

**UPPER MONTGOMERY JOINT AUTHORITY**  
**SANITARY SEWER SYSTEM**

**RESERVATION OF CAPACITY AGREEMENT**

**THIS AGREEMENT** made and executed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between **Upper Montgomery Joint Authority**, an Authority organized and existing under the laws of the Commonwealth of Pennsylvania, with an office located at 1100 Mensch Dam Road, Pennsburg, Pennsylvania 18073 (hereinafter referred to as the "Authority") and \_\_\_\_\_ **OWNER**, (hereinafter referred to as "Applicant").

**WITNESSETH:**

**WHEREAS**, the Authority operates and maintains sanitary sewage system which provides for treatment of sanitary sewage within its district; and

**WHEREAS**, Application has submitted to the Authority a proposed \_\_\_\_\_ (type of plan) for \_\_\_\_\_ (Development), \_\_\_\_\_ (Dated), (hereinafter referred to as the "Property"); and

**WHEREAS**, Applicant desires to reserve for Applicant's use \_\_\_\_\_ EDUs of sanitary sewage capacity in said system for use in the Property, and has submitted to Authority an appropriate Application, accompanied by the required fee; and

**WHEREAS**, Authority has agreed to allocate to Applicant's use within the subject development and Property \_\_\_\_\_ EDUs of sanitary sewage capacity, subject to the terms and conditions enumerated herein.

**NOW, THEREFORE, IN CONSIDERATION OF THESE PRESENTS AND THE MUTAL PROMISES, TERMS AND CONDITIONS SET FORTH HEREIN, AND INTENDING TO BE LEGALLY BOUND HEREBY**, the parties mutually agree as follows:

1. The foregoing preamble and paragraphs are incorporated herein by reference hereto.
2. Applicant has submitted to the Authority an Application for Reservation of Capacity in the sanitary sewage treatment system.
3. Applicant has submitted to the Authority appropriate administrative fees and Reservation of Capacity Fee (ROC Fee), as defined by the Authority in accordance with the rate schedule in the Rules & Regulations of the Authority and Applicant agrees to continue to pay reservation charges in accordance with the Authority's regulations and rate schedule in the future as are in effect from time to time when the respective payments are due and payable.
4. Applicant recognizes and acknowledges that the ROC Fee addressed in this Agreement is only a reservation fee, which is not applied to, nor credited to the tapping fees, sewer rental charges or

any other charges or fees imposed upon the Applicant by the Authority, and is not refundable, except as set forth in parage 6 below.

5. ROC Fees are the obligation of the Owner or developer, his, her or its respective heirs, personal representatives, successors, and assigns, and in the event of non-payment will be filed as a lien against the property for which the capacity is reserved.
6. Applicant agrees to remit to the Authority quarterly in advance ROC Fees specified in response to Applicants Application, and as billed by the Authority on a quarterly basis. As such time as the Applicant is issued building and zoning permits and has paid the then current tapping fee of the Authority for construction of units of the approved plan for the Property, the ROC Fee shall terminate and any balance remaining shall be prorated and applied to the payment of the tapping and other fees payable as such time. At that time, sewer rental billings will begin, and sewer rental will be due and payable.
7. Applicant acknowledges that the capacity reserved by this Agreement is reserved for only the Property identified in the Agreement for the intended use of the Property as set forth in the Application. The landowner assumes responsibility for notifying a successor owner of obligations and responsibilities assumed under this Agreement.
8. Applicant recognizes that the capacity addressed in this Agreement cannot be transferred to another property.
9. Upon receipt of the Capacity Reservation Application from the Applicant, approval of the Agreement by or on behalf of the Authority's Board, execution of this Agreement and payment of the charges specified in the applicable Rate Schedule of the Authority, the Reservation will be effective.
- 10. Capacity referred to in the approved Application, this Agreement and the Regulations of the Authority is subject to any present or future limitation or restriction placed upon the Authority by PaDEP or any regulatory agency, and determination by the Authority that the regulatory requirement can be met in a manner deemed to be in the best interest primarily of the existing customers and of the Authority's sewer system ratepayers. Fees paid prior to the imposition of capacity limitation are not refundable and no reservation fees shall be payable if the Authority is unable to reserve capacity because of and for the duration of any such capacity limitation.**
11. Verification of capacity reservation by the Authority to the Applicant does not give the Applicant a claim against assets of the Authority and does not transfer to the Applicant an ownership interest in the Authority sewer system. In addition, the Applicant hereby agrees to indemnify and hold the Authority harmless of any and all claims relating to sewer capacity availability and the reservation thereof.

12. The sewer capacity reserved by this Agreement shall be terminated or altered only upon the occurrence of one of the following events:
- a. On non-approval of the plan of development by the \_\_\_\_\_.
  - b. Modification or revision of the plan of development or change of use of the property.
  - c. Withdrawal of the plan of development documented by the Applicant to the \_\_\_\_\_ with request that the reserved capacity be released by the Authority.
  - d. Tapping fees have not been paid within (1) year of signing of this Agreement.
  - e. A period of 1 year from the date of signing this Agreement has expired.
  - f. As individual units of the Property covered by this Agreement apply for and are issued building permits and sewer connection permits and all tapping fees are paid for the respective EDUs reserved under this Agreement.
  - g. Orders or directives are issued by PaDEP that eliminate or restricts Reserved Capacity.

**IN WITNESS WHEREOF, AND INTENDING TO BIND THEMSELVES, THEIR HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS,** the undersigned do hereunto set their hands and seals the day and date above first written.

**ATTEST:**

\_\_\_\_\_ **By:** \_\_\_\_\_  
**UPPER MONTGOMERY JOINT AUTHORITY**

**WITNESS:**

\_\_\_\_\_ **APPLICANT**