

BUCKS COUNTY WATER AND SEWER AUTHORITY
RESERVATION OF CAPACITY AGREEMENT

THIS AGREEMENT, made this ____ day of _____, 20 __, by and between **BUCKS COUNTY WATER AND SEWER AUTHORITY**, a Pennsylvania municipal authority maintaining a principal place of business at 1275 Almshouse Road, Warrington, PA 18976 (herein referred to as “Authority”) and _____ (herein referred to as “Developer”).

WITNESSETH:

WHEREAS, the Authority provides sanitary sewer service to portions of Bucks and Montgomery Counties, including _____ Township/Borough located in _____ County, Pennsylvania;

WHEREAS, Developer is the owner of a parcel of real property identified as Bucks/Montgomery County Tax Map Parcel Nos. _____ (“Property”) located in _____ Township/Borough), _____ County, Pennsylvania; wherein the Developer desires to construct _____;

WHEREAS, Developer desires to acquire from the Authority ____ EDUs of sanitary sewer capacity in order to provide adequate sanitary sewer conveyance and treatment for (“Property”);

WHEREAS, the Authority presently has available capacity to serve (“Property”), but the available capacity is limited; and

WHEREAS, Developer desires to reserve ____ EDUs of capacity for utilization at (“Property”) and the Authority is willing to reserve that capacity for the Developer, all of which shall be in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, intending to be bound for other good and valuable consideration, the parties hereto agree as follows:

1. Recitals. The aforementioned recitals noted in this Agreement are deemed part of this Agreement and are incorporated in the terms of conditions of this Agreement.

2. Reservation of Capacity. The Authority agrees to reserve and make available to the Developer ___ EDUs of sewer capacity to be utilized for the (“Property”) at _____(address) _____ Township/Borough), _____ County, Pennsylvania. The capacity being reserved by the Developer under this Agreement may not be used at any other location and/or for any other purpose other than for the purposes set forth in this Agreement. The capacity will be made available by the Authority to the Developer for utilization for the (“Property”) at the _____ Treatment Plant (herein referred to as “WWTP”).

3. Tapping Fees. For the purposes of this Agreement, an EDU is measured at 250 gallons per day of effluent. The parties acknowledge that the tapping fee for an EDU is fixed at **\$2,100.00** per EDU for a total of \$_____ for the (“Property”).

4. Reservation of Capacity Fee. The Developer agrees to pay to the Authority the amount of _____ to reserve the EDUs for the (“Property”) as set forth in Paragraph 2 herein. Upon execution of both a Sewer Service Agreement and Sewer Facilities Escrow Agreement, these fees shall be credited to the EDU costs imposed by the Authority upon the Developer for the _____ EDUs. The developer acknowledges and agrees that it is not required to pay the full amount for the EDUs, but the only EDUs being reserved are the ones that are purchased pursuant to this agreement. If the developer in the future desires to acquire additional EDUs for this project, the availability of same shall be dependent upon whether or not additional EDUs are

available and whether or not EDUs were purchased for other projects. The payment noted in this paragraph shall be made contemporaneously with the execution of this Agreement.

5. Time Limitation. The _____ EDU's of capacity in paragraph 2 herein shall be considered reserved by the Authority upon receipt of payment and execution of this Agreement by the Authority in accordance with the terms set forth herein. However, the Developer shall execute a Sewer Service Agreement and fund the Sewer Facilities Escrow Agreement within 12 months of written notice from the Authority that it is able to accept flows from ("Property") for treatment at the WWTP. If the Developer fails to enter into a Sewer Service Agreement and execute and fund the Sewer Facilities Escrow Agreement within the 12 month period, then this Agreement shall terminate and the Developer shall immediately lose its reservation of EDUs. Upon the loss of such reservation of EDUs, the Authority shall refund the sum of \$_____ to the Developer less any costs incurred by the Authority for legal, engineering and other expenses associated with ("Property").

6. Debt Service. Contemporaneous with the effective date of this Agreement, Developer shall provide the Authority with the equivalent of two (2) years payment of quarterly sewer rental fees for the Property at the rate of Two Hundred (\$200.00) Dollars per year per EDU \$_____ per year for a total payment of \$_____. If an individual dwelling unit at the Property is not sold within the aforementioned two (2) year period, then the Developer shall continue the payment of sewer rental fees for the Property at the same rate until such time that the dwelling unit has become customers of and is paying quarterly sewer rental fees to the Authority. At such time that any individual dwelling unit at the Property becomes a customer of the Authority, then the Developer's obligation to pay the Two Hundred (\$200.00) Dollars per year per EDU for that specific individual dwelling unit shall terminate.

7. Approvals. The Developer agrees to proceed expeditiously with securing any and all approvals necessary to construct (“Property”).

8. Miscellaneous. This Agreement shall be interpreted in accordance with the laws of the Commonwealth of Pennsylvania and shall be binding upon the respective parties and their successors and assigns. It is understood and agreed that this Agreement constitutes all the terms and conditions that have been agreed upon by the parties and this Agreement may only be modified by a written document executed by both parties hereto. If any disputes should arise pursuant to the terms and conditions of this Agreement, it is understood and agreed that jurisdiction and venue for any such disputes shall be the Court of Common Pleas of Bucks County, Pennsylvania. To the extent that a public body is executing this Agreement, it is understood and agreed that the Agreement was approved by the governing body of the governmental entity at a public meeting, which meeting was advertised in accordance with the requirements of applicable state law.

IN WITNESS WHEREOF, the Authority and the Developer have caused this Agreement to be executed by their appropriate representatives, all of whom have been duly authorized to do so, on the date set opposite their respective names.

**BUCKS COUNTY WATER AND
SEWER AUTHORITY**

Dated: _____

By: _____

Attest: _____

DEVELOPER

Dated: _____

By: _____

Attest: _____