

**MINUTES
HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
December 3, 2012**

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, December 3, 2012, at the Municipal Building located at 149 Wheatsworth Road. Members present were Mr. Cicerale, Mr. Verrilli, Mr. Kula, and Mr. Marples. Also present were Mike Vreeland, and, Mark Hontz.

After salute to the flag, Mr. Cicerale stated compliance with the Open Public Meetings Act.

A MOTION was made by Kula seconded by Marples, to approve the minutes of the September 10, 2012 and October 1, 2012 meeting. In favor; Cicerale, Verrilli, Kula, and Marples.

The November 5, 2012 was cancelled and not re-scheduled.

OLD BUSINESS:

Indian Field:

Phase II As-Built Plans – Mike stated nothing new at this time.

Phase III Conveyance – Mike stated Beazer Homes have completed some items on the punch list. Shortly after the hurricane during a sight visit discussion was held regarding items which need to be addressed such as sewer laterals. Beazer Homes intends to have the remaining items completed within the next two weeks in order to go forward with the conveyance.

Water Spheroid Rehabilitation – Mike stated the project is complete. Vouchers for approval of the project are listed on the bill list. The maintenance bond has not been received to date and must be prior to release of payment to Allied Painting.

A MOTION was made Verrilli seconded by Marples to approve payment to Allied Painting Inc. in the amount of \$291,900.00 for the Indian Field Waterspheroid Painting project as per bid contract, conditioned upon the receipt of the required maintenance bond. In favor; Cicerale, Verrilli, Kula, and Marples.

Irrigation Quarterly Billing – Mike stated the quarterly bill which was mailed in September to the Indian Field Association was analyzed, utilizing the readings which were taken and compared to the HTMUA rules and regulations. The bill was based upon a reading in August of 2011 and then in August of 2012. It showed a usage of 1.2 million gallons and was applied to the rate structure. Instead of applying the total amount to the rate structure we broke it down by month and then applied it to the rate structure. The

rules and regulations state that it will be read on a monthly usage and billed in conjunction with the quarterly billing cycles. Mike also discussed this with the management company for the time period in which the irrigation system was being utilized. Calculations were analyzed using the systems overall well usage on a prorated volume structure. The volume of water for Sept 2011 was 358,000; June 2012 - 344,000; July 2012 - 532,000; August 2012 – 411,000 for a total bill of \$20,613.46. Part of the problem was it was read overall for this time period as opposed to reading it monthly and calculating the usage based on the rate structure and then totaled for the quarter.

A major issue is the ability to read the irrigation meters. The equipment in the irrigation pits do not have touch reads and in order to obtain access 12 heavy (100+ pounds) lids must be removed for each one. In the older sections this is common and not an advisable situation for one person to handle the lids and then climb in to the irrigation pits monthly. These should be upgraded and a plan to do so should be devised. Further discussion was held regarding the logistics and timing of the readings and adjustment to the billing.

A MOTION was made by Verrilli seconded by Marples to amend the previous August 31, 2012 quarterly billing for irrigation usage at Indian Fields during the time period of June, July and August 2012 in the amount of \$20,613.46 based upon the HTMUA engineer analysis of potable water used for irrigation. In favor; Cicerale, Verrilli, Kula, and Marples.

A MOTION was made by Marples seconded by Kula to cancel \$968.16 of previously charged interest for account # 1227.00, listed as Irrigation meters as Indian Fields at Hardyston Township. The due date will be 30 days from the amended billing date. Payments received after the 30 days will be subject to the 1.5% interest rate structure as listed in the HTMUA Rules and Regulations. In favor: Cicerale, Verrilli, Kula, and Marples.

Crystal Springs:

K. Hovnanian – Mike stated nothing new at this time.

By-Pass Upgrade – Mike stated as part of the Hamburg By-Pass project the existing Crystal Springs pump station was disconnected from the old force main which SCMUA constructed along Route 94. One of the items that went along with the project was a Memorandum of Understanding based upon reaching a flow threshold of 170,000 gpd. Once reached for a sustainable 90 day period, the Crystal Springs pump station could be upgraded to a pump capacity of 202,000 gpd. An upgrade work plan was devised and funds set aside by SCMUA in the amount of \$35,000 to implement it. Mike analyzed the data and the trigger was met in May and again in the fall. A recommendation is made to receive authorization to proceed with correspondence to SCMUA regarding the matter.

A MOTION was made by Verrilli seconded by Marples to authorize the HTMUA engineer and attorney to initiate a letter of correspondence with the SCMUA advising the “trigger” amount of 170,000 gpd has been reached as stated in the Memorandum of

Understanding dated June of 2009. And according to the Memorandum of Understanding once this is reached the pump capacity upgrade work plan shall be implemented once the written approval is received from SCMUA in regards to this understanding. In favor: Cicerale, Verrilli, Kula, and Marples.

High Ridge Properties:

Payment Status; High Ridge Properties & Beaver Run Shopping Ctr. – Gail stated High Ridge Properties is 17 full and 1 partial quarter behind with interest calculated up to November 30, 2012 for a total amount due of \$ 456,001.71. A lien has been placed on the property and will be updated to the tax collector after the December quarterly billing has been produced. The tax collector has not had any response from the current lien holder in regards to the HTMUA portion of the lien.

The Beaver Run portion maintains a credit balance of \$-1,046.15.

Ridgefield Commons Emergency Interconnection:

Mark recused himself.

Mike stated that since the project has been completed on the water tank he will reach out to the attorney in regards to the status of the interconnection project.

North Church Technical Center:

Mike stated he spoke with Marianne regarding the project and a meeting is being held with the fire inspector as to the required specifications.

Mark stated he received the title report delivered by the agency. He is currently reviewing this.

YMCA

Mike stated the monthly flows were received and tabulated. The chart was presented and indicates nothing out of the ordinary.

New Business

Mr. Cicerale inquired on the deed to the water tower. Mark did not have anything to present at this time.

PAYMENT OF BILLS:

A MOTION was made by Verrilli and seconded by Marples to pay the bills for the months of November and December 2012 as per the bill lists. In favor: Cicerale, Verrilli, Kula, and Marples.

CORRESPONDENCE:

Nothing to discuss

OFFICER'S REPORTS:

Nothing at this time.

BANKRUPTCY PROCEDURES:

Mark stated has been an ongoing project. After meeting with the town attorney, tax collector, town manager and HTMUA billing clerk regarding the response necessary when a bankruptcy is received. Mark presented a procedural memo when a bankruptcy is received and discussion was held.

A MOTION was made by Verrilli seconded by Marples to accept and implement the procedural process in regards to account holders filing for bankruptcies as presented by the HTMUA attorney. In favor: Cicerale, Verrilli, Kula, and Marples.

Mark presented a procedure memorandum regarding procedures for certification of overdue account balances to the township tax collector. It ensures that our customers will be regulated and protected by establishing a benchmark. Discussion was held.

A MOTION was made by Verrilli seconded by Kula to accept and implement the procedural process in regards to certification of overdue account balances to the tax collector as presented by the HTMUA attorney. In favor: Cicerale, Verrilli, Kula, and Marples.

PROFESSIONAL'S REPORTS:

Administrator – not present

Operator – not present

Billing Clerk – Gail stated letters (as presented) were mailed out to all customers last week regarding the rate increase effective December 1, 2012.

In early October a resident located at 115 Bourne Circle contacted the HTMUA regarding low water pressure. After contacting the water operator it was indicated that there were no issues present on our system and suggestion was made to the customer that a plumber be contacted where the pressure reducer valve is the most likely the issue causing the low pressure. The customer hired a plumber and the results indicated it was on our side of the system. The customer requested reimbursement for the plumbing expense.

A MOTION was made by Verrilli seconded by Marples to reimburse the customer located at 115 Bourne Circle for unnecessary plumbing services in the amount of \$125.00. In favor: Cicerale, Verrilli, Kula, and Marples.

CFO – not present

Accountant – not present

Attorney – Mark stated nothing further

Engineer – Mike stated nothing further.

OPEN PUBLIC PORTION:

The meeting was opened to the public.

Mr. Roger O'Brien of 2 Sundance Terrace, Indian Fields, Vice President of Trustees for the Indian Field Homeowners Association stated they appreciated the consideration on the adjustment of the irrigation bill and presented partial payment. He stated that they noted the increase in the irrigation usage. He also stated that Beazer Homes has been working in the area and a noticeable sink hole was forming. A question was made as to if this is in relation to a water main or the irrigation lines. Mike Vreeland indicated he will check into the situation. Mr. O'Brien stated that the association has begun an investigation on to the placement of many of the irrigation heads and he stated many examples. He also stated the comments received from homeowners regarding the recent rehabilitation of the water tank were very favorable.

The meeting was closed to the public.

There being no further business, A MOTION was made by Verrilli to adjourn, meeting adjourned.

Respectfully submitted,

Gail Hensal
Recording Secretary