instruments of transfer and assignment and to take such other action as such the other party may reasonably request to more effectively consummate the assignments and assumptions contemplated by this Assignment and Assumption Agreement.

Section 3. MISCELLANEOUS. This Assignment and Assumption Agreement constitutes an agreement solely among the parties hereto and is not intended to and shall not confer any rights, remedies, obligations, or liabilities, legal or equitable, on any person other than the parties hereto and their respective successors, assigns, and legal representatives, nor shall person other such person otherwise constitute a third party beneficiary under or by reason hereof. This Assignment and Assumption Agreement may be executed in one or more counterparts, each of which shall be deemed an original agreement, but all of which together shall constitute one and the same instrument. This Assignment and Assumption Agreement shall be governed by and construed in accordance with the internal laws of the State of New Jersey without reference to choice of law principles thereof. This Assignment and Assumption Agreement may only be amended or modified in writing, signed by the party against whom enforcement of such amendment or modification is sought. In the event that the Closing does not occur, this Assignment and Assumption Agreement shall become null and void and the Assumed Liabilities shall remain the sole obligation of Assignor.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first above written.

TOWNSHIP OF LONG HILL

By: \_\_\_\_\_

Name:

Title:

[BUYER]

By: \_\_\_\_\_

Name:

Title:

## **SCHEDULE I TO ASSIGNMENT AND ASSUMPTION AGREEMENT**

All obligations relating to the Wastewater System accruing and arising on or after the Closing Date, including, but not limited to all obligations accruing or arising out of the Township Consent.

All contractual commitments of the Township contained in the assumed contracts listed in Exhibit E accruing and arising after the Closing Date.

**EXHIBIT C**

**FORM OF BILL OF SALE**

**THIS BILL OF SALE** dated as [ ], 2017 from the Township of Long Hill, a public body corporate and politic in Morris County in the State of New Jersey (the “Township”) and [ ], a [New Jersey] Corporation with principal corporate offices at [ ] (the “Buyer”).

**WITNESSETH**

**WHEREAS**, by an Agreement of Sale, dated [ ], 2017 (the “Agreement”), between the Township and the Buyer, the Township has agreed to convey to the Buyer certain assets, properties, and rights defined, described, and referred to in the Agreement (collectively, the “Wastewater System”) which include those assets listed on the document attached hereto as **Schedule I to Exhibit C**, with the exception of those items expressly set forth on the document attached hereto as **Schedule II to Exhibit C**; and

**WHEREAS**, pursuant to due authorization, the Township is presently executing and delivering this Bill of Sale to the Buyer for the purpose of selling and assigning to and vesting in the Buyer all of the right, title, and interest currently held by the Township in and to the Wastewater System;

**NOW THEREFORE**, in consideration of the purchase price provided in the Agreement and other good and valuable consideration, and intending to be legally bound, the Township hereby grunts, sells, conveys, assigns, transfers, sets over to, and vests in the Buyer, its successors and assigns, all of its right, title and interest, legal and equitable, in and to the Wastewater System.

**TO HAVE AND TO HOLD** the same, including the appurtenances thereof, unto the Buyer, its successors and assigns, forever, to its and their own proper use and behoof.

Section 1. **SALE OF SYSTEMS AS IS**. Except as specifically set forth in the Agreement, the Wastewater System is being transferred “**AS IS**”, “**WHERE IS**”, and “**WITH ALL FAULTS**” as of the date of this Bill of Sale, without any representation or warranty whatsoever as to its condition, fitness for any particular purpose merchantability or any other warranty, express or implied. Except as specifically set forth in the Agreement, the Township specifically disclaims and Buyer waives any warranty, guaranty or representation, oral or written, past or present, express or implied, concerning the Wastewater System. The Buyer is hereby thus acquiring the Wastewater System based solely upon the Buyer’s own independent investigations and inspections of that property and not in reliance upon any information provided by the Township or the Township’s agents or contractors. The Township has made no agreement to alter, repair, or improve any portion of the Wastewater System.

Section 2. **APPLICABLE LAW**. This instrument shall be governed by and enforced in accordance with the laws of the State of New Jersey.

**IN WITNESS WHEREOF**, the Township has caused this Bill of Sale to be duly executed as of the date first above written.

**Township of Long Hill**, a public body corporate and politic in Morris County in the State of New Jersey

By: \_\_\_\_\_

**RECEIPT OF THE FOREGOING**

**BILL OF SALE**

**ACKNOWLEDGED AS OF**

[\_\_\_\_], 2017.

**[BUYER]**

By: \_\_\_\_\_

**SCHEDULE I TO EXHIBIT C**

**INCLUDED ASSETS**

All assets that comprise the Wastewater System as described in Exhibit A. The Included Assets shall not include the Excluded Assets set forth in Schedule II to Exhibit C.

**SCHEDULE II TO EXHIBIT C**

**EXCLUDED ASSETS**

Personal property

Office equipment

Office supplies

Township-owned Vehicles

Cash, securities, bank accounts and the accounts receivable of the Township relating to the Wastewater System up to and including the Closing Date.

**EXHIBIT D**

**TARIFF**

Year 2017     \$16.61 (per 1K gallon) Usage based on 6 winter months



**TOWNSHIP OF LONG HILL  
ORDINANCE #384-16  
AN ORDINANCE CONCERNING SEWER USER RATES AND  
AMENDING CHAPTER XXII OF THE TOWNSHIP CODE ENTITLED "SEWERS"**

**BE IT ORDAINED** by the Township Committee of the Township of Long Hill in the County of Morris, New Jersey that Chapter XXII of the Township Code entitled "Sewers" is hereby amended as follows:

Section 1. Section 22-23 entitled "User Rates" & Section 22-24 entitled "Miscellaneous Provisions" are hereby amended to read as follows:

**22-23 USER RATES**

The following sewer service and usage fees are hereby established effective January 1, 2016, and shall remain in full force and effect until revised by ordinance duly adopted by the Township Committee:

- a. All sewer users shall be charged a service fee of **\$75** per year per unit.
- b. Sewer users that are metered shall be charged a sewer usage fee at the rate of ~~\$14.91~~ **\$15.05** per thousand gallons.
  1. The gallons used shall be the total water metered for the six (6) winter months preceding the billing year. By example, in the billing year of 2016, the gallons are determined from the six months January through April 2015 and November through December 2015. The months excluded are: May through October 2015.
  2. Water consumption figures for each user will be obtained from the water company servicing the premises or by the Township Sewer department if the meter is not serviced by the water company.
  3. If the meter is not read or incorrectly read for one or more months of the usage period as determined by the Sewer Utility Collector, the amount charged for those months shall be equal to the approximate average monthly usage among other billable months during the same period.
- c. Sewer Users that are not metered shall be charged a usage fee as follows:
  1. Residential units: **\$400.00** per unit
  2. Commercial or Industrial units: **\$525.00** per unit
- d. If a user has multiple water sources, the usage fee shall be the combined total of each source as specified in 22-23b if metered and 22-23c if unmetered. Only one service fee shall be applied.
- e. The Township Committee may require a water meter to be installed by any sewer user utilizing a well or other private water system at the property owner's expense.

- f. Each user who is a resident of this Township and who was sixty-five (65) years of age or older during the prior calendar year shall be entitled annually, upon submission of a claim on proper forms, to a deduction of fifteen (\$15.00) dollars from his or her sewer use charge as established hereinabove.

## **22-24 MISCELLANEOUS PROVISIONS**

### **22-24.1 Multiple Unit Properties.**

In the case of a building in single ownership having several stores, offices or residential units or a combination of stores, offices and residential units except for "accessory apartments," served by a common water meter, the annual charges paid shall be a service charge (subsection 22-23) for each individual store, office and residential unit plus the per thousand gallon charge (subsection 22-23) for the water use recorded by the common meter. (1967 Code § 76-6; Ord. No. 182-05 § 1; Ord. No. 279-11 § 4)

### **22-24.2 Payment of Charges.**

The sewer service charge established and fixed herein shall be an annual charge for each calendar year. The charge for each residential unit and the basic charge for each nonresidential unit shall be payable in one (1) payment before the due date as specified in section 22-24.4 (1967 Code § 76-7; Ord. No. 182-05 § 1; Ord. No. 303-12)

### **22-24.3 Proration.**

In the case of any unit, residential or business, or any other type of unit which is not connected to the sanitary sewer system during the entire year, the charge shall be prorated on a calendar year basis, and the unit shall be charged a sewer use charge for the entire month during which the connection is made. For the purpose of construing this article, the date of issuance of an occupancy permit on new construction of buildings shall be considered as the date of connection. (1967 Code § 76-8; Ord. No. 182-05 § 1)

### **22-24.4 Billing and Collection.**

a. The Sewer Utility Collector shall bill the owners of sewered property for the sewer service charge annually. Sewer use charges shall be due 30 days after sewer bills are mailed. In the event that the annual sewer charges are not paid as provided herein, the following provision of this article shall apply.

b. The charges hereby imposed shall be payable to the Sewer Utility Collector and shall draw the same interest from the time they become due as taxes upon real estate and shall be a lien upon the premises connected to the sanitary sewer until paid, and the Township shall have the same remedies for collection thereof, with interest, costs and penalties, as it has by law for the collection of taxes on real estate.

(1967 Code § 76-9; Ord. No. 26-94 § 5; Ord. No. 182-05 § 1; Ord. No. 303-12)

### **22-24.5 Exemptions.**

There shall be no sewer service charge levied or collected from the Board of Education, volunteer fire companies, or first-aid squads. (1967 Code § 76-10; Ord. No. 182-05 § 1)

**22-24.6 Matters Not Affected.**

Nothing herein shall preclude the Township from requiring developers of property to install sewer lines at their own expense or from providing for construction of sewer lines by local improvement assessments. (1967 Code § 76-11; Ord. No. 182-05 § 1)

Section 2. Any and all other ordinances or parts thereof in conflict or inconsistent with any of the terms hereof are hereby repealed to such extent as they are so in conflict or inconsistent.

Section 3. In case any article, section or provision of this ordinance shall be held invalid in any court of competent jurisdiction, the same shall not affect any other article, section or provision of this ordinance except insofar as the article, section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

Section 4. This ordinance shall take effect immediately upon final passage and publication as required by law.

ATTEST

TOWNSHIP OF LONG HILL

\_\_\_\_\_  
Cathy Reese  
Township Clerk

\_\_\_\_\_  
Bruce Meringolo  
Mayor

NOTICE

The foregoing ordinance having been introduced and passed on first reading by the Township Committee of the Township of Long Hill, in the County of Morris on Wednesday, April 27, 2016 will be considered for final passage and adoption at a public hearing held at a meeting beginning at 7:30 p.m. on Wednesday, May 25, 2016 at the Municipal Building, 915 valley Road, Gillette, New Jersey when and where or at such time and place to which said meeting may be adjourned, all persons interested will be given an opportunity to be heard concerning said ordinance.

Cathy Reese, RMC, CMR  
Township Clerk

*First Reading and Introduction: April 27, 2016*  
*1<sup>st</sup> Publication: May 5, 2016*  
*Second Reading and Adoption: May 25, 2016*  
*2<sup>nd</sup> Publication: June 2, 2016*

**EXHIBIT E**

**LIST OF WRITTEN CONTRACTS TO WHICH THE TOWNSHIP IS A PARTY  
WHICH RELATE TO THE SYSTEMS**

Sludge Hauling Agreement between the Township and Accurate Waste Removal Services, Inc.  
This agreement is for the transportation of sludge from the Township's wastewater treatment facility. The term of the agreement is from April 1, 2017 to March 31, 2019.

Treatment and Disposal Contract between the Township and the Passaic Valley Sewerage Commission ("PVSC"). Pursuant to this agreement, the Township delivers 100% of its sludge to PVSC and PVSC accepts, treats and disposes of the sludge. The term of the agreement is five years commencing on June 24, 2015.

**EXHIBIT F**

**FORM OF ASSIGNMENT AND GRANT OF EASEMENTS,**

**RIGHTS OF WAY, AND OTHER PROPERTY**

**THIS ASSIGNMENT** is made this day of [ ], 2017 between the **TOWNSHIP OF LONG HILL**, a public body corporate and politic in Morris County in the State of New Jersey (the “Grantor”), and [Buyer], a [New Jersey Corporation] (the “Grantee”), having an address at [ ].

**WHEREAS**, pursuant to an Agreement of Sale (the “Agreement”) dated [ ], 2017 and a Bill of Sale contemporaneously herewith, the Grantor has granted, sold, conveyed, assigned, transferred, set over, and vested in Grantee, its successors, and its assigns, all of the Grantor's right, title, and interest in the Wastewater System as defined in the Agreement.

**WITNESSETH**, that Grantor for and in consideration of the sum of One Dollar (\$1.00) lawful money of the United States of America, and other valuable consideration, unto it well and truly paid by Grantee at or before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has assigned, granted, bargained, sold, aliened, enfeoffed, released, and confirmed, and by these presents does assign, grant, bargain, sell, alien, enfeoff, release, and confirm unto Grantee, its successors and assigns:

**ALL** Grantor's right, title and interest in and to any and all: (a) those certain rights of way, easements, licenses, and other rights and interests created or evidenced by those instruments listed in **Schedule I to Exhibit F** and made a part hereof, as well as any and all other easements and rights of way owned by Grantor which are rights in real property related to the provisions of water and wastewater service (collectively, the “Easements”); (b) any rights of way or easements that may be located in private property without written instruments where rights may have arisen from the passage of time, the operation of law, or otherwise; (c) all rights of Grantor to easements that may be shown on subdivision or development plans; and (d) all rights, liberties, privileges, hereditaments, and appurtenances whatsoever thereunto belonging, or in and otherwise appertaining, and the reversions, remainders, rents, issues and profits thereof; and all the estate, right, title, interest, property, claim, and demand whatsoever in and to the same and every part thereof (all of the foregoing being herein referred to as the “**Premises**”);

**TOGETHER WITH** all of Grantor's occupancy rights and privileges to use, maintain, replace, and repair all water mains and appurtenant facilities located in the public rights-of-way of State highways and Townships roads.

**TOGETHER WITH** all of Grantor's rights of ingress, egress, and regress to and from said Easements, water and wastewater mains and appurtenances, at any and all times for the purpose of operating the Wastewater System and laying, relaying, installing, operating, inspecting, maintaining, repairing, altering, removing, renewing, and replacing the Wastewater System and their appurtenances;

**TO HAVE AND TO HOLD** the Easements and Premises hereby granted, or mentioned and intended so to be, with the appurtenances, unto the Grantee, its successors and assigns, to and for the only proper use and behoof of the Grantee, its successors and assigns, forever.

This Grant and all of the covenants herein contained shall inure to the benefit of and shall be binding upon Grantor, its successors and assigns, and Grantee, its successors or assigns.

The Grantee accepts and assumes any and all obligations under and arising in connection with the Easements and shall indemnify the Township in connection with the Grantee's failure or improper performance of such obligations.

**IN WITNESS WHEREOF** the Grantor has caused this Assignment and Grant to be duly executed the day and year first above written.

[SEAL]

**TOWNSHIP OF LONG HILL**, a  
public body corporate and politic in  
Morris County in the State of New Jersey

Attest: \_\_\_\_\_

By: \_\_\_\_\_

Name

Title:

**STATE OF NEW JERSEY**            )  
  ): **SS.:**  
**MORRIS**                                    )

On this, the \_\_\_ day of 2017, before me, a Notary Public in and for said County, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of the Township of Long Hill, a public body corporate and politic in Morris County in the State of New Jersey, and that he, as such \_\_\_\_\_, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of \_\_\_\_\_ by himself as \_\_\_\_\_.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public  
My Commission Expires:  
[SEAL]

**SCHEDULE I TO EXHIBIT F**

**LIST OF EASEMENTS GRANTED TO OR OBTAINED BY THE TOWNSHIP**

Easements granted to or obtained by the Township of Long Hill herewith as described herein.



**EXHIBIT G**

**FORM OF GENERAL ASSIGNMENT**

**GENERAL ASSIGNMENT**

**THIS GENERAL ASSIGNMENT**, dated [ ], 2017, by and between the **TOWNSHIP OF LONG HILL**, a public body corporate and politic in Morris County in the State of New Jersey (the “Assignor”) and [Buyer], a [ ] corporation having a mailing address at [ ] (the “Assignee”).

**WHEREAS**, Assignor and Assignee entered into an Agreement of Sale dated [ ], 2017 (the “Agreement”) for the sale and purchase of the Wastewater System (as defined in the Agreement); and

**WHEREAS**, in connection with such sale and purchase, and as provided in the Agreement, Assignor desires to assign, transfer, set over, and deliver to Assignee all of Assignor's right, title, and interest in and to all assignable permits, licenses, plans, warranties, and guarantees benefiting the Wastewater System (each issuer of any such permit, license, plan, warranty, or guarantee is hereinafter referred to as an “Issuer”), including, without limitation, items described on **Schedule I to Exhibit G** attached hereto (the “Assigned Rights”), and

**WHEREAS**, Assignee desires to accept the Assigned Rights.

**NOW, THEREFORE**, in accordance with the Agreement and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

Section 1. **ASSIGNMENT**. Assignor does hereby assign, transfer, set over, and deliver unto Assignee all of the Assignor’s right, title, and interest in and to the Assigned Rights. Assignor agrees that upon Assignee’s request, it shall, without charge, execute such further reasonable documents as any Issuer may require to evidence this assignment, provided that no such document imposes any obligation or liability upon Assignor for any obligations or liabilities accruing on or after the date of this Assignment.

Section 2. **BINDING ASSIGNMENT**. This Assignment shall be: (i) binding upon, and inure to the benefit of the parties to this Assignment and their respective heirs, legal representatives, successors and assigns and (ii) construed in accordance with the laws of the State of New Jersey without regard to the application of choice of law principles.

Section 3. **COUNTERPARTS**. This Assignment may be executed in counterparts, all of which together shall constitute one agreement binding on all of the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

**IN WITNESS WHEREOF**, this General Assignment has been signed, sealed and delivered by the parties as of the date first above written.

WITNESS:

\_\_\_\_\_

Accepted this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

WITNESS:

By: \_\_\_\_\_

ASSIGNOR:

**TOWNSHIP OF LONG HILL**, a  
public body corporate and politic in  
Morris County in the State of New Jersey

By: \_\_\_\_\_  
Name  
Title:

ASSIGNEE:

**[BUYER]**

By: \_\_\_\_\_  
Name  
Title:

**SCHEDULE I TO EXHIBIT G**  
**LIST OF ASSIGNED RIGHTS**

**PERMITS:**

**LICENSES:**

**WARRANTIES:**

**EXHIBIT H**

**DISCLOSURE SCHEDULE TO THE AGREEMENT OF SALE**

**[NOTE: Disclosures to be reflected in this exhibit prior to execution of Agreement.]**

**BETWEEN TOWNSHIP OF LONG HILL AND [BUYER]**

These schedules are to be read in their entirety. Nothing in these schedules is intended to broaden the scope of any representation or warranty contained in the Agreement of Sale (the "Agreement"). The disclosure of any item, explanation, exception, or qualification in these schedules is disclosure of that item for all purposes for which disclosure is required under the Agreement, and is disclosed in all appropriate schedules irrespective of whether any cross-reference is made or whether no schedule is provided with respect to any representation or warranty. Capitalized terms used and not otherwise defined in these schedules shall have the meanings ascribed to them in the Agreement.

**Schedule 2.1(A)**

**Organization of Township**

**Schedule 2.1(B)**

**Authorization of Transaction**

**Schedule 2.1(C)**

**Title**

**Schedule 2.1(D)**

**Litigation**

**Schedule 2.1(E)**

**Default**

**Schedule 2.1(F)**

**Reimbursement Obligation**

**Schedule 2.1(G)**

**System Compliance**

**Schedule 2.1(H)**

**Tariff**

**Schedule 3.1(A)**

**Organization of Buyer**

**Schedule 3.1(B)**

**Authorization of Transaction**

**Schedule 3.1(C)**

**Litigation**

**Schedule 3.1(D)**

**Warranties**

**Schedule 3.1(E)**

**Right to Inspect**

**Schedule 3.1(F)**

**Other Limitations of Local, State, and Federal Laws and Regulations**

**Schedule 3.1(G)**

**Source of Funds**

**Schedule 3.1(H)**

**Blocked Person**

**EXHIBIT I**

**ESCROW AGREEMENT**

THIS ESCROW AGREEMENT, dated as of [ ] (this “Escrow Agreement”), by and among **TOWNSHIP OF LONG HILL**, a public body corporate and politic in Morris County in the State of New Jersey (the “Township”), **[BUYER]**, a [ ] corporation (the “Buyer”), and **[Escrow Agent]** (the “Escrow Agent”).

**WITNESSETH**

**WHEREAS**, the Buyer has executed and delivered to the Township an Asset Agreement of Sale, dated as of [ ] (the “Agreement”), pursuant to which the Buyer will purchase from the Township, and the Township will sell to the Buyer, the Wastewater System as defined in the Agreement;

**WHEREAS**, it is contemplated under the Agreement that the Buyer will deposit or cause to be deposited into escrow the sum of 10% of the Purchase Price (the “Escrow Amount”) in cash upon its execution of the Agreement, to be held and disbursed by the Escrow Agent in accordance with the terms herein; and

**WHEREAS**, Escrow Agent is willing to act as the Escrow Agent hereunder.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual agreements contained herein and in the Agreement, and intending to be legally bound hereby, the parties hereby agree as follows:

Section 1. APPOINTMENT AND AGREEMENT OF ESCROW AGENT. The Buyer and the Township hereby appoint the Escrow Agent to serve as, and the Escrow Agent hereby agrees to act as the escrow agent upon the terms and conditions of this Agreement.

Section 2. ESTABLISHMENT OF THE ESCROW FUND. Pursuant to Section 2.4 of the Agreement, the Buyer shall deliver to the Escrow Agent on the date hereof the Escrow Amount. The Escrow Agent shall hold the Escrow Amount and all interest and other amounts earned and/or accrued thereon (the “Escrow Fund”) in escrow pursuant to the terms of this Escrow Agreement and the Agreement.

Section 3. PURPOSE OF THE ESCROW FUND. The Escrow Amount will be held by the Escrow Agent as a deposit made by the Buyer to be credited against the Purchase Price to the Township pursuant to Section 2.4 of the Agreement.

Section 4. PAYMENTS FROM THE ESCROW FUND.

(A) At the Closing, upon written request of the Buyer and the Township, the Escrow Agent shall pay in full to the Township in immediately available funds all such amounts in the Escrow Fund. The Buyer and Township agree that such amount shall be credited against the Purchase Price in favor of the Buyer at the Closing.

(B) In the event that the Agreement is terminated as described in Section 9.2 of the Agreement of Sale, the Buyer shall provide written notice to the Escrow Agent of such termination specifying in reasonable detail the nature and basis for such termination. The Escrow Agent shall, upon receipt of such notice, deliver a copy of such notice to the Township's Representative. If within ten (10) Business Days after delivery of such notice, the Escrow Agent has not received a written objection from the Township or the Township's Representative, the Escrow Agent shall promptly transfer the Escrow Fund to the Buyer, by wire transfer in immediately available funds. If the Escrow Agent has received an objection within the stated time period, then Escrow Agent will proceed as described in Section 5 below.

(C) In the event that the Agreement is terminated as described in Section 9.1 of the Agreement, the Township shall provide written notice to the Escrow Agent of such termination specifying in reasonable detail the nature and basis for such termination. The Escrow Agent shall, upon receipt of such notice, deliver a copy of such notice to the Buyer. If within ten (10) Business Days after delivery of such notice, the Escrow Agent has not received a written objection from the Buyer, the Escrow Agent shall promptly transfer the Escrow Fund to the Township by wire transfer in immediately available funds. If the Escrow Agent has received an objection with the stated time period, then Escrow Agent will proceed as described in Section 5 below.

Section 5. OBJECTION TO A TERMINATION NOTICE. Either party, after receipt of a notice from the Escrow Agent that the other party is claiming a right to payment of the Escrow Fund pursuant to a termination right under the Agreement, may at any time within the ten (10) Business Days after receipt of said notice object by delivering to the Escrow Agent a writing specifying in reasonable detail the nature and basis for such objection. Upon receipt of such an objection, the Escrow Agent shall deliver a copy of such objection to the party seeking payment of the Escrow Fund. Unless the Escrow Agent thereafter receives, a statement from the objecting party that it is withdrawing its objection, the Escrow Fund shall be held by the Escrow Agent and shall not be released except in accordance with either: (i) written instructions jointly executed by an authorized officer of the Buyer and the Township's Representative or (ii) the final non-appealable judgment of a court.

Section 6. MAINTENANCE OF THE ESCROW FUND; TERMINATION OF THE ESCROW FUND.

(A) The Escrow Agent shall maintain the Escrow Fund in a non-interest bearing account in [Bank] until the earlier of:

- (i) the time at which there shall be no funds in the Escrow Fund; or
- (ii) the termination of this Escrow Agreement.

(B) Notwithstanding any other provision of this Escrow Agreement to the contrary, at any time prior to the termination of the Escrow Fund, the Escrow Agent shall, if so instructed in a writing jointly signed by the Buyer and the Township's Representative, pay from the Escrow Fund, as instructed, to the Township or the Buyer, as directed in such writing, the amount of cash so instructed.



(C) Escrowee shall not be responsible for any interest on the Deposit except as is actually earned, or for the loss of any interest resulting from the withdrawal of the Deposit prior to the date interest is posted thereon or for any loss caused by the failure, suspension, bankruptcy or dissolution of the institution in which the Deposit is deposited.

(D) In the event that the Escrow Agent is uncertain as to its duties or rights hereunder or receives instructions from any party hereto with respect to the Escrow Fund which, in its reasonable opinion, are in conflict with any of the provisions of this Escrow Agreement or any instructions received from one of the other parties to this Escrow Agreement, the Escrow Agent shall be entitled to refrain from taking any action other than to keep the Escrow Fund in question until: (i) such time as there has been a "Final Determination" (as defined herein) with respect to the Escrow Fund or (ii) deposit the Escrow Fund in escrow into any Court of competent jurisdiction at any time and thereafter shall have no further obligations or liabilities to anyone under this Escrow Agreement. For purposes of this Section, there shall be deemed to have been a "Final Determination" of the rights of the applicable parties with respect to the Escrow Fund at such time as any of the applicable parties shall file with the Escrow Agent: (i) an official certified copy of a court order, together with an opinion of counsel of the party filing the foregoing, in form and substance acceptable to the Escrow Agent and its counsel, stating that the court order is a final determination (and not subject to appeal in a federal or state court of competent jurisdiction) of the rights of the parties hereto with respect to the Escrow Fund, that the time to appeal from said court order has expired, and that said court order is binding upon the applicable parties or (ii) a fully executed agreement or consent by and among the applicable parties which provides for disposition of the Escrow Fund in accordance with Article XII of the Agreement.

Section 7. ASSIGNMENT OF RIGHTS TO THE ESCROW FUND; ASSIGNMENT OF OBLIGATIONS; SUCCESSORS. This Agreement may not be assigned by operation of law or otherwise without the express written consent of each of the parties hereto (which consent may be granted or withheld in the sole discretion of such parties); provided, however, that the Buyer may assign this Escrow Agreement to an Affiliate of the Buyer without the consent of the other parties. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns.

Section 8. ESCROW AGENT.

(A) Except as expressly contemplated by this Agreement or by joint written instructions from the Buyer and the Township, the Escrow Agent shall not sell, transfer, or otherwise dispose of all or any portion of the Escrow Fund in any manner, except pursuant to an order of a court of competent jurisdiction.

(B) The duties and obligations of the Escrow Agent shall be determined solely by this Escrow Agreement, and the Escrow Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Escrow Agreement.

(C) In the performance of its duties hereunder, the Escrow Agent shall be entitled to rely upon any document, instrument, or signature believed by it in good faith to be genuine and signed by any party hereto or an authorized officer or agent thereof (specifically

including the Township's Representative), and shall not be required to investigate the truth or accuracy of any statement contained in any such document or instrument. The Escrow Agent may assume that any person purporting to give any notice on behalf of a party hereto in accordance with the provisions of this Agreement has been duly authorized to do so.

(D) The Escrow Agent shall not be liable for any error of judgment or any action taken, suffered, or omitted to be taken hereunder except in the case of its gross negligence, bad faith, or willful misconduct. The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

(E) The Escrow Agent shall have no duty as to the collection or protection of the Escrow Fund or income thereon, nor to preserve any rights pertaining thereto beyond the safe custody of any such funds actually in its possession.

(F) As compensation for its services to be rendered under this Agreement, Escrow Agent shall be reimbursed upon request for all expenses, disbursements, and advances, including reasonable fees of outside counsel, if any, incurred or made by it in connection with the preparation of this Escrow Agreement and the carrying out of its duties under this Escrow Agreement. All such expenses shall be the joint and several responsibility of the Township and the Buyer.

(G) The Buyer and the Township shall reimburse and indemnify the Escrow Agent for and hold it harmless against any loss, liability, or expense, including, without limitation, reasonable attorney's fees incurred except in connection with gross negligence, bad faith, or willful misconduct on the part of the Escrow Agent arising out of, or in connection with the acceptance or performance of its duties and obligations under this Escrow Agreement.

(H) The Escrow Agent may resign at any time by giving twenty (20) Business Days' prior written notice of resignation to the Township's Representative and the Buyer. The Township and the Buyer may remove the Escrow Agent at any time by jointly giving the Escrow Agent ten (10) Business Days' written notice signed by each of them. If the Escrow Agent is to resign or be removed, a successor Escrow Agent shall be appointed by the Buyer by written instrument executed by the Township's Representative and the Buyer. Such instrument shall be delivered to the Escrow Agent and to such successor Escrow Agent and, thereupon, the resignation or removal of the predecessor Escrow Agent shall become effective and such successor Escrow Agent, without any further act, deed or conveyance, shall become vested with all right, title, and interest to all cash and property held hereunder of such predecessor Escrow Agent. Such predecessor Escrow Agent shall, on the written request of the Township's Representative, the Buyer, or the successor Escrow Agent, execute and deliver to such successor Escrow Agent all the right, title, and interest hereunder in and to the Escrow Fund of such predecessor Escrow Agent and all other rights hereunder of such predecessor Escrow Agent. If no successor Escrow Agent is appointed within twenty (20) Business Days of a notice of resignation by the Escrow Agent, the Escrow Agent's sole responsibility shall thereafter be to hold the Escrow Fund until the earlier of its receipt of designation of a successor Escrow Agent, a joint written instruction by the Township's Representative and the Buyer, or termination of this Escrow Agreement in accordance with its terms.

(I) The Escrow Agent is acting as a stakeholder only with respect to the Escrow Fund. Upon making delivery of the Escrow Fund in the manner herein provided, the Escrow Agent shall have no further liability hereunder.

[(J) The Township and the Buyer acknowledge that the Escrow Agent has represented the Township in connection with, among others things, the Agreement and the matters giving rise to this Escrow Agreement and will continue to represent the Township in connection with such matters and any other matters. Each of the parties to this Agreement waives any right it now has or may have in the future to any claim of conflict as a result of the Escrow Agent's execution, delivery, and performance of this Agreement or the transactions contemplated hereby and the Escrow Agent's representation of the Township in any matter including, without limitation, any action, litigation, or representation relating to the Agreement, this Escrow Agreement, and the matters giving rise to each of them.] **[NOTE: Subject to determination of identity of Escrow Agent.]**

Section 9. TERMINATION. This Escrow Agreement shall terminate on the earlier of: (i) the date on which there are no funds remaining in the Escrow Fund or (ii) the date on which the Escrow Agreement receives a signed notice from the Township and the Buyer that the Escrow Agreement is terminated, including instruction to the Escrow Agent on the disbursement of the Escrow Fund.

Section 10. NOTICES. All notices, requests, claims, demands, and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by courier service, by cable, by telecopy, by telegram, by telex, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 10):

If to the Buyer:

[ ]

With a copy to:

[ ]

If to the Township:

[ ]

With a copy to:

[ ]

Section 11. GOVERNING LAW. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey applicable to contracts executed and to be performed entirely within that State.

Section 12. AMENDMENTS. This Agreement may not be amended or modified except: (i) by an instrument in writing signed by, or on behalf of, the Township, the Buyer, and the Escrow Agent or (ii) by a waiver in accordance with this Agreement.

Section 13. WAIVER. Any party hereto may: (i) extend the time for the performance of any obligation or other act of any other party hereto or (ii) waive compliance with any agreement or condition contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party or parties to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same term or condition or a waiver of any other terms or conditions of this Agreement. The failure of any party to assert any of its rights hereunder shall not constitute a waiver of any of such rights.

Section 14. SEVERABILITY. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect as long as the economic and legal substance of the transactions contemplated by this Escrow Agreement is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner so that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

Section 15. ENTIRE AGREEMENT. This Escrow Agreement and the Agreement constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, among the Township, the Buyer, and the Escrow Agent with respect to the subject matter hereof

Section 16. NO THIRD PARTY BENEFICIARIES. This Escrow Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Escrow Agreement.

Section 17. HEADINGS. The descriptive headings contained in this Escrow Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 18. COUNTERPARTS. This Agreement may be executed in one or more counterparts, and by different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.

Section 19. TOWNSHIP'S REPRESENTATIVE. The Township hereby appoints its Administrator as its representative (the "Township's Representative") and agree that such appointment give the Township's Representative full legal power and authority to take any action or decline to take any action on behalf of the Township.

Section 20. DEFINITIONS. Terms defined in the Agreement and not otherwise defined herein may be used herein as defined in the Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Escrow Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**TOWNSHIP OF LONG HILL**

**[BUYER]**

By: \_\_\_\_\_  
Name  
Title:

By: \_\_\_\_\_  
Name  
Title:

**ESCROW AGENT**  
**[ESCROW AGENT]**

By: \_\_\_\_\_  
Name  
Title:

## EXHIBIT J

### EXISTING TOWNSHIP WASTEWATER SYSTEM EMPLOYEES

Employee 1:

Superintendent/Lab Manager  
Certifications-S-3, C-3, CPWM, Back Flow Certified, CDL Class A/Tanker Endorsement  
Job Duties-Implementation of and compliance with OSHA, NJDEP and EPA regulations  
Compliance with Municipal Policies and Procedures  
Preparation of Monthly discharge Monitoring Reports for submission to NJDEP  
Daily Sampling for process control and DMR's  
Management, Supervision, Schedule, and direct oversight of all plant personnel  
Management of process improvement and facility upgrade projects  
Scheduling and oversight of routine maintenance programs  
Coordination with the Public Works Director and Consulting Engineers  
Certification of laboratory parameters  
Capital planning and budget preparation  
Perform all permitted back flow device quarterly testing  
Oversight of facility purchasing through GFMS  
Employee reviews and evaluation including implementation of disciplinary actions  
Public outreach and community relations  
Date Hired-2/22/93-Present

Employee 2:

Wastewater Control Operator  
Certifications-S-2, C-2, CDL Class B/Tanker Endorsement  
Job Duties-Assumes all responsibility when Superintendent is not available  
Oversees collection system-Jetting and Camera work, Pump Station daily maintenance  
Performs daily maintenance of all mechanical equipment  
Performs daily lab testing  
Performs daily data collection and record keeping  
Date Hired-9/25/06-Present

Employee 3:

Utility Manager  
Certifications-CDL Class B/Tanker Endorsement  
Job Duties-Performs daily maintenance of all mechanical equipment  
Performs daily lab testing  
Performs daily data collection and record keeping  
Date Hired-12/11/06-5/10/13 (Road Dept.)  
Date Hired-5/13/13-Present (Wastewater Dept.)

Employee 4:

Utility Manager  
Certifications-CDL Class A  
Job Duties-Performs daily maintenance of all mechanical equipment  
Performs daily lab testing  
Performs daily data collection and record keeping  
Date Hired-5/3/04-10/24/14 (Road Dept.)  
Date Hired-10/27/14-Present (Wastewater Dept.)

## **EXHIBIT K**

### **CUSTOMER SERVICE STANDARDS**

1. The Buyer shall maintain the Wastewater System laterals from mains to curb line of property and shall undertake all necessary capital improvements, maintenance, repairs, and replacement to the Wastewater System as shall be required from time to time. Such undertaking shall be made in accordance with prudent industry standards.
2. The Buyer shall maintain buildings and property in a neat and orderly appearance consistent with community standards and shall undertake reasonable measures to protect the health, safety, and welfare of the public with respect to the Wastewater System.
3. The Buyer shall operate the Wastewater System in a manner to minimize odors, dust, spills, and other nuisances. The Buyer shall provide appropriate customer service staffing and response times for any complaints about nuisances or service problems.
4. The Buyer's employees shall provide a qualified staff and experienced employees and third party contractors who have direct experience in operating similar systems. The Buyer shall maintain the necessary number of employees, staff, and third party contractors to operate, maintain, and manage the Wastewater System.
5. The Buyer shall implement a plan of action protocol for emergency events which shall include notices to the Township and other regulating entities having jurisdiction and for measures which facilitate coordinated emergency response actions, as needed. The Buyer shall maintain a toll-free 24 hour telephone number where users of the Wastewater System can report emergencies.



**EXHIBIT L**

**CAPITAL IMPROVEMENTS TO LIFT SEWER BAN**

[NOTE: To be developed based upon information submitted with Bid.]

**EXHIBIT M**

**CAPITAL IMPROVEMENTS TO PUMP STATIONS**

Clover Hill Road Pump Station

<u>Priority List</u>
Cloverhill Road Pump Station Upgrade and Repairs
New Generator & transfer switch
New ventilation system
New heater
New electrical service & panel
New potable well pump
New explosion proof lighting
Replace check valves & gate valves
Replace (2)-20 hp pumps
Replace roof system, gutters, soffets
grinder installation
Install new flow meter
Install new acces hatch
Pave access road
Replace propane tank

Morristown Road Pump Station

<u>Priority List</u>
Morristown Road Pump Station Upgrade and Repairs
Generator & transfer switch replacement
Wet well hatch, stairs & safety grating
Grinder installation
Flow meter replacement
Pump motor replacements
New check valve & gate valves
Electrical upgrades
Lighting upgrades
Ventilation/heating upgrades
Roof and lintel replacement
Tree maintenance
Spiral stair maintenance