

TOWNSHIP OF MANALAPAN, NEW JERSEY

REQUEST FOR BIDS

SALE OF WATER SYSTEM

Issued: April 23, 2024

Bids Due: June 6, 2024

Optional Pre-Bid Meeting: May 7, 2024

ISSUED BY:

**Township of Manalapan
120 Route 522
Manalapan, NJ 07726**

Table of Contents

1.0	<i>INTRODUCTION AND DESCRIPTION OF THE BID PROCESS</i>	1
1.1	Issuing Entity, Nature and Purpose of Procurement	1
1.2	General Overview	1
1.2.2	Explanation of Real Property Interests to be Conveyed	2
1.3	Township Objectives	2
1.4	Bid Submission Date	2
1.5	Project Participants and Advisors	2
1.6	Inquiries and Correspondence	2
1.7	Procurement Process	3
1.7.1	Legal Authority	3
1.7.2	Schedule Adherence	4
1.7.3	Pre-Bid Meeting and Site Visits	4
1.7.4	Written Questions Regarding RFB or Process	4
1.7.5	Addenda or Amendments to the RFB	5
1.7.6	Cost of Bid Preparation	5
1.7.7	Correction of Errors	5
1.7.8	Modification of Bids	5
1.7.9	Disclosure of Information in Bids	5
1.7.10	Withdrawal from Procurement Process	6
1.7.11	Disposal of Bids	6
1.7.12	Rights of the Township and Conditions	6
1.8	Pay-to-Play Law	8
1.9	Pending Litigation, Conflicts of Interest	8
1.10	Public Referendum	8
1.11	Independent Due Diligence Required	9
2.0	<i>BACKGROUND INFORMATION</i>	10
2.1	General Township Profile	10
2.2	Description of Water System	10
2.3	Rates	11
2.4	Annual Financial Statements and Audit Reports	11
2.5	Existing Township Operations Agreement	11
3.0	<i>COMPANY RESPONSIBILITIES</i>	12
3.1	General	12
3.2	Operation of Township Water System	12
3.3	Municipal Consent and BPU Approval of Sale	12
3.4	Water Pressure	12
3.5	License for Water Tanks and Irrigation Well	12

3.6	Rate Plan	12
	<i>Rate Calculation for Years 3 through 5</i>	<i>13</i>
4.0	<i>QUALIFICATION CRITERIA</i>	14
4.1	General.....	14
4.1.1	Transaction Cost Reimbursement	14
4.1.2	Technical Qualifications and Experience.....	14
4.1.3	Financial Strength.....	14
5.0	<i>INSTRUCTIONS FOR PREPARATION AND SUBMISSION OF BIDS</i>	15
5.1	Submission Requirements	15
5.1.1	Bid Submission; Timing of Submission; Number of Bids to be Submitted.....	15
5.1.2	Bid Forms	15
5.1.3	Completeness	15
5.2	Organization and Form of Bid	16
5.2.1	Organization of Bid.....	16
5.2.2	Form of Bid.....	16
5.3	Section I: Executive Summary	16
5.3.1	General Provisions	16
5.3.2	Letter of Qualification, Letter of Intent and Signature Requirements	16
5.3.3	Bid Bond	17
5.4	Section II: Technical Qualifications and Experience	17
5.4.1	Qualifications and Experience of Bidder	17
5.4.2	Qualifications and Experience of Key Personnel	18
5.4.3	Regulatory Compliance	18
5.4.4	Other Water System Acquisitions	18
5.5	Section III: Purchase Price.....	18
5.6	Section IV: Financial Qualifications and Rate Plan.....	18
5.6.1	Financial Strength.....	18
5.6.2	Capital Investments	19
5.6.3	Customer Service Plan and Plan for Billing Customers.....	19
5.6.4	Rate Plan.....	19
5.6.5	Exceptions to the Agreement of Sale	19

APPENDICES

- A. Glossary
- B. Section 234 of Manalapan Township Code
- C. Bid Forms
- D. Registration for Updates
- E. Current Water User Fees and History of Rate Increases
- F. Omitted
- G. Water System Evaluation
- H. Draft Agreement of Sale

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 Manalapan, New Jersey (the “Township”) is hereby requesting Bids from parties interested in entering into an agreement to purchase the Township’s Water System. The Water System is owned by the Township and operated and maintained by the Veolia Water New Jersey (“Veolia”) in accordance with the terms of the Agreement for Public/Private Partnership and Operation, Maintenance and Management Services for the Manalapan Township Water Service Area (the “Public/Private Agreement”) between the Township and Veolia. After analyzing the operations and finances of the Water System and the anticipated future needs of the Water 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 three (3) separate public drinking water systems within the Township currently known as Knob Hill PWS, Millhurst PWS and Tracy Station PWS (collectively, the “Water System”). The operation and maintenance of the Water System is performed by Veolia pursuant to the terms of the Public/Private Agreement. For a comprehensive description of the Water System, see Water System Evaluation dated April 2024 prepared by CME Associates (“CME Report”) which is included with this RFB as Appendix G.

1.2.1 Water 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 (the “Property”), facilities and stationary equipment, relating to the public drinking water systems identified in the CME Report. The purchase will include all existing assets and rights thereto, including water treatment facilities, water wells, water storage tanks, pumping stations, water mains, water distribution systems and appurtenances, but shall exclude personal property, vehicles, cash, securities and accounts receivable of the water system for services rendered up to and including the Closing Date. Further, certain permits and licenses currently held by the Township will have to be issued or transferred to the Buyer.

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 Water System.

1.3 Township Objectives

The Township is seeking to sell the Water System to a single qualified and experienced company which company will take over ownership, operations, maintenance and management of the Water System. The Township's objectives include the following: (i) obtain highest value for the Water System; (ii) utilize proceeds to pay off Water System debt and other liabilities; (iii) minimize rate volatility for ratepayers; (iv) transfer responsibility for regulatory requirements to the Buyer; and (v) reduce the environmental and financial risk to the Township.

1.4 Bid Submission Date

Copies of the Bid responding to this RFB must be submitted no later than 11:00 a.m. (Eastern Time) on Thursday, June 6, 2024 in accordance with Section 5 of this RFB. Bids shall be in a sealed package addressed to:

Township of Manalapan
Attention: Township Clerk
120 Route 522
Manalapan, New Jersey 07726

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 Water System. The Township Committee has assembled a group of Township representatives 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:

Tara Lovrich, Township Administrator
Township of Manalapan
120 Route 522
Manalapan, New Jersey 07726
Phone: (732) 446-3200
Email: tllovrich@twp.manalapan.nj.us

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

Roger J. McLaughlin, Esq.
McLaughlin Stauffer & Shaklee, PC
4814 Outlook Drive, Suite 112
Wall, NJ 07753
Phone: (732) 751-2800
Email: rmclaughlin@wall-lawyers.com

And

Michael Dziubeck, PE
CME Associates
3141 Bordentown Avenue
Parlin, NJ 08859
Phone: (732) 727-8000
Email: mdziubeck@cmeusa1.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 Tara Lovrich. All questions shall be sent in writing and delivered to the above addresses or sent by email to Tara Lovrich, Roger J. McLaughlin and Michael Dziubeck 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 Water System. The Township will then submit a question to the County Clerk to be included on the November 2024 election ballot regarding whether the Township should sell its Water 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 Water 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 2024, an aggressive procurement schedule is required. The following schedule identifies major activities and dates in the procurement process:

Optional Pre-Bid Meeting	May 7, 2024 at 10:00 a.m.
Site Visit	May 7, 2024 (thereafter by appointment only)
Bidder Questions Due	May 17, 2024
Bids Due	June 6, 2024

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 Tuesday, May 7, 2024 at Town Hall located at 120 Route 522, Manalapan, New Jersey 07726. Attendance at the pre-Bid meeting is not mandatory but it is highly encouraged. Site visits will be conducted on May 7, 2024 following the pre-Bid meeting. Bidders that desire to schedule a site tour of the Water System on a date subsequent to the pre-Bid meeting should contact Michael Dzuibeck, PE at (732) 727-8000 or mdziubeck@cmeusa1.com to arrange for such tour. 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 Water 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 May 17, 2024. 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 D. 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 D, to the Township Administrator with a copy to Roger J. McLaughlin, Esq. and Michael Dzuibeck, PE, 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 Tara Lovrich by or on behalf of an authorized representative of the Bidder, or delivered to Tara Lovrich 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 Township Administrator and/or her 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 in accordance with applicable law. 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 Water 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 minor 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 Manalapan; (3) not be in arrears to Township of Manalapan 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 2024. 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 Water System being sold, it is provided only to assist Bidders in evaluating the Water 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 Manalapan is located in Monmouth County, New Jersey, and has approximately 40,905 residents based upon the 2020 census. See the Township website (<http://mtnj.org>) for further general information regarding the Township.

2.2 Description of Water System

The Manalapan Township Water System franchise area (the “Franchise Area”) is located in the southern portion of the Township. The Franchise Area is bound to the west, south, and east by the municipal boundary. It is bound to the north by the intersection of the western municipal boundary and the Conrail Line that borders Englishtown Borough to the south; the northern franchise area border travels east until the Conrail Line’s intersection with County Route 3, where the service area extends north on County Road 3 until its intersection with Freehold Road (County Route 522) where it then travels east to the eastern municipal boundary. The remainder of the Township is serviced by Gordons Corner Water Company.

The Manalapan Township Water System Franchise Area comprises three (3) separate Public Water Systems.

The Knob Hill Water System (PWSID #1326002) supplies 2,299 service connections. It receives water from an interconnection with Veolia Matchaponix on Main Street and contains three NJDEP permitted groundwater wells, one (1) irrigation well, a water treatment plant and three water storage tanks with a combined storage capacity of 2.75 million gallons.

The Millhurst Water System (PWSID #1326005) provides water to approximately 19 service connections primarily serving two (2) public schools, a few single-family homes, and a small number of businesses. The Township is currently constructing a water main to combine the Millhurst Water System with the Knob Hill Water System in which the Millhurst Water System will be absorbed and become part of the Knob Hill Water System.

The Tracy Station Water System (PWSID #1326007) supplies approximately 256 service connections. The system receives water from an interconnection with Veolia Matchaponix on Tracey Station Road and has emergency interconnections with the Borough of Englishtown and Gordons Corner Water Company.

For a comprehensive description of the Water System, please refer to the CME Report. The CME Report also contains a capital improvement plan which was prepared for the Township.

Additional information (e.g. permits, etc.) regarding the Water System will be made available via File Transfer Protocol. The additional information can be accessed by potential bidders by emailing Michael Dzuibeck, PE at mdziubeck@cmeusa1.com for access.

2.3 Rates

Current rate information and the history of user fees are included in Appendix E to this RFB.

2.4 Annual Financial Statements and Audit Reports

The Township's 2023, 2022 and 2021 financial statements and 2022, 2021 and 2020 audit reports can be viewed and downloaded from the Township website: <https://mtnj.org> Click on the "Finance Department" tab under the Departments heading.

2.5 Existing Township Operations Agreement

The existing Public/Private Agreement with Veolia has a twenty year term that will expire on November 30, 2036. Under the terms of the Public/Private Agreement, Veolia provides for the operation and maintenance of the Water System. The Township will terminate the Public/Private Agreement on or prior to the Closing.

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 Water System. Bidders are advised that the Agreement of Sale, a draft of which is included in Appendix H, will be the definitive statement of the responsibilities of the Bidder.

3.2 Operation of Township Water System

The Township will continue to operate the Water System until the Closing Date. Buyer will operate the Water System thereafter at its own cost and expense. Buyer must be aware that the customers of the Water 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 in a manner that meets all local, state and federal laws and regulations relating to the distribution and treatment of water.

3.3 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.

3.4 Water Pressure

The Buyer will be required to maintain the water pressure levels in the Water System at the levels existing in the Water System as of the date of Closing.

3.5 License for Water Tanks and Irrigation Well

As of the Closing Date, the Buyer shall grant the Township, at no cost, a perpetual license to continue utilizing the portions of the Water System where certain police equipment is located. In addition, as of the Closing Date, the Buyer shall grant the Township, at no cost, a perpetual license to use Well 4 for irrigation purposes at the Township Recreation Center.

3.6 Rate Plan

As described in Section 5.6.4, the Bidder will be required to provide its plan for implementing a binding rate structure for the ratepayers following the sale. The 5-year binding rate schedule must reflect that rates will not be increased for at least two (2) years from the Closing Date (based on 2025 water rates) and, over the three (3) years after that, that rates will be raised only in accordance with the annual CPI rate adjustment calculation set forth in Appendix E of this

RFB (and as described below). In addition, Bidders will be required to submit a projected (non-binding) rate schedule that projects rates for a minimum of 20 years following the Closing Date.

Rate Calculation for Years 3 through 5

For years 3 through 5 following the Closing, the percent increase is based upon the published New York Metropolitan Region Consumer Price Index (CPI) percent increase for the immediately preceding year in accordance with the following table:

CPI (%)	Water Rate Increase	Examples
0-1	0-1: point for point	0.3% CPI= 0.3% increase
1-4	1 + (1/2 difference >1, point for point)	3.2% CPI= 2.1% increase
4-6	2 + (1/2 difference >4, point for point)	5.2% CPI= 3.2% increase
6-15	4 + (1/2 difference >6, point for point)	8.2% CPI= 5.1% increase
>15	7.5 + (1/2 difference >15, point for point)	19% CPI= 10.5% increase

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 payment in the amount of \$150,000 to cover the Township's administrative costs in connection with the sale ("Transaction Costs Payment"). One-third of the Transaction Costs Payment (\$50,000) will be due upon the passing of the Township Ordinance approving the sale of the Water System, which amount will be non-refundable. The remaining two-thirds (\$100,000) of the Transaction Costs Payment will be due at Closing.

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 Water 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 Water System and investing the capital for any improvements deemed necessary.

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 11:00 a.m. (Eastern Time) on Thursday, June 6, 2024. One original, five (5) hard copies and one electronic copy (cd or thumb drive) of the Bid shall be submitted to:

Township Clerk
Township of Manalapan
120 Route 522
Manalapan, New Jersey 07726

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 MANALAPAN, 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 Water 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 Water System, maintain the physical plants and maintain all

equipment in order to adequately operate and maintain the Water System. The Bidder shall describe the Bidder's experience and qualifications relevant to the operation and maintenance of water 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 Water System, maintain the physical plants and maintain all equipment in order to adequately operate and maintain the existing Water System. The Bidder shall provide a description of all personnel anticipated to be significantly involved in the operation of the Water System, with a list of their educational degrees, licenses held and years of experience in water utility service operation and maintenance. Personnel shall be appropriately licensed and experienced in operating, maintaining, monitoring and repairing of water 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 Water System Acquisitions

The Bidder shall describe the rate structure and history of rate increases in connection with its municipal water 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 Water 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 Water System. The Buyer 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 Water System and identify any capital improvements it anticipates making to the Water 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 water users. 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 Manalapan.

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 must reflect that rates will not be increased for at least two (2) years from the Closing Date (based on 2025 water rates) and, over the three (3) years after that, that rates will be raised only in accordance with the annual CPI rate adjustment calculation set forth in Appendix E of this RFB (and as described in Section 3.6 above). In addition, Bidders will be required to 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 (Appendix H) 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 H.

“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 Manalapan, in the County of Monmouth, New Jersey.

APPENDIX B

CHAPTER 234 OF MANALAPAN TOWNSHIP CODE

ARTICLE I
Water System Rules
[Adopted 10-27-1993 by Ord. No. 93-30 as Ch. 220, Art. I, of the 1993 Code]

§ 234-1. Definitions.

- A. Unless the context specifically indicates otherwise, the meanings of the terms used in this article shall be as follows:

AGENT — Any duly authorized representative of the owner.

COST — Indicates labor, material, transportation, expenses, equipment, supervision, engineering and all and every necessary overhead expense.

CUSTOMER — Any owner, agent or occupant who is responsible for the payment of fees specified herein.

EXTENSION — The extension of a water main along a street, avenue or highway. An "extension" shall not include the water service connection as herein defined.

LIEN — Refers to the charges of any nature levied by the Township of Manalapan arising out of any charge resulting from installation, service or distribution of water which are declared to be a lien against the property served by virtue of the statute in such case made and provided.

MAIN — Either in the singular or the plural, all pipes, including valves, valve boxes, fittings and appurtenances, other than service connections, conveying water to or distributing water from the Township of Manalapan water supply.

OWNER — The applicant.

PRIVATE HYDRANT — A fire hydrant located upon private property and privately owned.

PRIVATE MAIN — A main running through private property or in a private street to serve more than one home or other buildings or properties.

PUBLIC HYDRANT — A fire hydrant under the control of the municipality located on a right-of-way of the municipality or municipal property.

SERVICE CONNECTION (or service pipe or service line connections, including corporations) — A pipe or pipes connected to a main and extending thence to privately owned property or premises for supplying water service thereto.

SUPERINTENDENT — The person retained by the Township Committee of the Township of Manalapan as the qualified licensed Superintendent of the Manalapan Township Water Department, and who shall be charged with the responsibility and authorized to carry out the provisions as contained in this article.

TOWNSHIP — The Township of Manalapan, New Jersey, acting through the Township Committee of the Township of Manalapan, the Water Department of the Township of Manalapan or the officers and agents thereof.

WATER DEPARTMENT — All of the property, organization or operation of the water supply system and each and every part thereof of the Township of Manalapan, collectively or

separately, functioning under the direction of the Township Committee of the Township of Manalapan, either directly or by its duly authorized representatives or agents, and operating as a water utility.

WATER SERVICE CONNECTION — The pipe serving a premises from the main into the premises to a point three feet beyond the meter, including the meter.

- B. The term "shall" is mandatory; "may" is permissive.
- C. Rules and regulations governing application for permits, design and construction of water supply systems in residential and nonresidential developments. The rules and regulations governing the application for permits, design and construction of water supply systems in residential and nonresidential developments shall be adopted from time-to-time by resolution of the Township Committee. **[Added 2-24-1999 by Ord. No. 99-01]**

§ 234-2. Control of system; payment of bills.

- A. The water mains and appurtenances, service pipes from the main to the curblin, corporation stops, curb stops and boxes of the Department shall be under the control of the Township Committee and its authorized agents and employees, and all other persons are forbidden to disturb, tamper with, injure, change, obstruct access to or interfere with said water mains and appurtenances, service pipes from the main to the curblin, corporation stops, curb stops and boxes in any way.
- B. Any person or persons, firm or firms, corporation or corporations receiving a supply of water for any purpose from the water system operated by the Township shall be subject to rules and regulations as set forth herein.
- C. The owner of any house, building or lot shall be liable for the payment of the service charge or rent as fixed herein or by the Township Committee for the use of water and for all fees and other charges in connection with the installation, repair and testing of any water meter, water service, connections, appliances or parts, and renewals thereof, heretofore or hereafter furnished or made by the Manalapan Township Water Department in or upon such house, building or lot until the same is paid and satisfied.
- D. Payment for the use and consumption of water and of all other fees and charges incurred shall be paid as designated by the Township Committee of the Township of Manalapan, New Jersey. **[Amended 2-24-1999 by Ord. No. 99-01]**
- E. Due date of bills. All bills for the furnishing of water shall be payable for the preceding quarter on the first day of March, June, September and December. If bills are not paid within 60 days after the due date for the respective quarter, the water supply shall be discontinued and shall remain off until the total amount due is paid. The owner shall remain liable for all charges for buildings which are unoccupied, unless written notice of such unoccupancy is given at the time such building becomes unoccupied. A fee of \$75 shall be charged to turn service on during normal business hours, and a fee of \$150 charged outside normal business hours. **[Amended 12-14-2016 by Ord. No. 2016-11]**
- F. Unless the applicant for water service specifies otherwise, all bills and notices will be mailed or delivered to the premises where water service is supplied. If the applicant so desires, the

Manalapan Township Water Department will mail the bills and notices to the business or home address of the owner, customer or his agent. Bills and notices will be mailed through ordinary United States mail service, and if not received the consumer shall obtain them from the Superintendent of the Water Department or an agent or employee thereof. Failure to receive bills or notices shall not excuse the nonpayment of water bills.

§ 234-3. Application for service.

- A. All applications for the use of water or for a service connection shall be on forms to be provided at the office of the Department, by the owner of the premises or by his duly authorized agent, the fee for which shall be payable in advance.
- B. Persons desiring the use of water for building construction shall make application according to the provisions as herein provided. The Township Committee reserves the right to regulate the purpose for which the water may be used during construction and shall require the water to be metered. Meters shall be rented from the Water Department and charged for at regular rates for meters. **[Amended 12-14-2016 by Ord. No. 2016-11]**
- C. Main tapping and connection charge. The tapping of a main or connection to a main shall be paid for by the owner at no cost or expense to the Water Department or the Township. Tapping shall be done only by the Township's duly authorized representative. For each single-family residence tap or connection to a main up to one inch in diameter, there shall be a charge of \$519 and an inspection fee as established by the Township. For each tap over one inch in diameter, the fee shall be set by the Township Committee. **[Amended 2-24-1999 by Ord. No. 99-01 ; 3-22-2006 by Ord. No. 2006-03 ; 12-14-2016 by Ord. No. 2016-11]**
- D. No street openings shall be made except upon the consent of the Water Department and subject to such terms as it and the Township Committee may impose and upon notice to the Township Road Department.¹
- E. The applicant shall be responsible for obtaining the necessary road opening permits for any state or county road effected by the work necessary to complete a service connection. The applicant shall be required to pay all fees covering the costs of road repairs at current rates charged by the state, county or Township. The applicant shall perform or have performed all excavating and backfilling of trenches for service connection and service lines and shall be responsible for any and all costs arising therefrom.

§ 234-4. Installation of service connection and lines.

- A. Installation of service lines from the curb stop, or repair work thereon, shall be performed by a plumber duly qualified to perform such work, at the expense of the applicant. All service connection pipe shall be installed at least four feet below the surface. No rigid connection to any other water distribution system shall be made.
- B. The service connection shall, as far as practical, be installed at right angles to the main and in a straight line to the meter. There shall be no attachment thereon from which water may be drawn between the main and the meter.

1. Editor's Note: See also Ch. 204, Streets and Sidewalks, Art. I, Street Excavations.

- C. Service pipe shall be installed only through the property of the applicant, unless said applicant shall enjoy an easement or right-of-way for said purpose, duly recorded.
- D. Water pipe shall not be installed in the same excavation or trench with sewer pipe unless the same shall be separated vertically by at least two feet.
- E. All service connection pipe from the main shall consist of Type K copper tubing and shall be installed and maintained by the owner. The copper tubing shall not be less than one inch in size for all domestic lines and of such larger size as shall be designated by the Water Department for commercial and industrial buildings and multiple residences.
- F. The completed line shall remain open until inspected and approved by the Water Department or its representative. At least 24 hours' notice shall be given the Water Department for the purpose of inspecting and approving the work.
- G. The owner shall be responsible for the maintenance of the service line from the curb to the meter or interior of the building and shall keep the same in good repair and protect it from damage due to frost or other causes. All leaks in the service lines shall be reported promptly to the Water Department and repaired by the owner. The owner shall be liable for water escaping from such leaks at a charge to be estimated by the Water Department based upon the estimated quantity of water escaping. If repairs are not so made, the Water Department may shut off the water and may refuse to turn it on again until the line is put in serviceable condition.
- H. No person except an employee of the Water Department shall turn water on or off at the curb stop.
- I. No service connection shall be permitted to serve two or more buildings or structures from a single tap, except upon a special permit granted by the Water Department, and if granted, a separate and distinct curb stop and box shall be provided for each building or structure.

§ 234-5. Metering; water rates. [Amended 2-10-1993 by Ord. No. 92-01]

- A. All service lines shall be installed in accordance with the rules and regulations governing applications for permits and the design and construction of water supply systems in the Township. Valves shall be installed at the point of entry to the premises as follows:
[Amended 12-14-2016 by Ord. No. 2016-11]
 - (1) Roundway tee stop on the street side of meter and yoke.
 - (2) Globe valve with drain on the house side of meter and yoke. The Township will provide the meter and yoke, the cost thereof to be borne by the owner.
- B. The Water Department may refuse to supply water to premises wherein the plumbing work has not been done in accordance with the rules and regulations of the Township of Manalapan Board of Health or where an applicant has not supplied a space or area acceptable to the Water Department for the installation of water meter and appurtenances.
- C. Fees for metered water. The Township shall, as circumstances require, fix all fees, charges and rates as herein provided: As of March 1, 2019, the following annual rates shall be

charged for the consumption of metered water to all consumers of the Township water system as set forth in Schedule A, attached hereto.² [Amended 12-4-1996 by Ord. No. 96-24 ; 2-24-1999 by Ord. No. 99-01 ; 11-30-2016 by Ord. No. 2016-10 ; 12-12-2018 by Ord. No. 2018-12]

§ 234-6. Rates for industrial site on Mt. Vernon Road. [Amended 12-14-2016 by Ord. No. 2016-11]

Upon the passage and publication of this section, all fees shall be processed and delivered to the Mt. Vernon industrial customer within the Township franchise area by the Englishtown Water Department at its approved rates.

§ 234-7. Access to premises for inspection.

The Water Department shall have access at all reasonable hours to premises connected to the water distribution system for the purpose of reading and installing the meter and of inspecting and maintaining equipment. The hours between 8:00 a.m. and 8:00 p.m. shall be reasonable hours for this purpose.

§ 234-8. Water use suspensions or restrictions; discontinuation of service.

- A. In the case of prolonged scarcity of water from any cause, the Water Department reserves the right, upon public notice, to have the use of water suspended or restricted, but not in limitation thereof, for the following purposes: lawn or garden sprinkling, swimming pools, air-conditioning purposes and car washing.
- B. Water service may be discontinued upon such notice as shall be reasonable or practicable for any of the following reasons:
 - (1) For the use of water for any properties or purposes other than those permitted in this article or described in the application.
 - (2) For willful waste of water through improper, defective or imperfect pipes, fixtures or otherwise.
 - (3) For failure to maintain, in good order, connections, service lines or fixtures owned by the consumer.
 - (4) For molesting or tampering with any service pipe, meter, curb stop or seal or any other appliances of the Water Department.
 - (5) For refusal of access at reasonable hours for purposes of inspecting or for installing, reading, maintaining fixtures, pipes and meters.
 - (6) For nonpayment of bills, rents, charges or fees or for penalties imposed or for any other reason causing or tending to cause a loss to the Water Department.
 - (7) Failure to decrease or limit the use of water when requested by the Water Department.

2. Editor's Note: Schedule A is included at the end of this chapter.

- (8) For violation of any ordinance of the Township of Manalapan relating to the use and distribution of water.
 - (9) For misrepresentation in the application for water service respecting the property to be served or the fixtures to be supplied or the use to be made of the water.
 - (10) At the discretion of the Water Department when the premises become vacant.
- C. The Water Department reserves the right to shut off water service without notice. In case of technical defects or for other unavoidable cause or for the purpose of making necessary repairs, connections or other alterations to the water distribution system.
 - D. In no case shall water be turned on again until the defects have been remedied, and all bills due and charges or penalties and fees imposed have been paid. The owner of the premises shall also be liable for any loss sustained by the Water Department as the result of such defects.
 - E. Should the occupant of the premises turn on the water or suffer or cause it to be turned on after it has been shut off at the curb by the Water Department, it shall be shut off again, the curb stop shall be sealed, and a charge of \$150 shall be made for the expense of shutting off the curb stop and turning it on again. **[Amended 12-14-2016 by Ord. No. 2016-11]**
 - F. Neither the Water Department nor the Township of Manalapan shall be held liable for any damage which may be claimed due to the failure of any restriction of the water supplied or from low or high pressure or damage due to water quality.
 - G. The Water Department and the Township of Manalapan reserve the right to add to or modify the rules and regulations governing the water distribution system at any time.
 - H. Owners of a vacant building or buildings that are about to be vacated shall give at least five days' notice that such buildings are about to become vacant to the Water Department so that water may be shut off and will be responsible for the water charges until such notice is given.
 - I. A new application for water service shall be filed upon the change of ownership of the property described in the original application, and the Water Department may discontinue water service until such new application has been filed and approved.
 - J. Hoses shall not be used unless the water is metered, or in the case of flat rate service, a sill tap has been installed and is subject to the flat rate charge.
 - K. When requested by the owner or his agent, the Water Department shall discontinue service to a property either temporarily or permanently. **[Amended 12-14-2016 by Ord. No. 2016-11]**
 - L. No adjustment of water charges due to failure of the Water Department to discontinue or restore water service as requested by an owner shall be made unless the request for discontinuance or restoration is in writing and duly filed with the Water Department and approved by the Township Committee.
 - M. When turning on the water supply as requested and the house or property is vacant, the Water Department will not accomplish the same unless in the presence of the occupant or owner. If

such is found to be the case, the water will be left shut off at the curb stop. The Water Department's jurisdiction and responsibility ends at the curb stop and the Water Department will in no case be liable for damages occasioned by water running from open or faulty fixtures or from broken or damaged pipes beyond the Water Department's curb stop.

- N. Where connections are abandoned, the owner of the premises or applicant shall pay for having same shut off and plugged at the curb stop or corporation stop, at the option of the Water Department, before a new connection will be installed to said premises.
- O. Where persons, corporations or contractors making improvements, etc., necessitating excavations in streets wherein water mains and service connections are laid, requiring said water mains and service connections to be cut and refitted, lowered or raised, etc., said persons, corporations or contractors shall make written request to the Water Department to make such changes and shall furnish a satisfactory guaranty to said Water Department insuring the payment of all costs incurred by said Water Department in making the changes necessary or required to be made.
- P. The Water Department shall not be liable for any damages resulting from the bursting or breaking of any main or service pipe.
- Q. When the accuracy of a meter is questioned, the Water Department will test it upon request, preferably in the presence of the customer. No charge will be made for such tests, provided that the customer has not made a request for a test within a period of 12 months prior to such request. If a test is requested at an interval of less than 12 months, a charge will be made for each such test. Whenever a water meter is found to be registering fast in excess of more than 1 1/2%, an adjustment of charges will be made to the customer account for the previous billing period.³ **[Amended 12-14-2016 by Ord. No. 2016-11]**

§ 234-9. Installations and extensions.

- A. All mains shall be installed within the boundaries of public roads or streets or, where such streets and roads have not yet been accepted by the municipality, within the boundaries of roads and streets laid out in compliance with all ordinances of the Township of Manalapan including the Township's road opening permit policy whereunder there exists a five-year moratorium against road openings after the road's top course pavement has been completed and in conformance with the Township's "Rules and Regulations Governing Applications for Permits, Design and Construction of Water Supply Systems in Residential and Nonresidential Developments," dated December 1998, as may be amended from time to time by the Township Committee by resolution. **[Amended 2-24-1999 by Ord. No. 99-01]**
- B. The installation of water mains in any street, lane, road, etc., by the Township or by others shall not imply Township ownership or acceptance of such streets, lanes, roads, etc., unless and until they otherwise comply with Township requirements for acceptance, ownership and maintenance.
- C. The cost of installation of water mains and fire hydrants in any existing street, lane, road etc.,

3. Editor's Note: Former Subsection R, regarding charges for testing a meter, which immediately followed this subsection, was repealed 12-14-2016 by Ord. No. 2016-11.

may be assessed, in whole or in part, against property owners, including real estate developments benefiting by such extension.

- D. All water mains, hydrants and associated facilities, such as booster pumps, pressure tanks, service lines, curb stops, curb boxes and valves, as required by the Water Department on new or proposed streets shall be installed and paid for by the real estate developers or builders, and ownership thereof shall be transferred to the Township of Manalapan when such installation meets with the approval of the Water Department and the Township Committee. Prior to any such acceptance, it shall be necessary for the real estate developer or builder extending said water system as herein provided to submit to the Water Department a detailed map indicating the location of the extended facilities, including all surface controls as well as the depth of the subsurface lines and controls by acceptable engineering detailed drawings.
- E. The Water Department shall specify the type, size and location of all mains, hydrants, booster stations, pressure tanks, etc., on all new extensions, and the entire system is subject to inspection and approval by the Water Department and is to be tested under the Water Department's supervision before backfilling.
- F. Extension of new mains. If an existing main adjoins a property in a real estate development and is of sufficient capacity for the additional amount of water required for such development, the charges for connecting the existing main to the mains of the development shall be set by the Township Committee by resolution. If the capacity of the existing main is not adequate to supply the additional amount of water to be used in that development, the developer shall be responsible for the installation of a suitable main and other necessary equipment which may be installed only after review and approval of the extension by the Township Committee in conjunction with the Water Department officials. Any such extension of a new main shall not be undertaken unless and until the developer responsible for the same has entered into an agreement with the Township which shall include the terms and conditions relative to the method and cost of installation and other matters incidental to any such extension. Any such agreement shall be required to have included therein a provision requiring the developer to pay to the Township the sum of \$519 for each service connection to be made by the developer from the extended main. **[Amended 12-14-2016 by Ord. No. 2016-11]**
- G. Installation of new water mains in major subdivision tracts developed for residential, industrial, commercial and research use shall in all cases conform to the requirements of the Manalapan Township Land Subdivision Ordinance of 1968, as amended and supplemented,⁴ and the applicable rules and regulations of this article.
- H. Limited main extension other than in major subdivision developments or as part of the Township extension program may be made on the basis of individual application and in accordance with the agreements between the applicant and the Township. In such case, however, the applicants or applicant to be served shall pay the entire cost of such extension. Such extension shall not be authorized until the plans and method of installation as well as the location of the same is submitted to the Township Committee for approval. The submission of the planned extension for approval to the Township Committee shall contain

4. Editor's Note: See Ch. 94, Development Regulations.

within the specifications submitted a detail map prepared by a licensed professional engineer indicating the location of the main extension and the appurtenances thereto. Any such limited main extensions shall be subject to all of the rules, regulations and requirements of the provisions of this article relating to extension to or changes in existing mains in the Township.

§ 234-10. Public fire hydrants.

- A. No person shall take water from any fire hydrant or hose plug except for the use of a recognized fire company, and no fire hydrant shall be used for sprinkling the street, flushing sewers or gutters or for any other purpose without authorization of the Water Department.
- B. The Chief or Chiefs of the Fire Company and his or their assistant officers are authorized to use the public fire hydrants for the purpose of extinguishing fires and also with due care, after notice to the Water Department, to a reasonable extent to use water for the purpose of drills and tests and washing fire equipment, but all such uses shall be under the supervision and direction of the Chief or Chiefs or his assistant officers, and in no event shall an inexperienced or an incompetent person be permitted to manipulate or control in any way any fire hydrant.
- C. The location of a fire hydrant may, upon written request, be changed with the approval of the Water Department, and the estimated cost of making such change shall be paid for by the applicant in advance. No hydrant will be moved which will increase existing insurance rates.
- D. The location and setting of new fire hydrants shall be made in conformity with the requirements and recommendations of the National Board of Fire Underwriters.
- E. No person shall in any manner obstruct or prevent free access to or tamper with or injure or damage by causing or permitting a vehicle to come in contact with any fire hydrant or place or store temporarily or otherwise any object, material, snow, debris or structure of any kind within a distance of 10 feet from any fire hydrant. Any such obstruction, when discovered, may be removed at once by the Water Department at the expense of the person responsible for the obstruction, and he shall be liable to a fine as herein provided. Repair or damage of hydrant shall be charged to person responsible.
- F. Public fire hydrants will be maintained by the Water Department, but all expenses for the maintenance or repairs resulting from the negligence or fault of the employees of the Township, members of the Fire Department or other persons, excluding the Water Department or its employees, shall be paid by the Township or those responsible. **[Amended 6-15-2011 by Ord. No. 2011-04]**
- G. The Water Department shall not be liable for a deficiency or failure in the supply of water for the control or suppression of fires from any cause.

§ 234-11. Fire protection service; rates. [Amended 6-15-2011 by Ord. No. 2011-04]

- A. When, in the judgment of the Water Department, it is practical, private fire service connections may be allowed for hydrants, hose connections or sprinkler systems on private property, for which a quarterly rate shall be charged by size of connection as well as per

private fire hydrant as of July 1, 2011, as set forth in Schedule B⁵ attached hereto, subject to special contract and special rules and regulations governing such service as may be determined by the Water Department and the Township Committee.

- B. All private fire service/hydrants shall be installed at the sole cost of the applicant, subject to approval of the type, size and installation thereof by the Water Department.
- C. All private fire service/hydrants shall be subject to use by the Fire Department for the control and suppression of fires, whether on the property of the applicant or not. When such use is made thereof for protection of property other than that of the owner of the property whereon the private fire hydrant is located, no charge shall be made for the water so used, as estimated by the Water Department.
- D. All private fire hydrants and all facilities installed shall be maintained by the persons receiving the benefit thereof, under the supervision of the Water Department.

§ 234-12. Thawing of pipes or mains.

No company or person shall undertake the thawing of water service pipes or mains by the use of electric current without authorization and supervision of the Water Department. The services of a Water Department Inspector shall be paid for at the rate of \$4 per hour by the company or individual to whose work he is assigned.

§ 234-13. Installation and maintenance of service lines.

- A. Any person doing any plumbing work in connection with the installation and maintenance of a service line shall report, within five days to the Water Department, all violations of this article and of the rules and regulations of the Water Department which come to his knowledge or attention.
- B. Any person doing any plumbing work as aforesaid shall indemnify and save harmless the Township and the Water Department from all accidents and damage resulting from his work whether such work is done by him personally or under his direction.
- C. All connections shall include a backflow prevention device(s) as defined at N.J.A.C. 7:10-1.3, and as specified at N.J.A.C. 7:10.3. The customer is solely responsible for all costs and expenses relating to the installation, operation, maintenance, repair and replacement of the customer's water system, including the fire suppression system and backflow prevention device(s). The customer shall ensure that the water system complies with the applicable requirements of the Uniform Construction Code in effect at the time of system installation, including any applicable building, plumbing and fire protection subcodes; and shall ensure that the customer's water system is maintained in accordance with all applicable law so as to protect against backflow, back-siphonage and contamination of the potable water system.
[Amended 12-14-2016 by Ord. No. 2016-11]
- D. Any person doing any plumbing work as aforesaid may turn on the water after the connection is completed to test out his work but shall leave the curb stop closed when he has finished the

5. Editor's Note: Schedule B is included at the end of this chapter.

work, unless specifically authorized to leave it turned on by the Water Department.

- E. Any persons making changes in piping, fixtures and facilities subject to flat-rate charges shall forthwith notify the Water Department of such alterations.

§ 234-14. Construction standards. [Amended 2-24-1999 by Ord. No. 99-01]

- A. The Township Committee may, by resolution, from time to time adopt rules and regulations governing the application for permits, design and construction in residential and nonresidential developments. Said rules and regulations shall be kept on file in the office of the Township Clerk and may be purchased pursuant to Subsection B below.
- B. Construction standards shall be as contained in the Township's rules and regulations governing the application for permits, design and construction of water supply systems in residential and nonresidential developments dated December 1998 as may be amended from time to time by the Township Committee by resolution. A copy of same is on file in the office of the Township Clerk and may be purchased for the sum of \$25.

§ 234-15. Violations and penalties. [Amended 2-24-1999 by Ord. No. 99-01]

For violation of any provision of this chapter or any ordinance or rule or regulation adopted by the Township, the maximum penalty upon conviction shall be one or more of the following:

- A. A fine not exceeding \$1,000 or imprisonment for a period not exceeding 90 days or a period of community service not exceeding 90 days. Nothing herein shall put the court upon conviction from levying one or more of the above-referenced penalties.
- B. Each and every day in which a violation of any provision of this chapter or any ordinance or any rule or regulation exists shall constitute a separate violation.

§ 234-16. Operation of Water Department as a water utility.

The Water Department shall operate as a water utility with separate appropriations for the conduct of said operation.

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**



<u>X</u>	Letter of Qualification –Bid Form 1	_____
<u>X</u>	Bid Bond or certified/cashier's check - Bid Form 2	_____
<u>X</u>	Purchase Price –Bid Form 3	_____
<u>X</u>	Letter of Intent –Bid Form 4	_____
<u>X</u>	Acknowledgment of Receipt of Addenda (if any) – Bid Form 5	_____
<u>X</u>	Statement of Ownership –Bid Form 6	_____
<u>X</u>	Non-Collusion Affidavit –Bid Form 7	_____
<u>X</u>	Iran Disclosure Form –Bid Form 8	_____
<u>X</u>	Russia Belarus Disclosure Form –Bid Form 9	_____

**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 Manalapan ("the Township "), in connection with the sale of the Township's Water 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 Manalapan (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 Water System as described in the Request for Bids, dated [_____, 2024] (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 Water 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 Authorized 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 \$150,000 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 Manalapan (“the Township”), for the Sale of the Township’s Water 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 follwing Addenda, receipt of all of which is hereby acknowledged.

<u>Addendum No.</u>	<u>Data 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)

The BIDDER is (check one):

- ☐ Partnership ☐ Corporation ☐ Sole Proprietorship ☐ Limited Liability Partnership
- ☐ Limited Liability Corporation ☐ Limited Partnership
- ☐ Subchapter S Corporation _____ ☐ Other, Please List _____ I

certify that:

- ☐ No individual person or entity owns a 10% or greater interest in the Bidder.

OR

☐ The list below contains the names and addresses of all individuals/entities holding 10% or greater interest in the Bidder. If a parent entity holding 10% or more is a publicly traded entity, then the Bidder in complying with N.J.S.A. 52:25-24.2 may submit the name and address of each publicly traded entity, and the name and address of each person holding 10% or more interest in the publicly traded entity as of the last annual filing with the Security Exchange Commission (SEC), or foreign equivalent.

Name: _____ Address: _____

Name: _____ Address: _____

Name: _____ Address: _____

- ☐ Check here if additional sheets are attached.

NOTE: If an entity owns a 10% or greater interest in the Bidder, list all owners of 10% or greater interest for each such entity. Repeat the process of disclosure as necessary for each tier or level of ownership until the name and address of each individual person who owns a 10% or greater interest in each listed entity has been disclosed.

Publicly Traded Parent Company Disclosure:

Provide the Website (URL) providing the last annual Security Exchange Commission (SEC) filing, or foreign equivalent:

BIDDER: _____

SIGNED BY: _____

PRINT NAME & TITLE: _____

DATE: _____

BID FORM 7

NON-COLLUSION AFFIDAVIT

**Township of Manalapan
Request for Bids – Sale Water 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 Manalapan 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__.

BID FORM 8

DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN

Project Name: _____
Bidder Name: _____

PART 1: CERTIFICATION **BIDDERS MUST COMPLETE PART 1 BY CHECKING EITHER BOX**

FAILURE TO CHECK ONE OF THE BOXES WILL RENDER THE PROPOSAL NON-RESPONSIVE

Pursuant to Public Law 2012, c.25, any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must complete the certification below to attest, under penalty of perjury, that NEITHER the person or entity, nor any of its parents, subsidiaries, or affiliates, is identified on the Department of Treasury Chapter 25 list as a person or entity engaging in investment activities in Iran. The Chapter 25 list is found on the Division's website at <http://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Bidders **must** review this list prior to completing the below certification. **Failure to complete the certification will render a bidder's proposal non-responsive.** If the New Jersey Director of the Division of Purchase and Property finds a person or entity to be in violation of law, he/she shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking suspension of the party.

PLEASE CHECK THE APPROPRIATE BOX:

- ☐ I certify, pursuant to Public Law 2012, c.25, that neither the bidder listed above nor any of the bidder's parents, subsidiaries, or affiliates listed on the N.J. Department of the Treasury's list of entities determined to be engaged in prohibited activities in Iran pursuant to P.L. 2012, c.25 ("Chapter 25 List"). I further certify that I am the person listed above, or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf. **I will skip Part 2 and sign and complete the Certification below: OR**
- ☐ I am unable to certify as above because the bidder and/or one of its parents, subsidiaries, or affiliates is listed on the Department's Chapter 25 List. I will provide a detailed, accurate and precise description of the activities in Part 2 below and sign and complete the Certification below. Failure to provide such will result in the proposal being rendered as non-responsive and appropriate penalties, fines and/or sanctions will be assessed as provided by law.

PART 2: PLEASE PROVIDE FURTHER INFORMATION RELATED TO INVESTMENT ACTIVITIES IN IRAN.

You must provide a detailed, accurate and precise description of the activities of the bidding person/entity, or one of its parents, subsidiaries or affiliates, engaging in the investment activities in Iran outlined above by completing the boxes below.

PLEASE PROVIDE THOROUGH ANSWERS TO EACH QUESTION. IF YOU NEED ADDITIONAL ROOM, ADD ADDITIONAL PAGES.

Name _____ Relationship to Bidder/Owner _____

Description of Activities _____

Duration of Engagement _____ Anticipated Cessation Date _____

Bidder/Offeror Contact Name _____

Certification: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I attest that I am authorized to execute this certification on behalf of the above-referenced person or entity. I acknowledge that the State of New Jersey and the Owner of the project are relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with the State of New Jersey and the Owner to notify the State of New Jersey and the Owner in writing of any changes to the answers of information contained herein. I acknowledge that I am aware of that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and/or the Owner and that the State and/or the Owner at its option may declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print): _____ Signature: _____

Title: _____ Date: _____

BID FORM 9



CERTIFICATION OF NON-INVOLVEMENT IN PROHIBITED ACTIVITIES
IN RUSSIA OR BELARUS PURSUANT TO P.L.2022, c.3

CONTRACT / BID SOLICITATION TITLE _____

CONTRACT / BID SOLICITATION No. _____

CHECK THE APPROPRIATE BOX

☐

I, the undersigned, am authorized by the person or entity seeking to enter into or renew the contract identified above, to certify that the Vendor/Bidder is not engaged in prohibited activities in Russia or Belarus as such term is defined in [P.L.2022, c.3,1](#) section 1.e, except as permitted by federal law.

I understand that if this statement is willfully false, I may be subject to penalty, as set forth in P.L.2022, c.3, section 1.d.

OR

☐

I, the undersigned am unable to certify above because the person or entity seeking to enter into or renew the contract identified above, or one of its parents, subsidiaries, or affiliates may have engaged in prohibited activities in Russia or Belarus. A detailed, accurate and precise description of the activities is provided below.

Failure to provide such description will result in the Quote being rendered as non-responsive, and the Department/Division will not be permitted to contract with such person or entity, and if a Quote is accepted or contract is entered into without delivery of the certification, appropriate penalties, fines and/or sanctions will be assessed as provided by law.

Description of Prohibited Activity

Attach Additional Sheets If Necessary.

If you certify that the bidder is engaged in activities prohibited by P.L. 2022, c. 3, the bidder shall have 90 days to cease engaging in any prohibited activities and on or before the 90th day after this certification, shall provide an updated certification. If the bidder does not provide the updated certification or at that time cannot certify on behalf of the entity that it is not engaged in prohibited activities, the State shall not award the business entity any contracts, renew any contracts, and shall be required to terminate any contract(s) the business entity holds with the State that were issued on or after the effective date of P.L. 2022, c. 3.

Signature of Authorized Representative

Date

Print Name and Title of Authorized Representative

Vendor Name

1 Engaged in prohibited activities in Russia or Belarus" means (1) companies in which the Government of Russia or Belarus has any direct equity share;
(2) having any business operations commencing after the effective date of this act that involve contracts with or the provision of goods or services to the Government of Russia or Belarus; (3) being headquartered in Russia or having its principal place of business in Russia or Belarus, or (4) supporting, assisting or facilitating the Government of Russia or Belarus in their campaigns to invade the sovereign country of Ukraine, either through in-kind support or for profit.

NEW JERSEY BUSINESS REGISTRATION

Pursuant to N.J.S.A. 52:32-44, the Township of Manalapan (“Contracting Agency”) is prohibited from entering into a contract with an entity unless the bidder/proposer/contractor, and each subcontractor that is required by law to be named in a bid/proposal/contract has a valid Business Registration Certificate on file with the Division of Revenue and Enterprise Services within the Department of the Treasury.

Prior to contract award or authorization, the contractor shall provide the Contracting Agency with its proof of business registration and that of any named subcontractor(s).

Subcontractors named in a bid or other proposal shall provide proof of business registration to the bidder, who in turn, shall provide it to the Contracting Agency prior to the time a contract, purchase order, or other contracting document is awarded or authorized.

During the course of contract performance:

- (1) the contractor shall not enter into a contract with a subcontractor unless the subcontractor first provides the contractor with a valid proof of business registration.
- (2) the contractor shall maintain and submit to the Contracting Agency a list of subcontractors and their addresses that may be updated from time to time.
- (3) the contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall collect and remit to the Director of the Division of Taxation in the Department of the Treasury, the use tax due pursuant to the Sales and Use Tax Act, (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into the State. Any questions in this regard can be directed to the Division of Taxation at (609)292-6400. Form NJ-REG can be filed online at <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

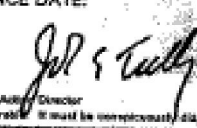
Before final payment is made under the contract, the contractor shall submit to the Contracting Agency a complete and accurate list of all subcontractors used and their addresses.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a business registration as required, or that provides false business registration information, shall be liable for a penalty of \$25 for each day of violation, not to exceed \$50,000, for each proof of business registration not properly provided under a contract with a contracting agency.

THESE ARE SAMPLES OF BUSINESS REGISTRATION CERTIFICATES.

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

OR

STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE		DEPARTMENT OF TREASURY DIVISION OF REVENUE P.O. BOX 382 TRENTON, N.J. 08646-0382
TAXPAYER NAME:	TRADE NAME:	
TAXPAYER IDENTIFICATION#:	SEQUENCE NUMBER:	
ADDRESS:	ISSUANCE DATE:	
EFFECTIVE DATE:		
FORM-BRC(08-01)	This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.	

APPENDIX D

**REGISTRATION
FOR UPDATES**

TOWNSHIP OF MANALAPAN

REGISTRATION

Sale of Water 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 E

CURRENT WATER USER FEES AND HISTORY OF RATE INCREASES

WATER

234 Attachment 1

Schedule A - per the township ordinance. Schedule 4b to be referenced through the agreement

Schedule of Water Rates Township of Manalapan (§ 234-5)

Water Rate Increases

For years 1 through 20, the percent increase would be based on the published New York Metropolitan Region Consumer Price Index (CPI) percent increase for the immediately preceding year in accordance with the following table:

CPI (%)	Water Rate Increase	Examples
0-1	0-1; point for point	0.3% CPI = 0.3% increase
1-4	1+ (1/2 difference >1, point for point)	3.2% CPI = 2.1% increase
4-6	2+ (difference >4, point for point)	5.2% CPI = 3.2% increase
6-15	4+ (½ difference >6, point for point)	8.2% CPI = 5.1% increase
>15	7.5+ (¾ difference >15, point for point)	19.0% CPI = 10.5% increase

Based upon prior ten year history, assume CPI is less 3% per year, then rates will increase for years 1-20 by 1% per year as shown by the following schedule:

The annual rate increases will be applied to the rate in effect during the immediately preceding year and in accordance with the following attached schedule of rates. The base rate is that rate in effect in 2016. Year 1 will be the rate in effect during 2017.

NOTES:

*First 5 years of the 20 year renewal the Excess water charge will not change.

**Excess water charge per 1,000 gallon - Formally *Surcharge per 1,000 gallons*

Size of Meter (inches)	Allowance/quarter (gallons)	Percent Rate Increase	Applied Increase	2016 CPI (2.1)	2017 CPI (1.6)	4.28%	2018 CPI (1.6)	2019 CPI (2.2)	2020 CPI (1.6)	2.91%	2021 CPI (4.4)	2022 CPI (6.3)	2023 CPI (2.9)	Year 9 (\$) 1%
			Base Rate (2016)	2017 Year 1(S) January 1, 2017	2018 Year 2(S) January 1, 2018		1.30%	1.60%	1.30%		2.40%	4.15%	1.95%	
5/8	12,500	Township pass through per 1,000 gallon	\$0.10	\$0.5100	\$0.5166	\$0.5166	\$0.5233	\$0.5317	\$0.5386	\$0.5386	\$0.5516	\$0.5744	\$0.5857	\$0.5915
		Minimum charge per quarter	\$54.10	\$54.94	\$55.66	\$58.04	\$58.79	\$59.73	\$60.51	\$62.27	\$63.76	\$66.41	\$67.71	\$68.38
		Excess water charge per 1,000 gallon	\$5.38	\$5.38	\$5.38	\$5.61	\$5.61	\$5.61	\$5.61	\$5.77	\$5.91	\$6.16	\$6.28	\$6.34
3/4	20,000	Minimum charge per quarter	\$72.06	\$73.18	\$74.13	\$77.30	\$78.31	\$79.56	\$80.59	\$82.94	\$84.93	\$88.45	\$90.18	\$91.08
		Excess water charge per 1,000 gallon	\$5.38	\$5.38	\$5.38	\$5.61	\$5.61	\$5.61	\$5.61	\$5.77	\$5.91	\$6.16	\$6.28	\$6.34
1	27,000	Minimum charge per quarter	\$112.49	\$114.23	\$115.72	\$120.67	\$122.24	\$124.20	\$125.81	\$129.47	\$132.58	\$138.08	\$140.77	\$142.18
		Excess water charge per 1,000 gallon	\$5.38	\$5.38	\$5.38	\$5.61	\$5.61	\$5.61	\$5.61	\$5.77	\$5.91	\$6.16	\$6.28	\$6.34
1 1/2	46,000	Minimum charge per quarter	\$190.70	\$193.66	\$196.18	\$204.57	\$207.23	\$210.55	\$213.28	\$219.49	\$224.76	\$234.09	\$238.65	\$241.04
		Excess water charge per 1,000 gallon	\$5.38	\$5.38	\$5.38	\$5.61	\$5.61	\$5.61	\$5.61	\$5.77	\$5.91	\$6.16	\$6.28	\$6.34
2	62,000	Minimum charge per quarter	\$258.35	\$262.36	\$265.77	\$277.14	\$280.75	\$285.24	\$288.95	\$297.35	\$304.49	\$317.13	\$323.31	\$326.54
		Excess water charge per 1,000 gallon	\$5.38	\$5.38	\$5.38	\$5.61	\$5.61	\$5.61	\$5.61	\$5.77	\$5.91	\$6.16	\$6.28	\$6.34
3	94,000	Minimum charge per quarter	\$393.68	\$399.78	\$404.97	\$422.31	\$427.80	\$434.64	\$440.29	\$453.11	\$463.98	\$483.24	\$492.66	\$497.58
		Excess water charge per 1,000 gallon	\$5.38	\$5.38	\$5.38	\$5.61	\$5.61	\$5.61	\$5.61	\$5.77	\$5.91	\$6.16	\$6.28	\$6.34
4	150,000	Minimum charge per quarter	\$634.23	\$644.06	\$652.43	\$680.35	\$689.20	\$700.22	\$709.33	\$729.97	\$747.49	\$778.51	\$793.69	\$801.63
		Excess water charge per 1,000 gallon	\$2.74	\$2.74	\$2.74	\$2.86	\$2.86	\$2.86	\$2.86	\$2.94	\$3.01	\$3.14	\$3.20	\$3.23
6	274,000	Minimum charge per quarter	\$1160.34	\$1178.32	\$1193.64	\$1244.73	\$1260.91	\$1281.09	\$1297.74	\$1335.50	\$1367.56	\$1424.31	\$1452.08	\$1466.61
		Excess water charge per 1,000 gallon	\$2.74	\$2.74	\$2.74	\$2.86	\$2.86	\$2.86	\$2.86	\$2.94	\$3.01	\$3.14	\$3.20	\$3.23

Size of Meter (inches)	Allowance/quarter (gallons)	Percent Rate Increase		Year 10 (\$) 1%	Year 11 (\$) 1%	Year 12 (\$) 1%	Year 13 (\$) 1%	Year 14 (\$) 1%	Year 15 (\$) 1%	Year 16 (\$) 1%	Year 17 (\$) 1%	Year 18 (\$) 1%	Year 19 (\$) 1%	Year 20 (\$) 1%
		Township pass through per 1,000 gallon		\$0.5974	\$0.6034	\$0.6094	\$0.6155	\$0.6217	\$0.6279	\$0.6342	\$0.6405	\$0.6469	\$0.6534	\$0.6599
5/8	12,500	Minimum charge per quarter		\$69.07	\$69.76	\$70.45	\$71.16	\$71.87	\$72.59	\$73.32	\$74.05	\$74.79	\$75.54	\$76.29
		Excess water charge per 1,000 gallon		\$6.40	\$6.47	\$6.53	\$6.60	\$6.66	\$6.73	\$6.80	\$6.86	\$6.93	\$7.00	\$7.07
3/4	20,000	Minimum charge per quarter		\$91.99	\$92.91	\$93.84	\$94.78	\$95.73	\$96.68	\$97.65	\$98.63	\$99.61	\$100.61	\$101.62
		Excess water charge per 1,000 gallon		\$6.40	\$6.47	\$6.53	\$6.60	\$6.66	\$6.73	\$6.80	\$6.86	\$6.93	\$7.00	\$7.07
1	27,000	Minimum charge per quarter		\$143.60	\$145.04	\$146.49	\$147.96	\$149.43	\$150.93	\$152.44	\$153.96	\$155.50	\$157.06	\$158.63
		Excess water charge per 1,000 gallon		\$6.40	\$6.47	\$6.53	\$6.60	\$6.66	\$6.73	\$6.80	\$6.86	\$6.93	\$7.00	\$7.07
1 1/2	46,000	Minimum charge per quarter		\$243.45	\$245.88	\$248.34	\$250.82	\$253.33	\$255.87	\$258.42	\$261.01	\$263.62	\$266.26	\$268.92
		Excess water charge per 1,000 gallon		\$6.40	\$6.47	\$6.53	\$6.60	\$6.66	\$6.73	\$6.80	\$6.86	\$6.93	\$7.00	\$7.07
2	62,000	Minimum charge per quarter		\$329.81	\$333.11	\$336.44	\$339.80	\$343.20	\$346.63	\$350.10	\$353.60	\$357.14	\$360.71	\$364.32
		Excess water charge per 1,000 gallon		\$6.40	\$6.47	\$6.53	\$6.60	\$6.66	\$6.73	\$6.80	\$6.86	\$6.93	\$7.00	\$7.07
3	94,000	Minimum charge per quarter		\$502.56	\$507.59	\$512.66	\$517.79	\$522.97	\$528.20	\$533.48	\$538.81	\$544.20	\$549.64	\$555.14
		Excess water charge per 1,000 gallon		\$6.40	\$6.47	\$6.53	\$6.60	\$6.66	\$6.73	\$6.80	\$6.86	\$6.93	\$7.00	\$7.07
4	150,000	Minimum charge per quarter		\$809.64	\$817.74	\$825.92	\$834.18	\$842.52	\$850.94	\$859.45	\$868.05	\$876.73	\$885.49	\$894.35
		Excess water charge per 1,000 gallon		\$3.26	\$3.29	\$3.33	\$3.36	\$3.39	\$3.43	\$3.46	\$3.50	\$3.53	\$3.57	\$3.60
6	274,000	Minimum charge per quarter		\$1481.27	\$1496.08	\$1511.04	\$1526.16	\$1541.42	\$1556.83	\$1572.40	\$1588.12	\$1604.00	\$1620.04	\$1636.25
		Excess water charge per 1,000 gallon		\$3.26	\$3.29	\$3.33	\$3.36	\$3.39	\$3.43	\$3.46	\$3.50	\$3.53	\$3.57	\$3.60

APPENDIX F

OMITTED

APPENDIX G

WATER SYSTEM EVALUATION



Township of Manalapan
Monmouth County, New Jersey

WATER SYSTEM EVALUATION

APRIL 2024

MARY ANN MUSICH, MAYOR

TOWNSHIP COMMITTEE

JACK MCNABOE DEPUTY MAYOR
SUSAN COHEN COMMITTEEWOMAN
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TABLE OF CONTENTS

Table of Contents

List of Abbreviations

1.0 INTRODUCTION

1.1 Service Area	1-1
1.2 Purpose of the Water System and Water Supply Evaluation	1-2
1.3 Objectives of the Water System and Water Supply Evaluation	1-3

2.0 EXISTING WATER SYSTEM

2.1 Franchise Areas	2-1
2.2 Existing Water Supply	2-3
2.2.1 Wells- Water Allocation Permit Number 5080	2-3
2.2.2 Bulk Purchase	2-4
2.3 Existing Water Treatment Plant	2-5
2.4 Existing Storage Facilities	2-6
2.5 Existing Distribution System Facilities	2-6
2.6 Existing Interconnections	2-6

3.0 WATER SUPPLY ANALYSIS

3.1 Methodology	3-1
3.2 Knob Hill Water System – Water Supply Analysis	3-1
3.3 Millhurst Water System – Water Supply Analysis	3-3
3.4 Tracy Station Water System – Water Supply Analysis	3-3

4.0 EVALUATION OF NEW SUPPLY SOURCES

4.1 New Interconnections for Bulk Purchase	4-1
4.2 Additional Groundwater Sources	4-2
4.3 Optimize Existing Groundwater Sources	4-3
4.3.1 Lambs Lane Water Treatment Plant Rehabilitation	4-3

4.3.2 New Water Treatment Plant Construction	4-3
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5.0 CAPITAL IMPROVEMENT PLAN

5.1 Basis of Cost Estimates	5-1
5.2 Capital Project Considerations	5-1
5.3 Estimated Project Costs	5-4

List of Appendices

- A- Water Allocation Permit (WAP) Number 5080
- B- Wholesale Water Purchase Agreement with Veolia Water Matchaponix
- C- NJDEP Approval of Wholesale Water Purchase Agreement
- D- Capital Improvement Plan Schedule
- E- Water System Map

Figure 1 -

Abbreviations Used in Report

CME- CME Associates

ft. – Feet

ft/s- Feet per Second

ft²- Square Feet

ft³/s- Cubic Feet per Second

GIS- Geographic Information System

gpm- Gallons per Minute

GPS- Global Positioning System

in- inches

MG- Million Gallons

MGD- Million Gallons per Day

MGM- Million Gallons per Month

MGY- Million Gallons per Year

NAD- North American Datum

NAVD 88- North American Vertical Datum 1988

NJDEP- New Jersey Department of Environmental Protection

PVC- Polyvinyl Chloride

PWSID- Public Water System Identification

PWWF- Peak Wet Weather Flow

WAP- Water Allocation Permit

1.0 INTRODUCTION

1.1 Service Area

The Township of Manalapan in Monmouth County, New Jersey is bordered on the southwest by Millstone Township, on the southeast by Freehold Township, on the northeast by Marlboro Township, and on the northwest by the Middlesex County communities of Old Bridge and Monroe Townships. Manalapan Township surrounds the Borough of Englishtown. The Township has an area of approximately 31 square miles. The U.S. Census Bureau estimated that the 2020 population for the Township was approximately 41,000.

The northern portion of the Township is designated as the Gordon's Corner Water Company Franchise Area and the southern portion of the Township is designated as the Manalapan Township Water Franchise Area. The Manalapan Township Water Franchise Area primarily serves the portion of the Township south of Route 522. Operation, maintenance, and management services for the Township's Water System are provided by Veolia Water New Jersey through an agreement with the Township.

The Township's Water System consists of three (3) service areas, each with its own Public Water System Identification (PWSID). These service areas are known as the Knob Hill Water System, Millhurst Water System and Tracy Station Water System. The Knob Hill Water System was originally constructed in the 1960s and consisted of the Lambs Lane Water Treatment Plant which serviced the adjacent neighborhood. In the 1990s, the Knob Hill Water System was expanded through the construction of residential developments located along Route 33 and Woodward Road. To service these developments, an interconnection with Veolia Water Matchaponix, formerly United Water, was constructed along Main Street (Route 3).

The Millhurst Water System was formed in the 1990s to service two (2) Manalapan-Englishtown Schools located along Millhurst Road. In addition, a small number of residential and commercial properties in Manalapan are serviced by the Millhurst Water System. An interconnection with Veolia Water Matchaponix located along Station Street near the railroad crossing provides the water supply to the Millhurst Water System.

The Tracy Station Water System was formed also in the late 1990's to service residential developments in the western section of the Township located near the Borough of Englishtown. The Tracy Station Water System is serviced by an interconnection with Veolia

Water Matchaponix along with emergency interconnections with Gordons Corner Water Company and the Borough of Englishtown.

The Franchise Area of the Manalapan Township Water System is depicted below:



Figure 1.1 – Manalapan Township Water Franchise Area

1.2 Purpose of the Water System and Water Supply Evaluation

The Township has two (2) water supply sources; the interconnections with Veolia Water Matchaponix and the Township's Water Allocation. The Township recently renewed its bulk water purchase agreement with Veolia Water Matchaponix to increase the amount of available water supply. While the increased water supply meets the near future water supply needs, the supply from Veolia Water Matchaponix is maximized and any water supply needs beyond those currently available to the Township will need to come from another source. The Water Allocation associated with wells located at the Lambs Lane Water Treatment Plant is minimal and is primarily utilized during the peak demand months. The Treatment Plant is also nearing the end of its useful life and requires major rehabilitation work.

Additionally, in recent years the Township has seen a increase in proposed developments along the Route 33 corridor. Several properties are being developed with residential housing and are seeking to come online in a relatively short timeframe. As a result, it is necessary to determine the projected water demand that will be required to serve these developments and to also take into consideration future developments within the Franchise Area.

It is necessary to evaluate the most cost-effective long-term solution for the future of the Township's ageing water infrastructure while projecting appropriate capital improvement costs that will be needed to maintain other critical facilities of the overall system to ensure a reliable water supply is maintained into the future.

1.3 Objectives of the Water System and Water Supply Evaluation

In preparing this Water System Evaluation, the following tasks were carried out by CME Associates.

- Evaluation of water demand information for the Township Water System including historical usage, average day demands and peak day demands for the previous five years;
- Review of the Township's existing water allocation permit and bulk water supply contract;
- Preparation of a water supply analysis for the Township Water System Franchise Area based on currently available development information;
- Performance of a review of the Lambs Lane Water Treatment Plant including a review of the existing water treatment process and improvements required to increase the filtration capacity, filtration firm capacity, available water allocation and the ability to expand the existing facility;
- Preparation of a Capital Improvement Plan for the Lambs Lane Water Treatment Plant to allow for future expansion, if possible;
- Review of additional ground water sources which may be available for raw water supply;
- Quantification of available bulk water sources through interconnections with other water purveyors;

2.0 EXISTING WATER SYSTEM

2.1 Franchise Areas

The Manalapan Township Water System Franchise Area consists of three separate Public Water System Identification Numbers (PWSID) as identified below.

- Knob Hill PWSID #1326002
- Millhurst PWSID #1326005
- Tracy Station PWSID #1326007

The locations of these areas are shown in Figure 1 – Water System Map.

Knob Hill Water System

The Knob Hill Water System (PWSID 1326002) is the largest of the three Manalapan Water Systems. This water system supplies approximately 2,300 service connections. The Knob Hill Water System receives water from an interconnection with Veolia Water Matchaponix located along Main Street in the Township. In addition to the interconnection, the Knob Hill Water System produces and treats water at the Lambs Lane Water Treatment Plant. The Water System has an average daily demand of 0.844 MGD. The Knob Hill Water System contains three (3) water storage tanks; the 0.25 MG Lambs Lane Water Tank, the 0.50 MG Knob Hill Elevated Tank and the 2.0 MG Scout Tank (Ground Storage Tank). The Water System consists of approximately the following facility assets:

Table 2.1 - Water Main Inventory		
Diameter (in)	Material	Length (ft)
16	ACP	4,042
16	DIP	28,863
12 (under construction)	DIP	8,063
12	ACP	4,293
12	DIP	54,350
10	DIP	30,626
8 (under construction)	DIP	25,697
8	ACP	10,326
8	DIP	94,566
6	ACP	996
6	DIP	6,657
	TOTAL	268,479

Table 2.2 - Valve Inventory	
Diameter (in)	Quantity
6	27
8	404
8 (under construction)	149
10	67
12	181
12 (under construction)	59
16	65
TOTAL	952

The Township is currently constructing a water main extension along Millhurst Road which will interconnect the Knob Hill Water System and the Millhurst Water System. Upon completion of this project, the Millhurst Water System will become part of the Knob Hill Water System.

Millhurst Water System

The Millhurst Water System (PWSID 1326005) receives water from an interconnection with Veolia Matchaponix located along Station Street in Englishtown. The Water System supplies approximately 20 service connections including the Manalapan-Englishtown Middle School, Wemrock Brook School and a small number of single-family homes and businesses. The Water System has an average daily demand of 0.032 MGD. The water system contains no other interconnections. The Millhurst Water System consists of the following facility assets:

Table 2.3 - Water Main Inventory		
Diameter (in)	Material	Length (ft)
8	DIP	3,370
12	DIP	6,272
16	DIP	1,381
	TOTAL	11,023

Table 2.4 - Valve Inventory	
Diameter (in)	Quantity
8	4
12	12
TOTAL	16

As previously noted, the Millhurst Water System will become part of the Knob Hill Water System upon completion of the water main extension along Millhurst Road.

Tracy Station Water System

The Tracy Station Water System (PWSID 1326007) receives water from an interconnection with Veolia Matchaponix located along Route 527 (Wood Avenue) in Manalapan. The Water System supplies approximately 260 service connections. The Water System has an average daily demand of 0.075 MGD. The Tracy Station Water System has emergency interconnection with the Borough of Englishtown and Gordons Corner Water Company. The Tracy Station Water System consists of the following facility assets:

Table 2.5 - Water Main Inventory		
Diameter (in)	Material	Length (ft)
8	DIP	9,208
12	DIP	16,206
	TOTAL	25,414

Table 2.6 - Valve Inventory	
Diameter (in)	Quantity
8	19
12	13
TOTAL	32

2.2 Existing Water Supply

The Township has two water supply sources. The primary source is a bulk water purchase agreement with Veolia Water Matchaponix. The Township also contains groundwater wells that supply raw water to the Lambs Lane Water Treatment Plant where it is treated and distributed to the system.

2.2.1 Wells- Water Allocation Permit Number 5080

The NJDEP issued Water Allocation Permit (WAP) Number 5080 to the Township on February 1, 2016. The Permit has an expiration date of January 31, 2026 (see Appendix A). Information on the wells included in the Permit is summarized in the following table.

Table 2.7 - Manalapan Well Data				
Well Designation	Well Permit No.	Year Completed	Pump Capacity (gpm)	Aquifer
WELL 1	2800007184	1971	500	Critical Old Bridge
WELL 2	2800014142	1984	500	Critical Old Bridge
WELL 3	2900052645	2004	293	Englishtown
WELL 4	2800013991	1984	60	Englishtown

Wells 1, 2, and 3 are located at the Lambs Lane Water Treatment Plant. Well 4 is used for irrigation purposes and is located at the Township Recreation Center. The diversion privileges authorized in the Township's WAP are shown in the following table.

Table 2.8 - WAP 5080 Water Allocation Limits		
Subject Item	Parameter	Limit
5080 WAP Permit- All Diversion Sources	Maximum Diversion Rate	<= 1000 Gallons Per Minute
	Water Diverted	<= 8 Million Gallons Per Month
	Water Diverted	<= 61 Million Gallons Per Year
Wells 1 and 2	Water Diverted	<= 23.194 Million Gallons Per Year

Wells 1 and 2 are located within Critical Area No. 1 as designated by the NJDEP.

2.2.2 Bulk Purchase

The Township has a Wholesale Water Purchase Agreement with Veolia Water Matchaponix (Appendix B). The current Agreement was executed on December 22, 2022 with the initial term of the Agreement for five years commencing on the date of execution. Thereafter, the Agreement shall renew itself automatically for a five-year period for a maximum of 40 years unless either party serves a written notice of termination upon the other at least six months prior to any scheduled expiration date.

Water is supplied to the Township by Veolia Water Matchaponix at three points of delivery as follows:

- Knob Hill PWS: Interconnection located between 442 and 444 Tennent Road (Route 3).
- Millhurst PWS: Interconnection located on Station Street near the Conrail Railroad Line.
- Tracy Station PWS: Interconnection located on Route 527 (Wood Avenue) adjacent to 64 Wood Avenue.

The amount of water to be supplied to the Township in accordance with the agreement is as follows:

Table 2.9 - Bulk Water Supply Limits

	Daily (MGD)	Monthly (MGM)	Yearly (MGY)
Lambs Lane/Knob Hill System	2.488	77.128	816.870
Millhurst System	0.012	0.372	4.380
Tracy Station System	0.075	2.325	27.375
Total	2.575	79.825	848.625

The Agreement was approved by the NJDEP Bureau of Water System Engineering on December 20, 2021 (Appendix C). In its approval the NJDEP noted that, based on actual contracted sales limits, Veolia Water Matchaponix had limited production capacity surplus. As a result, the NJDEP directed that Veolia Water Matchaponix shall not commit to sell more water to other water systems until such time as it increases its production capacity.

2.3 Existing Water Treatment Plant

The Lambs Lane Water Treatment Plant is approximately 60 years old and treats water from Wells 1, 2, and 3. The Plant is located just west of Route 527 on a site that also includes a water storage tank, Wells 1, 2, and 3 and two (2) backwash lagoons.

The Lambs Lane Water Treatment Plant was designed as an iron and manganese removal plant utilizing chemical pretreatment, two (2) 10' diameter pressure anthracite/manganese greensand plus filters and post treatment chlorination for disinfection. Pre-treatment chemicals consist of sodium hypochlorite and sodium hydroxide. Sodium hypochlorite is produced at the Treatment Plant utilizing a tablet feed system. The sodium hydroxide is also produced at the Treatment Plant utilizing dry product and mixing tanks. The treatment units are located in a one-story masonry block building measuring approximately 20 by 40 feet. The total rated capacity of the Treatment Plant is 0.68 MGD and the firm capacity is 0.34 MGD.

Backwash from the filters is discharged to two on-site lagoons which are cleaned as required. This discharge is regulated by New Jersey Pollutant Discharge Elimination System (NJPDDES) Permit Number: NJ0108642, a Ground Water Master General Permit applicable to potable water treatment plant basins and drying beds. There is no sanitary sewer connection to the Treatment Plant.

Wells 1 and 2 are the primary supply source. Each well has an iron concentration of approximately 4-5 ppm and Well 3 has an iron level of approximately 13 ppm. Due to the limited water allocation in the Critical Old Bridge Aquifer which Wells 1 and 2 draw from, the Water Treatment Plant is typically only operated from May to September. Well 3 is seldomly

operated due to the high iron concentration which exceeds the effective treatment ability of the pressure filters.

2.4 Existing Storage Facilities

The Township owns the following water storage facilities:

- A 250,000 Gallon Standpipe at the Lambs Lane Water Treatment Plant. Built in 1965 this welded steel tank is approximately 100 feet high and 20 feet in diameter.
- A 0.5 Million Gallon Elevated Tank near Knob Hill, also referred to as the Wingfoot Drive Tank. Built in 1996 this tank is constructed of welded steel tank and has a low water level of approximately 95 feet.
- A 2.0 Million Gallon Ground Storage Tank near the Quail Ridge Boy Scout Camp. This prestressed concrete tank, also referred to as the Iron Ore Road Tank, was constructed in 2003 and is approximately 50 feet high and 84 feet in diameter.

2.5 Existing Distribution System Facilities

The Township's water distribution system consists of approximately 58 miles of water main ranging in diameter from 6 to 16 inches. The majority of the water mains are constructed of cement lined ductile pipe with the exception of the water system located in the neighborhood adjacent to the Lambs Lane Treatment Plant which are asbestos cement pipe. Much of the water distribution system was constructed beginning in the 1990s through 2023. Near future expansion of the water distribution system is anticipated to include infill development.

2.6 Existing Interconnections

The Township has the following interconnections with adjacent water systems.

Table 2.10 - System Interconnections		
Name and PWSID No.	Size and No. of Interconnections	Use
Veolia Water Matchaponix (PWSID No.1326004)	10" – (1) 8" – (2)	Bulk Purchase
Gordons Corner Water Company (PWSID No.1236001)	6" – (1)	Emergency
Borough of Englishtown (PWSID No.1312001)	8" – (1)	Emergency

3.0 WATER SUPPLY ANALYSIS

3.1 Methodology

In recent years, the Township has experienced significant growth in the Knob Hill Water System. In 2021, the Township increased the bulk water purchase from Veolia Water Matchaponix through a renewed Contract. The new Contract maximized the available water supply from Veolia Water Matchaponix. Accordingly, in order for the Township to plan for future growth within their Franchise Area, a projection of the future water supply requirements was performed.

In accordance with N.J.A.C. 7:10-11.5(e), the available water supply is determined by the limits of the Water System's supply sources and the firm capacity of the water supply infrastructure compared to the historical peak water demands and future committed flows. To determine the required water demand associated with future developments, the average daily demand is calculated in accordance with N.J.A.C. 5:21-5.1 for residential demand and N.J.A.C. 7:10-12.6 for non-residential demand.

3.2 Knob Hill Water System – Water Supply Analysis

Based on an analysis of the five year period from 2019 through 2023, the existing water demands for the Knob Hill Water System were determined to be as follows:

- Peak Month Demand- 53.409 million gallons per month (MGM) (July 2022)
- Peak Day Demand (Peak Month ÷ the number of days in that month)- 1.723 MGD
- Peak Year Demand- 308.021 million gallons per year (MGY) (2022)

These figures were compared to the total current water supply capacity which is the sum of the firm capacity of the Lambs Lane WTP and the bulk water available by agreement from Veolia Water Matchaponix. This comparison, shown in the table below, indicated that there is available capacity in the Township Water System to meet existing demands.

Table 3.1 - Knob Hill Water System - Available Water Supply

	Peak Daily (MGD)	Peak Monthly (MGM)	Peak Yearly (MGY)
Lambs Lane WTP Firm Capacity	0.340	8.000	61.000
Knob Hill Bulk Water- Veolia-Matchaponix	2.488	77.128	816.870
Total Water Supply	2.828	85.128	877.870
Current Peak Demand	1.723	53.409	308.021
Available Water Supply	1.105	31.719	569.849

To determine the future water demands within the Water System, an analysis of the current committed water supply and near future water supply for additional developments was performed based on available development information. Based on that analysis, future water demands were projected. The following table shows future projects requiring potable water with projected average daily flow (ADF), peak daily flow (PDF), peak monthly flow (PMF), and peak yearly flow (PYF).

Table 3.2 - Knob Hill Water System - Future Water Demands				
Proposed Developments	Avg. Daily (MGD)	Peak Daily (MGD)	Peak Monthly (MGM)	Peak Yearly (MGY)
*Four Seasons at Manalapan Brook	0.046	0.138	2.139	16.790
*Manalapan Crossing	0.093	0.278	4.306	33.799
*Skeba Warehouse	0.005	0.015	0.233	1.825
*Manalapan Landing (150 units)	0.028	0.085	1.322	10.375
**Woodward Road Office	0.003	0.008	0.118	0.924
**Woodward Road Retail	0.011	0.033	0.518	4.070
*Canter Square	0.067	0.201	3.119	24.481
Heritage at Manalapan	0.037	0.111	1.721	13.505
*The Place at Manalapan	0.019	0.057	0.884	6.935
Woodward Estates	0.033	0.098	1.515	11.892
Gaitway Farm Warehouse	0.005	0.015	0.233	1.825
*Manalapan Logistic Warehouse	0.003	0.008	0.116	0.913
Total New Demand	0.35	1.047	16.224	127.334

* Project with an approved or pending BWSE Permit

** Project that will not require a BWSE Permit

The projected total new demand was compared to the total available capacity. As shown in the following table, there is adequate capacity for anticipated future peak daily, peak monthly and yearly demands. However, it shall be noted that there is minimal available water supply for developments beyond those listed above and appropriate planning for additional water supply should be considered at this time.

Table 3.3 - Available Water Supply vs. Future Water Demand			
	Peak Daily (MGD)	Peak Monthly (MGM)	Peak Yearly (MGY)
Available Water Supply	1.105	31.719	569.849
Total New Demand	1.047	16.224	127.334
Remaining Water Supply	0.058	15.495	442.515

3.3 Millhurst Water System – Water Supply Analysis

Based on an analysis of the five year period from 2019 through 2023, the existing water demands for the Millhurst Water System were determined to be as follows:

- Peak Month Demand- 1.287 million gallons per month (MGM) (Nov 2023)
- Peak Day Demand (Peak Month ÷ the number of days in that month)- 0.043 MGD
- Peak Year Demand- 11.672 million gallons per year (MGY) (2023)

These figures were compared to the total current water supply capacity which is the bulk water available by agreement from Veolia Water Matchaponix. This comparison is shown in the table below.

Table 3.4 - Millhurst Water System - Available Water Supply			
	Peak Daily (MGD)	Peak Monthly (MGM)	Peak Yearly (MGY)
Millhurst Bulk Water- Veolia-Matchaponix	0.012	0.372	4.380
Current Peak Demand	0.043	1.287	11.672
Remaining Available Capacity	-0.031	-0.915	-7.292

There are no known future developments being considered in the Millhurst Road Water System at this time.

3.4 Tracy Station Water System – Water Supply Analysis

Based on an analysis of the five year period from 2019 through 2023 the existing water demands for the Tracy Station Water System were determined to be as follows:

- Peak Month Demand- 2.050 million gallons per month (MGM) (July 2022)
- Peak Day Demand (Peak Month ÷ the number of days in that month)- 0.066 MGD
- Peak Year Demand- 18.159 million gallons per year (MGY) (2022)

These figures were compared to the total current water supply capacity which is the bulk water available by agreement from Veolia Water Matchaponix. This comparison, shown in the table below, indicated that there is available capacity in the Tracy Station Water System to meet existing demands.

Table 3.5 - Tracy Station Water System - Available Water Supply

	Peak Daily (MGD)	Peak Monthly (MGM)	Peak Yearly (MGY)
Tracy Station Bulk Water- Veolia- Matchaponix	0.075	2.325	27.375
Current Peak Demand	0.066	2.050	18.159
Remaining Available Capacity	0.009	0.275	9.216

There are no known future developments being considered in the Tracy Station Water System at this time.

4.0 EVALUATION OF NEW SUPPLY SOURCES

As shown in Chapter 3, when the Township's projected total new demand is compared to the total available water supply, the future peak daily demand is nearing the water supply limits. Additional future growth within the Township's Water Systems may result in a water supply deficit which will impede future growth. Accordingly, in order to plan for future growth within the Township's Water Franchise Area, an evaluation of water supply sources was performed. The evaluation included a review of new bulk water purchase agreements and obtaining additional ground water supply for treatment.

4.1 New Interconnections for Bulk Purchase

Obtaining additional bulk water by interconnection(s) with bordering municipalities is one option for supplying additional water to the Township for future growth. As noted previously, the Township has a Wholesale Water Purchase Agreement with Veolia Water Matchaponix. However, in its approval of that Agreement the NJDEP noted that, based on actual contracted sales limits, Veolia Water Matchaponix had limited production capacity surplus. As a result, the NJDEP directed that Veolia Water Matchaponix shall not commit to sell more water to other water systems until such time as it increases its production capacity.

Accordingly, other neighboring water purveyors were contacted to determine the feasibility of obtaining additional bulk water through interconnections. The results of these contacts were as follows:

- Gordons Corner Water Company- GCWC has one existing 6-inch diameter emergency interconnection with Manalapan. GCWC indicated that they did not have excess water that could be directly provided to the Township at this time.
- Township of Monroe- There are no existing interconnections with the Township of Monroe. Due to recent expansion in Monroe near the Manalapan Township's western border, there are existing water mains for both Township's in close proximity. The Township of Monroe indicated that due to the Township's current water supply goals, they are unable to consider a bulk water sale to another system at this time.
- Middlesex Water Company – There are no interconnections with MWC. The nearest MWC transmission main is several miles away from the Franchise Area. The "wheeling" of water from MWC through Marlboro Township and GCWC Water System, while possible, would result in a significantly high cost of finished water. In addition, construction of an interconnection between Manalapan Township and GCWC would

be required.

4.2 Additional Groundwater Sources

The Township currently has three wells that are used for water supply. Wells 1 and 2 are constructed in the Old Bridge Aquifer, part of the Upper Potomac-Raritan-Magothy (PRM) Aquifer. However, the Township is located within the NJDEP delineated Critical Area #1 for the Upper PRM Aquifer. As a result, obtaining approval for an additional Upper PRM well is considered highly unlikely.

A large portion of the Township is located outside of the critical area for the Middle PRM Aquifer including the area south of Route 33. On January 12, 2023, CME Associates met with representatives of the NJDEP to explore the feasibility of constructing a new well(s) in the southern portion of the Township (south of Route 33) that would draw water from the Middle PRM Aquifer in order to provide additional water supply to the Township.

The NJDEP indicated that there is no existing Middle PRM aquifer testing information near the potential Township well site. As a result, a test well will be required. An aquifer testing plan would need to be prepared and submitted to the NJDEP for review and approval.

The NJDEP further indicated that any water allocation increase must have no adverse impact on the Critical Area of the middle PRM (i.e. minor to no drawdown in the Critical Area including critical margin). This would have to be demonstrated by the construction of a test well or by providing a series of analytical evaluations in combination with an aquifer test waiver request in lieu of a test well.

Further, due to the surplus in the Township's yearly water allocation in the Englishtown Aquifer, an increase in yearly allocation will be difficult to obtain. However, a monthly allocation increase may be considered. Finally, there could be no base allocation transfer from the Manalapan Water System to the Veolia Water Matchaponix System.

The NJDEP also stated that before a new well(s) in the Middle PRM Aquifer would be considered, the Township would need to demonstrate the following;

- Utilization of the Englishtown Aquifer as a water source was not feasible. It is noted that existing Well 3 in the Englishtown Aquifer is seldomly used as a water source due to high levels of iron in the water.
- Obtaining additional bulk water by interconnection(s) with bordering municipalities was not feasible.

4.3 Optimize Existing Groundwater Sources

4.3.1 Lambs Lane Water Treatment Plant

The Lambs Lane Water Treatment Plant is approximately 60 years old and treats water from Wells 1, 2, and 3. The Plant has a rated capacity of 0.68 MGD, however the firm capacity of the Plant is 0.34 MGD with one (1) filter out-of-service. Due to its age and condition, significant rehabilitation of the Treatment Plant is required. Additionally, the Treatment Plant cannot effectively treat the water supply from Well 3 located in the Englishtown Aquifer and therefore process changes are necessary. A replacement of this facility in its entirety is recommended.

4.3.2 New Water Treatment Plant Construction

The Lambs Lane Water Treatment Plant is approximately 60 years old and there has been no major rehabilitation work performed since its original construction. Additionally, the existing treatment process utilizing pressure filters with anthracite/manganese Greensand Plus cannot treat the raw water produced from the Englishtown Aquifer in Well 3 and as a result approximately 40 MGY of raw water is not utilized. To maximize the available groundwater allocation, process improvements are necessary.

The capacity of the existing Water Treatment Plant is limited by the filtering capacity. There are two (2) 10' diameter pressure filters at the Treatment Plant. In accordance with N.J.A.C. 7:10-11.14, the loading rate on a pressure filter shall not exceed 3 GPM/SF. Taking into consideration one (1) filter out-of-service, the firm capacity of the treatment plant is 0.34 MGD. In order to increase the firm capacity of the treatment plant additional filters will be required.

A new Water Treatment Plant will provide additional capacity and process improvements to allow the Township to fully utilize the available groundwater allocation. As indicated by the NJDEP, acquiring additional groundwater allocation may be difficult given that the current allocation is not being fully utilized. Modifications to the treatment process will allow for the full use of the allocation. Additionally, the firm capacity of the filters will need to take into consideration any future growth within the Knob Hill Service Area.

5.0 CAPITAL IMPROVEMENT PLAN

This Chapter summarizes the estimated cost for new or replacement water system facilities needed in the Township based on the information presented in Chapters 3 and 4.

5.1 Basis of Cost Estimates

Project cost estimates for each of the recommended improvements were developed and are described below. These preliminary, pre-design estimates include contingencies for construction and incidentals, as well as a project contingency to cover legal, engineering and administrative costs. A more detailed Engineer's estimate of the probable construction cost should be prepared upon completion of the design phase for each project.

5.2 Capital Project Considerations

Millhurst Road Water Main Extension (currently under construction)

This Project includes the installation of approximately 5,500 LF of water main along Millhurst Road between Gold Court and Woodward Road (Route 3). The water main extension is necessary to improve water supply to the Knob Hill Water System and provide redundancy of the water supply main. This water main will also merge the Millhurst Water System with the Knob Hill Water System. In addition, the existing water system interconnection to the Millhurst Water System will be replaced. The Project is anticipated to be completed and operational in 2024 and as a result of the Project, the Millhurst Water System will become part of the Knob Hill Water System.

Station Street Water Main Rehabilitation

The existing water main along Station Street in the Millhurst Water System has been susceptible to breaks in recent years. There have been approximately 10 breaks along Station Street near its intersection with Millhurst Road. The existing water main has exhibited excessive deterioration. It is recommended that approximately 1,200 LF of the existing water main be replaced along Station Street from the interconnection chamber to Millhurst Road. Due to the deterioration exhibited on the ductile iron pipe, it is recommended that an analysis of the existing soil and groundwater conditions be performed to determine the pipe material of the new water main.

System Valve Rehabilitation

A significant portion of the Water System was primarily constructed in the late 1990s and early 2000s. The bonnet bolts on the buried system valves installed in this time period have been prone to failure. The bolts installed during this time period were not standardized as stainless steel. Accordingly, in order to address leaks associated with failed bonnet bolts, a system valve rehabilitation project as a preventative maintenance should be performed. The valves to be rehabilitated should take into consideration valve age and areas with previous valve repairs.

Lambs Lane Water Storage Tank Rehabilitation

The Lambs Lane Water Storage Tank is believed to have been installed with the original Treatment Plant construction approximately 60 years ago. The Water Storage Tank is of steel construction and approximately 25 feet diameter and 100 feet tall. There are no records of previous tank rehabilitation being performed and based on recent inspections, the coatings systems are beyond their useful life. Additionally, tank accessories such as vents, ladders and manways are not in accordance with current standards and the Tank is not furnished with an altitude valve. In order to address the failing coating systems on the interior and exterior of the Tank and to bring tank accessories up to current standards, a Tank Rehabilitation Project shall be performed.

Knob Hill Tank and Ground Storage Tank Inspections

The 0.5 MG Elevated Knob Hill Tank and the 2.0 MG Ground Storage Tank were both inspected in 2018. No rehabilitation work has been performed to these tanks since their original construction. The rehabilitation of the Knob Hill Tank and Ground Storage Tank has been included in the Capital Plan due to the age of the existing tanks and the expected lifespan of the coating systems. It is recommended that an interior and exterior inspection of both tanks be performed by a company specializing in this type of work in order to prioritize and determine the timeframe for the tank rehabilitation.

Lambs Lane Water Treatment Plant

The Lambs Lane Water Treatment Plant is approximately 60 years old and treats water from Wells 1, 2, and 3. The Plant has a rated capacity of 0.68 MGD and a firm capacity of 0.34 MGD with one (1) filter out-of-service. The capacity of each pressure filter is limited to 3 GPM/SF in accordance with N.J.A.C. 7:10-11.14. Due to the age and condition, rehabilitation of the Plant is not considered cost-effective. Additionally, the Treatment Plant cannot

effectively treat the water supply from Well 3 located in the Englishtown Aquifer due to the high iron levels and therefore process changes are necessary. A replacement of this facility in its entirety is recommended.

The Water Treatment Plant rehabilitation shall consist of a new building to house pressure filters and chemical storage and feed systems. In addition, the Treatment Plant will require a solids contact clarifier for iron flocculation, backwash holding tanks, finished water booster pumps and a sludge pump station and force main. The Treatment Plant construction shall consist of new pressure filters with a minimum firm capacity of 0.68 MGD. The capacity of the Treatment Plant shall confirmed during the planning phase based on current water demand projections. Chemical feed systems shall consist of sodium hypochlorite and sodium hydroxide for iron oxidation, pH adjustment and disinfection.

Upgrades to the backwash handling process are necessary at the Treatment Plant. The two (2) recharge lagoons currently receive all backwash waste. With the additional iron sludge loading anticipated with the pretreatment of Well 3, increased cleaning of the sludge lagoons will be required. In addition, a higher capacity treatment plant will result in an increase in backwash waste. In order to improve the backwash process, a connection to the sanitary sewerage system may be considered. The nearest sanitary sewer main is located at near Woodward Road and Route 33 and will require the construction of a pump station and force main from the Treatment Plant to the sewer main connection. To reduce the volume of waste conveyed to the sanitary sewer system, backwash holding tanks shall be installed to allow for recycling of backwash water. A backwash holding tank will allow for sludge to settle from the backwash waste. Once settled, the sludge can be conveyed to the sanitary sewer system and the supernatant recycled back to the Treatment Plant. Due to the anticipated cost for the construction of the sanitary sewer connection, the modification of the existing lagoons to serve as sludge drying beds may be considered as an alternative.

Scout Tank Chlorination System Replacement

A chlorination system is located within a block building adjacent to the Scout Tank. The Scout Tank is located near the western limits of the Knob Hill Water System and chlorinates water leaving the Tank. The chlorination system consists of a tablet feed unit and is nearing the end of its useful life. The chlorination system will be replaced with a similar sized unit within the existing block building.

5.3 Estimated Project Costs

Using the bases described above, costs were developed for the recommended capital improvement projects. Estimated project costs for the projects are shown in the following table.

Table 5.1- Estimated Project Costs for Improvements		
<u>Project</u>	<u>Asset Class</u>	<u>Estimated Project Cost</u>
Station Street Water Main Replacement	Distribution	\$ 2,543,430.25
Millhurst Road Water Main Extension	Distribution	\$ 600,000.00
System Valve Rehabilitation	Distribution	\$ 500,000.00
Lambs Lane Water Tank Rehabilitation	Storage	\$ 850,000.00
Knob Hill Storage Tank Rehabilitation	Storage	\$ 2,000,000.00
Scout Tank Rehabilitation	Storage	\$ 1,200,000.00
Lambs Lane Water Treatment Plant	Treatment	\$10,000,000.00
Scout Tank Chlorination System Replacement	Storage	\$ 100,000.00

Appendix A

Water Allocation Permit (WAP) Number 5080



State of New Jersey
Department of Environmental Protection
Bureau of Water Allocation
PO Box 426, Trenton, New Jersey 08625-0426



Water Allocation Permit

The New Jersey Department of Environmental Protection grants this permit* in accordance with your application, attachments accompanying same application, and applicable laws and regulations. This permit is also subject to further conditions and stipulations enumerated in the supporting documents.

**Program Interest ID/
Permit Number:**
5080
Activity Number:
WAP150001

Issuance Date: 01/13/2016

Effective Date: 02/01/2016

Expiration Date: 01/31/2026

Name and Address of Applicant
MANALAPAN TOWNSHIP
103 Wilson Avenue
Manalapan, NJ 07726

Location of Activity/Facility
Manalapan Twp
Monmouth

Type of Permit
Water Allocation Permit -
Renewal

Statute(s)
N.J.S.A. 58:1A-1

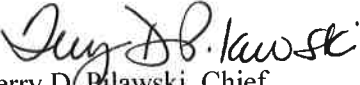
This permit grants permission to divert water from the approved sources in the attached permit inventory, in the following municipalities, for the following water uses:

MUNICIPALITY
Manalapan Twp
COUNTY
Monmouth

Water Uses: Public Community Supply

This permit is subject to the attached Conditions.

Approved by the authority of:
Bob Martin, Commissioner
Department of Environmental Protection


Terry D. Pilawski, Chief
Bureau of Water Allocation & Well Permitting

1/13/16
Date

* Permit means Certification, Approval, Registration, Equivalency, etc.

MANALAPAN TOWNSHIP

5080

Water Allocation Permit : WAP150001

Permit Inventory

Water Diversion Sources - Water may be diverted under this permit from the following sources:

Source Designation (Well Permit No. or Intake No.)	Description	Subject Item ID
2800007184	WELL 1	WSWL0000065905
2800013991	WELL 4	WSWL0000066000
2800014142	WELL 2	WSWL0000066002
2900052645	WELL 3	WSWL0000182105

Group Subject Items - The following items are grouped sources for the purpose of setting permit requirements outlined in this document:

Group Designation	Group Description	Group Subject Item ID	Group Members
MANALAPAN TWP WATER DEPT	5080 WA PERMIT - ALL DIVERSION SOURCES	WSWA0000071546	CRITICAL AREA 1 - THREATENED AQUIFER OLD BRIDGE PUBLIC SOURCES, WELLS 1 & 2 (WARG077501)
			ENGLISHTOWN AQUIFER PUBLIC SOURCE , WELL 3 (WARG863196)
			ENGLISHTOWN AQUIFER IRRIGATION SOURCE, WELL 4 (WARG872629)
CRITICAL AREA 1 - THREATENED AQUIFER OLD BRIDGE PUBLIC SOURCES	WELLS 1 & 2	WARG0000077501	2800007184, WELL 1 (WSWL065905)
			2800014142, WELL 2 (WSWL066002)
ENGLISHTOWN AQUIFER PUBLIC SOURCE	WELL 3	WARG0000863196	2900052645, WELL 3 (WSWL182105)
ENGLISHTOWN AQUIFER IRRIGATION SOURCE	WELL 4	WARG0000872629	2800013991, WELL 4 (WSWL066000)

MANALAPAN TOWNSHIP

5080

Water Allocation Permit : WAP150001

Permit Requirements

Limit Requirements

The following limits apply and are the maximum permitted allocation:

Final Permit Phase from 02/01/2016 -

Subject Item	Parameter	Limit
MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)	Maximum Diversion Rate	<= 1000 Gallons Per Minute. [N.J.A.C. 7:19- 2]
	Water Diverted	<= 8 Million Gallons Per Month. [N.J.A.C. 7:19- 2]
		<= 61 Million Gallons Per Year. [N.J.A.C. 7:19- 2]
CRITICAL AREA 1 - THREATENED AQUIFER OLD BRIDGE PUBLIC SOURCES, WELLS 1 & 2 (WARG77501)	Water Diverted	<= 23.194 Million Gallons Per Year. [N.J.A.C. 7:19- 2]

Other Limit Requirements

Final Permit Phase from 02/01/2016 -

Subject Item	Parameter	Limit
2800007184, WELL 1 (WSWL65905)	Rated Pump Capacity	<= 500 Gallons Per Minute. [N.J.A.C. 7:19- 2]
2800013991, WELL 4 (WSWL66000)	Rated Pump Capacity	<= 60 Gallons Per Minute. [N.J.A.C. 7:19- 2]
2800014142, WELL 2 (WSWL66002)	Rated Pump Capacity	<= 500 Gallons Per Minute. [N.J.A.C. 7:19- 2]
2900052645, WELL 3 (WSWL182105)	Rated Pump Capacity	<= 293 Gallons Per Minute. [N.J.A.C. 7:19- 2]

Monitoring Requirements

Final Permit Phase from 02/01/2016 -

Subject Item	Requirement	Frequency	Monitored Parameter	Monitoring Method
2800007184, WELL 1 (WSWL65905)	Static water levels for each well indicated shall be monitored. [N.J.A.C. 7:19- 2]	Each Month	Static Water Level	Airline, Tape, or Gage
00014142, WELL 2 (WSWL66002)				
2900052645, WELL 3 (WSWL182105)				

MANALAPAN TOWNSHIP

5080

Water Allocation Permit : WAP150001

Monitoring Requirements

Final Permit Phase from 02/01/2016 -

Subject Item	Requirement	Frequency	Monitored Parameter	Monitoring Method
2800007184, WELL 1 (WSWL65905)	The monthly diversion from each source indicated shall be monitored. [N.J.A.C. 7:19- 2]	Each Month	Water Diverted	Meter
2800013991, WELL 4 (WSWL66000)				
2800014142, WELL 2 (WSWL66002)				
2900052645, WELL 3 (WSWL182105)				
2800007184, WELL 1 (WSWL65905)	A raw water sample from each well indicated shall be analyzed for chloride concentration. [N.J.A.C. 7:19- 2]	Annually in September	Chloride	Total sample
2800014142, WELL 2 (WSWL66002)				
2900052645, WELL 3 (WSWL182105)				

Record Keeping Requirements

Final Permit Phase from 02/01/2016 -

Subject Item	Requirement	Frequency	Monitored Parameter	Record Keeping Method
MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)	A log book of month end meter readings for each diversion source shall be maintained on site. [N.J.A.C. 7:19- 2]	Each Month	Meter Reading	Log Book

Submittal/Action Requirements

Final Permit Phase from 02/01/2016 -

Applicable Subject Items	Submittal/Action Type	Requirement
2800007184, WELL 1 (WSWL65905)	Submit Public Quarterly Report	The required monitoring results shall be recorded on the form provided by the Department. The completed form shall be submitted within 30 days after the end of each quarter. [N.J.A.C. 7:19- 2]

MANALAPAN TOWNSHIP

5080

Water Allocation Permit : WAP150001

Submission/Action Requirements

Final Permit Phase from 02/01/2016 -

Applicable Subject Items	Submission/Action Type	Requirement
2800013991, WELL 4 (WSWL66000)	Submit Public Quarterly Report	The required monitoring results shall be recorded on the form provided by the Department. The completed form shall be submitted within 30 days after the end of each quarter. [N.J.A.C. 7:19- 2]
2800014142, WELL 2 (WSWL66002)		
2900052645, WELL 3 (WSWL182105)		
MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)	Submit Water Conservation and Drought Management Plan	The permittee shall continue to implement, to the satisfaction of the Department, a water conservation and drought management program. The program shall encourage water conservation in all types of use within the area served by the permittee, including actions taken pursuant to this program and the impact thereof. An update to the water conservation and drought management plan shall be submitted. Submit according to the following schedule: prior to March 31, 2017 and every two years thereafter. [N.J.A.C. 7:19- 2]
MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)	Submit Renewal Application	A renewal application shall be submitted three months prior to the expiration date. [N.J.A.C. 7:19- 2]

Text Requirements

All Phases

MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)

- Water may be diverted under this renewed permit for public community supply. However, water shall not be used to serve non-potable, consumptive purposes for new projects that are greater than 50 percent non-potable and greater than 50 percent consumptive, where, as determined by the Department, alternate water sources, including but not limited to reclaimed water for beneficial reuse, are feasible to serve the non-potable, consumptive needs of the project. [N.J.A.C. 7:19- 2]
- Water may be diverted under this permit only from the approved diversion sources at the maximum rates specified. [N.J.A.C. 7:19- 1]
- A major modification of this permit may be required in order to request the approval of any additional diversion sources or an increase in the pumping capacity. [N.J.A.C. 7:19- 2]
- All diversion sources shall be metered with a totalizing flow meter. [N.J.A.C. 7:19- 2]
- At a minimum, each diversion source flow meter shall be calibrated at least once every five years. [N.J.A.C. 7:19- 2]
- Each flow meter shall be calibrated to within five percent accuracy. [N.J.A.C. 7:19- 2]
- All wells shall be equipped with a metal tag showing the well permit numbers (source designation) as listed in the allocation permit inventory or have the well permit numbers painted on the casings. [N.J.A.C. 7:19- 2]
- The pumping equipment capacity shall not be increased without prior approval from the Bureau of Water Allocation and Well Permitting. [N.J.A.C. 7:19- 1]
- Any well not intended for use shall be decommissioned in accordance with N.J.A.C. 7:9D-3.1 et seq. [N.J.A.C. 7: 9D- 3]

MANALAPAN TOWNSHIP

5080

Water Allocation Permit : WAP150001

Text Requirements

All Phases

MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)

10. Any required chemical analysis shall be performed by a New Jersey Certified Laboratory. [N.J.A.C. 7:19- 2]
11. Static water level shall be measured and reported as depth to water, in feet, from ground surface. [N.J.A.C. 7:19- 2]
12. For pumping wells, static water level (depth to water) shall be taken when the well pump has been shut down for a recovery period of at least 12 hours. If the well cannot be shut down for the required period, it must be noted on an addendum to the Quarterly Monitoring Report form. Please note on the addendum the number of hours the well was shut down or that the reading is a pumping level. [N.J.A.C. 7:19- 2]
13. All new services shall be metered in accordance with all applicable laws, regulations or codes including, but not limited to, the Water Supply Management Act. [N.J.A.C. 7:19- 6]
14. All existing services shall be metered. [N.J.A.C. 7:19- 6]
15. Water charges for each service connection shall be based in part on metered usage. [N.J.A.C. 7:19- 6]
16. The monthly quantity of water transferred and delivered to/received from interconnections shall be reported as part of the water system monitoring on separate forms provided by the Department. [N.J.A.C. 7:19- 2]
17. The Department may modify, suspend or terminate this permit, after due process, for violations of permit conditions, N.J.S.A. 58:1A-1, N.J.A.C. 7:19-1 et seq., any orders issued by the Department, or when in the public interest. [N.J.A.C. 7:19- 2]
18. The permittee shall investigate to the Department's satisfaction complaints by users of wells or surface water supplies within the zone of influence of its diversion to determine what impact the diversion has had on such wells or surface water supplies. A report on these investigations shall be forwarded to the Bureau of Water Allocation and Well Permitting. Any well or surface water supply which becomes damaged, dry, has reduced capacity, reduced water quality or is otherwise rendered unusable as a water source as a result of the permittee's diversions shall be repaired or replaced at the expense of the permittee. Work shall be in accordance with all State, County and Municipal construction standards for potable water. After reviewing all applicable investigational reports the Department of Environmental Protection will make the final determination regarding the validity of such complaints, the scope or sufficiency of such investigations, and will determine how to resolve any problems resulting from the diversion. [N.J.A.C. 7:19- 2]
19. This permit is issued for a limited period, and is not subject to automatic renewal. [N.J.A.C. 7:19- 2]
20. The permittee shall be subject to such requirements as may be necessary pursuant to N.J.A.C. 7:19-8.1 et seq. [N.J.A.C. 7:19- 8]
21. The permittee is subject to such fees as may be prescribed by the regulations. [N.J.A.C. 7:19- 3]
22. The permittee shall have the right to apply at any time for modification of this permit by submission of the appropriate application forms. [N.J.A.C. 7:19- 2]
23. The permittee may informally discuss the terms and conditions of this permit at any time with the Bureau of Water Allocation and Well Permitting. [N.J.A.C. 7:19- 2]
24. The permittee shall obtain approval from the Bureau of Water System Engineering before using the diversion for public water supply. [N.J.A.C. 7:19- 2]
25. In addition to the specific management requirements cited above, and when so directed by the Department, the permittee shall comply with applicable portions of the Water Supply Management Rules (N.J.A.C. 7:19-6 et seq. and N.J.A.C. 7:19-8 et seq.) to include the determination of dependable yield; unaccounted-for water; rehabilitation; system pressure and storage; interconnections; and operation of interconnections. [N.J.A.C. 7:19- 6]
26. If the permittee violates any condition of this permit, the permittee is subject to administrative penalties up to \$25,000 per day per offense as specified. [N.J.S.A. 58: 1A-16]
27. If the permittee exceeds the annual allocation limits as specified in this permit, Administrative penalties up to \$25,000 per day per offense may be assessed. Such charge shall not apply if the diversion had been requested of and determined by the Department to be an extraordinary demand or where the permittee has been ordered to divert more water by action or order of the Department. [N.J.S.A. 58: 1A-16]
28. The issuance of this permit shall not be deemed to affect in any way action by the Department of Environmental Protection of the State of New Jersey on any future application. [N.J.A.C. 7:19- 2]

MANALAPAN TOWNSHIP

5080

Water Allocation Permit : WAP150001

Text Requirements

All Phases

MANALAPAN TWP WATER DEPT, 5080 WA PERMIT - ALL DIVERSION SOURCES (WSWA71546)

29. No change in plans or specifications shall be made except with the prior written permission of the Department of Environmental Protection of the State of New Jersey. [N.J.A.C. 7:19- 2]
30. The granting of this permit shall not be construed to in any way affect the title or ownership of property, and shall not make the Department of Environmental Protection or the State a party in any suit or question of ownership of property. [N.J.A.C. 7:19- 2]
31. This permit does not waive the obtaining of Federal or other State or local government consent when necessary. This permit is not valid and no work shall be undertaken until such time as all other required approvals and permits have been obtained. [N.J.A.C. 7:19- 2]
32. A copy of this permit shall be kept at the facility site, and shall be exhibited upon request of any authorized Department representative. [N.J.A.C. 7:19- 2]
33. The Department has the right to enter and inspect any site, building, or equipment, or any portion thereof, owned or operated by the permittee, at any time, in order to ascertain compliance or noncompliance with N.J.S.A. 58:1A-1 et seq., 58:4A-4.1 et seq., 58:12A-1 et seq., these rules, or any other agreement or order issued or entered into pursuant thereto. Such right shall include, but not be limited to, the right to require the testing of any equipment at the facility, to sketch or photograph any portion of the site, building or equipment, to copy or photograph any document or records necessary to determine such compliance or noncompliance, and to interview any employees or representative of the owner, operator, or permittee. Such right shall be absolute and shall not be conditioned upon any action by the Department, except the presentation of appropriate credentials as requested and compliance with appropriate standard safety procedures. [N.J.A.C. 7:19- 2]
34. This permit may be transferred, with the consent of the Department, but only for the identical use of the waters. [N.J.A.C. 7:19- 2]
35. If the authorized diversion privileges are not currently diverted, subject to contract, or reasonably required for a demonstrated future need, they shall revert back to the State upon renewal or modification of the permit. [N.J.A.C. 7:19- 2]
36. The permittee shall protect each source from vandalism, tampering, and contamination at all times. [N.J.A.C. 7:19- 2]
37. This permit shall expire as indicated on the permit approval cover page; however, any action required pursuant to a critical area designation shall take precedence over this expiration date. [N.J.A.C. 7:19- 2]

01/11/2016

STAFF REPORT
PERMIT RENEWAL

In the matter of MANALAPAN TOWNSHIP

Renewal of Water Allocation Permit No. 5080, to divert water from four wells in the Township of Manalapan, Monmouth County.

Background

On August 1, 2008 Water Allocation Permit No. 5080 was issued to MANALAPAN TOWNSHIP, 103 Wilson Avenue, Manalapan, New Jersey, 07726 with an expiration date of December 31, 2010. Pursuant to the Permit Extension Act the expiration date was extended to June 30, 2016.

An application was filed on March 31, 2015 requesting renewal of the previously approved permit. On June 2, 2015 the applicant submitted a request to increase the monthly allocation from 8 MGM to 12 MGM as part of the permit renewal. The permit issued on August 1, 2008 granted the privilege to divert the following:

Allocation Limits

From	Designation	Parameter	Limit
WELLS 1 & 2	CRITICAL AREA 1 - THREATENED AQUIFER OLD BRIDGE PUBLIC SOURCES	Water Diverted	<= 23.194 Million Gallons Per Year
5080 WA PERMIT - ALL DIVERSION SOURCES	MANALAPAN TWP WATER DEPT	Water Diverted	<= 61 Million Gallons Per Year
5080 WA PERMIT - ALL DIVERSION SOURCES	MANALAPAN TWP WATER DEPT	Water Diverted	<= 8 Million Gallons Per Month
5080 WA PERMIT - ALL DIVERSION SOURCES	MANALAPAN TWP WATER DEPT	Maximum Diversion Rate	<= 1000 Gallons Per Minute

Approved Sources and Maximum Diversion Rates

Groundwater

Well Permit No.	Well Name or Designation	Subject Item ID	Pump Capacity (gpm)	Aquifer
2800007184	WELL 1	WSWL65905	500	Upper Potomac-Raritan-Magothy

Well Permit No.	Well Name or Designation	Subject Item ID	Pump Capacity (gpm)	Aquifer
2800014142	WELL 2	WSWL66002	500	Upper Potomac-Raritan-Magothy
2900052645	WELL 3	WSWL182105	293	Englishtown aquifer system
2800013991	WELL 4	WSWL66000	60	Englishtown aquifer system

Findings of Fact

1. The diversion is used for irrigation and public community supply and serves the Township of Manalapan.
2. This application request is for a renewal of an allocation granted by the following:

Permit No.	Date Issued	Source of Water	Diversion Amount	
			(MGM)	(MGY)
5080	08/01/2008	Four wells	8	61
5080	03/05/2008	Three wells	8	61
5080	01/30/2002	Three wells	8	61
1512	05/18/1970	Two wells	10	-

3. The applicant's diversion is located within the threatened portion of Area of Critical Water Supply Concern No. 1 and their portion of the safe and dependable yield of the Old Bridge aquifer has been determined to be 23.194 MGY.
4. A review of quarterly diversion reports indicates the following water use:

Year	Annual Use (mg)	Maximum Monthly Use (mg)	Average Monthly Use (mg)	Existing Allocation	
				(MGM)	(MGY)
2014	28.671	7.315 (July)	2.389	8	61
2013	37.791	7.610 (July)	3.149	8	61
2012	44.480	7.930 (July)	3.707	8	61
2011	43.171	7.238 (May)	3.598	8	61
2010	43.018	7.983 (Sept)	3.501	8	61

A review of quarterly diversion reports indicates the following water use from the Critical Area 1 Threatened Aquifer Old Bridge Sources:

Year	Annual Use (mg)	Maximum Monthly Use (mg)	Average Monthly Use (mg)	Existing Base Allocation (MGY)
2014	21.797	7.315 (July)	3.114 (Seven months)	23.194
2013	22.464	7.610 (July)	3.744 (Six months)	23.194
2012	22.788	7.930 (July)	2.849 (Eight months)	23.194
2011	14.416	6.770 (July)	2.403 (Six months)	23.194
2010	22.983	7.704 (June)	5.746 (Four months)	23.194

A review of quarterly Water Utilization Reports indicates the following water received from United Water Matchaponix:

Year	Annual Use (mg)	Maximum Monthly Use (mg)	Average Monthly Use (mg)
2014	268.768	42.461 (July)	22.397
2013	238.826	32.206 (Sept)	19.902
2012	249.807	40.311 (July)	20.817
2011	251.386	43.975 (July)	20.949
2010	288.174	47.465 (July)	24.015

A review of quarterly diversion reports and Water Utilization reports indicated the following total combined water use:

Year	Annual Use (mg)	Maximum Monthly Use (mg)	Average Monthly Use (mg)
2014	297.439	49.776 (July)	24.787
2013	276.617	37.973 (July)	23.051
2012	294.227	48.241 (July)	24.519
2011	294.557	50.745 (July)	24.546
2010	331.192	53.874 (July)	27.599

5. The population served is approximately 10,000 which represents an average monthly consumption of 72 gpcd and a peak monthly consumption of 137 gpcd (July) based upon 2010 water use data, with a 79 percent residential use component.

6. The following information is available for the applicant's diversion sources:

Well Locations

Well Permit No.	Well Name or Designation	Elevation Above Mean Sea Level – US FEET	Location
2800007184	WELL 1	205	Lambs Lane
2800014142	WELL 2	191	Lambs Lane
2900052645	WELL 3	189	Lambs Lane
2800013991	WELL 4	83	Manalapan Rec. Center

Well Data

Well Name or Designation	Pump Capacity (gpm)	Aquifer	Drilling Completed Date	Finished Depth (feet)	Smallest Diameter (inches)
WELL 1	500	Upper Potomac-Raritan-Magothy	06/01/1971	644	8
WELL 2	500	Upper Potomac-Raritan-Magothy	07/06/1984	649	12
WELL 3	293	Englishtown aquifer system	06/11/2004	266	10
WELL 4	60	Englishtown aquifer system	04/21/1984	128	6

Well Static Water Level Data

Well Name or Designation	Historical Static Water Level Date Level (feet)		Recent Static Water Level Date Level (feet)	
WELL 1	06/01/1974	190	06/17/2015	186
WELL 2	02/15/1990	197.6	06/17/2015	162
WELL 3	03/26/2004	74	06/17/2015	126
WELL 4	04/21/1984	3	Not Required	

Well Chloride Data

Well Name or Designation	Historical Chloride Level Date Concentration (mg/l)		Recent Chloride Level Date Concentration (mg/l)	
WELL 1	02/15/1990	7.0	09/05/2014	1.70
WELL 2	02/15/1990	7.0	09/05/2014	2.00
WELL 3*	09/30/2008	3.0	09/05/2014	2.60

* Chloride sampling was required for Well 4, a small capacity irrigation well used at a Township owned park and recreation facility. The permittee had taken samples and reported chloride concentrations for Well 3 instead.

Well Test Data (from Well Records)

Well Permit No.	Test Date	Static Level (feet)	Pumping Time (hours)	Yield (gpm)	Drawdown (feet)	Specific Capacity (gpm/ft drawdown)
2800007184	06/01/1974	190	8	805	34	23.7
2800014142	No well record received by the Bureau					
2900052645	03/26/2004	74	72	293	151	1.9
2800013991	04/21/1984	3	1	100	97	1.0

7. Well 4 is used to irrigate approximately 170 acres of parkland, mostly soccer and baseball fields, owned by the Township of Manalapan.
8. The applicant's diversion sources are located within: Planning Area No. 11 - South River as designated by the New Jersey Water Supply Master Plan; the Coastal North Drought Region; and Watershed Management Area No. 09 - Lower Raritan River, South River and Lawrence River.

The diversion is not located within the Delaware River Basin, Pinelands, or Highlands Region.

9. A site inspection was conducted on July 14, 2015. The following information was obtained during this inspection:

Well Name or Designation	Condition	Pump House Condition	Pump Type/ Horse Power	Air Line and Gage	Able to Measure Static Water Level By Tape	Meter Type	Meter Reading
WELL 1	Good	None	VT/ 60	Y	Y	Totalizing	13,019,400
WELL 2	Casing Pulled	Good	Well is being rehabbed			Totalizing	42,970,300
WELL 3	Good	Good	VT/40	Y	Y	Totalizing	43,619,900
WELL 4	Good	Good	Sub	N	N	Totalizing*	1,370,700

* Well 4 is currently not in use and the discharge piping and the flow meter was disconnected from the well

10. Flow meters for Wells 1 – 3 have been calibrated within the past five years. Well 4 is currently not in use and the flow meter disconnected. Proof of meter calibration will be required for Well 4 prior to putting it back into operation. The most recent dates of calibration are:

Well Name or Designation	Calibration Date
WELL 1	07/28/2014
WELL 2	07/28/2014
WELL 3	09/05/2014

11. The following wells have been abandoned, decommissioned, are inactive or unused:

Well Name or Designation	Well Permit No.	Depth (feet)	Status
31	2800025735	280	Decommissioned 12/12/1990
32	2800025736	280	Decommissioned 12/13/1990
33	2800025737	280	Decommissioned 12/13/1990
34	2800025738	155	Decommissioned 12/12/1990
MLEPW3	2800025739	296	Decommissioned 12/11/1990
MLMOW 35	2800023819	210	Monitoring well
1 (domestic)	2900008183	153	Decommissioned 02/13/2007
1 (domestic)	2800027114	230	Decommissioned 02/26/2007
2 (domestic)	2900008182	147	Decommissioned 02/26/2007
3 (domestic)	2900011883	88	Decommissioned 02/13/2007

12. The applicant is currently in compliance with all permit conditions. The applicant failed to measure and submit annual chloride concentrations for Well 1 – 3 from 2009 to 2011 but has been in compliance with this permit condition since 2012.
13. Water, after use, is discharged to Western Monmouth Utilities Authority – Pine Brook Sewage Treatment Plant for treatment and discharge to Pine Brook under Permit No. NJ0023728. The treatment works are not under a sewer connection ban or other restriction imposed by NJDEP.
14. The system has the following interconnections with adjacent systems:

Name of System	Size of Interconnection	Use
UW Matchaponix	8", 10", 12"	Bulk purchase
Gordons Corner WC	4"	Emergency

15. The applicant has agreements for the sale or purchase of water from the following:

Name of System	Sale or Purchase	Quantity	Contract Date
UW Matchaponix	Purchase	0.230 mgd	10/17/2000
	Purchase	1.800 mgd	12/23/1988
	Purchase	0.012 mgd	10/09/1991
	Purchase	0.225 mgd	09/10/1997

16. The system is 100 percent metered.

17. The applicant has indicated that their unaccounted-for-water is 7.329 percent.
18. The water system has storage capacity of 2.527 MG, as compared with a 2010 average peak daily water demand of 1.738 MGD (July 2010).
19. The applicant submitted a Water Conservation Plan on March 31, 2015.
20. The estimated consumptive use of water is 90 percent, which is equivalent to 1.564 MGD based on the average peak daily water use for July 2010.

Staff Analysis/Conclusions

1. The applicant requested to increase in the monthly allocation from 8 MGM to 12 MGM as part of the renewal process. This could only be done if it qualified for a minor modification of the permit during the renewal activity. Pursuant to N.J.A.C. 7:19-1.5(a) 5, any increase in the daily, monthly or annual allocation will require an application for a major modification of the permit. It is recommended that the applicant schedule a pre-application meeting with the Bureau to discuss the testing and application requirements for increasing the monthly allocation limits through the submission of an application for a major modification of the permit.
2. The applicant's current water use is reasonable.
3. The applicant's current allocation and contracts are adequate to meet their future demands. Demand projections provided by the applicant indicate that their ten year demands will be 59.482 MGM and 327.270 MGY. Analysis of this in conjunction with historical water use and supporting documentation provided with the application shows that the existing allocation of 8 MGM and 61 MGY coupled with the contracted purchases of up to 2.267 mgd from UW Matchaponix should be sufficient to meet their needs, although the applicant has approached the monthly allocation limit four times since 2009. The applicant will need to remain diligent and closely monitor their water use during high water demand periods in order to not violate their monthly allocation limits.
4. Natural replenishment of the Old Bridge aquifer has not been occurring on a regional basis, as illustrated by the findings of U.S. Geological Survey Scientific Investigations Report 2013-5232. This report documents the expansion of the regional cone of depression in this aquifer's potentiometric surface.

Reported Static Water levels in the Englishtown well (Well 3) have exhibited a decreasing trend since 2004. Reporting of the length of time between pump stoppage and static water level measurements should be required to confirm this trend.

In order to confirm this and given the recovery that has occurred within the Critical Area and adjacent areas coupled with the proposed increases in diversions in this region, static water level reports should be required as a condition of this permit to determine future trends.

5. No adverse impacts have been reported to the Department regarding the applicant's diversion sources.

6. Analysis of applicant's chloride data indicates that chloride concentrations range from 1.6 to 4.0 mg/l in the Englishtown and Old Bridge aquifers at this location. Although the results of local monitoring show that current chloride levels are not indicative of salt water intrusion conditions, this diversion contributes to the regional potential for salt water intrusion.

The applicant will be required to stay within their allotted portion of the safe and dependable yield from the Old Bridge aquifer pursuant to the Water Supply Management Act and N.J.A.C. 7:19-8. This will reduce stress on the aquifer, allow for increased replenishment and recovery of the potentiometric head, and thereby reduce the potential for salt water intrusion.

The previous permit required chloride monitoring and reporting for Well 4, a 60 gpm irrigation well completed within the Old Bridge aquifer. Due to the small capacity of the well monitoring chloride concentrations at this source is not beneficial. In addition the permittee historically reported chloride concentration for Well 3, which is completed in the Englishtown formation. It is recommended that the requirement for chloride sampling be removed from Well 4 and that Well 3 be required to sample for chloride instead.

7. No changes in diversion rates are proposed and no problems with groundwater contamination associated with the diversion have been reported to the Bureau.

Summary

The Department has completed its review of this application pursuant to N.J.A.C. 7:19-1 et. seq. The review of this application reveals that it does not have any adverse impacts and meets, based upon the information certified to in the application, the statutory requirements of N.J.S.A. 58:1A-1 et. seq.

Therefore, based upon a review of the information submitted with the application, and the existing water allocation files, the following conclusions have been reached regarding this application:

- The permit with the allocation limits of 8 MGM, not to exceed 61 MGY, should be renewed;
- The requested increase in monthly allocation from 8 MGM to 12 MGM should be denied as this request cannot be granted as a minor modification of the permit;
- The maximum diversion rate of 1,000 gpm should be carried forward;
- The base allocation of 23.194 MGY for the Critical Area1 – Threatened Aquifer Old Bridge Sources (Wells 1 and 2) should be carried forward;
- Proof of meter calibration or installation should be provided for Well 4 prior to placing the source back into operation;
- Well 3 should require annual chloride sampling and the condition for monitoring and reporting removed from Well 4.

Therefore this application should be approved in accordance with the following recommendations as the applicant has satisfied the requirements of N.J.A.C. 7:19-2.4 et seq.

References

In addition to the historical information on file at the Bureau of Water Allocation & Well Permitting and the application submitted, the following information sources were also utilized to establish the recommendations contained within this Staff Report:

- Spitz, F.J., Watt, M.K., and dePaul, V.T., 2008, Recovery of ground-water levels from 1988 to 2003 and analysis of potential water-supply management options in Critical Area 1, east-central New Jersey: U.S. Geological Survey Scientific Investigations Report 2007-5193, 40 p.
- DePaul, V.T., and Rosman, Robert, 2015, Water-level conditions in the confined aquifers of the New Jersey Coastal Plain, 2008: U.S. Geological Survey Scientific Investigations Report 2013-5232, 107 p., 9 pl., <http://dx.doi.org/10.3133/sir20135232>.
- March 1, 2001. The New Jersey State Development and Redevelopment Plan. New Jersey State Planning Commission, Trenton, New Jersey.
- August 1996. Water for the 21st Century: Vital Resource, New Jersey Statewide Water Supply Plan. New Jersey Department of Environmental Protection – Office of Environmental Planning, Trenton, New Jersey.

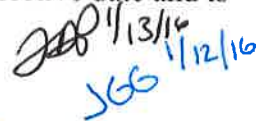
Recommendations

Issuance of the permit is recommended with an expiration date of ten years from the effective date and is subject to the attached specific conditions:

Date: 01/11/2016



Kenneth M. Komar
Bureau of Water Allocation & Well Permitting



Appendix B

Wholesale Water Purchase Agreement with Veolia Water Matchaponix

WHOLESALE WATER PURCHASE AGREEMENT

THIS AGREEMENT (hereinafter "Agreement") is made as of the 22nd day of Dec, 2020, by and between SUEZ Water New Jersey Inc. (formerly known as SUEZ Water Matchaponix Inc.), a public utility corporation organized and existing pursuant to the laws of the State of New Jersey, having its principal office at 461 From Road, Suite 400, Paramus, New Jersey 07652, New Jersey ("SUEZ"), the Township of Manalapan, a governmental entity organized and existing pursuant to the laws of the State of New Jersey, having its offices at 120 Route 522, Manalapan, New Jersey ("Township"), and the Manalapan-Englishtown Regional School District, a governmental entity organized and existing pursuant to the laws of the State of New Jersey, having its offices at 120 Rt 522, Manalapan, New Jersey ("Board"). Township and SUEZ may sometimes be referred to herein collectively as the "Parties".

WITNESSETH:

WHEREAS, SUEZ is a regional wholesale water supply company in the business of selling bulk water supplies to water purveyors; and

WHEREAS, SUEZ controls certain water supply that it desires to sell to Township, pursuant to the terms of this Agreement; and

WHEREAS, the Township desires to purchase all of said water supply from SUEZ pursuant to such terms.

WHEREAS, the Township is a public potable water purveyor distributing water to customers in locations within its boundaries; and

WHEREAS, the Township owns three (3) separate Public Drinking Water Systems (PWS) within Manalapan Township currently known as Knob Hill PWS (Permit # NJ1326002), Millhurst PWS (Permit # 1326005) and Tracy Station PWS (Permit # 1326007); and

WHEREAS, improvements for conveyance of water in the Township must be completed to meet future demand; namely, a physical connection between the Manalapan Knob Hill PWS (Permit # NJ1326002) and the Millhurst PWS (Permit # NJ1326005); and

WHEREAS, at the point in which the Manalapan Knob Hill and the Millhurst public water systems are physically connected, Manalapan will endeavor at its sole expense to consolidate these two systems into one PWSID obtaining all of the necessary regulatory approvals and satisfying all of the regulatory requirements for same; and

WHEREAS, the parties wish to enter into a contract and specify terms and conditions under which the SUEZ will sell and deliver water to all three of the Township's PWS based on New Jersey Department of Environmental Protection ("NJDEP") requirements; and

WHEREAS, SUEZ will make available and supply to the Township capacity outlined in Exhibit A of this Agreement; and

WHEREAS, the Parties have maintained prior separate bulk water supply contracts identified in Exhibit B hereto for each PWS and agree that consolidating said contracts would aid in the management of the water resource for the Township; and

WHEREAS, the consolidation of the water volumes in the previous separate bulk water supply contracts with an additional water supply amount will now represent the new bulk water supply limits (hereinafter "New Bulk Water Supply Limits") found in Exhibit A; and

WHEREAS, the Board agrees that the consolidation of the bulk water agreement between SUEZ, Township and the Board dated October 9, 1991 and thereafter modified on November 23, 1992, September 23, 1999 and October 27, 2011 into this Agreement between the Township and SUEZ eliminates the need to have the Manalapan-Englishtown Regional School District as a necessary party to this Agreement or any future amendments thereto; and

WHEREAS, The Board will continue to receive the water supply from the current Millhurst Public Water Supply System and will be a customer of Manalapan Township; and

WHEREAS, all parties agree that this Agreement will supersede the bulk sale contracts identified at Exhibit B; and

NOW, THEREFORE, in consideration of the promises and of the agreements herein contained, the parties hereto agree as follows:

ARTICLE I

Water Supply

- A. SUEZ agrees to sell and the Township agrees to purchase, wholesale water in accordance with the terms of this Agreement and approval from the NJDEP.
- B. SUEZ agrees to make available New Bulk Water Supply Limits as defined in Exhibit A for a period of at least 5 years from execution of this Agreement. In the event that the Daily Threshold Amount as defined in Exhibit A is not met, the Township and SUEZ have the option of adjusting the Bulk Water Supply Limits.

ARTICLE II

Points of Delivery

- A. The following three (3) Points of Delivery are required to provide bulk supply the previously mentioned PWS defined below:
 - a. Point of Delivery 1: Water to be supplied by SUEZ shall be continuously measured by the existing meter interconnection located between 442 and 444 Tennent Ave

(Route 3) Manalapan for the purpose of supplying water to Manalapan Knob Hill PWS.

- b. Point of Delivery 2: Water to be supplied by SUEZ shall be continuously measured by the meter located on Station Avenue at the interception of the Conrail railroad line for the BOE PWS. This Point of Delivery infrastructure will be required to be upgraded when the Manalapan Knob Hill PWS and Millhurst PWS are connected by the Township. Improvements will be required to address, hydraulic / flow management, accurate water metering, instrumentation and control as well as to address POSH and OSHA worker standards.
 - c. Point of Delivery 3: Water to be supplied by SUEZ shall be continuously measured by the meter located on Route 527 (aka Wood Ave), in Manalapan. The existing interconnection is located adjacent (east) of 64 Wood Avenue in Manalapan Township for the purpose of supplying water to Manalapan Tracy Station PWS.
 - i. The cost of the interconnection vaults, meters, controls, communications and appurtenances to manage water supply will be borne by the Township. The meters will be owned and maintained by SUEZ at its sole cost and expense. SUEZ will test the meter or meters one time per year. If the Township asks that the meter or meters be tested more than one time per year, SUEZ will test such meter or meters for a reasonable "time and materials" fee, which fee will be charged per test. The Township may, upon request, witness such meter test or tests.
- B. As SUEZ is a wholesale water corporation, and as it will not supply water to the customers of the Township directly, the meter is located such that the water that flows through same, will be wholesale water supplied to the Township. No water that flows through the meter will be supplied directly to customers of the Township. The parties will work together in a cooperative effort, to ensure that the meter location remains such that the intent of this provision is effectuated.
- C. SUEZ agrees to deliver water at the connection that will meet Environmental Protection Agency ("EPA") and NJDEP existing water quality standards. SUEZ agrees to work diligently and promptly to address new water quality regulations within permitted timelines established from either state and/or federal regulators.

ARTICLE III

Price and Payment

- A. SUEZ agrees to sell and the Township agrees to buy water delivered pursuant to this Agreement at SUEZ's wholesale tariff rate. The current rate as set forth in the tariff sheet annexed hereto and made a part here of as Exhibit A. In the event that such wholesale tariff rate is increased or reduced during the term of this Agreement, SUEZ agrees to sell and Township agrees to buy water delivered pursuant to this Agreement at the new rate from the date that said new rate shall become effective.

- B. The charge for the amount of water supplied shall be determined by the combined total quantity supplied through the meter or meters at each of the points of delivery. For each monthly reading period, water consumption shall be multiplied by the applicable rate and billed on the first day of the following month by SUEZ. The Township or its authorized agent shall remit payment for all sums due to SUEZ on or before the thirtieth (30th) day after a bill is sent by SUEZ.

ARTICLE IV

Term

The initial term of this Agreement shall be for 5 years commencing on the date of execution of this Agreement. Thereafter, the Agreement shall renew itself automatically for a five-year period for a maximum of 40 years unless either party serves a written notice of termination upon the other at least six months prior to any scheduled expiration date.

ARTICLE V

- A. The parties agree that SUEZ shall not be considered in default of any of its obligations hereunder in the event that performance of such obligation is prevented or delayed by reason of war, revolution, hostilities, civil commotion, strike, epidemic, accident, fire, wind, drought, flood, or explosion; or by reason of any law, order, proclamation or regulations of the United States of America or any other government authority; or by reason of any act of God, whether of the same or of a different nature.

Without limiting the foregoing, and notwithstanding any other provision of this Agreement, the parties agree that SUEZ shall be under no obligation to supply water to the Township for any period that: A) a water emergency or drought is proclaimed by the Governor of the State of New Jersey; B) there is a period of unusual demands on SUEZ's system caused by circumstance is over which SUEZ could not have reasonably exercised control, such as a temporary failure or inadequacy of SUEZ's facilities or a temporary failure or inadequacy of the water source due to contamination or periods of extended dryness, main breaks, etc.; C) the State reallocates available resources during a state of emergency or drought emergency or where SUEZ otherwise fails to supply water as a result of a recommendation from the NJDEP; D) there is a breakdown of service due to failure of either parties equipment or facilities; or E) there is an occurrence of circumstances as outlined in Article 5(A) above. Anything in this Agreement to the contrary notwithstanding, SUEZ shall not be required to supply water under this Agreement, except surplus water not needed by it to supply the needs of its customers pursuant to existing obligations.

- B. Township shall indemnify and save SUEZ harmless from any and all claims and liabilities arising out of SUEZ's failure to supply water in accordance with the terms of this Article.

- C. SUEZ shall indemnify and save Township harmless from any and all claims and liabilities arising from occurrences caused by the negligent acts or omissions of SUEZ Water New Jersey Inc.

ARTICLE VI

The parties herein agree that the Township may utilize the water purchased pursuant to this Agreement for any appropriate purpose including the resale of the water.

ARTICLE VII

- A. This Agreement shall not be modified except by an agreement duly executed by the Parties.
- B. This Agreement is subject to the passing of an appropriate resolution by the Township and to receipt of all other necessary approvals and or permits, if any, by State or local agencies, commissions or boards, as may be required by law. Without limiting the foregoing the parties further understand and agree that this Agreement shall be conditioned upon approval by the NJDEP.
- C. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns.
- D. All parties hereby acknowledge and agree that this Agreement replaces and supersedes the bulk water agreements identified at Exhibit B which shall be of no further force or effect upon the execution of this Agreement.
- E. The Board agrees that the consolidation of the bulk water agreement between SUEZ, Township and the Board dated October 9, 1991 (thereafter modified November 23, 1992, September 23, 1999 and October 27, 2011) into this Agreement between the Township and SUEZ eliminates the need to have the Manalapan-Englishtown Regional School District as a necessary party to this Agreement or any future amendments thereto.
- F. Every notice or other communication authorized or required by this Agreement shall not be effective unless same shall be in writing and sent postage prepaid by United States registered or certified mail, return receipt required, direct to the other party at its address first above mentioned, or such other addresses either party may designate by notice given from time to time in accordance with this Paragraph.
- G. This Agreement and the performance thereof shall be governed, interpreted, construed, and regulated by the laws of the State of New Jersey. If a dispute should arise as to the terms and conditions of this Agreement and/or the rights, duties and liabilities of the parties thereto, the dispute shall be submitted to the BPU and its decision shall be final and binding upon both parties to this Agreement.
- H. If any term, covenant, condition, or provision of this Agreement, or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or

unenforceable, the overall Agreement shall not be affected thereby and each term, covenant, condition or provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

- I. This contract shall not be modified except by written Agreement duly executed by the parties.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year first written above.

Witness:

SUEZ WATER NEW JERSEY INC.

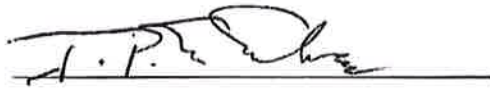
A handwritten signature in blue ink, appearing to read "John Hollenbach", is written over a horizontal line.

Name: John Hollenbach

Title: VP

Witness:

TOWNSHIP OF MANALAPAN

A handwritten signature in black ink, appearing to read "Jack McNaboe", is written over a horizontal line.

Name: Jack McNaboe

Title: Mayor

Exhibit A

	Previous Allowance Amount		New Bulk Water Supply Limits		Daily Threshold Amount
Entity	Peak Contract Volume Pre Consolidation of Bulk Water Supply Agreements (MGD)	GPM	Peak Contract Volume (MGD)	GPM	(MGD)
Manalapan Board of Education / Millhurst Water System	0.012	25	0.012	25	0.012
Manalapan Township Knob Hill Water System	2.000	1500	2.488	1975	2.238
Manalapan Township Tracey Station Water System	0.225	160	0.075	53	0.075
Total	2.237	1685	2.575	2053	2.325

Exhibit B

List of Previous Agreements

- Matchaponix Water Supply Company and Township of Manalapan (to serve Manalapan and Manalapan Developers) - Dated December 23, 1988.
- United Water Matchaponix Inc. and Town of Manalapan and Manalapan-Englishtown Regional School District (to serve Board) – Dated October 9, 1991, Modified on November 23, 1992, September 23, 1999 and October 27, 2011
- United Water Matchaponix Inc. and the Township of Manalapan (to serve Samaritan Center and Tracey Station Woods) - Dated September 10, 1997.
- United Water Matchaponix Inc. and the Township of Manalapan (to serve the Grande at Battleground) - Dated May 26, 1999.

Appendix C

NJDEP Approval of Wholesale Water Purchase Agreement



State of New Jersey

PHILIP D. MURPHY
GOVERNOR

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SHAWN M. LATOURETTE
COMMISSIONER

SHEILA Y. OLIVER
LT. GOVERNOR

Mail Code 401-04Q
Division of Water Supply & Geoscience
Water System Operations Element
Bureau of Water System Engineering
401 E. State Street - P.O. Box 420
Trenton, New Jersey 08625-0420
Tel #: (609) 292-2957 - Fax #: (609) 633-1495
<https://www.nj.gov/dep/watersupply/>

December 20, 2021

Curt Nemeth
Suez Water New Jersey, Inc.
461 From Road, Suite 400
Paramus, NJ 07652

Re: WS Contract Review
Suez Water New Jersey, Inc./Manalapan Twp. Water Department
PWSID No. NJ1326004
Activity No. CTR200001

Dear Mr. Nemeth:

Enclosed for your records is a copy of the Contract Review Worksheet prepared in accordance with N.J.A.C. 7:19-7 et seq. for the agreement between Suez Water New Jersey, Inc. (seller) and Manalapan Twp. Water Department (buyer).

The contract for the sale of water in the amounts of 2.575 MGD, 79.825 MGM and 848.625 MGY has been approved by the Bureau of Water System Engineering. The Bureau must be apprised of any future modifications to the agreement as this may require subsequent review.

Should you have any questions concerning this matter, please contact Nelson Leal-Cuellar at (609) 292-2957 or by email at nelson.leal-cuellar@dep.nj.gov. When contacting the Department regarding this matter, please reference the Activity No. and PWSID No. provided herein.

Sincerely,

Steven Pudney, C.Eng. MICE
Section Chief Engineering
Bureau of Water System Engineering

c: Jack McNaboe, Manalapan Twp. Water Department
Nelson Leal-Cuellar, BWSE

Contract No. CTR200001 (Suez Water New Jersey Inc. PWSID NJ1326004 – Manalapan Twp. Water Department PWSIDs NJ1326002, NJ1326005, NJ1326007))

CONTRACT REVIEW WORKSHEET

Contracting Parties

(Seller): SUEZ WATER NEW JERSEY, INC.
PWSID NJ1326004
461 From Road
Suite 400
Paramus, NJ 07652

(Buyer): MANALAPAN TWP. WATER DEPARTMENT
PWSID NJ1326002, NJ1326005, NJ1326007
120 Route 522
Manalapan, NJ 07726

Date of Request: September 28, 2020

History of Relationship: Contract consolidation of previous separate bulk water supply contracts

Terms of Contract: Initial 5-year term with automatic renewal for up to 40 years

Effective Date: September 3, 2020

Expiration Date: September 2, 2025 with automatic renewal for up to 40 years (September 2, 2060).

Unique Conditions: A future interconnection between the Manalapan Lambs Lane/Knob Hill System (PWSID NJ1326002) and the Millhurst System (PWSID NJ1326005) must be constructed to improve conveyance of water in the Township to meet future demands.

Point of Delivery 2 interconnection between Suez Water New Jersey, Inc. and the Manalapan Millhurst system must undergo improvements to address hydraulic/flow management, accurate water metering, instrumentation, and control.

The Manalapan Millhurst system will not count with water capacity for any new demand until after it has been interconnected with the Manalapan Lambs Lane/Knob Hill system. Therefore, Manalapan Twp. Water Department shall not submit any new water main extension permit applications that have potential to increase the demand on the Millhurst system until after the future interconnection has been constructed and operational.

Suez Water New Jersey, Inc. does not have surplus water production capacity for any new wholesale water purchase agreement. Therefore, Suez Water New Jersey, Inc. shall not submit any new wholesale water purchase agreement to the Department for review until after it increases its production capacity.

Amount of Water:

System	New Bulk Water Supply Limits		
	Daily (MGD)	Monthly (MGM)	Yearly (MGY)
Lambs Lane/Knob Hill System	2.488	77.128	816.870
Millhurst System	0.012	0.372	4.380
Tracey Station System	0.075	2.325	27.375
Total	2.575	79.825	848.625

BUYER: MANALAPAN TWP. WATER DEPARTMENT

Allocation	MGD	MGM	MGY
5080	1.440	8.000	61.000

All allocation limits are for the Lambs Lane/Knob Hill System only. The Millhurst and Tracey Station systems are Purchase only Systems.

Firm Capacity:

Lambs Lane/Knob Hill System	Millhurst System	Tracey Station System	Lambs Lane/Knob Hill and Millhurst Systems
2.828 MGD	0.012 MGD	0.075 MGD	2.840 MGD

Firm Capacity numbers already include purchase limits from new contract with Suez Water New Jersey, Inc.

Storage: 2.744 MG

Manalapan Twp. Water Department submitted a Water Conservation and Drought Management Plan on February 28, 2019 pursuant to N.J.A.C. 7:19-7.3(b)3.

Interconnections With	Size	Capacity (MGD)	Use
Lambs Lane/Knob Hill System (PWSID NJ1326002)			
Suez Water New Jersey, Inc.	10-inch	2.000	Bulk Purchase
Millhurst System (PWSID NJ1326005)			
Suez Water New Jersey, Inc.	8-inch	2.000	Bulk Purchase
Tracey Station System (PWSID NJ1326007)			
Suez Water New Jersey, Inc.	8-inch	2.000	Bulk Purchase
Gordon Corner Water Company	6-inch	1.000	Emergency
Borough of Englishtown	8-inch	1.000	Emergency

Manalapan Twp. Water Department has bulk purchase contracts with Suez Water New Jersey, Inc. only. It does not have any sales contracts.

Contracts with Suez Water New Jersey, Inc. To Be Superseded					
System	MGD	MGM	MGY	Contract Effective Date	Contract Expiration Date
Lamb Lane/Knob Hill	1.800	55.800	456.250	12/23/1988	12/22/2018 (expired)
	0.230	7.130	58.400	05/26/1999	05/25/2024
Manalapan Board of Education/Millhurst	0.012	0.372	4.380	10/09/1991	10/08/2031
Tracey Station	0.225	6.975	82.125	09/10/1997	09/10/2022
Total Purchases	2.267	70.277	601.155		

Total Peak Water Demand:

System	Daily (MGD)	Monthly (MGM)	Yearly (MGY)
Lambs Lane/Knob Hill System	1.891	52.152	341.807
Millhurst System	0.021	0.650	4.803
Tracey Station System	0.062	1.869	18.157
Lambs Lane/Knob Hill and Millhurst Systems	1.903	52.532	346.610

Normal Demand:

Annual Average Daily Demand for the last three non-drought years 2018-2020.

System	Daily (MGD)	Monthly (MGM)	Yearly (MGY)
Lambs Lane/Knob Hill System*	0.924	28.644	337.26
Millhurst System	0.012	0.372	4.380
Tracey Station System	0.047	1.457	17.155
Lambs Lane/Knob Hill and Millhurst Systems	0.936	29.016	341.640

* Includes committed demand of $0.417/3 = 0.139$ MGD.

Why Contract is Needed: To augment water supply to meet peak demand needs of Manalapan Twp. Water Department and to consolidate the water volumes in the previous separate bulk water purchase contracts.

SELLER: SUEZ WATER NEW JERSEY, INC.

Allocation	MGD	MGM	MGY
5270	8.064	224.300	1,995.000

Firm Capacity: 3.000 MGD

Production Capacity: 5.000 MGD

Storage: 3.078 MG

Suez Water New Jersey, Inc. submitted a Water Conservation and Drought Management Plan on July 16, 2020 pursuant to N.J.A.C. 7:19-7.3(b)3.

Interconnection With	Size	Capacity (MGD)	Use
Freehold Twp. Water Department	10-inch	2.00	Bulk Sale
Gordon's Corner Water Company	10-inch	3.00	Bulk Sale/Emergency
Manalapan Lambs Lane/Knob Hill System	10-inch	2.00	Bulk Sale
Manalapan Millhurst System	8-inch	2.00	Bulk Sale
Manalapan Tracy Station System	8-inch	2.00	Bulk Sale

Other Contracts With	Sell or Purchase	Contract Amount			Effective Date	Expiration Date
		(MGD)	(MGM)	(MGY)		
Manalapan Systems (1326002, 1326005, 1326007)	Sell	2.575	79.825	848.625	09/03/2020	09/028/2025
Freehold Township	Sell	0.880	26.830	321.200	01/01/2005	12/31/2027
Gordon's Corner Water Company	Sell/Purchase	1.500/1.000	46.500	547.500	08/01/2015	07/31/2025
Total		4.955	153.155	1,717.325		

System Own Water Needs (Peak Demand): 0, Suez Water New Jersey, Inc. only provides bulk supply to purveyors.

Normal Demand: 0, Suez Water New Jersey, Inc. only provides bulk supply to purveyors.

Unique Permit Conditions: A passing flow of not less than 7.3 cubic feet per second must be maintained on Matchaponix Brook. Based on a maximum diversion rate of 2,100 gpm, ASR 1 or ASR 2 has the capability of providing up to 3 MGD from aquifer storage during peak demand periods.

BUYER ANALYSIS: MANALAPAN TWP. WATER DEPARTMENT

TOTAL WATER LIMITS*			
System	Daily (MGD)	Monthly (MGM)	Yearly (MGY)
Lambs Lane/Knob Hill System	2.828	85.128	877.870
Millhurst System	0.012	0.372	4.380
Tracey Station System	0.075	2.325	27.375
Lambs Lane/Knob Hill and Millhurst Systems	2.840	85.500	882.250

*Total Water Limits = Allocation (Firm Capacity for Daily Limits) + Contract Purchases (including new contract with Suez Water New Jersey, Inc.)

SURPLUS/DEFICIT			
Lambs Lane/Knob Hill System			
	MGD	MGM	MGY
TOTAL WATER LIMITS	2.828	85.128	877.870
- NORMAL DEMAND	0.924	28.644	337.26
NORMAL SURPLUS/DEFICIT	1.904	56.484	540.610
Millhurst System			
	MGD	MGM	MGY
TOTAL WATER LIMITS	0.012	0.372	4.380
- NORMAL DEMAND	0.012	0.372	4.380
NORMAL SURPLUS/DEFICIT	0.000	0.000	0.000
Tracey Station System			
	MGD	MGM	MGY
TOTAL WATER LIMITS	0.075	2.325	27.375
- NORMAL DEMAND	0.047	1.457	17.155
NORMAL SURPLUS/DEFICIT	0.028	0.868	10.220
Lambs Lane/Knob Hill and Millhurst Systems			
	MGD	MGM	MGY
TOTAL WATER LIMITS	2.840	85.500	882.250
- NORMAL DEMAND	0.936	29.016	341.640
NORMAL SURPLUS/DEFICIT	1.904	56.484	540.610

SURPLUS/DEFICIT			
Lambs Lane/Knob Hill System			
	MGD	MGM	MGY
TOTAL WATER LIMITS	2.828	85.128	877.870
- TOTAL PEAK WATER DEMAND	1.891	52.152	341.807
PEAK SURPLUS/DEFICIT	0.937	32.976	536.063
Millhurst System			
	MGD	MGM	MGY
TOTAL WATER LIMITS	0.012	0.372	4.380
- TOTAL PEAK WATER DEMAND	0.021	0.650	4.803
PEAK SURPLUS/DEFICIT	-0.009	-0.278	-0.423
Tracey Station System			
	MGD	MGM	MGY
TOTAL WATER LIMITS	0.075	2.325	27.375
- TOTAL PEAK WATER DEMAND	0.062	1.869	18.157
PEAK SURPLUS/DEFICIT	0.013	0.456	9.218
Lambs Lane/Knob Hill and Millhurst Systems			
	MGD	MGM	MGY
TOTAL WATER LIMITS	2.840	85.500	882.250
- TOTAL PEAK WATER DEMAND	1.903	52.532	346.610
PEAK SURPLUS/DEFICIT	0.937	32.968	535.640

SELLER ANALYSIS: SUEZ WATER NEW JERSEY, INC.

TOTAL WATER AVAILABLE*	MGD	MGM	MGY
	0.045	71.145	277.675

*Total Available Water = Allocation (Production Capacity for Daily Limits) + Contract Purchases – Guaranteed Contract Sales (including new contract with Manalapan Twp. Water Department) – Committed Demands

SURPLUS/DEFICIT	MGD	MGM	MGY
TOTAL WATER AVAILABLE	0.045	71.145	277.675
- NORMAL DEMAND/PEAK DEMAND	0	0	0
NORMAL/PEAK SURPLUS/DEFICIT	0.045	71.145	277.675

Suez Water New Jersey, Inc. Normal and Peak Surplus/Deficit are the same as its Total Water Available. This because the system only provides bulk supply to purveyors. It does not count with a demand of its own.

The above analysis for seller system is based on the actual total contract limits to other systems. The following analysis is based on actual sold water to other systems.

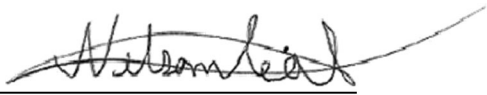
TOTAL WATER AVAILABLE*	MGD	MGM	MGY
	5.000	224.300	1,995.00
ACTUAL PEAK WATER SOLD	3.793	117.579	1,167.651
SURPLUS/DEFICIT	1.207	106.721	827.349

RECOMMENDATIONS:

Suez Water New Jersey, Inc. will continue to have a surplus of 0.045 MGD, 71.145 MGM, and 277.675 MGY including this contract with Manalapan Twp. Water Department. Therefore, it is the Bureau's decision that Suez Water New Jersey, Inc. can safely provide Manalapan Twp. Water Department with a maximum of 2.575 MGD, 79.825 MGM, and 848.625 MGY contract volumes while still supplying their other contractual obligations. Therefore, in accordance with N.J.A.C. 7:19-7.3, this contract should be approved at the suggested rates.

Condition: Based on actual contracted sales limits, Suez Water New Jersey, Inc. has limited production capacity surplus of 0.045 MGD. Therefore, Suez Water New Jersey, Inc. shall not commit to sell more water to other water systems until such time Suez Water New Jersey, Inc. increases its production capacity.

Prepared by: Nelson Leal Cuellar

Approval 

Date December 14, 2021

Reviewed by: Ramesh Patel

Signature: 

Date: 12/20/2021

Appendix D
Capital Improvement Plan Schedule



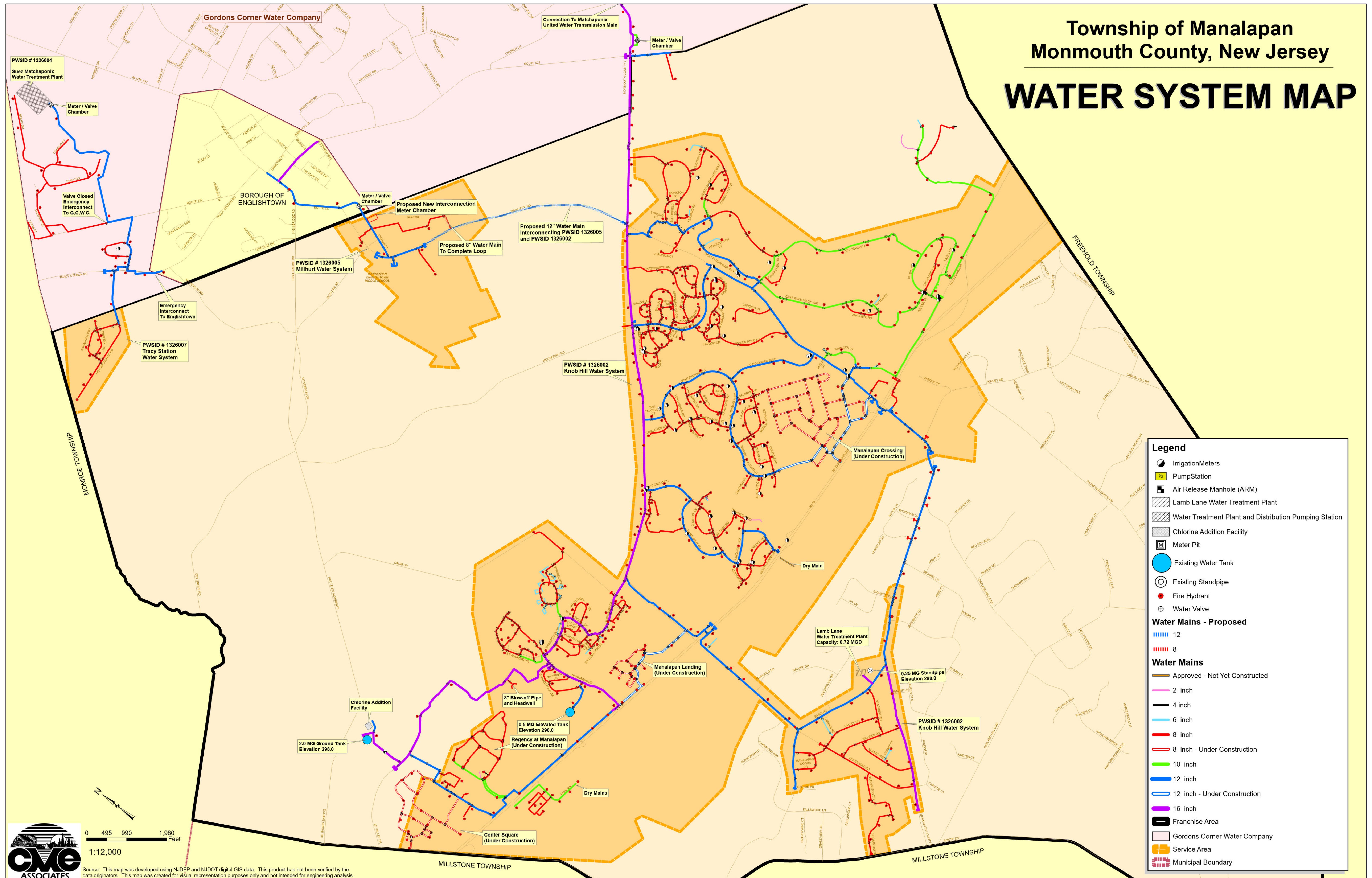
TOWNSHIP OF MANALAPAN, NEW JERSEY
WATER SYSTEM
CAPITAL IMPROVEMENT PLAN



2023				2024				2025				2026				2027				FUTURE			
1st Qt.	2nd Qt.	3rd Qt.	4th Qt.	1st Qt.	2nd Qt.	3rd Qt.	4th Qt.	1st Qt.	2nd Qt.	3rd Qt.	4th Qt.	1st Qt.	2nd Qt.	3rd Qt.	4th Qt.	1st Qt.	2nd Qt.	3rd Qt.	4th Qt.	1st Qt.	2nd Qt.	3rd Qt.	4th Qt.
		MILHURST WATER MAIN EXTENSION																					
										SYSTEM VALVE REHABILITATION													
										TATION ST. WATER MAIN REPLACEMENT													
												LAMBS LANE TANK REHABILITATION											
																SCOUT TANK CL SYSTEM							
																				KNOB HILL TANK REHABILITATION			
																				SCOUT TANK REHABILITATION			
																				LAMBS LANE WATER TREATMENT PLANT			
(1) -	ALL CONSTRUCTION AND ENGINEERING ESTIMATES ARE BASED UPON 2024 COSTS																						
(2) -	ALL COSTS FORMULATED ARE PRE-DESIGN ORDER OF MAGNITUDE FIGURES FOR																						

Appendix E
WATER SYSTEM MAP

Township of Manalapan Monmouth County, New Jersey WATER SYSTEM MAP



Legend

Irrigation Meters

Pump Station

Air Release Manhole (ARM)

Lamb Lane Water Treatment Plant

Water Treatment Plant and Distribution Pumping Station

Chlorine Addition Facility

Meter Pit

Existing Water Tank

Existing Standpipe

Fire Hydrant

Water Valve

Water Mains - Proposed

12

8

Water Mains

Approved - Not Yet Constructed

2 inch

4 inch

6 inch

8 inch

8 inch - Under Construction

10 inch

12 inch

12 inch - Under Construction

16 inch

Franchise Area

Gordons Corner Water Company

Service Area

Municipal Boundary

APPENDIX H

DRAFT AGREEMENT OF SALE

RFB VERSION

DRAFT

AGREEMENT OF SALE

BETWEEN

THE TOWNSHIP OF MANALAPAN, NEW JERSEY

AND

[BUYER]

[Date]

Table of Contents

ARTICLE I - DEFINITIONS	1
ARTICLE II - REPRESENTATIONS AND WARRANTIES OF THE TOWNSHIP	3
Section 2.1. REPRESENTATIONS AND WARRANTIES OF THE TOWNSHIP	3
Section 2.2. DISCLAIMER OF OTHER REPRESENTATIONS AND WARRANTIES	3
Section 2.3. SURVIVAL OF REPRESENTATIONS AND WARRANTIES	4
ARTICLE III - REPRESENTATIONS AND WARRANTIES OF THE BUYER	5
Section 3.1. REPRESENTATIONS AND WARRANTIES OF THE BUYER	5
Section 3.2. SURVIVAL OF REPRESENTATIONS AND WARRANTIES	6
ARTICLE IV - BASIC TRANSACTION	7
Section 4.1. PURCHASE AND SALE OF ASSETS	7
Section 4.2. EXCLUDED ITEMS	7
Section 4.3. PURCHASE PRICE	7
Section 4.4. TOWNSHIP TRANSACTION EXPENSE	7
Section 4.5. ADDITIONAL OBLIGATIONS	7
Section 4.6. THE CLOSING	8
Section 4.7. DELIVERIES AT THE CLOSING	8
Section 4.8. APPORTIONMENTS	9
Section 4.9. SETTLEMENT STATEMENT	10
ARTICLE V - PRE-CLOSING COVENANTS	11
Section 5.1. PRE-CLOSING COVENANTS	11
ARTICLE VI - TITLE AND CONDITION OF SYSTEMS	14
Section 6.1. TITLE	14
Section 6.2. PROPERTY INFORMATION MATERIALS	15
Section 6.3. CONDITION OF THE SYSTEMS	15
ARTICLE VII - CONDITIONS TO OBLIGATION TO CLOSE	16
Section 7.1. CONDITIONS TO OBLIGATION OF THE BUYER	16
Section 7.2. CONDITIONS TO OBLIGATION OF THE TOWNSHIP	16
Section 7.3. SCHEDULE FOR CLOSING CONDITIONS	17
ARTICLE VIII - POST-CLOSING OBLIGATIONS OF BUYER	18
Section 8.1. CONTINUATION OF WATER SERVICES	18
Section 8.2. MAINTENANCE, REPAIRS, AND REPLACEMENT	18
Section 8.3. RATE STABILIZATION COVENANT	18
Rate Calculation for Years 3 through 5	18
Section 8.4. WATER PRESSURE	18

Section 8.5. SERVICE TO TOWNSHIP FACILITIES.....	18
Section 8.6. LICENSE FOR WATER TANKS AND IRRIGATION WELL.....	19
Section 8.7 PAVING	19
ARTICLE IX - REMEDIES FOR BREACHES OF THIS AGREEMENT	20
Section 9.1. PRE-CLOSING DEFAULT BY THE BUYER	20
Section 9.2. PRE-CLOSING DEFAULT BY THE TOWNSHIP	20
Section 9.3. POST-CLOSING DEFAULTS.....	20
ARTICLE X - ESCROW AGENT.....	21
Section 10.1. ESCROW	21
ARTICLE XI - NON-BINDING MEDIATION; FORUM FOR DISPUTE RESOLUTION.....	22
Section 11.1. RIGHTS TO REQUEST AND DECLINE NON-BINDING MEDIATION.....	22
Section 11.2. PROCEDURE	22
Section 11.3. NON-BINDING EFFECT	22
Section 11.4. RELATION TO JUDICIAL LEGAL PROCEEDINGS.....	22
Section 11.5. FORUM FOR DISPUTE RESOLUTION	22
ARTICLE XII - INDEMNIFICATION	23
Section 12.1. INDEMNIFICATION BY THE BUYER	23
Section 12.2. THIRD PARTY CLAIMS	23
Section 12.3. NO OTHER DAMAGES.....	24
ARTICLE XIII - MISCELLANEOUS	25
Section 13.1. THIRD PARTY BENEFICIARIES.....	25
Section 13.2. ENTIRE AGREEMENT	25
Section 13.3. SUCCESSION AND ASSIGNMENT	25
Section 13.4. COUNTERPARTS.....	25
Section 13.5. HEADINGS	25
Section 13.6. NOTICES.....	25
Section 13.7. GOVERNING LAW	26
Section 13.8. AMENDMENTS AND WAIVERS	26
Section 13.9. SEVERABILITY	26
Section 13.10. EXPENSES.....	26
Section 13.11. CONSTRUCTION.....	26
Section 13.12. VARIATIONS IN PRONOUNS	27
Section 13.13. INCORPORATION OF EXHIBITS AND SCHEDULES	27
Section 13.14. TRANSFER TAXES.....	27
Section 13.15. TIME IS OF THE ESSENCE	27

Section 13.16. REVIEW OR AUDIT BY OFFICE OF THE STATE COMPTROLLER	27
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LIST OF EXHIBITS

Exhibit A.	Description of the Water System
Exhibit B.	Form of Assignment and Assumption Agreement
Exhibit C.	Form of Bill of Sale
Exhibit D.	2024 Rates
Exhibit E.	List of Written Contracts to Which Township is a Party which Relate to the Water System [Note to Bidders: To be identified.]
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.	Customer Service Standards and Customer Service Plan

AGREEMENT OF SALE

THIS AGREEMENT OF SALE (this “Agreement”), dated [Date] is made and entered into by and between the **TOWNSHIP OF MANALAPAN**, a public body corporate and politic in Monmouth 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 three (3) separate public drinking water systems within the Township currently known as Knob Hill PWS, Millhurst PWS and Tracy Station PWS (collectively, the “Water System”), more particularly described herein, located in the Township of Manalapan, New Jersey; and

WHEREAS, in connection with the proposed sale of its Water System, the Township prepared, advertised, and made available to all prospective buyers a Request for Bids on April 23, 2024; and

WHEREAS, on [June 6, 2024], the Township received bids from [] private water utilities in response to the RFB; and

WHEREAS, after review and clarifications of the Bid(s) 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 Water 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 Water 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 Water System and all exhibits, attachments, and schedules hereto, dated [____ __, 2024].

“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 Manalapan, 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 McLaughlin Stauffer & Shaklee, PC.

“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 Water System, and (b) mortgages, security interests and other liens granted by the Township and encumbering the Water 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 Water 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 Water System issued by the Township on April 23, 2024 and responded to by the Buyer.

“Water System” shall mean the Township’s three (3) separate public drinking water systems with the Township currently known as Knob Hill PWS, Millhurst PWS and Tracy Station PWS, as described in detail in **Exhibit A**.

“Township” means the Township of Manalapan, 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 Monmouth 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. To the best of its knowledge, the Township is the sole owner of all assets and each fee parcel of real property included in the Water System, and leasehold interest, license or easement in all other real property in the Water 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 Water System.
- (F) System Compliance. The Water System is in compliance with all State, federal, and local laws and regulations.
- (G) Rates. The rates, attached as Exhibit D, represents the true rates of the Water System as 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 Water 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 Water System on an “as-is, where-is” basis. The Buyer has satisfied itself in all aspects of the Water 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 Water 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. None of the representation and warranties made by the Township shall survive 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 Water System "as is", and that the Buyer will have no recourse against the Township with respect to any condition of the Water 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 Water System to the extent that the Buyer deemed necessary and has made such examination of the Water 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.

- (I) No Obligation of Township to Implement Improvements. Neither the Buyer’s bid nor the Buyer’s obligations herein, are conditioned upon the implementation of any improvements to be made by the Township and the Buyer acknowledges and agrees that the Township has no obligation to implement any improvements nor is the Township precluded from making such improvements.

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 Water 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 Water System include personal property, office equipment, office supplies, vehicles, cash, securities, and the accounts receivable of the Township relating to the Water 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 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 \$150,000 for costs and expenses incurred and reasonably anticipated to be incurred by the Township in connection with the sale of the Water System, including, but not limited to, attorney, engineering, inspection, and other consultant costs (collectively the "Transaction Costs Payment"). The Buyer agrees to pay the Township one-third (\$50,000) of the Transaction Costs Payment upon the passing of the Township Ordinance approving the sale of the Water System, which amount shall be non-refundable. The Buyer agrees to pay the Township the remaining two-thirds (\$100,000) of the Transaction Costs Payment upon Closing.

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 Water System that arise subsequent to the 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 8.3;
- (E) provide the customers of the Water System with continuous, safe and reliable service in accordance with applicable laws and regulations, and the Buyer’s rate as approved by the BPU;
- (F) maintain or expand the Water System in conformance with existing Township land use and zoning ordinances, master plan, and historic district standards, as applicable; and
- (G) make application for the transfer, effective at the Closing, of all water 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 McLaughlin Stauffer & Shaklee, P.C. 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 Water System without covenant against grantor's acts, in recordable form, duly executed by the Township;
 - (ii) an assignment of easements in the form attached hereto as **Exhibit F**, to convey all easement rights associated with the Water 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) 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;
 - (x) 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;
 - (xi) Such other resolutions, instruments, affidavits and documents as may be reasonably necessary to effectuate the transaction.
- (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 easement rights associated with the Water 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 (\$100,000); 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 Water System assets to be transferred to the Buyer and all other

operating expenses for the Water System allocable to periods before and after the Closing Date, shall be apportioned for the Water 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 Water 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 Water 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 Water 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 Water System. The Township will:
 - (i) continue to operate and maintain the Water System;
 - (ii) maintain the Water 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 Water 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 Water 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 Water System from the date of this Agreement through the Closing Date. In event that the condition of the Water 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 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 Water 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 Water System' customers and any appropriate adjustment to the Purchase Price pursuant to Section 4.8.
- (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 forth 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**.
- (K) Buyer Access. The Township shall provide the Buyer, at the Buyer's sole cost, reasonable access to the Water 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 Water 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

Water 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 Water System. The Township shall cooperate with the Buyer with respect to such access to ensure a smooth transition in ownership of the Water System.

- (L) Confidentiality. Any information provided by the Township to the Buyer regarding the Township's customers and the Water 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 Water 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 Water 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 Water System;
- (D) rights of way and easements that do not materially interfere with the existing use of the real property comprising the Water System;
- (E) zoning and other governmental restrictions; and
- (F) taxes, assessments and other public charges on real property comprising the Water 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 Water 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 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 or made available to the Buyer and the Buyer reviewed the materials and information concerning the Water 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 Water System in its "AS-IS" condition, including its 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 Water System. The Buyer has satisfied itself on all aspects, without limitation, of the Water 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 Water 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 Water 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
- (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.

Section 7.3. SCHEDULE FOR CLOSING CONDITIONS. The Buyer shall promptly initiate and complete its conditions of Closing set forth in Section 7.2, 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 \$50,000 portion of the Transaction Costs Payment that had been paid to the Township upon the passing of the Township Ordinance approving the sale.

ARTICLE VIII - POST-CLOSING OBLIGATIONS OF BUYER

Section 8.1. CONTINUATION OF WATER SERVICES. The Buyer shall continue to provide services in accordance with the Customer Service Standards and the Customer Service Plan described in **Exhibit J** and shall guarantee the distribution, conveyance, and treatment of water to the customers of the Water System in a manner that meets all local, state, and federal laws and regulations relating to the distribution, conveyance and treatment of water and shall operate and maintain the Water 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 Water 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 Water System and shall conduct predictive, preventive, and corrective maintenance of the Water System as required by applicable law.

Section 8.3. RATE STABILIZATION COVENANT. On and after the Closing Date, the Buyer shall adopt and charge rates and charges to Township customers in accordance with the 2025 rates and charges as set forth in Exhibit D. Such rates will not be increased for at least two (2) years from the Closing and over the three (3) years after that, the rates will only be raised in accordance with the annual CPI rate adjustment calculation set forth in Exhibit D and as described below. Any future base rate increases shall be included in Buyer's base rate cases periodically filed with the BPU. The Buyer shall use good faith efforts to minimize rate increases to Township customers .

Rate Calculation for Years 3 through 5

For years 3 through 5 following the Closing, the percent increase is based upon the published New York Metropolitan Region Consumer Price Index (CPI) percent increase for the immediately preceding year in accordance with the following table:

CPI (%)	Water Rate Increase	Examples
0-1	0-1: point for point	0.3% CPI= 0.3% increase
1-4	1 + (1/2 difference >1, point for point)	3.2% CPI= 2.1% increase
4-6	2 + (1/2 difference >4, point for point)	5.2% CPI= 3.2% increase
6-15	4 + (1/2 difference >6, point for point)	8.2% CPI= 5.1% increase
>15	7.5 + (1/2 difference >15, point for point)	19% CPI= 10.5% increase

Section 8.4. WATER PRESSURE. The Buyer shall maintain the water pressure levels in the Water System at the levels existing in the Water System as of the Closing Date.

Section 8.5. SERVICE TO TOWNSHIP FACILITIES. The Buyer shall provide free water service to Township offices and public and quasi-public facilities located in the franchise

area which are currently provided such services (as well as any future facilities), including but not limited to the following: (i) Manalapan-Englishtown Middle School hydrant; (ii) municipal facilities; (iii) fire and first aid installations; (iv) fire hydrants; and (v) fire department related activities.

Section 8.6. LICENSE FOR WATER TANKS AND IRRIGATION WELL. As of the Closing Date, the Buyer shall grant the Township, at no cost, a perpetual license to continue utilizing the portions of the Water System where certain police equipment is located. In addition, as of the Closing Date, the Buyer shall grant the Township, at no cost, a perpetual license to use Well 4 for irrigation purposes at the Township Recreation Center.

Section 8.7 PAVING. The Buyer shall temporarily and permanently pave Township roads in accordance with the Township's road opening ordinances and specifications and in coordination with other Township road construction projects. The Buyer will provide curb to curb pavement restoration for all Buyer initiated work where water connection repairs or replacements are being performed.

Section 8.8 SURVIVAL. The obligations set forth in this Article VIII shall survive closing.

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 \$50,000 portion of the Transaction Costs Reimbursement paid to the Township upon the passing of the Ordinance approving the sale 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 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 Water 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 Monmouth 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) any material breach of any representation or warranty; (2) the ownership or operation of the Water System subsequent to the Closing Date; (3) any failure by the Buyer to perform its obligations under this Agreement; and (4) 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. 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 12.3. 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:

Township Administrator
Township of Manalapan
120 Route 522
Manalapan, New Jersey 07726

Copy to:

Roger J. McLaughlin, Esq.
McLaughlin Stauffer & Shaklee, P.C.
4814 Outlook Drive, Suite 112
Wall, New Jersey 07753

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 \$50,000 portion of the Transaction Costs Payment paid to the Township upon the passage of the Ordinance approving the sale (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 MANALAPAN

By: _____

Name:

Title:

[BUYER]

By: _____

Name:

Title:

EXHIBIT A

DESCRIPTION OF THE WATER SYSTEM

Please refer to Section 2.0 of the CME Associates April 2024 Water System Evaluation report which is attached to the RFB as Appendix G.

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 Manalapan, a public body corporate and politic in Monmouth 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 [], 2024 (the “Agreement”), providing for the sale by the Assignor of the assets constituting the Water 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 covenant and agree 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 MANALAPAN

By: _____

Name:

Title:

[BUYER]

By: _____

Name:

Title:

SCHEDULE I TO ASSIGNMENT AND ASSUMPTION AGREEMENT

All obligations relating to the Water 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 [], 2024 from the Township of Manalapan, a public body corporate and politic in Monmouth 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 [], 2024 (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 "Water 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 Water 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 Water 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 Water 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 Water System. The Buyer is hereby thus acquiring the Water 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 Water 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 Manalapan, a public body
corporate and politic in Monmouth County in
the State of New Jersey

By: _____

RECEIPT OF THE FOREGOING

BILL OF SALE

ACKNOWLEDGED AS OF

[] 2024.

[BUYER]

By: _____

SCHEDULE I TO EXHIBIT C

INCLUDED ASSETS

All assets that comprise the Water System as described in Exhibit A of the Agreement. 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

Vehicles

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

EXHIBIT D

RATES

EXHIBIT E

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

[Note to Bidders: To be identified.]

EXHIBIT F

FORM OF ASSIGNMENT AND GRANT OF EASEMENTS,

RIGHTS OF WAY, AND OTHER PROPERTY

THIS ASSIGNMENT is made this day of [], 2024 between the **TOWNSHIP OF MANALAPAN**, a public body corporate and politic in Monmouth 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 [], 2024 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 Water 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 water 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, mains and appurtenances, at any and all times for the purpose of operating the Water System and laying, relaying, installing, operating, inspecting, maintaining, repairing, altering, removing, renewing, and replacing the Water System and its 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 MANALAPAN, a
public body corporate and politic in
Monmouth County in the State of
New Jersey

Attest:

By: _____
Name
Title:

STATE OF NEW JERSEY)
 : SS.:
MONMOUTH)

On this, the ____ day of 2024, before me, a Notary Public in and for said County,
personally appeared _____, who acknowledged himself to be the
_____ of the Township of Manalapan, a public body corporate and politic
in Monmouth 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

[Note to Bidders: To be identified.]

EXHIBIT G

FORM OF GENERAL ASSIGNMENT

GENERAL ASSIGNMENT

THIS GENERAL ASSIGNMENT, dated [], 2024, by and between the **TOWNSHIP OF MANALAPAN**, a public body corporate and politic in Monmouth 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 [], 2024 (the “Agreement”) for the sale and purchase of the Water 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 Water 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:

ASSIGNOR:

**TOWNSHIP OF
MANALAPAN**, a public body
corporate and politic in
Monmouth County in the State of
New Jersey

Accepted this ____ day of _____, 20____.

By: _____
Name
Title:

WITNESS:

ASSIGNEE:

[BUYER]

By: _____

By: _____
Name
Title:

SCHEDULE I TO EXHIBIT G
LIST OF ASSIGNED RIGHTS

PERMITS:

[Note to Bidders: To be identified.]

EXHIBIT H

DISCLOSURE SCHEDULE TO THE AGREEMENT OF SALE

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

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)

Rates

☐

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 MANALAPAN**, a public body corporate and politic in Monmouth County in the State of New Jersey (the "Township"), [BUYER], a [] corporation (the "Buyer"), and **MCLAUGHLIN STAUFFER & SHAKLEE, P.C.** (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 Water 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 4.3 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 4.3 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 within 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. 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.

(C) 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.

(D) 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.

(E) 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.

(F) 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.

(G) 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.

(H) 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.

(I) 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.

(J) Escrow Agent shall not bound in any way by any contract or understanding between the parties hereto other than this Agreement, whether or not Escrow Agent has knowledge thereof or consents thereto unless Escrow Agent consents to being so bound in writing.

(K) Escrow Agent shall not have any liability or obligation for loss of all or any portion of the Escrow Amount by reason of the insolvency or failure of the Escrow depository, or any other occurrence or circumstance affecting the Escrow depository.

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:

Municipal Clerk
Township of Manalapan
120 Route 522
Manalapan, New Jersey 07726

Copy to:

Roger J. McLaughlin, Esq.
McLaughlin Stauffer & Shaklee, P.C.
4814 Outlook Drive, Suite 112
Wall, New Jersey 07753

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 Township Administrator as its representative (the "Township's Representative") and agrees 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 MANALAPAN

[BUYER]

By: _____ By: _____
Name Name
Title Title

**ESCROW AGENT
MCLAUGHLIN STAUFFER &
SHAKLEE, P.C.**

By: _____
Name:
Title:

EXHIBIT J

CUSTOMER SERVICE STANDARDS AND CUSTOMER SERVICE PLAN

1. The Buyer shall maintain the Water System laterals from mains to curb line of property and shall undertake all necessary capital improvements, maintenance, repairs, and replacement to the Water 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 Water System.
3. The Buyer shall operate the Water 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 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 Water 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 Water System can report emergencies.
6. The Buyer will abide by New Jersey regulations in providing safe and reliable service.