

Utility Services Sales Contract

Between the United States of America

And

Non-Federal Entity

This Utility Services Sales Contract is executed this ____ day of _____ 2018, between the United States of America, acting through the Naval Facilities Engineering Command, Mid-Atlantic (hereafter called "GOVERNMENT"), and Non-Federal Entity _____, whose address is _____, (hereafter called "PURCHASER").

WITNESSETH, that the parties hereto do mutually agree as follows:

1. SCOPE AND TERM OF CONTRACT:

(a) WATER: Subject to the terms and conditions hereinafter set forth, the GOVERNMENT shall provide potable water and sanitary sewer utility service to the PURCHASER's property, commonly known as the "Shepherd by the Sea Chapel" (hereinafter called "the Property"), via the GOVERNMENT's infrastructure, at the service location shown on Schedule A, attached hereto and made a part hereof. Such service shall consist of the nature and quality of similar services previously provided by the GOVERNMENT to itself and other customers.

(i) The maximum amount of potable water to be provided by the GOVERNMENT pursuant to this contract is 200 kilo gallons (kGAL) per MONTH. GOVERNMENT hydrants can be utilized by the PURCHASER for emergency fire suppression needs, however the GOVERNMENT does not guarantee any minimum pressure or flow from any hydrant.

(ii) The GOVERNMENT has installed a water meter. The GOVERNMENT will have no responsibility for the potable water infrastructure downstream of the

meter box. All maintenance and repairs of infrastructure (i.e., leaks, breaks, water quality, etc.) shall be the PURCHASER's responsibility. The GOVERNMENT shall maintain the meter box, meter, and backflow preventer, including required annual backflow preventer certifications.

(iii) The GOVERNMENT shall have the right to gather usage information from the meter for the purpose of billing the PURCHASER for water delivered. The PURCHASER will be charged the NAVFAC MIDLANT burdened rate for water, which changes annually. NAVFAC MIDLANT's current utility rates are shown on Schedule B.

(iv) This water service shall continue in effect from the commencement of service until:

a) It is terminated at the option of the PURCHASER by giving not less than thirty (30) days advance written notice to the GOVERNMENT of the effective date of termination, OR,

b) Water services to the Property become available from a municipal or other provider. PURCHASER shall have until 1 November 2023 to finalize construction and connection of its water system infrastructure to that of new supplier. If PURCHASER fails to connect to new supplier's system by 1 November 2023, GOVERNMENT may discontinue water service at its discretion without any further action or notice to PURCHASER.

(b) **SANITARY SEWERAGE:** Subject to the terms and conditions hereinafter set forth, the GOVERNMENT shall provide sanitary sewerage service to the PURCHASER for the Property at the service location shown on Schedule A. The sanitary sewer service shall consist of the nature and quality of similar services previously provided by the GOVERNMENT to itself and other customers.

(i) The maximum amount of sanitary sewer service to be provided by the GOVERNMENT for the Property is 200 kilo gallons (kGAL) per MONTH.

- (ii) The potable water meter shall be used for the purpose of billing the PURCHASER for sanitary sewer flows into the GOVERNMENT system. The PURCHASER will be charged the NAVFAC MIDLANT burdened rate for sanitary sewerage, which changes annually. NAVFAC MIDLANT's current rates are shown on Schedule B. Included in those charges is the cost to treat those flows at the local municipality treatment plant.
- (iii) The PURCHASER shall be responsible for all portions of the dedicated gravity sanitary sewer line servicing the PURCHASER'S property, including all maintenance and repairs. It is recommended that the PURCHASER install a clean out approximately 5 linear feet from the property to aid in future maintenance of the gravity sanitary sewer line. The GOVERNMENT will have no responsibility for the sanitary sewer infrastructure.
- (iv) This sanitary sewer service shall continue in effect from the commencement of service until:
 - a) It is terminated at the option of the PURCHASER by giving not less than thirty (30) days advance written notice to the GOVERNMENT of the effective date of termination, OR,
 - b) When sanitary sewer services for the Property become available from a municipal or public private provider, PURCHASER shall have a period not to exceed 1 November 2023 to finalize construction and connection of its sanitary sewer system infrastructure to the local provider. If PURCHASER fails to connect to new supplier's system by 1 November 2023, GOVERNMENT may discontinue sanitary sewer service at its discretion without any further action or notice to PURCHASER.
- (c) ELECTRICAL SERVICE: GOVERNMENT will not provide electrical service to PURCHASER. PURCHASER shall obtain electrical service from local electric provider. PURCHASER will be responsible for any costs required to establish new service.
- (d) PAYMENT FOR SERVICE:

- (i) All payments will be made via a check made out to the United States Treasury citing the Navy Contract No. N40085-18-C-9743 and shall be forwarded to the following address:

NAVFAC MIDLANT - FM Z-140
9324 Virginia Avenue
Norfolk, VA 23511

- (ii) Upon execution of this contract (or by a mutually agreed to date), the PURCHASER will provide a security deposit in the amount of \$451.92. The amount of the security deposit reflects the GOVERNMENT's best estimate of monthly utility charges that will be invoiced to the PURCHASER once service has commenced. The deposit will be kept for the duration of the contract and will only be used in the event of PURCHASER's failure to pay. Pending increased rates and changes in billing period, the PURCHASER may be asked to provide additional funds for the security deposit.
- (iii) Payment by the PURCHASER is due within thirty (30) days of date of invoice. Failure to pay within sixty days of the invoice date will result in termination of service and forfeiture of the security deposit. Reinstatement of service will require that PURCHASER pay all arrearages and will require payment of a new security deposit, which shall be double the amount of the initial deposit.
- (iv) Invoices for services rendered shall contain meter reading information taken at the beginning and end of the billing period, meter constants, total calculated consumption during the billing period, the rate charged, and the amount due.

(e) DISPUTES:

- (i) In the event that all or parts of the invoice are disputed by the PURCHASER, the PURCHASER will provide a payment by the required date, but said payment may initially be based on the PURCHASER's historic use amount from past months. The PURCHASER will note the remaining amount of the invoice that is disputed and provide reason and evidence to support the claim. A copy of this dispute claim shall also be provided to the Activity at:

NAVFAC MIDLANT
SUBASE NEW LONDON PWD
ATTN: UEM BRANCH
BOX 400
GROTON, CT 06349-5400

The Activity will review the dispute claim and either affirm the invoiced amount or adjust the invoice accordingly within thirty days of the receipt of the dispute.

- (ii) If the PURCHASER still disputes the decision of the Activity, the PURCHASER can appeal the Activity's decision to the Contracting Officer along with arguments to support their dispute claims. The PURCHASER will be provided the opportunity to be heard and to offer evidence in support of its appeal. The decision of the Contracting Officer shall be final and conclusive.

2. TECHNICAL PROVISIONS:

(a) MEASUREMENT OF SERVICE:

- (i) All service furnished by the GOVERNMENT shall be measured by suitable metering equipment of standard manufacture. In the event the meter fails to register or registers incorrectly the service furnished there-through, the parties shall agree upon the length of period during which such meter failed to register or registered incorrectly and the quantity of service delivered there-through during such period and, upon agreement, an appropriate adjustment based thereon shall be made in the PURCHASER's bills. For the purpose of the preceding sentence, any meter which registers within the range of not more than two (2) percent slow or fast shall be deemed correct.
- (ii) The GOVERNMENT, so far as possible, shall read all meters at periodic intervals of approximately thirty days. All billings based on meter readings of less than twenty-seven days or more than thirty-two days shall be prorated accordingly, provided, that billings covering no more than twelve billings periods shall be rendered under this contract in any consecutive twelve months.

(b) CHANGE IN VOLUME OR CHARACTER:

Reasonable notice shall, so far as possible, be given by the PURCHASER to the Contracting Officer respecting any material changes proposed in the volume or characteristics of the utility service required. GOVERNMENT is not required to provide service in excess of the capacities of the existing systems required for such service. The parties shall cooperate within reason to meet the needs of PURCHASER for any changes under this subsection (also see paragraph 1. (a)(i))

(c) CONTINUITY OF SERVICE AND CONSUMPTION:

The GOVERNMENT shall use reasonable diligence to provide a regular and uninterrupted supply of service at the service location(s), but shall not be liable for damages, breach of contract or otherwise to the PURCHASER for failure, suspension, diminution or other variations of service occasioned by or consequence of any cause beyond the control of the GOVERNMENT, including but not limited to acts of God or of the public enemy, fires, floods, earthquakes or other catastrophes, strikes or failure or breakdown of distribution system or other facilities.

3. RATES AND CHARGES:

All rates and charges shall be as shown on Schedule B. These rates are based on the Navy's burdened rates and are reviewed annually on a fiscal year basis (1 October – 30 September) and modified accordingly.

4. PURCHASER'S FACILITIES:

The PURCHASER will grant to the GOVERNMENT, free of any rental or similar charge, but subject to the limitations specified in this contract, an irrevocable permit to enter the service location for any proper purpose under this contract, including use of the site or sites agreed upon by the parties hereto (see Schedule A) for the operation and maintenance of the meter required to be located upon PURCHASER's premises.

5. PUBLIC REGULATIONS AND CHANGE OF RATES:

(a) PUBLIC REGULATION: Service furnished under this contract shall be subject to regulation in the manner and to the extent prescribed by law by any federal, state, or local regulatory commission having jurisdiction. The parties agree to work

cooperatively, including making any changes to this agreement, and negotiating any additional agreements, necessary to maintain compliance with the requirements of any such commission having jurisdiction. Such cooperation will be for the purposes of allowing the PURCHASER to take service according to its needs; and for GOVERNMENT to operate the system needed for such service

(b) CHANGES OF RATES: As noted previously in this contract, rates charged the PURCHASER are based on burdened rates that are determined annually on a fiscal year basis (1 October – 30 September) by NAVFAC MIDLANT. Any changes to the rate schedule will result in an updated Schedule B. The Contracting Officer shall forward to the PURCHASER a copy of such revised rate schedule or amended rate schedule within fifteen days prior to the effective date thereof.

6. CONTRACT CLAUSES:

The following clauses from the Federal Acquisition Regulation (FAR) are hereby incorporated by reference into this Contract.

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| FAR 52.202-1 | Definitions (JUL 2004) |
| FAR 52.203-3 | Gratuities (APR 1984) |
| FAR 52.203-5 | Covenant Against Contingent Fees (APR 1984) |
| FAR 52.203-6 | Restrictions on Subcontractor Sales to the Government (SEP 2006) |
| FAR 52.203-7 | Anti-Kickback Procedures (OCT 2010) |
| FAR 52.203-8 | Cancellation, Recession, and Recovery of Funds for Illegal or |
| FAR 52.204-4 | Printing/Copying Double-Sided on Recycled Paper (MAY 2011) |
| FAR 52.209-6 | Protecting the Government's Interest When Subcontracting With |
| FAR 52.222-26 | Equal Opportunity (MAR 2007) |
| FAR 52.223-2 | Clean Air and Water (DEC 2007) |
| FAR 52.232-23 | Assignment of Claims (JAN 1996) |
| FAR 52.237-2 | Protection of Government Buildings, Equipment, and Vegetation |
| FAR 52.241-2 | Order of Precedence-Utilities (Feb 1995) |
| FAR 52.241-3 | Scope and Duration of Contract (Feb 1995) |
| FAR 52.241-4 | Change in Class of Service (Feb 1995) |
| FAR 52.241-5 | Contractor's Facilities (Feb 1995) |

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| FAR 52.241-6 | Service Provisions (Feb 1995) |
| FAR 52.241-7 | Change in Rates or Terms and Conditions of Service (Feb 1995) |
| FAR 52.241-11 | Multiple Service Locations (FEB 1995) |
| FAR 52.241-13 | Bankruptcy (JUL 1995) |
| FAR 52.243-1 | Changes—Fixed Price (AUG 1987) Alternate I (APR 1984) |
| FAR 52.249-2 | Termination for Convenience of the Government (Fixed Price) |
| FAR 52.253-1 | Computer Generated Forms (JAN 1991) |

ATTACHMENTS:

Schedule A – Water and Sanitary Sewer Points of Demarcation (POD)

Schedule B – Private Party Rates for Utility Services & Security Deposit Calculations

THE UNITED STATES OF AMERICA

Non-Federal Entity

By: _____
Contracting Officer

By: _____
Non-Federal Entity

Schedule B – Private Party Rates for Utility Services & Security Deposit Calculations

1. FY18 Utility Rates

- a. Water - \$14.76 / kgal
- b. Wastewater (Sanitary Sewer) - \$17.52 / kgal

2. Security Deposit

- a. Water
 - i. 14 kgal per month x \$14.76 / kgal = \$206.64
- b. Wastewater (Sanitary Sewer)
 - i. 14 kgal per month x \$17.52 / kgal = \$245.28
- c. Total Deposit = \$451.92