

TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 179-2016

A RESOLUTION AUTHORIZING AMENDMENT TO CONTRACT WITH NEW JERSEY AMERICAN WATER COMPANY

WHEREAS, the Township and the New Jersey American Water Company are parties to a regional water sales agreement, which provides potable water to the Township for purposes of helping to satisfy the Township's water supply obligations; and

WHEREAS, from January 1, 2016, through July 31, 2016, New Jersey American supplied the Township 422.680 MG of water, exceeding the amount of 327 MG that the Township had expected to purchase from New Jersey American in 2016; and

WHEREAS, the Township requires significant additional quantities of water for the remainder of 2016, related to the closure of the Township's Wells Nos. 7 and 9, while the Township pursues upgrades to its water supply system, and

WHEREAS, New Jersey American has offered to supply the Township with the additional quantities of water that it will require for the balance of 2016 for a fixed fee, the terms of which are explained the copy of a proposed Amendment to the existing regional water sales agreement, and

WHEREAS, the Township appreciates the offer from New Jersey American to provide controls over the Township's water purchase costs while the Township pursues upgrades to its public water supply system; and

WHEREAS, the Township Council of the Township of Moorestown has reviewed the proposed Amendment to the existing regional water sales agreements, and approves of its terms;

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Moorestown, County of Burlington, State of New Jersey that:

1. The proposed Amendment to the Township's regional water sales agreement with the New Jersey American Water Company be and is hereby APPROVED.

<u>VOTE:</u>	
PETRIELLO	YES
GARWOOD	YES
DELGADO	YES
JORDAN	YES
NAPOLITANO	YES

Certified to be a true and correct copy of a resolution adopted by the Township Council of the Township of Moorestown at its meeting of September 12, 2016.

Patricia L. Hunt, Township Clerk

AMENDMENT NO. 6 TO
REGIONAL WATER SALES AGREEMENT

By and Between

New Jersey American Water Company, Inc.
A public utility corporation of the State of New Jersey

And

The Township of Moorestown
In the County of Burlington,
A municipal corporation of the State of New Jersey

THIS AMENDMENT NO. 6 TO REGIONAL WATER SALES AGREEMENT, ("AMENDMENT #6) is dated as of the ____ day of _____, 2016, by and between New Jersey American Water Company, Inc., a public utility corporation of the State of New Jersey with offices at 1025 Laurel Oak Road, Voorhees, NJ 08043 ("Company") and the Township of Moorestown in the County of Burlington, a municipal corporation with its principal office at 111 W. 2nd Street, Moorestown, New Jersey 08057 ("Purchaser").

WHEREAS, the parties entered into a REGIONAL WATER SALES AGREEMENT, ("AGREEMENT") dated as of the 1st day of July, 2000, with a twenty-one (21) year term, commencing on the Effective Date of January 1, 2000, and ending December 31, 2020; and

WHEREAS, the AGREEMENT provides for two (2) Ten Year Purchase Periods, the first of which commences on January 1, 2001, during which Purchaser is required to purchase certain amount of water as set forth in the AGREEMENT and as subsequently amended; and

WHEREAS, the parties are currently in the second Ten Year Purchase Period, which runs from January 1, 2011, to December 31, 2020; and

WHEREAS, the parties entered into AMENDMENT #5, which changed the APR from 315 MG to 327 MG for the balance of the Ten Year Purchase Period ending on December 31, 2020; and

WHEREAS, from January 1, 2016, through July 31, 2016, the Company supplied the Purchaser with 422.680 MG of water, exceeding the 327 MG APR for the 2016 APP; and

WHEREAS, the Purchaser has notified the Company of the need for significant additional quantities of water for the remainder of the 2016 APP; and

WHEREAS, the parties have agreed that the Company will supply the Purchaser with said additional quantities of water during the 2016 APP for a fixed fee; and

WHEREAS, the AGREEMENT, and all subsequent amendments collectively constituting the AGREEMENT for the purposes of this AMENDMENT #6.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below, the parties hereby agree as follows:

1. The terms used in this AMENDMENT #6 shall have the same meanings as defined in the AGREEMENT, unless the context clearly establishes otherwise.
2. The parties agree that subject to Paragraph 10 of the AGREEMENT, the Company shall supply the Purchaser with up to an additional 400 MG of water from August 1, 2016, through December 31, 2016, for a fixed fee of \$1,500,000 to be billed by the Company in equal installments over the remaining months of the APP. The additional amount of water is provided on an "as available" basis consistent with the Company's overall operational and technical requirements. The Company cannot guarantee the availability of water provided on an as available basis.

3. As of January 1, 2017, the terms of this AMENDMENT #6 shall no longer apply and shall terminate, except to the extent Purchaser shall be obligated to pay for the water provided, and thereafter Purchaser shall be obligated to purchase water consistent with the AGREEMENT and AMENDMENT #5.
4. All other terms and conditions of the AGREEMENT, as previously amended, shall remain the same.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their authorized representatives, as of the year and day first written above.

ATTEST:

THE TOWNSHIP OF MOORESTOWN

Patricia L. Hunt, Township Clerk

By: _____
D. Scott Carew, Township Manager

ATTEST:

NEW JERSEY AMERICAN
WATER COMPANY, INC.

Stephen R. Bishop
Corporate Counsel – Northeast Division

By: _____
Kevin Kirwan
Vice-President, Operations