

Revised 6-1-73

6-18-73
12-20-73

2-11-74

Service Agreement

*Xerox of
Executed Agreement*

THIS AGREEMENT made and dated as of the 21st day of July ,
One Thousand Nine Hundred and Seventy-~~two~~ six ,

BETWEEN

THE OCEAN COUNTY SEWERAGE AUTHORITY (hereinafter referred to as
"Authority"), a public body politic and corporate of the State of New
Jersey,

NEW JERSEY WATER COMPANY ^{AND}

(hereinafter referred to as a
"Participant").

WITNESSETH :

WHEREAS pursuant to the Sewerage Authorities Law, constituting Chapter 138 of the Pamphlet Laws of 1946, of the State of New Jersey, approved April 23, 1946, the Authority was created by virtue of a resolution duly adopted by the Board of Chosen Freeholders of the County of Ocean, New Jersey, and is a public body politic and corporate of the State of New Jersey, organized and existing under said Law, established as an instrumentality exercising public and essential governmental functions to provide for the public health and welfare, with all necessary or proper powers to acquire, construct, maintain, operate and use sewerage facilities for the relief of the waters in, bordering or entering the District (hereinafter defined) from pollution or threatened pollution and for improvement of conditions affecting the public health; and

WHEREAS the Authority is ready to design, finance, construct and put in operation a regional sewerage system, but cannot do so unless substantially all the Participants become legally bound to accept and pay for wastewater treatment service provided by the regional sewerage system from the time such system goes into operation;

WHEREAS each Participant has been requested and is willing to have treatable wastewater originating from it or on its properties treated and disposed of by the Authority pursuant to the terms of this Agreement and has duly authorized its proper officials to enter into and execute for it this Agreement ;

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

ARTICLE I.

DEFINITIONS.

As used or referred to in this Agreement, unless a different meaning clearly appears from the context:

(1) "Act" means the Sewerage Authorities Law, constituting Chapter 138 of Pamphlet Laws of 1946, of the State of New Jersey, approved April 23, 1946, and the acts amendatory thereof and supplemental thereto;

(2) "Authority" shall have the meaning hereinabove given to such term;

(3) "Municipality" means any city of any class, any borough, village, town, township, or any other municipality other than a county or a school district, located within or without the District;

(4) "Government" means the United States of America or any department or agency thereof;

(5) "Local Authority" means any public body corporate and politic of the State of New Jersey;

(6) "Company" means any private corporation formed under the laws of the State of New Jersey or any other state;

(7) "State" means the State of New Jersey or any department or agency thereof;

(8) "Participant" means, in addition to the hereinabove identified party, any of the following who may become a party to a counterpart of this Agreement with the Authority: the Government, the State, a Municipality, Local Authority or Company;

(9) "District" means the area within the territorial boundaries of all the municipal corporations of the State of New Jersey, situate within Ocean County, the Governing Bodies of which have not, prior to the date of this Agreement, adopted a resolution in accordance with Subsection (g) of Section 4 of the Act, and of all municipal corporations of the State of New Jersey, situate within Ocean County, the Governing Bodies of which, prior or subsequent to the date of this Agreement, shall have adopted an ordinance in accordance with Subsection (g) of Section 4 of the Act;

(10) The "Project" consists of all facilities to be constructed to convey, treat, and dispose of wastewater originating in, or delivered to the Authority by Participants. All wastewater will be treated and disposed of in accordance with the requirements of the appropriate regulatory agencies. The facilities will be constructed in three service areas after approval is obtained from the appropriate regulatory agencies, as hereinafter described and shown in the 1973 Master Plan for Wastewater Management, Ocean County, New Jersey, dated February 14, 1973, and any amendments thereto, attached hereto marked Schedule D any by this reference made a part hereof, or any revisions or additions thereto approved by the regulatory agencies having jurisdiction:

1. Northern Service Area--Interceptors start upstream in the westerly portion of the Metedeconk River Basin and proceed downstream to a wastewater treatment facility located south of the mouth of the Metedeconk River. Wastewater originating north of the Metedeconk River and east of Barnegat Bay in the municipalities of Brick, Point Pleasant Beach, Point Pleasant, and Bay Head will be conveyed by interceptor to Wardells Neck where it will be pumped under the Metedeconk River to the treatment facility previously described. The treated effluent will be discharged by an outfall to the Atlantic Ocean east of Mantoloking.

2. Southern Service Area--Interceptors originate in the southern portion of Ocean County in Little Egg Harbor Township and proceed northerly to a wastewater treatment facility located in Stafford Township east of Route 9 and south of Mill Creek. Wastewater originating on Long Beach Island will be conveyed by interceptors serving all political subdivisions on the island to a central point where it will be pumped to the mainland treatment facility previously described. Wastewater originating north and east of the treatment facility in Stafford Township will be conveyed by interceptor to the treatment facility. Treated effluent will be discharged by an outfall to the Atlantic Ocean east of Long Beach Island.

3. Central Service Area--Interceptors start upstream in the westerly portions of the Toms River Basin and proceed downstream to a pumping station located north of the mouth of Toms River. Wastewater will be pumped from this pumping station south under Toms River to a wastewater treatment facility to serve the Toms River Basin as well as areas lying south of Toms River. Interceptors will also start in Union Township and convey wastewater northerly to the treatment facility. The treated effluent will be discharged from an outfall to the Atlantic Ocean east of Island Beach.

(10) The "Project" consists of all facilities to be constructed to convey, treat, and dispose of wastewater and its by-products originating in, or delivered to Ocean County by Participants. All wastewater will be treated and disposed of in accordance with the requirements of the appropriate regulatory agencies. The facilities will be constructed in four service areas after approval is obtained from the appropriate regulatory agencies, as hereinafter described:

1. *Northern Service Area*—Interceptors start upstream in the westerly portion of the Metedeconk River Basin and proceed downstream to a wastewater treatment facility located south of the mouth of the Metedeconk River. Wastewater originating north of the Metedeconk River and east of Barnegat Bay in the municipalities of Brick, Point Pleasant Beach, Point Pleasant, Bay Head and Mantoloking will be conveyed by interceptor to Wardells Neck where it will be pumped under the Metedeconk River to the treatment facility previously described. The treated effluent will be discharged by an outfall to the Atlantic Ocean east of Mantoloking.

2. *Southern Service Area*—Interceptors originate in the southern portion of Ocean County in Little Egg Harbor Township and proceed northerly to a wastewater treatment facility located in Stafford Township east of Route 9 and south of Mill Creek. Wastewater originating on Long Beach Island will be conveyed by interceptors serving all political subdivisions on the island to a central point where it will be pumped to the mainland treatment facility previously described. Wastewater originating north and east of the treatment facility in Stafford Township will be conveyed by interceptor to the treatment facility. Treated effluent will be discharged by an outfall to the Atlantic Ocean east of Long Beach Township.

3. *Central Service Area*—Interceptors start upstream in the westerly portions of the Toms River Basin and proceed downstream to a pumping station located north of the mouth of Toms River. Wastewater will be pumped from this pumping station south under Toms River to a wastewater treatment facility to serve the Toms River Basin as well as areas lying south of Toms River. Interceptors will also start in Union Township and convey wastewater northerly to the treatment facility. The treated efflu-

In the Island Beach section of the Central Service Area interceptors will start in the South Mantoloking section of Brick Township and in the South Seaside Park section of Berkeley Township and convey wastewater southerly and northerly respectively to the Ortley Beach Wastewater Treatment Facility. The treated effluent will be discharged by an outfall to the Atlantic Ocean east of Island Beach.

~~ent will be discharged from an outfall to the Atlantic Ocean east of Island Beach.~~

~~4. Island Beach Service Area Interceptors start in the South Mantoloking section of Brick Township and in the South Seaside Park section of Berkeley Township and convey wastewater southerly and northerly respectively to the Ortley Beach Treatment Facility. The treated effluent will be discharged by an outfall to the Atlantic Ocean east of Island Beach.~~

(11) "Regional Sewerage System" or "Trunk System" means the Project and all sewer conduits, pipe lines, mains, pumping stations, wastewater treatment facilities, disposal systems, plants and works, connections and outfalls, and all other plants, structures, equipment, boats, conveyances and works and other real and tangible personal property acquired or constructed or to be acquired or constructed by the Authority for the purposes of the Authority under the Act, but does not include the local collection sewerage system of any Participant;

(12) "Local Collection Sewerage System" or "Local Sewerage System" means all sewerage systems of Participants which are or may be connected, or are or may be required under the terms of Article III hereof to be connected, with the Regional Sewerage System, including any extensions or enlargements of such systems;

(13) "Plant" means any wastewater treatment facility owned or controlled by a Participant;

(14) "Wastewater" or "wastewater" or "Sewage" means industrial wastes and waterborne human, animal, or vegetable wastes from ~~septic tanks~~, water closets, buildings, residences, industrial establishments or other places, together with such ground water infiltration, surface water, admixtures or other wastes as may be present within normal allowable limits.

(15) "Pollution" shall have the meaning given to such term in the Act;

(16) "Service Charges" means rents, rates, fees, or other charges for direct or indirect connection with, or the use or services of, the Regional Sewerage System which the Authority, under the provisions of Section 8 of the Act, is or may be authorized to charge and collect with regard to persons or real property;

the limits prescribed in the Sewer Use Rules and Regulations marked Schedule B, attached hereto.

(17) "Annual Charge" shall have the meaning given to such term in Article V hereof;

(18) "Deficiency" shall have the meaning given to such term in Article V hereof;

(19) "Extension" means any new sewer main which is not part of the Project and which extends the Regional Sewerage System into territory not theretofore drained into the trunk sewer, Regional Sewerage System
~~intercepting sewer or sewage pumping station described in sub-~~
 (10) ~~paragraph (5) of Article I hereof, through facilities owned by the Authority,~~

(20) "Alteration" means any structure which is not completed in connection with original construction with respect to the Project or any enlargement or change of a structure, which enlargement or change is not completed in connection with such original construction, but does not include an Extension, a renewal or replacement of a part of the Project, or an enlargement or change of the sewage treatment plant constructed as part of the Project;

(21) "Governing Body" shall have the meaning given to such term by the Act; and

(22) "Fiscal Year" means the period of twelve calendar months ending with December 31st of any year.

(23) "Consulting Engineer" means the engineering firm of Fellows, Read and Weber, Inc., Toms River, New Jersey and such other or different independent engineer or firm of engineers of national reputation for skill and experience with respect to construction and operation of sewer systems or facilities as may from time to time be employed by the Authority.

ARTICLE II.

CONSTRUCTION OF THE PROJECT AND OPERATION OF THE REGIONAL SEWERAGE SYSTEM.

(A) The Authority will, with all practical speed, prepare plans for the construction and financing of the Project, and, upon completion of such financing or the making of arrangements therefor satisfactory to the Authority, will with all practicable speed construct and complete

the Project and place the same in operation. The Authority will thereafter operate and maintain and, to the extent permitted under the terms of Paragraph (B) of this Article, enlarge the Regional Sewerage System so as to treat and dispose of all wastewater, without limitation as to flow, which may thereafter be delivered into the Regional Sewerage System by any Participant in accordance with Article III hereof. Before undertaking substantial construction of any part of the Project, the plans for such construction will be submitted by the Authority to all regulatory agencies having jurisdiction for approval. After said approval has been obtained by the Authority from said regulatory agencies, the Authority will proceed with construction.

(B) The Authority may at any time enlarge or alter the Regional Sewerage System or renew or replace any part thereof, but the Authority shall not construct, and nothing in this Agreement shall be deemed to require the Authority to construct, any Extension or Alteration unless any one of the following shall occur: (1) such Extension or Alteration is required to be made or undertaken by the Authority in order to comply with the terms or provisions of a final order of a court of competent jurisdiction directing or requiring the Authority to carry out or to comply with an order or directive, issued by any regulatory agency having jurisdiction as to the collection, treatment, or disposal of sanitary or other wastes, or the enlargement, improvement, alteration, extension, repair or reconstruction of the System or any part thereof, ~~(2) written consent for the construction of such Extension or Alteration shall have been given in any fiscal year by or on behalf of Participants from which the Authority in the next preceding fiscal year receive not less than fifty one per centum (51%) of all monies received by the Authority during such next preceding~~ (2) ~~fiscal year, and~~ (3) in the case of an Extension, the Authority shall by resolution have found that the estimated charges to be made or imposed by the Authority in accordance with Article IV hereof with respect to the wastewater estimated by the Authority to be delivered and discharged into such Extension during the first full year of operation thereof computed at the rate or rates prescribed by the Authority in accordance with said Article IV and applicable with respect to wastewater delivered into the Regional Sewerage System at the time of adoption of said resolution will equal or exceed the estimated cost of operating and maintaining such Extension during such first full year of operation plus ~~five~~ ^{two and one half} per centum (5%) of the estimated cost of construction of such Extension. (2.5%)

The Authority agrees and covenants with the Participant that it shall during the term of this Agreement, treat and dispose of all wastewater delivered to it by the Participant that is in conformance with the Sewer Use Rules and Regulations attached hereto and to be filed with the P.

Upon completion of the Regional Sewerage System the Authority will notify each Participant that the system is operational and that they now have 180 days to connect their Local Collection Sewerage System to the Regional Sewerage System. At the expiration of said 180 days, if any Participant with a Local Collection Sewerage System has failed to connect to the Regional Sewerage System, said Participant shall pay to the Authority an annual charge which shall be computed by the Authority on the basis of one-half of the average flow set forth next to the Participant's name in Schedule "C" of this Agreement. Upon connecting to the Regional Sewerage System, the annual charge shall be determined in accordance with Article IV of this Agreement.

(C) The Authority will at all times maintain with responsible insurers all such insurance as is customarily maintained with respect to sewerage systems of like character against loss or damage to the Regional Sewerage System and against public or other liability to the extent of not less than that reasonably necessary to protect the interest of the Authority and the Participants, and will at all times maintain with responsible insurers all insurance reasonably required and obtainable within limits and at costs deemed reasonable by the Authority to indemnify and save harmless the Participants against all liabilities, judgments, costs, damages, expenses and attorneys' fees for loss, damage or injury to person or property resulting directly or indirectly from the operation or a failure of operation of the Regional Sewerage System caused by the negligence or willful act of the Authority, its employees or agents. The Authority shall keep the Participant informed of its insurance coverage by including in its annual audit report the amounts of insurance carried.

CONNECTIONS TO REGIONAL SEWERAGE SYSTEM.

(A) Upon notice from the Authority, each of the Participants will permit its Local Collection Sewerage System to be connected with the Regional Sewerage System, at the point or points designated therefor in the List of Connection Points attached hereto marked "Schedule A" and by this reference made a part hereof, or at such other point or points upon which such Participant and the Authority may mutually agree. Every such connection shall be made by the Authority at its own cost and expense. Every such connection shall constitute and be operated by the Authority as part of the Project and shall include all such pumping and other facilities as may be necessary to cause all wastewater delivered at said point or points of connection to be discharged into the Regional Sewerage System. Each Participant will deliver all wastewater collected in its Local Collection Sewerage System and deliver at the said point or points of connection. Each Participant, at its own cost and expense, will construct, install and operate any and all extensions of its Local Collection Sewerage System in such a manner as to cause the same to reach to and deliver wastewater at the said point or points of connection. After connection to the Regional Sewerage System, each Participant will keep its Local Collection Sewerage System connected with the Regional Sewerage System, and will deliver and discharge into the Regional Sewerage System all wastewater originating in and collected by it.

In accordance with the Authority's Sewer Use Rules and Regulations attached hereto marked Schedule B and by this reference made a part hereof.

(D) Any Participant who has not constructed a Local Collection Sewerage System at the date of this Agreement agrees that it will proceed forthwith with the planning and construction of such Local Collection Sewerage System as soon as a Professional Engineer, licensed in the State of New Jersey, retained by the Participant, has determined the economic feasibility of the Participant's Local Collection Sewerage System. The determination of economic feasibility must be approved by the Federal and/or State regulatory agencies having jurisdiction in this matter.

(B) Notwithstanding the provisions of Paragraph (A) of this Article, no Participant shall be obligated to deliver and discharge into the Regional Sewerage System wastewater which the Authority may by its written consent exempt from delivery and discharge into the Regional Sewerage System, or to permit or cause its Local Collection Sewerage System collecting or disposing of such wastewater to be connected with the Regional Sewerage System, and no Company shall be obligated to deliver and discharge wastewater into the Regional Sewerage System, whether treated or untreated, which, if discharged into waters in or bordering the State of New Jersey, would not cause or constitute violation of Subsection (a) of Section 28 of the Act, or any laws of the State or the Government relating to said waters or any valid regulation or requirement relating to said waters made pursuant to said laws by any regulatory agency having jurisdiction with respect to said waters, or wastewater which it discharges into the Local Collection Sewerage System of a Participant or to permit or cause its sanitation or drainage system collecting or disposing of such wastewater to be connected with the Regional Sewerage System.

(C) Notwithstanding the provisions of Paragraph (A) of this Article or any other Article hereof, a Participant other than a Company shall not have the right under this Agreement to deliver and discharge into the Regional Sewerage System any wastewater except wastewater collected (1) in such Municipality, or (2) by such Local Authority or (3) in sewers outside such Municipality or Local Authority which at the date of this Agreement are connected with its Local Collection Sewerage System unless the Authority shall have given its written consent to such delivery and discharge. Notwithstanding the provisions of Paragraph (A) of this Article or any other Article hereof, no Company shall have the right under this Agreement to deliver and discharge into the Regional Sewerage System wastewater originating elsewhere than in its plant, unless the Authority shall have given its written consent to such delivery and discharge.

ARTICLE IV.

CHARGES AND ESTABLISHMENT OF RATES BY AUTHORITY.

(A) The Authority will make and impose rates or charges with respect to all wastewater delivered into the Regional Sewerage System by any Participant. Such rates or charges shall, as nearly as the Authority shall deem to be practicable and equitable, be uniform

The rates or charges shall be computed as illustrated in Rates/Charges Computation attached hereto, marked Schedule E and by this reference made a part hereof, and any modification thereto which may be required, by Rules and Regulations for User Charge Systems which may be issued by the U.S. Environmental Protection Agency.

throughout the District for the same type, class, amount of use or service of the Regional Sewerage System. Said rates or charges may and shall at all times be such that the receipts of the Authority shall be sufficient to pay or provide for the expenses of operation and maintenance of the Regional Sewerage System, including (without limitation of the foregoing) insurance, renewals, replacements, and a reserve for working capital not to exceed three per centum (3%) of the amount set forth as operating expenses in the annual budget of the Regional Sewerage System, and, subject to the provisions of Paragraph (b) of Article II hereof, Alterations and Extensions, and the principal of and interest on any and all bonds or other obligations of the Authority as the same become due, and to provide for any deficits of the Authority resulting from failure to receive sums payable to the Authority by any Participant or from any other cause, and to maintain such reserves or sinking funds for any of the foregoing purposes as may be required by the terms of any contract or other obligation of the Authority.

(B) Such rates or charges made and imposed by the Authority shall be computed for the service rendered the Participants for the treatment and disposal of wastewater by the Authority at rates which shall be the same for each million gallons delivered to the Regional Sewerage System and in addition, shall give effect to quality differentials which take into account Biochemical Oxygen Demand and suspended solids concentrations, chlorine demand and ~~such other factors as the Authority and the Consulting Engineer shall determine to equitably evaluate the waste.~~

other characteristics in the wastewater which must be removed in order to maintain the required standards of treatment or which are required to be removed by the direction of any regulatory agency, which would increase the cost of treatment.

The Authority, prior to the discharge and delivery of wastewater into the Regional Sewerage System, shall prescribe an initial schedule and from time to time whenever necessary after prescribing such initial schedule (but only after public hearing thereon held by the Authority at least twenty days after notice of the time and place of such hearing shall have been mailed to each Participant at its usual place of business), the Authority shall review the schedule of such rates, which shall at all times comply with the terms of any contract or other obligation of the Authority and shall be based or computed on the charge per million gallons and the quality and other characteristics of wastewater so discharged and delivered. Any revised schedule of rates shall not go into effect less than 120 days from its adoption. Any Participant aggrieved by any part of such revised schedule which fails to conform with the terms and provisions of this Agreement may institute appropriate judicial proceedings to have same revised for the purpose of obtaining correction of said part of such revised schedule.

ARTICLE V.

PAYMENT BY PARTICIPANTS.

Deficiency can be further defined as the charge for additional gallons of wastewater delivered by a Participant to the Authority over and above the number of gallons used in the estimate. A deficiency could be incurred for the treatment of high strength wastewater as compared to normal domestic wastewater and for additional elements in the wastewater which must be removed at additional cost to the Authority.

(A) Each Participant will pay to the Authority the charges (herein called "Annual Charge") made or imposed by the Authority with respect to the wastewater delivered and discharged into any part of the Regional Sewerage System by or on behalf of such Participant in any Fiscal Year. Such Annual Charge shall be computed and established by the Authority on the basis of the quantity and other characteristics of the wastewater so delivered as shown by the records of the Authority, at the rate or rates prescribed by the Authority in accordance with Article IV hereof applicable from time to time during such Fiscal Year with respect to the said wastewater delivered during such Fiscal Year. Each such Annual Charge shall in all events be due and payable not later than January 15 next ensuing after the close of such Fiscal Year, but provision for and payment of every such Annual Charge will be made by each Participant in accordance with the following Paragraphs of this Article.

(B) On or before January 25 of the Fiscal Year which the Authority may estimate as the year in which the Regional Sewerage System or any part thereof will be placed in operation and on or before January 25 of each Fiscal Year thereafter, ~~and in any event on or before January 25 of each Fiscal Year after the Regional Sewerage System or any part thereof shall have been placed in operation,~~ the Authority will make an estimate, based upon the estimated quantity, quality and other characteristics of wastewater to be delivered by every Participant, of the amount of the Annual Charge which will become payable from each Participant with respect to wastewater to be delivered and discharged in such Fiscal Year and, on or before February 1 next ensuing, will make and deliver to such Participant its certificate stating such estimated amount of the Annual Charge. In the event that any part of the Annual Charges computed and established in accordance with Paragraph (A), of this Article theretofore becoming due and payable to the Authority from such Participant shall not have been paid, the Authority will include in such certificate an additional provision separately stating the amount of such unpaid part (herein called "Deficiency")

(C) Each Participant will in each Fiscal Year make all budgetary and other provisions or appropriations necessary to provide for and authorize the payment by the Participant to the Authority during

On or before November 15 preceeding the Fiscal Year which the Authority may estimate as the year in which the Regional Sewerage System, or any part thereof, will be placed in operation and on of before November 15 of each Fiscal Year thereafter, the Authority will deliver to each Participant a preliminary estimate of the Annual Charge.

such Fiscal Year of the estimated amount of the Annual Charge and the amount of the Deficiency (if any) stated in the certificate delivered in such Fiscal Year to it by the Authority as aforesaid.

(D) On or before March 1 of each Fiscal Year, each Participant will pay to the Authority the amount of the Deficiency (if any) stated in the certificate delivered in such Fiscal Year to it by the Authority as aforesaid. Each Participant will pay to the Authority the estimated amount of the Annual Charge stated in the certificate delivered in such Fiscal Year to it by the Authority as aforesaid in four equal installments, on March 1, June 1, September 1 and December 1 of such Fiscal Year, provided that in the Fiscal Year which the Authority may estimate as the year in which the Regional Sewerage System or any part thereof will be placed in operation, said estimated amount shall be divided into as many installments as there are months in such Fiscal Year, beginning after the day which the Authority shall estimate as the day on which the Regional Sewerage System or any part thereof will be placed in operation and one of such installments shall be due and payable to the Authority on the first day of each such month.

(E) In the event that the amount of the Annual Charge computed and established in accordance with Paragraph (A) of this Article becoming due from any Participant with respect to wastewater delivered and discharged in a Fiscal Year shall be less than the estimated amount of such Annual Charge stated in the certificate delivered in such Fiscal Year to it by the Authority, the Authority will on or before March 1 next ensuing return to such Participant the difference between said amounts in cash or, at the option of the Participant, by credit against payments then or theretofore due to the Authority from such Participant under the provisions of Paragraph (A) or Paragraph (D) of this Article.

~~(F) The sums payable by a Municipality or a Local Authority to the Authority under the provisions of this Article are and shall be in lieu of Service Charges with regard to real property in such Municipality, or district of such Local Authority, directly or indirectly connected with the Regional Sewerage System and real property connected to the Local Sewerage System of such Municipality, or such Local Authority connected with the Regional Sewerage System in accordance with Article III hereof. So long as such Municipality or Local Authority shall not be in default in the making of any payment becoming due from it under the provisions of this Article, the Authority will suspend Ser-~~

~~also Charges with regard to such real property. For the purposes of this Paragraph, a Municipality or Local Authority shall be deemed to be in default if such Municipality or Local Authority, for a period of thirty (30) days after its due date, shall fail to make in full to the Authority any payment required to be made by it under the provisions of this Agreement.~~

The Authority and the Participant shall attempt to promptly resolve the issue.

ARTICLE VI.

METERS AND RECORDS; INSPECTION; AND LOCAL OPERATIONS.

(A) The Authority will provide, install and use meters for determining the quantity, and make tests and use other means for determining the quality and other characteristics, of all wastewater which shall be delivered and discharged into any part of the Regional Sewerage System in the District by each of the Participants, and, in accordance with sound engineering practice, shall determine such quantity, quality and characteristics. A copy of each such determination made by the Authority with respect to each Fiscal Year shall be mailed to each Participant at its usual place of business and, for all purposes of the Agreement, shall be conclusively deemed to have been made in accordance with this Article and to be correct at the expiration of sixty days after such mailing unless within said period of sixty days a Participant shall have filed with the Authority an objection thereto stating that such determination is incorrect and stating the changes therein which should be made in order to correct such determination. Any controversy or claim involving a Participant which shall have so filed an objection to such determination and arising out of or relating to such determination shall, upon notice given by such Participant to every other Participant which may be affected by any change in such determination and reasonable opportunity for such other Participant or Participants to be heard, be settled by arbitration, in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any Court having jurisdiction thereof. From and after the placing of the Regional Sewerage System in operation, the Authority will make and keep permanent records of the quantity, quality and other characteristics of wastewater delivered and discharged into the Regional Sewerage System by each of the Participants. For the purpose of determining the quantity, quality and other characteristics of any wastewater which shall or may be delivered and discharged into the Regional Sewerage System by a Participant, the Authority shall

receipt by t
Participant
unresolved

have the right at all reasonable times to enter upon and inspect the Local Collection Sewerage System of each Participant, and to take samples under ordinary operating conditions and make tests, measurements and analyses of wastewater or other wastes in, entering or to be discharged into such system. The Authority will make and keep a record of tests, measurements and analyses of such wastewater or other wastes entering such system, and upon the written request of any Participant will make available to such Participant the results of such tests, measurements or analyses.

(B) No Participant shall construct, enlarge or operate a plant for the treatment and disposal of wastewater unless (1) required so to do by the terms of Article VII hereof or (2) the Authority shall have given its written consent thereto.

(C) No Participant shall permit any connection to or extension of its Local Collection Sewerage System for anything other than sanitary sewers. ~~Each Participant, before making any new connection to or extension of its Local Collection Sewerage System, or drainage systems, will submit the plans therefor to the Authority and, in making the same, will permit the Authority to inspect the work and will comply with all requests of the Authority with respect thereto reasonably designed to assure exclusion from the Regional Sewerage System of any storm water drainage.~~ In addition, each Participant will maintain its Local Collection Sewerage System in such a manner as to exclude any excessive infiltration into the system. If excessive infiltration exists or occurs at some future date the Participants will effect such repairs so as to reduce the infiltration to normally allowable limits, which are acceptable to those regulatory agencies having jurisdiction.

and stormwater inflow

and/or stormwater inflow

or other measures

or inflow

ARTICLE VII.

REQUIREMENTS REGARDING DELETERIOUS WASTES.

(A) Wastewater discharged into the Regional Sewerage System by or on behalf of each Participant shall comply with the requirements prescribed therefor in the Requirements as to Wastewater Discharged into the Regional Sewerage System attached hereto, marked "Schedule B" and by this reference made a part hereof.

(B) The Authority may, from time to time, make any amendment or amendments of said requirements which may be reasonably necessary to prohibit or properly regulate the delivery or discharge into the Regional Sewerage System of substances which, alone or in combina-

The final analysis for determining the method of dealing with extraneous flows in Local Collection Sewerage Systems must be based upon a cost-effective evaluation as required by the regulatory agencies.

(D) In order to satisfy the requirements of the U.S. Environmental Protection Agency, the Authority and each Participant will adopt and enforce ordinances or resolutions providing for an industrial cost recovery system, a system of user charges and regulations concerning sewer use, all subject to the approval of the U.S. Environmental Protection Agency and the New Jersey State Department of Environmental Protection.

Sewer Use Rules and Regulations

tion with other substances delivered and discharged into the Regional Sewerage System from the same source, are or may be or may reasonably be expected to be substantially injurious or deleterious to the Regional Sewerage System or to its efficient operations, and which, having regard to the public health and safety and the purposes of the Authority, does not unreasonably restrict the operations of a Participant or the use of property of or located in the area of a Participant. Every such amendment shall take effect sixty (60) days after a copy of such amendment shall have been ~~mailed to~~ each Participant at its usual place of business and, for all purposes of this Agreement, shall be conclusively deemed to have been made in accordance with this Article and to be fully authorized upon the expiration of said period of sixty (60) days unless within said period of sixty (60) days a Participant shall have filed with the Authority an objection thereto stating that such amendment would unreasonably restrict the operations of such Participant or the use of property of or located in the area of such Participant and stating the manner in which such amendment would so restrict such operations or such use of property. Any controversy or claim involving a Participant which shall have so filed an objection to any such amendment and arising out of or relating to the making of such amendment, or the breach of any requirement provided by such amendment, shall be settled by arbitration, in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any Court having jurisdiction thereof. ~~Schedule B attached hereto.~~ received by

which is a Participant

(C) Each Participant will cause all wastewater at any time discharged into the Regional Sewerage System by it or on its behalf to comply with ~~said requirement and the amendments thereof, if any, then in effect.~~ Each Participant will permit no new connections and will discontinue existing public connections and will require the discontinuance of existing private connections to its Local Collection Sewerage System, which allow entrance therein of such wastewater as will cause the discharge at any time into the Regional Sewerage System from such Local Collection Sewerage System of wastewater which does not comply with said requirements and the amendments thereof, if any, then in effect. Each Company will operate its plant in such manner and will provide and operate such pre-treatment in other facilities approved by the Authority as will prevent the discharge at any time into the Regional Sewerage System of any wastewater originating in its plant which does not comply with said requirements and the amendments thereof, if any,

then in effect. The Authority will, from time to time, make determinations of the respects in which wastewater discharged into the Regional Sewerage System by a Participant is not in compliance with said requirements and the amendments thereof, if any, then in effect. A copy of said determination shall be mailed to such Participant at its usual place of business and for all purposes of this Agreement, shall be conclusively deemed to have been made in accordance with this Article and to be correct at the expiration of thirty (30) days after such mailing unless within said period of thirty (30) days such Participant shall have filed with the Authority an objection thereto stating that such determination is incorrect and stating the changes therein which should be made in order to correct such determination. Any controversy or claim involving a Participant which shall have so filed an objection to any such determination and arising out of or relating to such determination shall be settled by arbitration, in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any Court having jurisdiction thereof.

(D) In order to satisfy the requirements of the U.S. Environmental Protection Agency, the Authority and each ~~Municipality and Local Authority~~ Participant will pass ~~an~~ enforceable ordinance or resolution adopting an equitable cost recovery system for industrial wastes subject to U. S. Environmental Protection Agency approval.

ARTICLE VIII.

CONTRACTS WITH OR SERVICE TO OTHERS.

Except as otherwise provided in Paragraph (B) of Article II hereof, nothing in the Agreement contained shall restrict in any way the right and power of the Authority, in its discretion, at any time and from time to time to accept delivery and discharge into the Regional Sewerage System of wastewater from sources other than a Participant, or to enter into agreements with any municipal corporation, within or without the District or with any other public body, person, partnership, firm or corporation providing for or relating to the disposal of wastewater or with respect to the delivery or discharge into the Regional Sewerage System of wastewater originating within or without the District, provided that the charges with respect to such wastewater delivered and discharged into the Regional Sewerage Sys-

and a regulation concerning sewer use

is proposed to be made with any public body, person, partnership, firm or corporation where the wastewater is from a source within the Participant's jurisdiction shall be approved by the Participant in writing prior to being executed by the Authority and such public body, person, partnership, firm or corporation. The approval of such contract shall be at the sole discretion of the Participant.

tem made and imposed pursuant to Article IV hereof, or charged and collected pursuant to the Act shall not be computed or established at any rates less favorable to the Authority than the rates applicable with respect to wastewater delivered and discharged into the Regional Sewerage System by the Participants, and the terms and conditions of any such agreement shall not be less favorable to the Authority than the terms and conditions of this Agreement.

ARTICLE IX.

ENFORCEMENT.

(A) If any payment or part thereof due to the Authority from any Participant shall remain unpaid for thirty (30) days following its due date, such Participant shall be charged with and will pay to the Authority interest on the amount unpaid from its due date until paid at the rate of eight per centum (8%) per annum, and in the case of a Municipality or Local Authority, the Authority, in its discretion, may charge and collect Service Charges with regard to persons and real property within such municipality or Local Authority sufficient to meet any default or deficiency in any payments herein agreed to be made by such Municipality or Local Authority. If in any such case Service Charges are so collected, the amount so collected by the Authority will be credited against the amount of such default or deficiency or any payments then or theretofore due to the Authority from such Municipality or Local Authority under the provisions of Paragraph (A) or Paragraph (D) of Article V hereof, and the Authority will furnish to the Municipality or Local Authority a list of the names of the persons making payment to the Authority of such persons respectively, and the Municipality or Local Authority will give fair and proper credit to such persons for the several amounts so paid by them.

(B) Every obligation assumed by or imposed upon any Participant by this Agreement, shall be enforceable by the Authority by appropriate action, suit or proceeding at law or in equity, and the Authority may have and pursue any and all remedies provided by law for the enforcement of such obligation, including the remedies and processes provided by the Act with respect to Service Charges or other obligations.

(C) This Agreement shall be binding upon and be deemed to be executed by all subsidiary corporations of each Company and all cor-

porations controlled by it and any Company in which it may be merged or with which it may be consolidated and any Company resulting from any merger or consolidation to which it shall be a party. Before any Company shall transfer the ownership, occupancy or control of all or any part of its Plant to any other person, partnership, firm or corporation (hereinafter called "successor"), the Company will request such successor, by agreement with the Authority supplemental to this Agreement, to assume and undertake all of the obligations hereunder of the Company with respect to such Plant or part thereof and, if such successor be controlled or subject to control by the Company, the Company will cause such successor to assume, undertake and perform each and all of said obligations.

(D) Failure on the part of the Authority or of any Participant in any instance or under any circumstances to observe or fully perform any obligation assumed by or imposed upon it by this Agreement shall not make the Authority liable in damages to a Participant or relieve a Participant from making any payment to the Authority or fully performing any other obligations required of it under this Agreement, but such Participant may have and pursue any and all other remedies provided by law for compelling performance by the Authority or such other Participant of said obligation assumed by or imposed upon the Authority or such other Participant.

ARTICLE X.

REIMBURSEMENT FOR ABANDONED FACILITIES.

If, at the date of this Agreement a Participant owns and operates a plant constructed prior to July 16, 1970, and upon the making of connection to the Regional Sewerage System of its Local Collection Sewerage System pursuant to Article III hereof, operation of said plant is stopped and permanently discontinued, the Authority will, ~~within sixty (60) days after such discontinuance,~~ pay to such Participant as reimbursement for the remaining useful life of said plant, a sum of money computed in accordance with this Article. In computing said sum, the original cost of each unit of such plant shall be first determined in accordance with generally accepted accounting principles, provided that land and rights in land, shall not be items of such original cost, but the original cost of enlargements or extensions shall be such items and for the purpose of this Article each such enlargement or extension shall be

wastewater treatment

municipality or Local Authority who is a

and all major additions or modifications constructed prior to July 16, 1970,

regarded as a unit. From the original cost of each such unit so determined shall first be deducted all contributions, grants, assistance or other donations received by the Participant or applied in aid of acquiring, constructing and financing such unit and any and all other items of such original cost which were not borne by the Participant excluding, however, any such contributions, grants, assistance or other donations which must be repaid by such Participant to any other person, partnership, firm or corporation having usage rights in such unit. From the balance of the original cost of such unit then remaining shall be deducted a sum equal to two and one-half per centum (2½%) per annum on such balance for the period elapsed from the date when such unit was placed in operation until the date of the making of such connection. The aggregate of the remainders, if any, so computed as to all such units of such plant shall be the sum of money to be paid by the Authority to the Participant, as aforesaid. Notwithstanding such payment, the said plant shall remain the property of the Participant.

In any event the sum of money to be paid by the Authority to the Participant shall not be less than the Participant's outstanding indebtedness for the facility at the time of abandonment.

ARTICLE XI.

REIMBURSEMENT FOR FACILITIES TO BE ACQUIRED AS PART OF THE SYSTEM.

If, at the date of this Agreement, a Participant owns and operates a plant, trunk line or pumping station constructed prior to July 16, 1970, which the Authority intends to acquire as part of the Regional Sewerage System, except where Authority has agreed to acquire those facilities by reimbursement for the Participant's cost of the approved addition, the Authority will, within sixty (60) days after the date of this Agreement or at such later date as may be mutually agreed upon, pay to such Participant as reimbursement for such facility, a sum of money computed in accordance with this Article. In computing said sum, the cost of construction of such unit shall be determined as of the date of this Agreement by the Authority and the Consulting Engineer in accordance with sound engineering practice relying on standard engineering tables for the estimate of costs. From this construction cost shall be deducted all contributions, grants, assistance or other donations received by the Participant which were applied in aid of acquiring, constructing and financing such unit and any and all other items of cost which were not borne by the Participant, excluding, however, any such contributions, grants, assistance or other donations which are required to be repaid by such Participant to the State Department of Environmental Protection,

July 1, 1976 in which event this Agreement shall be null and void.

or any other person, partnership, firm or corporation having usage rights in such unit. From the balance of the construction cost of such unit then remaining shall be deducted a sum equal to two and one-half per centum (2½%) per annum on such balance for the period elapsed from the date when such unit was placed in operation until the date of this Agreement. This amount which shall be paid to the Participant shall be known as the reproduction cost. If the Participant will not accept the reproduction cost estimated by the Authority and their Consulting Engineer, an arbitration panel shall be appointed consisting of three members. One member shall be the Consulting Engineer, one member shall be appointed by the Participant and the third member shall be elected by the other two members of the panel. This arbitration panel shall then seek the reproduction cost and its findings shall be binding on all parties.

ARTICLE XII.

TERM OF AGREEMENT.

This Agreement shall come into effect as provided in Article XIII hereof and shall thereafter be and remain in full force and effect, unless construction has not started on any part of the Regional Sewerage System by June 30, 1975, but at any time after five years from the date of this Agreement and after the payment in full of all obligations of the Authority, including its bonds, original or refunding or both, issued to finance the construction, replacement, maintenance or operation of the Regional Sewerage System, any Participant may, upon two years' notice to the Authority and to each of the other Participants, withdraw from this Agreement and thereafter cease to be a Participant.

However,

ARTICLE XIII.

EFFECTIVE DATE.

~~This Agreement shall be in full force and effect and be legally binding upon the Authority and all of the Participants, their successors and assigns, upon its execution and delivery by the Authority and by any such selection of the Participants when the aggregate sum of design flows set opposite their names as referred to in the Estimate of Flows (1980) attached hereto, marked Schedule C and by this reference made~~

This Agreement shall be in full force and effect and be legally binding upon the Authority and each of its Participants, their successors and assigns, situated in any service area which shall then have executed the same, upon its execution and delivery by the Authority and by any such selection of the Participants situated within such service area, as, upon aggregating the estimated 1980 flow (MGD) set opposite their names in the Estimate of Flows (1980) marked Schedule C attached hereto, and by this reference made a part hereof, represents eighty per centum (80%) of the total 1980 estimated flow (MGD) for such service area: Provided, however, that the Authority shall not undertake construction of any part of the project located within any such service area until twenty (20) days after it shall have filed with each Participant a certified copy of its resolution finding and determining that it has received a firm commitment for grants-in-aid for such construction from the United States of America, the State of New Jersey or agencies of either, in an amount equal to at least seventy per centum (70%) of the eligible cost of such construction. Service Area means any one of the three service areas set forth in Subdivision 10 of Article I.

~~a part hereof, represents eighty per centum (80%) of the total of the amounts set forth in said Estimate of Flows (1980).~~

ARTICLE XIV.

AUTHORITY AND PARTICIPANT CONSENT.

(A) Whenever, under the terms of this Agreement, the Authority is authorized to give its written consent, the Authority, in its discretion, may give or refuse such written consent and, if given, may restrict, limit or condition such consent in such manner as it shall deem advisable. Acceptance by the Authority into the Regional Sewerage System from a Participant of wastewater in a volume or at a rate or with characteristics exceeding or violating any limit or restriction provided for by or pursuant to this Agreement in one or more instances or under one or more circumstances shall not constitute a waiver of such limit or restriction or of any of the provisions of this agreement and shall not in any way obligate the Authority thereafter to accept or make provision for wastewater delivered and discharged into the Regional Sewerage System in a volume or at a rate or with characteristics exceeding or violating any such limit or restriction in any other instances or under any other circumstances.

(B) Whenever, under the terms of this Agreement, a Municipality is authorized to give its written consent, such consent may be given and shall be conclusively evidenced by a copy, certified by its Clerk and under its seal of a resolution purporting to have been adopted by its Governing Body and purporting to give such consent. Whenever, under the terms of this Agreement, a Local Authority is authorized to give its written consent, such consent may be given and shall be conclusively evidenced by a copy certified by its Secretary and under its seal, of a resolution purporting to have been adopted by the Local Authority or its members and purporting to give such consent. Whenever, under the terms of this Agreement, a Company is authorized to give its written consent, such consent may be given and shall be conclusively evidenced by an instrument in writing purporting to give such consent and purporting to be signed in its name by its President or any Vice President, Assistant Vice President, Secretary, Assistant Secretary, General Manager, Assistant General Manager, Treasurer or Assistant Treasurer thereof. Whenever under the terms of this Agreement, the Authority is authorized to give its written consent, such consent may be given and

shall be conclusively evidenced by a copy, certified by its Secretary and under its seal, of a resolution purporting to have been adopted by the Authority or its members and purporting to give such consent.

ARTICLE XV.

ACCOUNTS AND AUDITS.

(A) The Authority will keep proper books of record and account in which complete and correct entries shall be made of its transactions relating to the Regional Sewerage System or any part thereof, and which, together with all other books and papers of the Authority, shall at all reasonable times be subject to public inspection. The Authority will cause its books and accounts to be audited annually by a certified public or registered municipal accountant selected by the Authority, and annually within one hundred days after the close of each Fiscal Year, copies of the reports of such audits so made shall be furnished to the Authority and to each Participant, including statements in reasonable detail, accompanied by a certificate of said accountant, of financial condition, of revenues and operating expenses, of all funds held by or for the Authority, and of the number, amount and classification of customers and services of the Regional Sewerage System and of the Annual Charges, or other revenues, if any, collected in each classification.

ARTICLE XVI.

MISCELLANEOUS.

(A) All bonds, notes or other obligations of the Authority referred to in this Agreement or to be issued by the Authority shall, for all purposes of this Agreement, be the sole obligation of the Authority, and shall not in any way be deemed a debt or liability of any Participant.

(B) This Agreement may be executed in any number of counterparts, each of which shall be executed by the Authority and any one or more of the Participants and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

(C) All notices as mentioned in this instrument shall be by certified mail.

IN WITNESS WHEREOF, the Authority and the Participant have caused their respective corporate seal to be herunto affixed and attested and these presents to be signed by their respective officers thereto duly authorized and this Agreement to be dated as of the day and year first above written.

THE OCEAN COUNTY SEWERAGE AUTHORITY

(SEAL)

By *Jack Meyer*.....
JACK MEYER Chairman

Attest:

John J. Sweeney
JOHN J. SWEENEY
Asst. Secretary

(SEAL)

.....
By *K. B. Earnhardt*
K. B. EARNHARDT, President

Attest:

J. E. Simon.....
J. E. SIMON, Secretary

June 7, 1972

SCHEDULE "A"

List of Connection Points

General

House Connections (Building Sewer):

Individual house connection points will not be provided by the Authority.

Connections Within Participant's Franchise Area:

Connections to all manholes on the trunk system in the franchise area of the Participant are permitted provided the connection is upstream of an Authority operated flow metering station for the Participant and above the spring line of an interceptor. The Authority will provide precast inlets at manholes designated by the Participant as connection points. The Participant will be given an opportunity to designate the size and invert elevation of inlets on the Authority's final plans prior to construction. Inlets will not be provided for future proposed connections where the Participant cannot demonstrate an existing design or need. Connections to manholes made after activation of the Regional Sewerage System will be made according to specifications of the Authority and under the supervision of the Authority and the cost borne by the Participant. It should be borne in mind by the Participant that the location of manholes and inverts of inlets shown on the drawings may change during the course of construction due to field conditions. The Authority will endeavor whenever practical to construct in accordance with the drawings.

Connections Outside Participant's Franchise Area:

Where the Regional Sewerage System does not lie within the Participant's franchise area, the Authority will provide for one connection point to serve the franchised area. If the Participant desires additional connections, the cost will be borne by the Participant.

Connections Conveying All or Part Industrial Wastewater to the Regional Sewerage System:

Flow metering, sampling equipment suitable to the Authority as well as electricity and potable water shall be provided at the

Participant's expense at the source of the industrial wastewater. The Authority will have access at all times to the station and shall be responsible for its operation and maintenance.

Specific

<u>Participant</u>	<u>Connection Point</u>
<i>Northern Service Area</i>	
The Brick Township Municipal Utilities Authority	1. Existing Greenbriar and Lake Riviera Treatment Plants and any manholes on the trunk system in the municipality.
Howell Township	1. Any manhole on the trunk system in the municipality.
Jackson Township Municipal Utilities Authority	1. Existing Brookwood 1, 2 and 3 Treatment Plants and any manhole on the trunk system in the municipality.
Lakewood Township	1. Any manhole on the trunk system in the municipality.
New Jersey Water Company Lakewood District	1. Existing wastewater treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Mantoloking Borough	1. At a proposed pumping station to be constructed in the vicinity of Route 35 and the northerly Mantoloking boundary.
South Lakewood Sewer Co.	1. Existing treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Point Pleasant Borough	1. Any manhole on the trunk system in the municipality.
Bay Head Borough	1. Existing pumping station on Bridge Avenue.
Point Pleasant Beach Borough	1. The existing Point Pleasant Beach Treatment Plant.
<i>Island Beach Service Area</i>	
Berkeley Township Sewerage Authority	1. Existing treatment plant in South Seaside Park.
The Brick Township Municipal Utilities Authority	1. Existing connection to the Dover Sewerage Authority trunk sewer on the southerly boundary of South Mantoloking.

<u>Participant</u>	<u>Connection Point</u>
Dover Sewerage Authority	1. Existing connection points to the northerly trunk sewer running from the Ortley Plant to the Brick/Dover line and at the Ortley Plant of the existing southerly trunk running from the Seaside Heights/Dover line.
Lavallette Borough	1. Existing pumping station on Washington Avenue.
Seaside Heights Borough	1. The existing Seaside Heights Treatment Plant.
Seaside Park Borough	1. The existing Seaside Park pumping station on 12th Avenue.
Island Beach State Park	1. The Berkeley Township Sewerage Authority Plant in South Seaside Park. 2. Park to furnish flow meter suitable to the Authority.
<i>Forked River/Cedar Creek Portion of Central Service Area</i>	
Berkeley Township Sewerage Authority	1. Clamming Creek Treatment Plant. 2. Mill Creek (Chelsea Avenue) Pumping Station. 3. Berkeley Shores Treatment Plant influent pumping station. 4. Any manhole on the trunk system in the municipality.
Lacey Township	1. Any manhole on the trunk system in the municipality.
Ocean Township	1. Any manhole on the trunk system in the municipality.
Mid-Jersey Water & Sewerage Co., Inc.	1. The existing treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Indianola Sewerage Company	1. The existing treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Ocean Gate Borough	1. At a proposed pumping station in the northern portion of the Borough.
Pine Beach Borough	1. At the existing pumping station off Chelsea Avenue in Berkeley Township.

<u>Participant</u>	<u>Connection Point</u>
Union Township	1. Any manhole on the trunk system in the municipality.
B. L. T. Utility Company	1. At the manhole in the vicinity of Old Shore Road and Route 9. 2. Company to furnish flow meter suitable to the Authority.
<i>Toms River Portion of Central Service Area</i>	
Beachwood Sewerage Authority	1. Any manhole on an interceptor paralleling Jakes Branch between Double Trouble Road and Flint Road.
Dover Sewerage Authority	1. Any manhole on the trunk system in the municipality.
Island Heights Borough	1. The Island Heights Treatment Plant.
Berkeley Township Sewerage Authority	1. Any manhole on the trunk system in the municipality. 2. The existing connection to the Toms River Interceptor from the Magnolia Avenue pumping station.
Lakehurst Borough	1. The existing Lakehurst Treatment Plant.
Manchester Township	1. Any manhole on the trunk system in the municipality.
Crestwood Village Sewer Company, Inc.	1. A manhole on an interceptor paralleling Wrangle Brook. 2. Company to furnish a flow meter suitable to the Authority.
South Toms River Sewerage Authority	1. At a manhole in the vicinity of Jakes Branch and Double Trouble Road upstream of the metering station. 2. At a manhole in the vicinity of Jakes Branch and Flint Road.
Lakehurst Naval Air Station	1. Government to connect to a manhole on an interceptor paralleling the Ridgeway Branch north of the existing Lakehurst Naval Air Station Treatment Plant. 2. Government to furnish flow metering equipment suitable to the Authority.

<u>Participant</u>	<u>Connection Point</u>
<i>Long Beach Island</i>	
<i>Portion of Southern</i>	
<i>Service Area</i>	
Barnegat Light Borough	1. Any manhole on the trunk system in the municipality.
Beach Haven Sewerage Authority	1. The Beach Haven Treatment Plant.
Harvey Cedars Borough	1. Any manhole on the trunk system in the municipality.
Long Beach Sewerage Authority	1. The Beach Haven Treatment Plant. 2. The Long Beach Treatment Plant. 3. A pumping station on High Bar Island. 4. Any manhole on the trunk system in the Loveladies section of the municipality.
Ship Bottom Sewerage Authority	1. The Ship Bottom Treatment Plant.
Surf City Borough	1. The Surf City Treatment Plant.
<i>Southern Mainland</i>	
<i>Portion of Southern</i>	
<i>Service Area</i>	
Eagleswood Township	1. Any manhole on the trunk system in the municipality.
Little Egg Harbor Township	1. Any manhole on the trunk system in the municipality.
Mystic Isles Sewerage Company, Inc.	1. The Mystic Isles Treatment Plant. 2. Company to furnish flow meter suitable to the Authority
Stafford Municipal Utilities Authority	1. The Stafford Municipal Utilities Authority Treatment Plant in Beach Haven West. 2. Any manhole on the trunk system in the municipality.
The Borough of Tuckerton Municipal Utilities Authority	1. The Borough of Tuckerton Municipal Utilities Authority Treatment Plant.

SCHEDULE "B"

**Requirements of Wastewaters Discharged Into
The Regional Sewerage System**

Wastewater delivered into the facilities of the Authority shall not:

1. Be of such a strength, quantity or quality as to impair the operation or lower the efficiency of the processes of wastewater treatment and sludge handling and disposal, such as excessive biochemical oxygen demand, suspended solids, or chlorine demand, substances inhibitory to the biological processes such as excessive heavy metals, phenols and their derivatives, strong oxidizing agents or strong reducing agents;

2. Be of such a nature as to prevent the effluent from the plant from meeting all present or future requirements of any governing agency having jurisdiction over the receiving waters, such as standards for biochemical oxygen demand, chemical oxygen demand, suspended solids, color, heavy metals, dissolved oxygen in both effluent and receiving waters, bacterial counts, etc.;

3. Contain any gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid, or gas which by reason of its nature or quality may cause fire or explosion or which, in any other way, may be injurious to personnel or facilities within the sewerage system;

4. Be of such a nature as to form noxious or malodorous gases or substances which either singularly or through interaction with other wastes or substances found in wastewater treatment processes create a public nuisance, hazard to life, or prevent entry into any portion of the sewerage system for operational duties, maintenance or repair;

5. Be of such a nature as to, in any manner, impair the strength, function, or durability of any portion of the sewerage facilities, such as compounds producing hydrogen sulfide or any other substances corrosive to any measurable degree to any materials used in the trunk system;

6. Be of such a nature and in such a quantity as to impair the hydraulic capacity of such facilities, normal and reasonable wear and usage excepted; such wastes would include uncomminuted garbage, animal guts, tissues or blood, paunch manure, bone, hair, hides, fleshings, entrails, feathers, sand, cinders, ashes, spent lime,

stone or marble dust, metal, glass, straw, shavings, grass clippings, rags, spent grain, waste paper, wood, plastic, gas, tar, asphalt residues, etc.;

7. Include any radioactive substance;
8. Include any garbage other than that received directly into public sewers from residences;
9. Have a pH value lower than 5.5 or higher than 9.5;
10. Have a temperature higher than one hundred fifty degrees Fahrenheit (150°F.);
11. Have a flash point lower than 235°F as determined by the Tagliabue (Tag.) closed cup method;
12. Contain fats, wax, grease, or oils, whether emulsified or not, in excess of one hundred milligrams per liter (100 MG/L) or containing substances which may solidify or become viscous at temperatures between thirty two (32°F) and one hundred fifty (150°F) degrees Fahrenheit;
13. Be discharged by tank trucks into manholes or appurtenances of the Regional Sewerage System without written consent of the Authority;
14. Be delivered in a "slug" manner by which is meant that the normal hydraulic or organic loadings shall not be exceeded by more than a 4.0 factor for any sixty (60) minute period.

All connections to the Regional Sewerage System and Local Collection Sewerage System for garages or other buildings in which grease or oil is handled must be equipped with a suitable mechanism to trap and collect all such oils and greases.

The Authority reserves the right to make whatsoever changes in its discharge requirements as may be necessary for the operation, maintenance, and protection of its Regional Sewerage System, for meeting revised standards of influent or effluent quality of regulatory agencies having jurisdiction in this regard, or for any other reason the Authority deems is desirable or necessary for performing its stated functions.

(See Revised Schedule "C" located on
Revised Page 41)

30

SCHEDULE "C"

<i>Participant</i>	<i>Estimated Flow MGD (1980)</i>
<i>Northern Service Area</i>	
The Brick Township Municipal Utilities Authority	5.8
Howell Township	1.8
Jackson Township Municipal Utilities Authority	1.7
Lakewood Township	0.9
Mantoloking Borough	0.1
South Lakewood Sewer Co.	0.9
New Jersey Water Co., Lakewood District	2.0
Point Pleasant Borough	2.4
Bay Head Borough	0.5
Point Pleasant Beach Borough	0.9
	<hr/>
	17.0
<i>Island Beach Service Area</i>	
Berkeley Township Sewerage Authority	0.1
The Brick Township Municipal Utilities Authority	0.25
Dover Sewerage Authority	0.8
Lavallette Borough	0.8
Seaside Heights Borough	1.0
Seaside Park Borough	1.3
Island Beach State Park	0.1
	<hr/>
	4.35
<i>Forked River/Cedar Creek Portion of Central Service Area</i>	
Lacey Township	2.6
Ocean Township	0.1
Mid-Jersey Water & Sewerage Co., Inc.	0.05
Indianola Sewerage Company	0.7
Ocean Gate Borough	0.2
Pine Beach Borough	0.2
Union Township	0.5
New Jersey Highway Authority	0.03
Berkeley Township Sewerage Authority	0.4
	<hr/>
	4.78

<i>Participant</i>	<i>Estimated Flow MGD (1980)</i>
<i>Toms River Portion of Central Service Area</i>	
Beachwood Borough	0.6
Berkeley Township Sewerage Authority	0.6
Dover Sewerage Authority	6.8
Island Heights Borough	0.2
Lakehurst Borough	0.25
Manchester Township Municipal Utilities Authority ..	1.25
Crestwood Village Sewer Company, Inc.	0.5
South Toms River Borough	0.55
Lakehurst Naval Air Station	0.3
	<hr/>
	11.05
	<hr/> <hr/>
Combined Central Service Area	15.83
<i>Long Beach Island Portion of Southern Service Area</i>	
Barnegat Light Borough	0.3
Beach Haven Sewerage Authority	0.8
Harvey Cedars Borough	0.2
Long Beach Sewerage Authority	1.5
Ship Bottom Sewerage Authority	0.9
Surf City Borough	0.9
	<hr/>
	4.6
<i>Southern Mainland Portion of Southern Service Area</i>	
Eagleswood Township	0.3
Little Egg Harbor Township	0.4
Mystic Isles Sewerage Company, Inc.	0.6
Stafford Municipal Utilities Authority	1.2
The Borough of Tuckerton Municipal Utilities Au- thority	0.3
	<hr/>
	2.8
	<hr/> <hr/>
Combined Southern Service Area	7.4

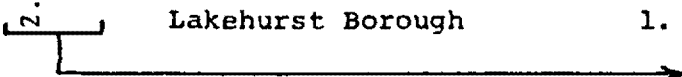
LIST OF CONNECTION POINTS

SPECIFIC

<u>Participant</u>	<u>Connection Point</u>
<u>Northern Service Area</u>	
The Brick Township Municipal Utilities Authority	1. Existing Greenbriar and Lake Riviera Treatment Plants and any manholes on the trunk sys- tem in the municipality.
Howell Township	1. Any manhole on the trunk system in the municipality
Jackson Township Municipal Utilities Authority	1. Existing Brookwood 1, 2 and 3 Treatment Plants and any manhole on the trunk system in the muni- cipality.
Lakewood Township Municipal Utilities Authority	1. Any manhole on the trunk system in the municipality.
New Jersey Water Company Lakewood District	1. Existing wastewater treatment plant. 2. Company to furnish flow meter suitable to the Authority.
South Lakewood Sewer Company	1. Existing treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Point Pleasant Borough	1. Any manhole on the trunk system in the municipality.
Bay Head Borough	1. Existing pumping station on Bridge Avenue.
Point Pleasant Beach Borough	1. The existing Point Pleasant Beach Treatment Plant.

<u>Participant</u>	<u>Connection Point</u>
<u>Central Service Area</u>	
B.L.T. Utility	<ol style="list-style-type: none"> 1. At the manhole in the vicinity of Old Shore Road and Route 9. 2. Company to furnish flow meter suitable to the Authority.
Beachwood Sewerage Authority	<ol style="list-style-type: none"> 1. At a manhole on the Jakes Branch Interceptor at Flint Road.
Berkeley Township Sewerage Authority	<ol style="list-style-type: none"> 1. Existing treatment plants at South Seaside Park and Clamming Creek. 2. Mill Creek (Chelsea Avenue) Pumping Station. 3. Berkeley Shores Treatment Plant influent pumping station. 4. The existing connection to the Toms River Interceptor from the Magnolia Avenue pumping station. 5. Any manhole in the trunk system in the municipality.
The Brick Township Municipal Utilities Authority	<ol style="list-style-type: none"> 1. Existing connection to the Dover Sewerage Authority trunk sewer on the southerly boundary of South Mantoloking.
Crestwood Village Sewer Company, Inc.	<ol style="list-style-type: none"> 1. A manhole on an interceptor paralleling Wrangle Brook. 2. Company to furnish a flow meter suitable to the Authority.
Dover Sewerage Authority	<ol style="list-style-type: none"> 1. Any manhole on the trunk system in the municipality. 2. Existing connection points to the Ortley Plant.

At a manhole on the trunk system
in the vicinity of the Central
Railroad of New Jersey and Route 70.

2. 

<u>Participant</u>	<u>Connection Point</u>
Indianola Sewerage Company	<ol style="list-style-type: none"> 1. The existing treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Island Beach State Park	<ol style="list-style-type: none"> 1. The Berkeley Township Sewerage Authority Plant in South Seaside Park. 2. Park to furnish flow meter suitable to the Authority.
Island Heights Borough	<ol style="list-style-type: none"> 1. The Island Heights Treatment Plant.
Lacey Municipal Utilities Authority	<ol style="list-style-type: none"> 1. Any manhole on the trunk system in the municipality.
Lakehurst Borough	<ol style="list-style-type: none"> 1. The existing Lakehurst Treatment Plant.
Lakehurst Naval Air Station	<ol style="list-style-type: none"> 1. Government to connect to a manhole on an interceptor paralleling the Ridgeway Branch north of the existing Lakehurst Naval Air Station Treatment Plant. 2. Government to furnish flow metering equipment suitable to the Authority.
Lavallette Borough	<ol style="list-style-type: none"> 1. Existing pumping station on Washington Avenue.
Leisure Village West	<ol style="list-style-type: none"> 1. At a manhole on the Union Branch Interceptor upstream of the Ridgeway Branch crossing. 2. Company to furnish a flow meter suitable to the Authority.
Manchester Township Municipal Utilities Authority	<ol style="list-style-type: none"> 1. Any manhole on the trunk system in the municipality.
Mantoloking Borough	<ol style="list-style-type: none"> 1. At a manhole on the northerly end of the South Mantoloking collection system.
Mid-Jersey Water & Sewerage Co., Inc.	<ol style="list-style-type: none"> 1. The existing treatment plant. 2. Company to furnish flow meter suitable to the Authority.
Ocean Gate Borough	<ol style="list-style-type: none"> 1. At a proposed pumping station in the northern portion of the Borough.

<u>Participant</u>	<u>Connection Point</u>
Ocean Township	1. Any manhole on the trunk system in the municipality.
Pine Beach Borough	1. At the existing pumping station off Cnelsea Avenue in Berkeley Township.
Seaside Heights Borough	1. The existing Seaside Heights Treatment Plant.
Seaside Park Borough	1. The existing Seaside Park pumping station on 12th Avenue
South Toms River Sewerage Authority	1. At a manhole in the vicinity of Jakes Branch and Double Trouble Road upstream of the metering station. 2. At a manhole in the vicinity of Jakes Branch and Flint Road.
Union Township	1. Any manhole on the trunk system in the municipality.
 <u>Southern Service Area</u>	
Barnegat Light Borough	1. Any manhole on the trunk system in the municipality.
Beach Haven Sewerage Authority	1. The Beach Haven Treatment Plant.
Eagleswood Township	1. Any manhole on the trunk system in the municipality.
Harvey Cedars Borough	1. Any manhole on the trunk system in the municipality.
Little Egg Harbor Municipal Utilities Authority	1. Any manhole on the trunk system in the municipality.
Long Beach Sewerage Authority	1. The Beach Haven Treatment Plant. 2. The Long Beach Treatment Plant. 3. A pumping station on High Bar Island. 4. Any manhole on the trunk system in the Loveladies section of the municipality.

<u>Participant</u>	<u>Connection Point</u>
Mystic Isles Sewerage Company, Inc.	<ol style="list-style-type: none"> 1. The Mystic Isles Treatment Plant. 2. Company to furnish flow meter suitable to the Authority.
Ship Bottom Sewerage Authority	<ol style="list-style-type: none"> 1. The Ship Bottom Treatment Plant.
Stafford Municipal Utilities Authority	<ol style="list-style-type: none"> 1. The Stafford Municipal Utilities Authority Treatment Plant in Beach Haven West.
Surf City Borough	<ol style="list-style-type: none"> 1. The Surf City Treatment Plant.
Borough of Tuckerton Municipal Utilities Authority	<ol style="list-style-type: none"> 1. The Borough of Tuckerton Municipal Utilities Authority Treatment Plant.

SCHEDULE B
SEWER USE RULES AND REGULATIONS

ARTICLE I

INTRODUCTION

The following Rules and Regulations shall be and are hereby declared to be the Sewer Use Rules and Regulations of The Ocean County Sewerage Authority regarding use of the Regional Sewerage System and nature of the wastes to be discharged to the system. These Rules and Regulations are effective by Resolution duly adopted by The Ocean County Sewerage Authority to wit:

ARTICLE II

DEFINITIONS

Section 2.01. Unless the context specifically and clearly indicates otherwise, the meaning of terms used in these Rules and Regulations shall be as follows:

1. "Authority" means The Ocean County Sewerage Authority, a public body politic and corporate of the State of New Jersey.
2. "Municipality" means any city of any class, any borough, village, town, township, or any other municipality other than a county or a school district, located within or without the District.
3. "Government" means the United States of America or any department or agency thereof.
4. "District" means the area within the territorial boundaries of all the municipal corporations of the State of New Jersey, situate within Ocean County, the Governing Bodies of which have not adopted a resolution in accordance with Subsection (g) of Section 4 of the Act, and of all municipal corporations of the State of New Jersey, situate within Ocean County, the Governing Bodies of which shall have adopted an ordinance in accordance with Subsection (g) of Section 4 of the Act.
5. "Local Authority" means any public body corporate and politic of the State of New Jersey.
6. "Company" means any private corporation formed under the laws of the State of New Jersey or any other state.

7. "Participant" means any of the following who have executed a Service Agreement with the Authority: The Government, the State, a Municipality, Local Authority or Company.
8. "Person" shall mean any individual, firm, company, association, society, corporation, or group.
9. "Regional Sewerage System" or "Trunk System" means the facilities owned and/or constructed by the Authority consisting of all sewer conduits, pipe lines, mains, interceptor sewers, pumping stations, wastewater treatment facilities disposal systems, plants and works, connections and outfalls, and all other plants, structures, equipment, boats, conveyances and works and other real and tangible personal property acquired or constructed or to be acquired or constructed by the Authority for the purposes of the Authority under the Act, but does not include the Local Collection Sewerage System of any Participant.
9. "Act" means the Sewerage Authorities Law, constituting Chapter 138 of Pamphlet Laws of 1946, of the State of New Jersey, approved April 23, 1946, and the acts amendatory thereof and supplemental thereto.
10. "Interceptor Sewer" shall mean a sewer of the Authority which carries wastewater and to which storm, surface, and groundwaters are not intentionally admitted.
11. "Local Collection Sewerage System" or "Local Sewerage System" means all sewerage systems of Participants which are or may be connected to the Regional Sewerage System, including any extensions or enlargements of such systems.
12. "Wastewater" or "Sewage" means industrial wastes and waterborne human, animal, or vegetable wastes from water closets, buildings, residences, industrial establishments or other places, together with such groundwater infiltration, surface water, admixtures or other wastes as may be present within normal allowable limits.
13. "Industrial Wastes" shall mean the liquid wastes from industrial manufacturing processes, trade, commercial, institutional, or business concerns as distinct from sanitary sewage.
14. "B.O.D." (Biochemical Oxygen Demand) shall mean the quantity of oxygen, expressed in ppm by weight, utilized in the biochemical oxidation of organic matter under standard laboratory procedure for five (5) days at twenty (20) degrees Centigrade. The standard laboratory procedure shall be that found in the latest edition of "Standard Methods for the Examination of Water and Sewage" published by the American Public Health Association.

15. "Suspended Solids" shall mean solids that either float on the surface of or are in suspension in water, wastewater or other liquids and which are removable by laboratory filtration. The standard laboratory procedure shall be that found in the latest edition of "Standard Methods for the Examination of Water and Sewage" published by the American Public Health Association.
16. "pH" shall mean the logarithm of the reciprocal of the weight of hydrogen ions, expressed in grams per liter of solution, and indicates the degree of acidity or alkalinity of a substance.
17. "Garbage" shall mean solid wastes resulting from preparation, cooking, and dispensing of food and from handling, storage and sale of produce.
18. "Building Sewer" shall mean the extension from the building drain to the public sewer or other place of disposal.
19. "Chlorine Demand" shall mean the quantity of chlorine absorbed in water, wastewater or other liquids, allowing a residual of 0.1 ppm by weight after fifteen (15) minutes of contact. The standard laboratory procedure shall be that found in the latest edition of "Standard Methods for the Examination of Water and Sewage" published by the American Public Health Association.
20. "Toxic Substance" shall mean any poisonous substance, including copper, cyanide and chromium ions.
21. "Slug" shall mean any discharge of water, wastewater, or industrial waste which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than fifteen (15) minutes more than five (5) times the average twenty-four (24) hour concentration of flows during normal operation.
22. "ppm" shall mean parts per million.
23. "mg/l" shall mean milligram per liter.

ARTICLE IIICONNECTIONS TO THE REGIONAL SEWERAGE SYSTEM

Section 3.01. General Rules and Requirements:

- a. Only a Participant will be allowed to make connections and discharge to the Regional Sewerage System.
- b. No Participant shall uncover, connect with, make any opening into or use, in any matter, any sewer of the Regional Sewerage System for connecting Local Collection Sewerage Systems without first receiving the written consent of the Authority.
- c. Prior to making any connection to the Regional Sewerage System, the Participant shall have the plans and specifications for the connections reviewed and approved by the Authority. Said plans and specifications shall be reviewed by the Authority within 90 days. Upon receipt of approval from the Authority, the Participant shall give the Authority at least forty-eight (48) hours notice of the time when such connection will be made so that the Authority may supervise and inspect the work of connection.
- d. All Local Collection Sewerage System connections to the Regional Sewerage System will be made at manholes located on the interceptor sewer. Connections directly to the interceptor sewers will not generally be allowed.
- e. Individual business, commercials, house connections, etc. directly to the Authority interceptor sewer will not be generally permitted.
- f. The Authority will provide connection points in those manholes specified by the Participant.
- g. For connection points specified for manholes located in paved streets or roads, connection stubs will extend to the edge of the pavement. For connection points located for manholes located in Authority easements, knockout bulkheads will be installed.
- h. Where possible and practicable, all connections of the Local Sewerage System to the Authority interceptor sewer will be made at an invert elevation where the 0.8 depth point of both sewers are at the same elevation.
- i. All connections must be plugged at the Participant's manhole until the Authority furnishes the Participant written notification that the interceptor sewer is ready for service.

- j. All connection lines installed between the Authority's Regional Sewerage System and the Participant's Local Collection Sewerage System will become the property of the Participant and be maintained by the Participant after the Regional Sewerage System becomes operational.

Section 3.02. Procedures for Connecting Participants' Collection Sewerage Systems.

- a. Local Collection Sewerage Systems for which neither connection stubs nor knockout bulkheads have been provided and which have been installed prior to installations of the Regional Sewerage System.
 - 1. Connections to the Regional Sewerage System under this condition will be decided upon on an individual basis.
 - 2. If it is determined that the connection can be made, the work will be done by the Participant and the connection cost will be borne by the Participant.
- b. Local Collection Sewerage Systems for which either connection stubs or knockout bulkheads have been provided and have been installed prior to installation of the Regional Sewerage System.
 - 1. The Authority will connect the Participant's Local Collection Sewerage System to the interceptor sewer provided the Participant has indicated the plan location and invert elevation of the connection stub and the diameter of the connection pipe.
 - 2. The Authority will bear the cost of that portion of the connection within the Authority's easement or right-of-way. All costs for that portion of the connection outside these limits will be borne by the Participant.
- c. Local Collection Sewerage Systems for which either connection stubs or knockout bulkheads have been provided and have been installed concurrently with the Regional Sewerage System.
 - 1. In those situations where the Authority and the Participant are constructing concurrently, the date of pipe installations at a particular connection point will determine the party responsible to make the connection.

2. If the interceptor sewer is installed at the particular connection location prior to the Local Collection Sewerage System, the Authority will provide a connection stub to which the Participant can connect. This connection will be made by the Participant.
 3. If the interceptor sewer is installed at a particular connection point subsequent to the installation of the Local Collection Sewerage System, the connection will be made by the Authority provided the Participant has provided the information required in Section 3.02.b.1 above.
 4. The proportioning of the costs will be in accordance with Section 3.02.b.3. above.
- d. Local Collection Sewerage Systems installed either after the Regional Sewerage System is installed or is operational.
1. Connections of the Local Collection Sewerage System will be evaluated on an individual basis.
 2. The connections will be made by the Participant at the Participant's expense.

Section 4.02. No Participant shall discharge or permit to be discharged the following described substances, materials, waters or wastes, if it appears likely in the opinion of the Authority, that such wastes can impair, impede, affect, interfere with or endanger the Regional Sewerage System, or interfere with the efficiency of operation. The prohibited substances are:

- a. Any liquid or vapor having a temperature higher than 150°F or (65°C).
- b. Any water or waste containing fats, wax, grease, or oils, whether emulsified or not, in excess of 100 mg/l or containing substances which may solidify or become viscous at temperatures between 32°F and 150°F or (0°C and 65°C).
- c. Wastes containing phenolic compounds over 1.0 ppm, expressed as phenol.
- d. Any liquids having a pH exceeding a minimum value of 5.5 or a maximum value of 9.5 or found to be excessively corrosive.
- e. Any radioactive substances.
- f. Any liquid having a flash point lower than 235°F (113°C) as determined by the Tagliabue (Tag.) closed cup method.
- g. Any waters or wastes with bio-chemical oxygen demand (BOD) in excess of 300 ppm by weight.
- h. Any waters or wastes with a suspended solids content in excess of 300 ppm, or containing suspended solids of such character or quantity that unusual attention or expense is required to handle or treat such materials.
- i. All wastes containing corrosive, toxic or poisonous substances in sufficient quantity to cause injury, damage or hazard to personnel, structures or equipment, or interfere with the Regional Sewerage System or any portion of the liquid or solids treatment or handling processes, or that will pass through the treatment facilities in such condition that it will not achieve State, Federal or other existing requirements for the effluent or for the receiving waters. The following chemicals are specifically mentioned: arsenic and arsenicals; cyanides; copper and copper salts; chromium; mercury and mercurials; nickel and nickel compounds; silver and silver compounds; zinc and zinc compounds; toxic dyes (organic or mineral); sulfanamides; cresols, alcohols, aldehydes; chlorinated hydrocarbons; chlorine in excess of 100 ppm; iodine; fluorine; bromine; all strong oxidizing agents such as peroxides, chromates, dichromates, permanganates,

etc., compounds producing hydrogen sulphide or any other toxic, inflammable or explosive gases, either upon acidifications, alkalization, reduction or oxidation; strong reducing agents such as nitrates, sulfites, sulphides; strong acids or strong alkalis.

- j. Unusual volume of flow or concentration of wastes constituting "slugs" as defined herein.
- k. Waters or wastes containing substances which are not amenable to treatment or reduction by the wastewater treatment processes employed, or are amenable to treatment only to such degree that the treated effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.

Section 4.03. If any wastewaters are discharged, or are proposed to be discharged to the Regional Sewerage System which wastewaters contain the substances or possess the characteristics enumerated in Section 4.02 of this Article, and which in the judgement of the Authority, may have a deleterious effect upon the Regional Sewerage System receiving waters, life, or constitute a public nuisance, the Authority will:

- a. Reject the wastes,
- b. Require pretreatment to an acceptable condition for discharge to the Regional Sewerage System,
- c. Require control over the quantities and rates of discharge.

If the Authority permits the pretreatment or equalization of wastes which are to be accepted in the Regional Sewerage System, the design and installation of the pretreatment facilities shall be reviewed and approved by the Authority, and are subject to the requirements of the State of New Jersey Pretreatment Standards (Senate Bill No. 234 adopted April 10, 1972) and all other applicable codes, ordinances, and laws.

Section 4.04. Where pretreatment or flow-equalizing facilities are provided for any wastewaters discharged to the Regional Sewerage System, they shall be maintained continuously in satisfactory and effective operation by the owner at his expense.

Section 4.05. No statement contained in this Article shall be construed as preventing any special agreement or arrangement between the Authority and any Participant whereby a waste with high BOD or suspended solids values, or a high chlorine demand may be accepted by the Authority for treatment, subject to payment therefore, by the Participant.

ARTICLE V

NOTIFICATION, INSPECTION AND TESTING FOR INDUSTRIAL WASTES

Section 5.01. All Participants shall provide the Authority with information on the physical and chemical characteristics of all industrial wastes proposed to be discharged into their Local Collection Sewerage System and the Regional Sewerage System.

Section 5.02. Any industry which is connected to a Local Collection Sewerage System, and is discharging industrial wastes thereto, which shall change its method of operation so as to alter the type of wastes previously discharged, shall notify the Participant and the Authority at least 15 days prior to such change, in order that the Participant and the Authority's representatives can sample and determine whether or not the new waste can be accepted in the Local Collection Sewerage System and the Regional Sewerage System.

Section 5.03. Duly authorized employees of the Authority bearing proper credentials and identification shall at reasonable times be permitted to enter all properties to inspect, observe, measure, sample and test in accordance with the provisions of these Rules and Regulations. The Authority or its representatives shall have no authority to inquire into any processes including metallurgical, chemical, oil, refining, ceramic, paper, or other industries beyond that point having a direct bearing on the kind and source of discharge to the sewers or waterways or facilities for waste treatment.

Section 5.04. While performing the necessary work on private properties referred to in Section 5.05, duly authorized employees of the Authority shall observe all safety rules applicable to the premises established by the company and the company shall be held harmless for injury or death to the Authority employees and the Authority shall indemnify the company against loss or damage to its property by Authority employees and against liability claims and demands for personal injury or property damage asserted against the company and growing out of the gauging and sampling operation, except as such may be caused by negligence or failure of the company to maintain safe conditions as required in Section 5.05.

Section 5.05. When required by the Participant or the Authority, the owner of any property serviced by a building sewer carrying industrial wastes shall install a suitable control manhole together with such necessary meters and other appurtenances in the building sewer to facilitate observation, sampling, and measurement of the wastes. Such manhole or other appurtenances, when required, shall be accessibly and safely located, and shall be constructed in accordance with plans approved by the Participant and the Authority. The manhole shall be installed by the owner at his expense, and shall be maintained by him so as to be safe and accessible at all times.

Section 5.06. All measurements, tests, and analyses of the characteristics of waters and wastes to which reference is made in these Rules and Regulations shall be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater," published by the American Public Health Association, and shall be determined at the control points provided. In the event that no special control point has been required, the control point shall be considered to be the nearest downstream manhole in the public sewer to the point at which the building sewer is connected. Sampling shall be carried out by customarily accepted methods to reflect the effect of constituents upon the sewage works and to determine the existence of hazards to life, limb, and property.

ARTICLE VI

DISCHARGE OF PROHIBITED SUBSTANCES INTO THE REGIONAL SEWERAGE SYSTEM

Section 6.01. If the Authority determines by measurements at the metering station for a particular Participant that it is in violation of any provisions of Section 4.01 and 4.02 of Article IV of these Rules and Regulations, the Authority shall serve written notice to the Participant stating the nature of the violation and provide a reasonable time limit for the satisfactory correction thereof. The Participant shall, within the period of time stated in such notice, cause the correction of all violations.

Section 6.02. Any Person or Participant violating any of the provision of these Rules and Regulations shall become liable to the Authority for any expense loss, or damage occasioned the Authority by reason of such violation.

ARTICLE VIIPROTECTION FROM DAMAGE

Section 7.01. No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of the Regional Sewerage System. The Authority will take appropriate action against any person violating this provision.

ARTICLE VIIIAPPLICATION FOR WASTEWATER TREATMENT FACILITIES
AND EXTENSIONS OF LOCAL COLLECTION SEWERAGE SYSTEMS

Section 8.01. All Participants desiring to construct wastewater treatment facilities, Local Collection Sewerage Systems or extensions thereto shall file an application for same with this Authority and with the appropriate State and Federal regulatory agencies having jurisdiction in these matters. Forms and procedures for filing applications with the Authority are found in the Authority's pamphlet entitled "Rules and Regulations Governing Applications to The Ocean County Sewerage Authority for Construction of Sewerage Facilities in the County of Ocean".

Section 8.02. Applications to the Authority shall be reviewed by the Authority with the Participant notified of its' findings within 90 days of receipt of the application.

ARTICLE IXMISCELLANEOUS

Section 9.01. The Authority reserves the right to amend these Rules and Regulations or to adopt additional Rules and Regulations from time to time as it shall deem necessary for the operation, maintenance and protection of the Regional Sewerage System, for meeting revised standards of influent or effluent quality of any regulatory agencies having jurisdiction in this regard, or for any other reason the Authority deems is desirable or necessary for performing its functions.

Section 9.02. In the event that any provisions, section, sentence, clause or part of these Rules and Regulations shall be held to be invalid, such invalidity shall not effect or impair any remaining provision, section, sentence, clause or part of these Rules and Regulations, it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.

Section 9.03. These Rules and Regulations shall become effective upon the availability of the Regional Sewerage System, or portion thereof.

Schedule "C"
ESTIMATE OF FLOW (1980)

<u>Northern Service Area</u>	<u>Estimated Avg. Flow MGD (1980)</u>
Bay Head Borough	0.31
The Brick Township Municipal Utilities Authority	5.95
Howell Township	1.68
Jackson Township Municipal Utilities Authority	2.28
Lakewood Township Municipal Utilities Authority	0.12
New Jersey Water Company, Lakewood District	2.00
Point Pleasant Beach Borough	0.75
Point Pleasant Borough	2.10
South Lakewood Sewer Company	1.50
	16.69
<u>Central Service Area</u>	
B.L.T. - Barnegat Village	0.50
Beachwood Sewerage Authority	0.59
Berkeley Township Sewerage Authority	4.1
The Brick Township Municipal Utilities Authority	0.19
Crestwood Village Sewer Company	0.50
Dover Sewerage Authority	7.37
Indianola Sewerage Company	0.70
Island Beach State Park	0.07
Island Heights Borough	0.17
Lacey Municipal Utilities Authority	2.97
Lakehurst Borough	0.29
Lakehurst Naval Air Station	0.28
Lavallette Borough	0.54
Leisure Village West	1.0
Manchester Township Municipal Utilities Authority	0.67
Mantoloking Borough	0.10
Mid-Jersey Water & Sewerage Company	0.05
Ocean Gate Borough	0.14
Ocean Township	0.06
Pine Beach Borough	0.16
Seaside Heights Borough	0.99
Seaside Park Borough	0.97
South Toms River Sewerage Authority	0.51
Union Township	0.15
	23.07
<u>Southern Service Area</u>	
Barnegat Light Borough	.18
Beach Haven Sewerage Authority	.86
Eagleswood Township	.33
Harvey Cedars Borough	.18
Little Egg Harbor Municipal Utilities Authority	1.00
Long Beach Sewerage Authority	1.80
Mystic Isles Sewerage Company	.60
Ship Bottom Sewerage Authority	.29
Stafford Municipal Utilities Authority	2.80
Surf City Borough	.29
Borough of Tuckerton Municipal Utilities Authority	.25
	8.58
	48.34

SCHEDULE ERATES/CHARGES COMPUTATION

The rate for conveyance, treatment and disposal of wastewater in the Regional Sewerage System shall be computed as follows:

- A. For wastewater of quality that is in conformance with Article IV of the Sewer Use Rules and Regulations attached as Schedule B:

$$C = \frac{C_t}{V_t}$$

- B. When BOD, suspended solids or other pollutant concentrations from a Participant exceed the range of concentration of these pollutants as indicated in Article IV of the Sewer Use Rules and Regulations attached as Schedule B a surcharge shall be added to the charge computed in "A" above as follows:

$$C_s = B_c (\Delta B) + S_c (\Delta S) + P_c (\Delta P)$$

The symbols used in the above formula shall have the following meaning:

- B_c = cost of treatment of a unit of Biochemical Oxygen Demand, expressed as dollars per part per million of BOD per million gallons.
- B = Concentration of BOD, in parts per million, in excess of 300 parts per million.
- C = rate charged per million gallons of wastewater received in the Regional Sewerage System.
- C_s = A surcharge rate per million gallons of wastewater that is in excess of the range of concentration of pollutants as indicated in Article IV of the Sewer Use Rules and Regulations attached as Schedule B.
- C_t = total actual annual cost in any Fiscal Year which is to include the costs of operations, maintenance, debt service, replacement fund and reserve fund.

Pc = cost of treatment of a unit of any pollutant expressed as dollars per unit per million gallons.

P = concentration of a pollutant in excess of the concentration of the pollutant that is allowable to the Authority or any Federal or State regulatory agency having jurisdiction, for discharge without treatment.

Sc = cost of treatment of a unit of Suspended Solids expressed as dollars per part per million of Suspended Solids per million gallons.

S = concentration of Suspended Solids, in parts per million, in excess of 300 parts per million.

Vt = total actual annual flow received in the Regional Sewerage System in any Fiscal Year, in million gallons.

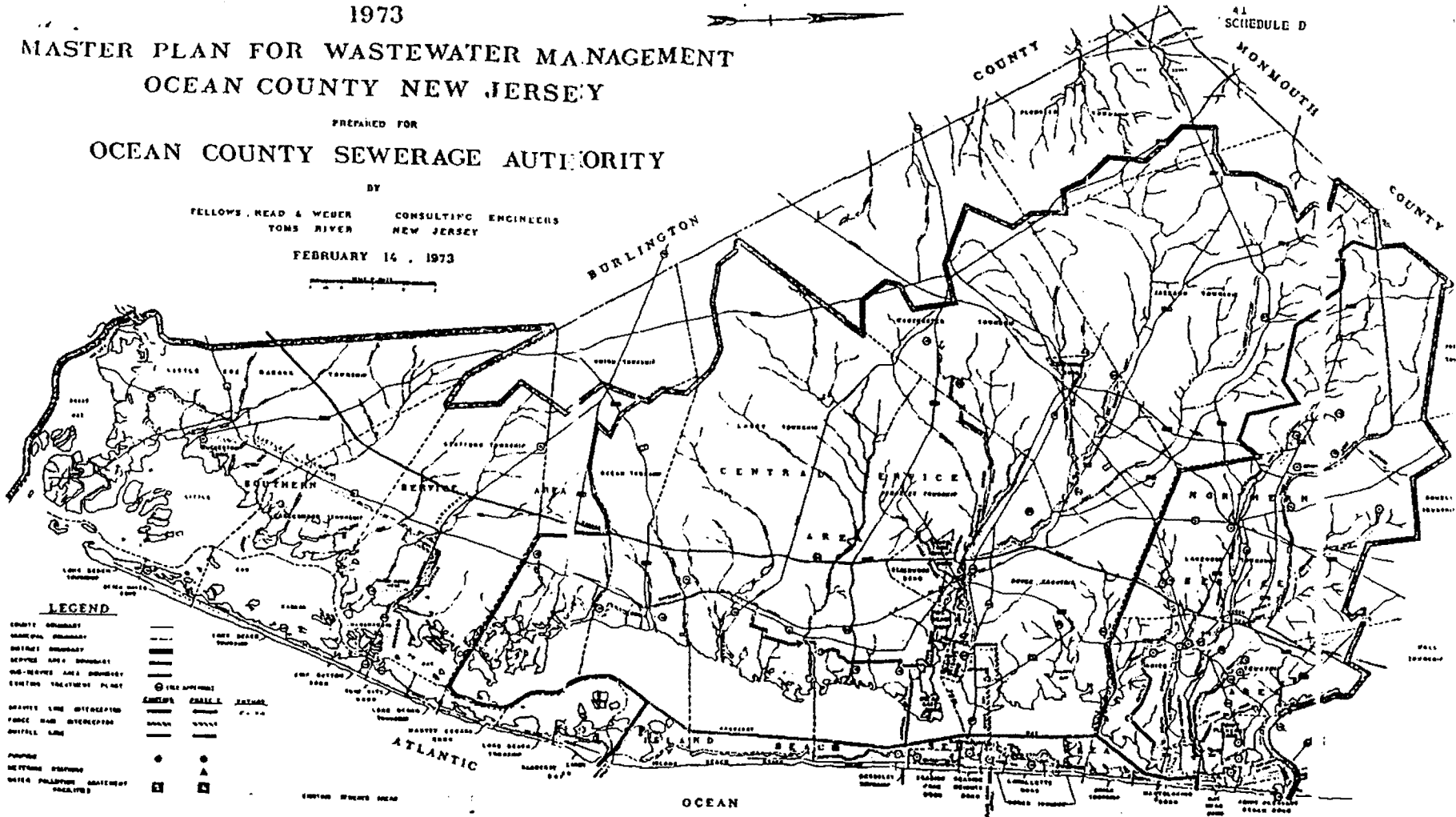
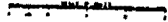
1973

MASTER PLAN FOR WASTEWATER MANAGEMENT OCEAN COUNTY NEW JERSEY

PREPARED FOR
OCEAN COUNTY SEWERAGE AUTHORITY

BY
FELLOWS, READ & WEBER CONSULTING ENGINEERS
TOMS RIVER NEW JERSEY

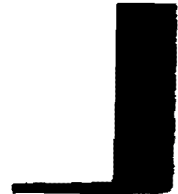
FEBRUARY 14, 1973



LEGEND

- COUNTY BOUNDARY
- MUNICIPAL BOUNDARY
- SERVICE AREA BOUNDARY
- WATER SERVICE AREA BOUNDARY
- EXISTING TREATMENT PLANT
- SEWER LINE INTERCEPTION
- FORCE MAIN INTERCEPTION
- OUTFALL LINE
- PUMPING
- WASTEWATER TREATMENT
- WATER POLLUTION ABATEMENT FACILITIES

SCHEDULE D



USER CHARGE AGREEMENT

THIS AGREEMENT dated this first day of February, 1982, between THE OCEAN COUNTY UTILITIES AUTHORITY (formerly The Ocean County Sewerage Authority), a public body politic and corporate of the State of New Jersey, having its principal office at 501 Hickory Lane, P.O. Box "P", Bayville, Ocean County, New Jersey, hereinafter referred to as "OCUA"; and NEW JERSEY WATER COMPANY, a public utility of the State of New Jersey, organized and operating pursuant to the provisions of Title 48 of the Revised Statutes of the State of New Jersey, having its principal office at 500 Grove Street, Haddon Heights, New Jersey, 08035, hereinafter referred to as "COMPANY"

W I T N E S S E T H :

WHEREAS, Company is a participant in the OCUA's regional sewerage system, and has entered into a service agreement with the OCUA dated July 21, 1976; and

WHEREAS, Company operates pursuant to a franchise granted to it by Township of Lakewood and is subject to the rules and regulations of the Board of Public Utilities Commissioners of the State of New Jersey; and

WHEREAS, the OCUA has constructed and is presently operating a regional sewerage system, which has been funded in part by grants from the United States Environmental Protection Agency and the New Jersey Department of Environmental Protection; and

WHEREAS, the service agreement between the parties sets forth the requirement that such grants would have to be received prior to the construction of the regional facility; and

WHEREAS, The United States Environmental Protection Agency, in issuing said grants, has imposed certain restrictions and conditions for receipt of the grants and the issuance of funds thereunder; and

WHEREAS, the service agreement between the parties provides for the implementation of such conditions or restrictions by the Company and the OCUA; and

WHEREAS, it is the intent of this agreement to specify and implement certain of these conditions so that the Company and the OCUA can comply with the grant requirements and that the OCUA may receive the grant funds which could be withheld for failure to meet these requirements.

NOW, THEREFORE, IT IS HEREBY AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. Company agrees to adopt a Resolution in a timely manner that it will abide by and enforce the OCUA's Sewer Use Rules and Regulations.

2. In addition to any charges imposed by Company on its user, each user which discharges any toxic pollutants that cause an increase in treatment costs or managing the effluent or sludge of the OCUA shall pay such increased treatment costs in accordance with guidelines for approved user charge systems adopted by the OCUA. The Company and the OCUA agree to take whatever steps necessary to enforce payment of such costs by the user.

3. Company agrees to notify its customers at any time it changes its rates. The notice shall state the Company's total operating cost in terms of dollars and the percentage of that cost that represents charges paid by or to be paid by the Company to OCUA.

4. Company will maintain its present system of billing which permits all customers to be proportionately charged for all flow not directly attributable to users in the same manner that Company distributes the cost of operation and maintenance of the user's wastewater flow.

5. The Company agrees to petition the Board of Public Utilities Commissioners of the State of New Jersey to change or modify its tariff schedule, if necessary, to comply with the following requirements:

- A. Company agrees to eliminate volume discounts to large users of its system. At this time, Company does not have volume discounts throughout its system.
- B. Company agrees to maintain a uniform user rate which applies to all customers.

6. Company agrees to conduct a biennial review of its charges and attempt to institute such changes as may be required in the tariff schedule as a result of said review. Company agrees during this biennial review that it will insure the proportionate distribution of operation and maintenance costs among users and that it will generate sufficient revenue from those users to pay its total operation and maintenance costs.

7. OCUA agrees to supply to Company whatever material and information which Company may require to implement or modify its user charge schedule.

8. This agreement and the obligation of the Company under this agreement are expressly subject to the continued regulation of the Board of Public Utilities.

IN WITNESS WHEREOF, the parties hereto have hereunto caused these presents to be signed by their proper officials, the day and year first above written.

ATTEST:
By: Marcia Loran

ATTEST:
By: J. E. Simon
J. E. SIMON, Secretary

THE OCEAN COUNTY UTILITIES AUTHORITY
By: [Signature]

NEW JERSEY WATER COMPANY
By: [Signature]
W. R. COBB, President

SUPPLEMENTAL AGREEMENT TO USER CHARGE AGREEMENT

THIS AGREEMENT made this first day of February, 1982 between:
THE OCEAN COUNTY UTILITIES AUTHORITY (formerly The Ocean County
Sewerage Authority), a public body politic and corporate of the
State of New Jersey, having its principal office at 501 Hickory
Lane, P.O. Box "P", Bayville, Ocean County, New Jersey, hereinafter
referred to as "OCUA"; and NEW JERSEY WATER COMPANY, a public utility
of the State of New Jersey, organized and operating pursuant to the
provisions of Title 48 of the Revised Statutes of the State of New
Jersey, having its principal office at 500 Grove Street, Haddon
Heights, New Jersey, 08035, hereinafter referred to as "COMPANY".

W I T N E S S E T H :

WHEREAS, OCUA and Company have entered into a User Charge
Agreement dated February 1, 1982; and

WHEREAS, the parties desire to further agree between themselves
as to the methods and means of implementing Paragraph Two of their
User Charge Agreement.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and the
mutual covenants and promises contained herein, the parties hereto
agree as follows:

1. To implement said Paragraph Two the following procedures
shall be utilized:

Any user who discharges toxic pollutants into Company's
sewer system to be treated by the OCUA at an increased cost shall be
billed directly by the OCUA. The said user shall make payment
directly to the OCUA. At no time shall such charges be billed to
the Company and the Company shall not be liable for the payment of
any of such charges. The OCUA shall indemnify and save the Company
harmless from any and all litigation, claims and costs including
court costs and attorney's fees that may result from the imposing

of such charges by the OCUA. In the event litigation of any type results from the imposition of such charges to which the Company is a party, either voluntarily or involuntarily, the OCUA shall pay all the Company's costs in connection with such litigation and shall pay, satisfy and discharge any order or judgment entered against the Company that may result from such litigation.

IN WITNESS WHEREOF, the parties hereto have hereunto caused these presents to be signed by their proper officials, the day and year first above written.

ATTEST:

By: Marcia Loren

THE OCEAN COUNTY UTILITIES AUTHORITY

By: J. M. Meyer

ATTEST:

By: J. E. Simon
J. E. SIMON, Secretary

NEW JERSEY WATER COMPANY

By: W. R. Cobb
W. R. COBB, President