RESOLUTION AMENDING SCHEDULES OF RATES AND CHARGES FOR THE WATER SYSTEM OF THE LOWER TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND RESCINDING ALL PREVIOUS RESOLUTIONS

WHEREAS, the following increases in the water service charges have been recommended and approved by the Auditors, Ford, Scott and Associates of the Lower Township Municipal Utilities Authority, and

WHEREAS, the Authority has determined that the following water service charges should be charged and collected in accordance with the Municipal Utilities Authorities Law of the State of New Jersey (N.J.S.A. 40:4B:8, et seq.) and Bond Resolutions adopted pursuant thereto.

NOW, THEREFORE, BE IT RESOLVED, by the Lower Township Municipal Utilities Authority that the Schedule of Rates and Fees is adopted as follows:

SECTION I: RATE SCHEDULE OF QUARTERLY WATER SERVICE RATES AND CHARGES

<table>
<thead>
<tr>
<th>SIZE OF METER</th>
<th>QUARTERLY CHARGE ALLOWED IN</th>
<th>GALLONS</th>
<th>MINIMUM QUARTERLY CHARGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; Residential</td>
<td>$ 62.48</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>3/4&quot; Residential</td>
<td>$ 66.06</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>1&quot; Residential</td>
<td>$ 157.36</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>5/8&quot; Commercial</td>
<td>$ 62.48</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>3/4&quot; Commercial</td>
<td>$ 66.06</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>1&quot; Commercial</td>
<td>$ 157.36</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>1 1/2&quot; Commercial</td>
<td>$ 216.21</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>2&quot; Commercial</td>
<td>$ 272.69</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>3&quot; Commercial</td>
<td>$ 430.05</td>
<td>80,000</td>
<td></td>
</tr>
<tr>
<td>4&quot; Commercial</td>
<td>$ 629.42</td>
<td>120,000</td>
<td></td>
</tr>
<tr>
<td>6&quot; Commercial</td>
<td>$ 1,236.02</td>
<td>250,000</td>
<td></td>
</tr>
<tr>
<td>8&quot; Commercial</td>
<td>$ 1,666.06</td>
<td>337,500</td>
<td></td>
</tr>
</tbody>
</table>

SECTION II: BULK WATER SALES

(1) All bulk sales of water to any municipality, utility Authority, or private water utility shall be through a term agreement approved by both parties and the New Jersey Department of Environmental Protection (NDEP). Any infrastructure improvements to the MUA’s wells, treatment, storage tanks, pipe lines, booster pumps, water meters, et cetera, required to supply, treat or deliver the water purchased shall be at the expense of the purchaser.

(2) All water meters used to calculate the amount of water supplied to the purchaser shall be in gallons and calibrated annually by actual flow of the meter. The cost of the calibration testing shall be shared equally by the MUA and the purchaser.

(3) The cost of water sold to the purchaser during off-peak times, (September 16 to May 14) shall be set at $1.60 per 1,000 gallons or equal to the current quarterly minimum charge of a 5/8" water meter divided by the quarterly allowed water consumption in gallons.

(4) The cost of water sold to the purchaser during peak times, (May 15 to September 15) shall be set at $3.81 per 1,000 gallons or equal to the current quarterly minimum charge of a 5/8" water meter divided by the quarterly allowed water consumption in gallons.

(5) A delivery charge of $1.60 per 1,000 gallons shall be applied which is equal to the current connection fee divided by allowable gallons in five years, then divided by five (5) years. Example: $1,600/200 = $8.005 × $1.60 = $1.60 per 1,000 gallons.

(6) Payment for bulk water sales shall be made monthly. The MUA shall read the bulk meter and issue a monthly invoice to the purchaser. Payment shall be made within thirty (30) days of the invoice date. Interest shall be applied to all unpaid balances at one and one half percent (1.5%) per month. Failure to pay within the thirty (30) day time limit shall result in termination of service and an interruption of service fee applied to the account as per the rate schedule.

SECTION III: BULK WATER SALES TANK TRUCKLOAD

One time bulk sales or tank truck sales shall be at a rate of $150.00 per truckload to a maximum of 7,000 gallons per truckload. Payment shall be due prior to providing the water.

SECTION IV: EMERGENCY BULK PURCHASES

(1) Emergency bulk purchases to any municipality, utility Authority, or private water utility that currently has an interconnection with the MUA shall be made at a condition where an immediate emergency or shortage of water is due to a mechanical failure, pipeline failure, or natural disaster and shall be for a period of time not to exceed thirty (30) days so adequate repairs may be made to the purchaser’s system. The MUA Board may at their discretion extend the thirty (30) day period upon Board approval.

(2) The cost of water sold to the purchaser during off-peak times, (September 16 to May 14) shall be set at $3.81 per 1,000 gallons or equal to the current excess usage at twice the minimum.

(3) The cost of water sold to the purchaser during peak times, (May 15 to September 15) shall be set at $6.25 per 1,000 gallons or equal to the current quarterly minimum charge of a 5/8” water meter divided by the quarterly allowed water consumption in gallons.

(4) Payment for bulk water sales shall be made monthly. The MUA shall read the bulk meter and issue a monthly invoice to the purchaser. Payment shall be made within thirty (30) days of the invoice date. Interest shall be applied to all unpaid balances at one and one half percent (1.5%) per month. Failure to pay within the thirty (30) day time limit shall result in termination of service and an interruption of service fee applied to the account as per the rate schedule.

SECTION V: MISCELLANEOUS CHARGES

Charges for all other types of services not included in the above shall be established by contract between the Authority and each of such users. Only Fire Companies may use fire hydrants without special authorization of the Authority.

SECTION VI: DISCONTINUANCE AND RESTORATION OF SERVICE

(1) Discontinuance of service, at the user’s request, shall be the responsibility of the user and the user must arrange to have his plumber turn off the service at the curb and must be responsible to drain the meter and lines within the property that would be susceptible to freezing. The Authority shall not be held liable or accountable for any damage which may result from water leaks, burst water pipes, frozen pipes or meters resulting from negligence of the property owner to take the necessary precautions to protect the complete water service, meter and appurtenances within the property.

(2) When water is turned “ON” or “OFF” at the request of the property owner, there will be no pro-rata's of the minimum quarterly charge. It is the property owner’s responsibility to maintain the account up to date.

(3) In the event that a service charge and/or a connection charge with regard to any parcel of real property shall not be paid as and when due, interest shall accrue and be due to the Municipal Utilities Authority on the unpaid balance at the rate of one and one half (1.5%) percent per month until such charge, and the interest thereon, shall be fully paid to the Municipal Utilities Authority and shall be a lien upon the premises so served. The Authority also has the right to terminate services in the event accounts become delinquent. If service is terminated, the property owner is responsible for paying the account up to date and an interruption of service fee of $160.00 for residential properties and $900.00 for commercial properties before service will be restored. The Township of Lower Municipal Utilities Authority is not responsible for any damages caused by termination of service.

(4) All billing will be made to the property owner who will remain responsible regardless of any change in tenants or those in possession. It is the owner’s responsibility to notify the Authority in writing of correct billing information, including change of address, if inaccurate or if changed.

(5) With respect to charge for properties which shall be connected for the first time with said water system, from and after the date thereof, the charge for the first quarterly period shall be a percentage of the quarterly charge hereinafter, equal to the percentage of the quarterly period remaining after such connection.

(6) Any requests for review of any bill must be submitted in writing and received by the Authority within thirty (30) days of the billing date.

(7) All requests for disconnection shall be in writing and effective the date of disconnection. Disconnection shall require time being cut and capped. In the event of disconnection at owner’s request, any application for reconnection shall be considered as a new customer and require all procedural aspects of a new connection, including but not limited to payment of connection fee then in place. At the time of disconnection, the property owner may opt to continue to pay the minimum quarterly fee until water service is reconnected to the property. A new or reconnection fee shall be waived if the account is maintained up to date.

SECTION VIII: OFFERED, SECONDED, AND ADOPTED

Offered by: Thomas M. Brown, Sr. Seconded: Kenn Mann
Adopted: January 5, 2011 Emily Oberkofler, Secretary

The foregoing Resolution was adopted after Second Reading and Public Hearing at the Regular meeting of the LTMUA held January 5, 2011.