

November 20, 2020

VIA E-MAIL

Hon. Aida Camacho Secretary to the Board New Jersey Board of Public Utilities 44 S. Clinton Ave., 9th Floor P.O. Box 350 Trenton, NJ 08625

Re: In the Matter of the Petition of New Jersey-American Water

Company, Inc. for Approval of a Municipal Consent Granted by the

Township of Long Hill, County of Morris

BPU Docket No. WE20020117

Dear Secretary Camacho:

On behalf of New Jersey-American Water Company, Inc., in compliance with Ordering Paragraph Number 8 of the Board's May 20, 2020 order in the above-referenced matter, enclosed herewith is the Bill of Sale evidencing proof of closing on the sale of the Long Hill Township wastewater system, which took place on October 22, 2020. Also enclosed is the final journal entry for the acquisition. In addition, New Jersey American Water's transaction fees are \$117,167.65, broken down as follows:

Property Title Work & Policy: \$31,306.00

Legal for Real Estate, WPRB

Exemption Process and

Closing Work: \$85,551.65 Transcript Fees: \$310.00

Very truly yours,

Stephen R. Bishop Corporate Counsel

SRB:dlc Enclosures

cc: Service list (w/enc., via email)

New Jersey-American Water Company, Inc. Long Hill Township Acquisition Entry

	Debit	Credit
Wastewater Utility Plant - Net	\$12,675,000	
Current Assets		\$1,270,000
Deferred Debit	125,000	
Current Liability		11,630,000
Transactions Cost Payment -Expensed	100,000	

BILL OF SALE

THIS BILL OF SALE dated as October 22, 2020 from the Township of Long Hill, a public body corporate and politic in Morris County in the State of New Jersey (the "Township") and New Jersey-American Water Company, Inc., a New Jersey Public Utility Corporation with principal corporate offices at One Water Street, Camden, N.J. 08102 (the "Buyer").

WITNESSETH

WHEREAS, by an Agreement of Sale, dated December 30, 2019 (the "Agreement"), between the Township and the Buyer, the Township has agreed to convey to the Buyer certain assets, properties, and rights defined, described, and referred to in the Agreement (collectively, the "Wastewater System") which include those assets listed on the document attached hereto as Schedule I, with the exception of those items expressly set forth on the document attached hereto as Schedule II; and

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

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

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

Section 1. <u>SALE OF SYSTEMS AS IS</u>. Except as specifically set forth in the Agreement and that certain Post Closing Cooperative Agreement and Undertaking executed on October 20, 2020 by the Township and the Buyer with intent to be bound therein, the Wastewater System is being transferred "AS IS", "WHERE IS", and "WITH ALL FAULTS" as of the date of this Bill of Sale, without any representation or warranty whatsoever as to its condition, fitness for any particular purpose merchantability or any other warranty, express or implied. Except as specifically set forth in the Agreement, and that certain Post Closing Cooperative Agreement and Undertaking executed on October 20, 2020 by the Township and the Buyer with intent to be bound therein, the Township specifically disclaims and Buyer waives any warranty, guaranty or representation, oral or written, past or present, express or implied, concerning the Wastewater System. The Buyer is hereby thus acquiring the Wastewater System based solely upon the Buyer's own independent investigations and inspections of that property and not in reliance upon any information provided by the Township or the Township's agents or contractors. The Township has made no agreement to alter, repair, or improve any portion of the Wastewater System.

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

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

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

Bv:

Brendan Rae Mayor

RECEIPT OF THE FOREGOING

BILL OF SALE

ACKNOWLEDGED AS OF

Oct 22, 2020.

NEW JERSEY-AMERICAN WATER COMPANY, INC.

By

Stephen R. Bishop Assistant Secretary

SCHEDULE I

INCLUDED ASSETS

All assets that comprise the Wastewater System as described in **Exhibit A to the Agreement of Sale dated December 31, 2019 Description of the Wastewater System**. That Exhibit A is attached hereto and made a part hereto. The Included Assets shall not include the Excluded Assets set forth in Schedule II but shall include equipment, inventory and spare parts utilized by the Township solely in the operation of the Wastewater System.

Long Hill Township Wastewater System Description

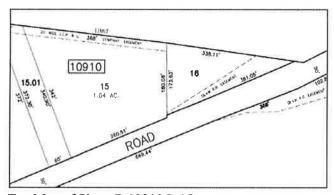
The Township's Wastewater System consists of the following:

- Eight (8) sanitary pump stations;
- One (1) WWTP with rated capacity of 1.25 MGD;
- Estimated 286,290 linear feet of sanitary sewers;
- Estimated 1,260 sanitary manholes;
- Estimated 15,200 linear feet of force mains;
- Estimated 221,325 linear feet of privately owned service lateral.

Valley Road Pump Station

General Description

The Valley Road Pump Station is located along State Route 512, also known as Valley Road. The pump station is located along the south east portion of the Township, adjacent to Berkeley Heights Township. The pump station is a duplex submersible station and consists of a below grade wet well and valve yault.

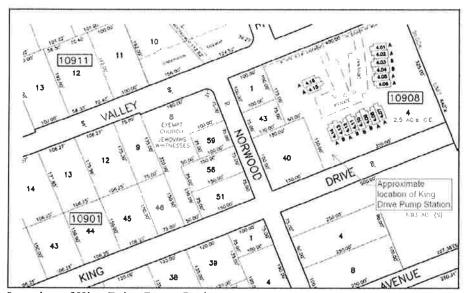


Tax Map of Site - B 10910 L 15

Centennial Village/King Drive Pump Station

General Description

The Centennial Village / King Drive Pump Station is located along King Drive; at the rear of the townhouse community. The pump station is a duplex submersible station and consists of a below grade wet well and valve vault.

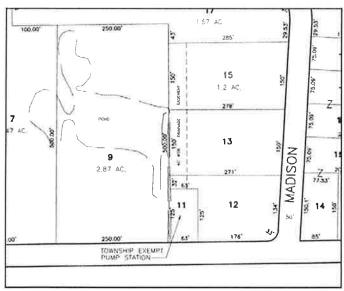


Location of King Drive Pump Station

Morristown Road Pump Station

General Description

The Morristown Road Pump Station is located off of Morristown Road on the parcel known as Block 11203 Lot 11. The station consists of a wet well/dry well structure.

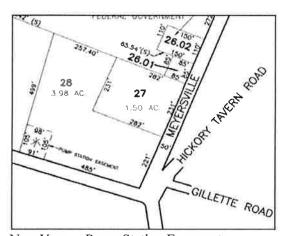


Station - Block 11203 Lot 11

New Vernon Road Pump Station

General Description

The New Vernon Pump Station is located along New Vernon Road and is the Township's northernmost station and is across from Meyersville Field. The station is located on Block 14701 Lot 28 and is part of an easement owned by the Township. The station consists of a wet well/dry well structure.



New Vernon Pump Station Easement

Skyline Drive Pump Station

General Description

The Skyline Drive Pump Station is located in the north-western portion of the Township; at the end of Skyline Drive. The station is located on Block 12804, Lot 4 and is approximately 175 feet off of Skyline Drive. The pump station is a duplex pump station.

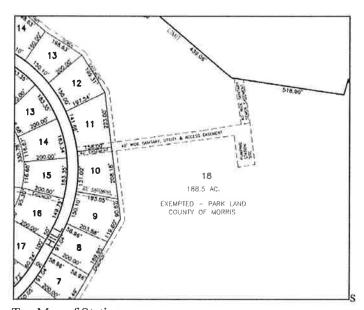


Tax Map of Site - Block 12804 Lot 4

Clover Hill Pump Station

General Description

The Clover Hill Pump Station is located at the end of Rainbow Drive. The pump station is a duplex submersible station and consists of a below grade wet well.

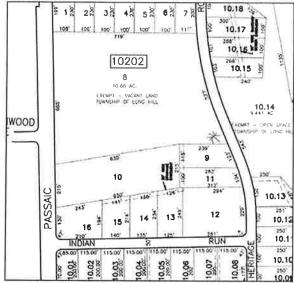


Tax Map of Station

Heritage Road Pump Station

General Description

The Heritage Road Pump Station services the residential area of Indian Run and Deer Run. The station is located on Block 10202, Lot 8 which is a 10.68 acre parcel owned by the Township which may be subdivided by the Township. The pump station is a duplex submersible station.

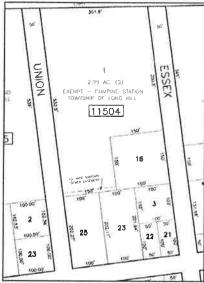


Tax Map of Site - B 10202 L 8

Union Street or Warren Avenue Pump Station

General Description

The Union Street or Warren Avenue Pump Station is located in lower Sterling. The station is located on Block 11504, Lot 1 which is a 1 acre parcel owned by the Township. The station is a duplex station and consists of below ground pumps and wet well.



Tax Map of Site - B 11504 Lot 1

Wastewater Treatment Plant

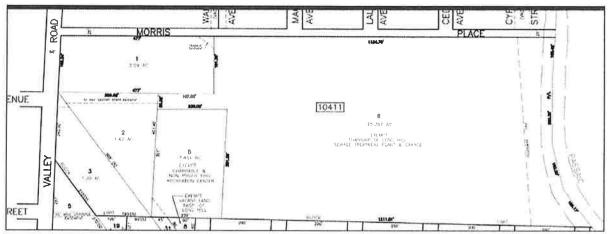
General Description

The Long Hill Wastewater Treatment Plant (WWTP) is located via a 30' wide utility easement at the end of South Warren Street. The site is Block 10411, Lot 6 and is a 15.29 acre parcel located adjacent to the Passaic River which will be subdivided by the Township prior to closing. The current NJPDES permit has a listed capacity of 1.25 MGD with the discharge of treated effluent to the Passaic River.

The facilities currently located /operating on the site consist of the following treatment process elements:

- 1. Main Building that includes utility offices, laboratory, break room, generator room and control room
- 2. Influent Pump Station submersible pump station that pumps sewage to screens
- 3. Two Rotary Screens
- 4. Two Oxidation ditches including lime slurry injection
- 5. Two Clarifiers
- 6. Four RAS / Two WAS Pumps
- 7. Four Sand Filters
- 8. Post Aeration

- 9. UV Disinfection & Outfall
- 10. Sludge Storage
- 11. Sludge Thickening
- 12. Sludge & Screening Disposal



Tax Map of Long Hill WWTP - Block 10411, Lot 6

Wastewater Collection System

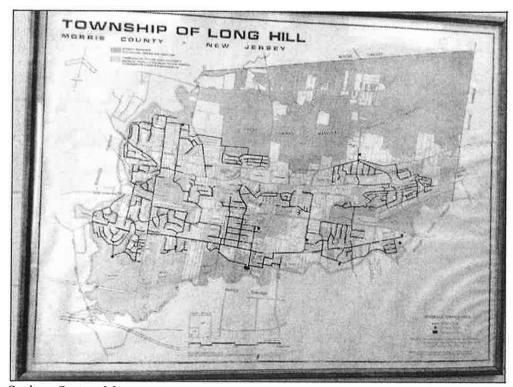
General Description

The wastewater collection system consists mostly of vitrified clay pipe (VCP) and asbestos cement pipe (ACP).

Based upon available records and inventory, the 286,290 linear feet of gravity main in the system is comprised of the following:

- 14,700 feet of 14" diameter pipe (ACP);
- 8,850 feet of 12" diameter pipe (ACP);
- 29,440 feet of 10" diameter pipe (VCP);
- 232,300 feet of 8" diameter pipe (VCP).

The collection system also includes approximately 1,260 manholes and 221,325 feet of privately owned sanitary laterals.



Sanitary System Map

SCHEDULE II

EXCLUDED ASSETS

Personal property

Office equipment

Office supplies

Vehicles

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

In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Long Hill, County of Morris

BPU Docket No. WE20020117

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