Prepared I	bv:
------------	-----

N.J.S.A. 46:15-1.1

### DEED OF CONSERVATION RESTRICTION FOR PROPERTIES PURCHASED THROUGH THE ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM

#### WITNESSETH:

This Deed of Conservation Restriction ("Conservation Restriction") is made this day of , 2008,

Between

New Jersey Water Supply Authority 1851 Highway 31 P.O. Box 5196 Clinton, New Jersey 08809-0196

and

Township of Mendham
2 West Main Street
P.O. Box 520
Brookside, New Jersey 07926

and

Schiff Natural Lands Trust, Inc. 339 Pleasant Valley Road Mendham, New Jersey 07945

hereafter referred to collectively as "Grantors," and

New Jersey Water Supply Authority Block 100, Lot 17.02 (p/o) Mendham Township, Morris County State of New Jersey
Department of Environmental Protection
401 East State Street
Trenton, New Jersey 08625

hereafter referred to as "Grantee."

WHEREAS, the Grantors are the owners in undivided fee simple of property which consists of approximately 111.678 acres of land, located in the Township of Mendham, County of Morris and State of New Jersey and known as Block 100, Lot 17.02 on the current tax map of said municipality ("the Property"), which property is more particularly described in a metes and bounds description of the Property attached to and made a part hereof as Schedule A of this Conservation Restriction and in the environmental assessment and reduced survey maps attached to and made a part hereof as Exhibits 1 and 4 of this Conservation Restriction; and

WHEREAS, the Property was conveyed to the Grantors on , 2008 by Deed recorded on . , 2008 with the Office of the Clerk/Registrar of Morris County in Deed Book , Page ; and

WHEREAS, the New Jersey Water Supply Authority will receive a portion of the purchase cost of the Property from the Grantee through the Environmental Infrastructure Financing Program ("EIFP") pursuant to *N.J.A.C.* 7:22; and

WHEREAS, as a condition of such financial assistance, the Grantors have agreed to convey to the Grantee and impose upon the Property permanent conservation restrictions and easements designed to protect and preserve the surface and groundwater quality and quantity and other Conservation Values of the Property in perpetuity within a defined area, comprised of approximately 11.168 acres and known as the "EIFP Conservation Restriction Area", which area has been delineated by agreement of the Grantors and is more particularly described in a metes and bound description attached to and made a part hereof as Schedule B of this Conservation Restriction:

WHEREAS, it is the primary objective of this Conservation Restriction to protect, on both a water quality and quantity basis, surface and groundwater resources, as well as related environmentally sensitive areas (including wetlands and floodplains) and natural habitat (for both land and in-stream populations of wildlife and vegetation) in order to achieve the goals of the New Jersey Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., the New Jersey Safe Drinking Water Act, N.J.S.A. 58:12A-1 et seq. and other statutes governing water quality in the State of New Jersey; and

WHEREAS, this Conservation Restriction is entered into in accordance with the New Jersey Historic Preservation and Conservation Restriction Act, *N.J.S.A.* 13:8B-1 *et seq.*) and shall be binding upon the Grantors, their successors and assigns and upon the Grantee, its successors and assigns;

NOW THEREFORE, and in consideration of the sum of \$1.00, the receipt and sufficiency of which is hereby acknowledged, the Grantors do hereby convey to the Grantee a Conservation Restriction in perpetuity, pursuant to the laws of New Jersey, for the exclusive purpose of assuring that the water quality/quantity and other Conservation Values of the EIFP Conservation Restriction Area will be conserved and maintained forever and that uses of the EIFP Conservation Restriction Area that are inconsistent with these Conservation Values will be prevented or corrected.

- I. Purposes. The purposes of this Conservation Restriction are (1) to assure that the EIFP Conservation Restriction Area will be retained forever predominantly in its natural condition in order to achieve the goals of the New Jersey Water Pollution Control Act, the New Jersey Safe Drinking Water Act and other statutes governing water quality in New Jersey, (2) to protect water quality/quantity and other Conservation Values of the EIFP Conservation Restriction Area by allowing uses only as specified in Section VI, Permitted Uses, and (3) to prevent or correct any uses of the EIFP Conservation Restriction Area that will impair or interfere with any of the Conservation Values of the EIFP Conservation Restriction Area, including those activities specified in Section V, Prohibited Acts.
- II. Conservation Values Defined. For the purposes of this Conservation Restriction, the term "Conservation Values" means all those natural, scenic, aesthetic, open space, ecological, plant and wildlife habitat, soil, surface and groundwater resource quality and quantity, watershed, floodplain, wetland, and similar features and values that characterize or are associated with the EIFP Conservation Restriction Area.
- III. Promises by Grantors. Grantors, for themselves, their successors and their assigns, agree to maintain, protect and use the EIFP Conservation Restriction Area in a manner that furthers the Conservation Values established by and the purposes of this Conservation Restriction. Grantors, their successors, and their assigns shall not sell, lease, exchange or donate the EIFP Conservation Restriction Area except to the State or a local government unit as defined at N.J.A.C. 7:22-3.4, as may be amended and supplemented. No such conveyance shall be effective without the prior written approval of the Commissioner of

the Department of Environmental Protection or his or her designated representative. The EIFP Conservation Restriction Area shall remain subject to this Conservation Restriction after any approved conveyance.

- IV. No Development or Subdivision. Any new development or subdivision of the EIFP Conservation Restriction Area is expressly prohibited. In addition, the EIFP Conservation Restriction Area shall not be included as part of the gross area of other property not subject to this Conservation Restriction for the purposes of determining density, lot coverage or open space requirements, under otherwise applicable laws, regulations or ordinances controlling land use and building density.
- V. Prohibited Acts. Except for (1) those rights expressly reserved in this Conservation Restriction, (2) those uses or activities expressly authorized under Section VI(A) (Passive Recreation) or VII(D) (Discretionary Consent) of this Conservation Restriction or (3) those uses or activities specifically authorized under a Management Plan approved in writing by the Grantee, any activity on or use of the EIFP Conservation Restriction Area inconsistent with the purposes of this Conservation Restriction is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:
  - Α. Water Quality/Quantity and Natural Resource Protection: Alteration of Topography or Hydrology. There shall be no pollution, alteration, depletion or extraction of surface water, natural water courses, lakes, ponds, marshes, subsurface water or any other water bodies on the EIFP Conservation Restriction Area, nor shall there be activities conducted on the Conservation Restriction Area which would detrimental to water quality, water purity, drainage, flood water conservation, erosion control or conservation, or which could alter the natural water level and/or flow in, below or over the EIFP Conservation Restriction Area. This shall include ditching, draining, diking, filling, excavation or any other activity that alters the topography or hydrology of the EIFP Conservation Restriction Агеа.
  - **B. Structures.** Construction of any new structures of any type is prohibited. For the purposes of this paragraph, the term "structures" includes, but is not limited to, buildings, gazebos, tennis courts, athletic fields, landing strips, mobile homes, swimming pools, fences, signs, billboards or other advertising

displays, antennas, utility poles, towers, conduits, lines, bridges, walkways or any other temporary or permanent structure or facility on or above the premises.

For the purposes of this paragraph, the term "structures" does not include bridges, walkways, fences, signs or erosion control structures or best management practices approved in writing by the Grantee under Section VI(A)4 of this Conservation Restriction or in a Management Plan for the EIFP Conservation Restriction Area.

- C. Mining. No topsoil, sand, peat, gravel, loam, rock, minerals or other materials shall be deposited on, excavated, dredged or removed from the EIFP Conservation Restriction Area.
- D. Roads. No new roads may be constructed or other portions of the EIFP Conservation Restriction Area covered with concrete, asphalt or any other paving material. Existing roads and paved surfaces, including their associated drainage features and shoulders, may be maintained at their existing dimensions. Access to existing roads and paved surfaces shall be restricted to vehicles needed for maintenance/ emergency purposes.
- E. Motorized Vehicles. The use of the EIFP Conservation Restriction Area by motorized vehicles is prohibited. However, the Grantors reserve the right to allow maintenance vehicles, emergency vehicles and trash trucks to use existing roads and paved surfaces. For the purposes of this paragraph, "motorized vehicles" includes, but is not limited to, cars, trucks, motorcycles, all terrain vehicles, motorbikes, motorized scooters and snowmobiles.
- F. Trash. Dumping or placing of trash, soil, ashes, garbage, solid waste, hazardous waste, dredging spoils or other waste material is prohibited on the EIFP Conservation Restriction Area. However, removal of trash from the EIFP Conservation Restriction Area and hand removal of debris from water bodies within or adjacent to the EIFP Conservation Restriction Area is permitted.
- G. Timber Harvesting. Harvesting of timber is expressly prohibited. However, with the prior written approval of the Grantee, select trees/vegetation may be cut to control insects and disease, to prevent personal injury, or to prevent property damage. In addition, fallen trees may be removed as part of

road and trail maintenance, and the Grantors may conduct manual cleaning of streams running through or adjacent to the EIFP Conservation Restriction Area.

- H. Vegetation Protection. Except as provided in Paragraph G, the removal or destruction of trees, shrubs, native plants or other vegetation is prohibited. However, the Grantors reserve the right to mow existing grassed areas as delineated in Exhibit 2 of this Conservation Restriction and to maintain existing trails at existing widths.
- I. Agricultural Activities. Use of the EIFP Conservation Restriction Area for agricultural activities, including but not limited to the growing of crops, the having of fields, the planting or maintenance of orchards, the planting or maintenance of tree farms, the feeding, housing or grazing of animals and the farming of fish or shellfish is prohibited.
- J. Use of Pesticides, Herbicides and Fungicides. The use of pesticides, herbicides, algaecides, insecticides and/or fungicides on the EIFP Conservation Restriction Area is prohibited.
- K. Archaeological and Palaeontological Activities. The removal, disturbance or destruction of archaeological and palaeontological materials and features is prohibited, except that the Grantors may allow the conduct of research by scientific investigators or the conduct of educational programs of archaeology or palaeontology, under a research or education proposal approved in writing by the Grantee.
- L. Active Recreation and Recreational Development. The use and/or development of the EIFP Conservation Restriction Area for active recreation purposes is prohibited. For the purposes of this paragraph, the term "active recreation" (1) includes, but is not limited to, the use of the EIFP Conservation Restriction Area for athletic fields, field sports, court games, group picnics, festivals, playgrounds and cycling, (2) includes any associated infrastructure, such as parking lots and boat launches (3) applies whether the activity is conducted on an intermittent or a year-round basis.
- M. Boating. The use of the EIFP Conservation Restriction Area or waterbodies contiguous to the EIFP Conservation Restriction Area by motorized boats is prohibited. For the

purposes of this paragraph, the term "motorized boats" shall include, but is not limited to, gas and electric-powered boats.

- VI. Permitted Uses. The following uses of the EIFP Conservation Restriction Area are expressly permitted:
  - Passive Recreational Uses. The Grantors reserve the right Α. to use and allow the EIFP Conservation Restriction Area to be used for passive recreational activities and nonmanipulative scientific research involving passive observation only; provided, however, that the Grantors must demonstrate that (i) the scope and extent of such recreational uses shall be limited as necessary to ensure that there is no significant and demonstrable damage to the water quality/quantity or other Conservation Values of the EIFP Conservation Restriction Area and (ii) no commercial recreational uses shall be permitted. The foregoing permitted passive recreational uses shall include:
    - Use of the EIFP Conservation Restriction Area for walking, hiking, horseback riding, cross-country skiing, snowshoeing birdwatching, nature observation, fishing and hunting.
    - 2. Construction of new unpaved trails and maintenance of existing trails at existing widths. New hiking trails shall be sited a minimum of 50 feet and new horseback riding trails shall be sited a minimum of 150 feet from any stream bank, wetland or surface water area. Where the slope of the trail site exceeds 20 percent, new hiking trails shall be sited a minimum of 150 feet and new horseback riding trails shall be sited a minimum of 300 feet from any stream bank, wetland or surface water area. Prior to commencing construction of new hiking trails and/or widening of existing trails, the Grantors shall obtain the written approval of the Grantee. The Grantee shall not approve any new proposed trail that will destroy, jeopardize or adversely modify documented habitat for endangered or threatened species.
    - Use of wood chips or similar natural and permeable materials for construction of new trails and maintenance of existing trails, if feasible. If such materials are not feasible, crushed stone, gravel or recycled plastic or wood lumber may also be used.
    - 4. Construction of a means to traverse surface water, in conjunction with a trail built under Section VI(A)2 of this

Conservation Restriction, provided that the crossing (1) does not alter the topography or hydrology of the EIFP Conservation Restriction Area as prohibited in Section V(A) of this Conservation Restriction, (2) does not destroy, jeopardize or adversely modify the documented habitat of endangered or threatened species and (3) does not adversely affect a property listed or eligible for listing on the New Jersey or National Register of Historic Places. Any construction under this paragraph shall require the prior written approval of the Grantee.

- 5. Use of waterbodies within or adjacent to the EIFP Conservation Restriction Area by rowboat, canoe, kayak or other non-motorized boat and for fishing. However, the construction of new boat launch areas or access ramps within the EIFP Conservation Restriction Area is prohibited.
- VII. Rights of Grantee. To accomplish the conservation purposes of this Conservation Restriction, the following rights are conveyed to the Grantee:
  - A. Enforcement. The Grantee has the right to preserve and protect the Conservation Values of the EIFP Conservation Restriction Area.
  - B. Inspection. The Grantee and its agents shall be permitted access to, and have the right to enter upon, the EIFP Conservation Restriction Area with reasonable notice to the Grantors, for the purposes of inspection in order to enforce and assure compliance with the terms and conditions of this Conservation Restriction. Except in cases where the Grantee determines that immediate entry is required to prevent, terminate or mitigate a violation of this Conservation Restriction, such entry shall be upon prior notice to the Grantors.
  - C. Scientific Studies. The Grantee and its agents shall be permitted access to, and have the right to enter upon, the EIFP Conservation Restriction Area at all reasonable times for the purposes of observing and studying nature, making scientific and educational observations and studies and taking samples, including samples to determine surface and subsurface water quality.
  - D. Discretionary Consent. The Grantee's consent for activities otherwise prohibited under this Conservation

Restriction may be given under the following conditions and circumstances: lf, due to unforeseen or circumstances, any of the activities prohibited bv this Conservation Restriction are deemed desirable by the Grantee, the Grantee may, in its sole discretion, give permission for such activities, subject to the limitations in this paragraph. Such requests for permission, and permission for activities requiring the Grantee's consent under this Conservation Restriction, shall be in writing. The Grantee may give its permission only if it determines, in its sole discretion. that such activities (1) do not violate the purposes of this Conservation Restriction and (2) either enhance or do not impair any Conservation Values associated with the EIFP Conservation Restriction Area. If the Grantors seek permission under this Paragraph to conduct an activity prohibited by this Conservation Restriction and the Grantee does not deem such activity to be desirable, such request shall be subject to the requirements of the New Jersey Conservation Restriction and Historic Preservation Restriction Act, N.J.S.A. 13:8B-1 et seq., the Green Acres statutes and regulations (if the underlying property interests of the Grantors are encumbered by Green Acres restrictions) and any other statute applicable to the amendment of this Conservation Restriction or the activity proposed by the Grantors.

- VIII. Responsibilities of Grantors and Grantee not affected. Other than as specified herein, this Conservation Restriction is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligations of the Grantors as owner of the EIFP Conservation Restriction Area. This shall apply to:
  - A. Taxes. The Grantors shall continue to be solely responsible for payment of any taxes and assessments levied against the EIFP Conservation Restriction Area.
  - B. Upkeep and Maintenance. The Grantors, as owners of the EIFP Conservation Restriction Area, shall continue to be solely responsible for the upkeep and maintenance of the EIFP Conservation Restriction Area to the extent it may be required by law. This Conservation Restriction shall not be interpreted to impose any additional obligations on Grantee for the upkeep or maintenance of the EIFP Conservation Restriction Area. However, nothing in this Conservation Restriction shall require the Grantors to take any action to restore the condition of the

EIFP Conservation Restriction Area after any Act of God or other event over which the Grantors had no control.

- C. Liability and Indemnification. The Grantors shall hold harmless, indemnify and defend the Grantee and its members, directors, officers, employees, agents and contractors, and their successors and assigns, from and against all liabilities, penalties, costs, losses, damages, expenses or claims, including, without limitation, reasonable attorney's fees arising from or in any way connected with the injury or the death of any person or physical damage to any property resulting from any act, omission, condition or other matter related to or occurring on or about the EIFP Conservation Restriction Area, regardless of cause, unless due solely to the negligence of any of the indemnified parties.
- D. Permits and Approvals. Neither the execution of this Conservation Restriction nor the issuance of written approval by the Grantee under this Conservation Restriction shall excuse the Grantors from obtaining any legal approvals that may otherwise be required for its activities on or use of the EIFP Conservation Restriction Area. Any approvals by the Grantee under this Conservation Restriction shall not be unreasonably withheld.
- IX. Remedies. The Grantee shall have the right to prevent and correct violations of the terms of this Conservation Restriction. Enforcement of the terms of this Conservation Restriction shall be at the discretion of the Grantee and any failure on the part of the Grantee to exercise its rights hereunder shall not be deemed or construed to be a waiver by the Grantee of those rights, regardless of the number of violations of the terms of this Conservation Restriction by the Grantors or the length of time it remains unenforced.

If the Grantee discovers what it believes is a violation of the terms of this Conservation Restriction, it may at its discretion, without limitation as to other available legal recourse, take any of the following actions:

A. Notice of Violation; Corrective Action. If the Grantee determines that a violation of the terms of this Conservation Restriction has occurred or is threatened, the Grantee shall give written notice to the Grantors of such violation and demand corrective action sufficient to cure the violation in accordance with a plan approved by the Grantee.

- B. Injunctive Relief. If the Grantors fail to cure the violation within 45 days after receipt of notice from the Grantee, or under circumstances where the violation cannot reasonably be cured within a 45-day period, fail to begin curing such violation, or fail to continue diligently to cure such violation until finally cured, the Grantee may bring an action in a court of competent jurisdiction to enforce the terms of this Conservation Restriction, to enjoin ex parte the violation by temporary or permanent injunction, and to require the restoration of the EIFP Conservation Restriction Area to the condition that existed prior to such injury. The Grantors acknowledge that any actual or threatened failure to comply or cure will cause irreparable harm to the Grantee and that monetary damages will not provide an adequate remedy.
- C. Damages. The Grantee shall be entitled to recover damages for violations of the terms of this Conservation Restriction or injury to any Conservation Values protected by this Conservation Restriction, including, without limitation, damages for the loss of Conservation Values. Without limiting the Grantors' liability, the Grantee, in its sole discretion, may apply any damages recovered under this Paragraph to the cost of undertaking any corrective action on the EIFP Conservation Restriction Area.
- D. Costs of Enforcement. In any case where a court finds that a violation has occurred, all reasonable costs incurred by the Grantee in enforcing the terms of this Conservation Restriction against the Grantors, including, without limitation, costs and expenses of suit and reasonable attorney's fees, and any costs of restoration necessitated by the Grantors' violation of this Conservation Restriction, shall be borne by the Grantors.
- X. Development Rights. The Grantors hereby grant to the Grantee all development rights or credits that are now or hereafter allocated to, implied, reserved or inherent in the EIFP Conservation Restriction Area, and the parties agree that such rights are terminated and extinguished, and may not be used on or transferred to any portion of the EIFP Conservation Restriction Area as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise, nor used for the purpose of calculating permissible lot yield on the EIFP Conservation Restriction Area or any other property.

#### XI. Grantors' Warranties.

- A. Title. The Grantors warrant good and sufficient title to the EIFP Conservation Restriction Area, free from all encumbrances and hereby promises to defend the same against all claims that may be made against it. The Grantors warrant the EIFP Conservation Restriction Area to be free from all mortgages, liens, encumbrances, restrictions, easements, covenants and conditions, except those that the Grantee determines, do not interfere with its proposed use of the EIFP Conservation Restriction Area. The EIFP Conservation Restriction Area may only be subject to a mortgage if the holder of such mortgage agrees to subordinate it to the Conservation Restriction in a manner satisfactory to the Grantee.
- B. Hazardous Substances. The Grantors warrant no actual knowledge of a release or threatened release of hazardous substances or wastes on the EIFP Conservation Restriction Area. The Grantors hereby promise to defend and indemnify the Grantee against all litigation, claims, demands, penalties and damages, arising from or connected with any release of hazardous waste or violation of federal, state, or local environmental laws.
- XII. Amendment of Conservation Restriction. This Conservation Restriction may be amended only with the written consent of the Grantee and the Grantors. Any such amendment shall be consistent with the purposes of this Conservation Restriction and with the laws of the State of New Jersey and any regulations promulgated pursuant to those laws.
- XIII. Interpretation. This Conservation Restriction shall be interpreted under the laws of the State of New Jersey, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.
- XIV. Perpetual Duration. This Conservation Restriction shall be a servitude running with the land in perpetuity. Every provision of this Conservation Restriction that applies to the Grantors or Grantee shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear.
- XV. Notices. Any notices required by this Conservation Restriction shall be in writing and shall be personally delivered or sent by first

class mail, to the Grantors and Grantee at the following addresses, unless a party has been notified of a change of address:

#### To Grantors:

New Jersey Water Supply Authority 1851 Highway 31 P.O. Box 5196 Clinton, New Jersey 08809-0196

Township of Mendham 2 West Main Street P.O. Box 520 Brookside, New Jersey 07926

Schiff Natural Lands Trust, Inc. 339 Pleasant Valley Road Mendham, New Jersey 07945

#### To Grantee:

New Jersey Department of Environmental Protection Green Acres Program P.O. Box 412 Trenton, New Jersey 08625

XVI. Throughout this Conservation Restriction, the singular shall include the plural, and the masculine shall include the feminine unless the text indicates otherwise.

#### XVII. SCHEDULES AND EXHIBITS

The following schedules and exhibits are annexed to and shall form a part of this Conservation Restriction:

Schedule A: Legal Description of the Property (Fdc)

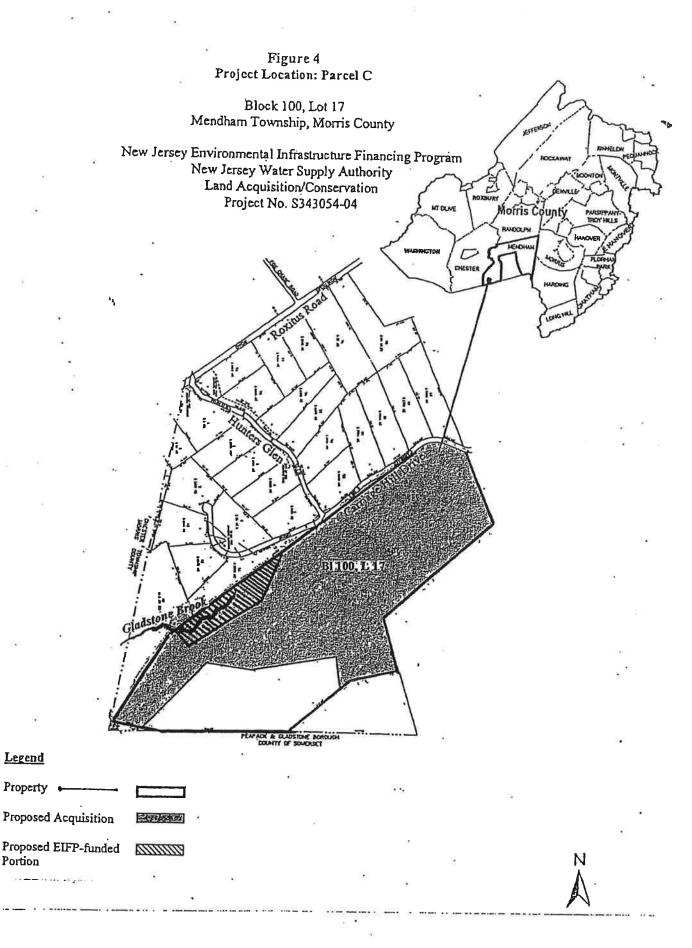
Schedule B: Legal Description of the EIFP Conservation Restriction Area (f./lz)

Exhibit 1: Environmental Assessment Map of the Property

Exhibit 2: Map Depicting Areas Authorized to be Mowed on EIFP Conservation Restriction Area, Including Mowing Schedule (Not Applicable)

		Exhibit 3: M	ap of Existing Trails on the EIFP Conservation estriction Area (Not Applicable)
		Exhibit 4: R	educed Survey Map of the Property
	Note:	Schedules and ext size (8 ½ by 14 inc	nibits must be on letter size (8 ½ by 11 inch) or legal h) paper
			OF, the Grantors and Grantee have hereunder set the day and year first written above.
		GRANTORS	.e
			2 · · · · · · · · · · · · · · · · · · ·
			NEW JERSEY WATER SUPPLY AUTHORITY
			By: Henry S. Patterson III
)			Executive Director
)			T T
		STATE OF NEW JER	SEY:
	COUNTY OF HUNTERDON:  BE IT REMEMBERED, that on this day of , 2008 personally appeared before me Henry S. Patterson III, who I am satisfies is the Executive Director of the New Jersey Water Supply Authority, and that he acknowledged that he signed, sealed and delivered this instrument as the duly authorized representative of the New Jersey Water Supple Authority and as the act and deed of the Authority, and that the full an actual consideration paid or to be paid for this easement is \$1.00.		
		<i>±</i> 6	(Name)
		*	(Title)
		My Commission evnir	ac .

### Exhibit 1: Environmental Assessment Map of the Property



Portion

Map Depicting Areas Authorized to be Mowed on EIFP Conservation Restriction Area,
Including Mowing Schedule

NOT APPLICABLE

# EXHIBIT 3: Map of Existing Trails on the EIFP Conservation Restriction Area

NOT APPLICABLE

## EXHIBIT 4: Reduced Survey Map of the Property

