

**MINUTES
HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
March 4, 2013**

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, March 4, 2013, at the Municipal Building located at 149 Wheatsworth Road. Members present were Mr. Cicerale, Mr. Verrilli, Mr. Kula, and Mr. Marples. Also present were Mark Hontz, Mike Vreeland, and, Marianne Smith.

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

Minutes: A MOTION was made by Verrilli and seconded by Marples to approve the minutes of the January 7, 2013 meeting. The regularly scheduled meeting of February 4, 2013 was cancelled. In favor: Cicerale abstain, Verrilli, Kula, and Marples.

Reorganization:

A MOTION was made by Verrilli seconded by Kula WHEREAS, the HTMUA held its annual reorganization meeting on March 4, 2013, during which the Commissioners were charged with completing the election of officers, appointment of staff and making of certain designations; and

WHEREAS, the Commissioners of the HTMUA, in public session, being familiar with the qualifications of Commissioners and staff members and after due deliberation made the following elections, appointments and designations by separate motions;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the HTMUA that the following elections, appointments and designations are made for the HTMUA organizational year beginning March 4, 2013 through the next annual reorganization meeting in February 2014:

- a. Frank Cicerale is elected Chair of the HTMUA.
- b. Santo Verrilli is elected Vice Chair of the HTMUA.
- c. Stanley Kula is elected Secretary of the HTMUA.
- d. Ellis Marples is elected Treasurer of the HTMUA.
- e. Marianne Smith is appointed Administrator of the HTMUA.
- f. Gail Hensal is appointed Recording Secretary of the HTMUA.
- g. Gail Hensal is appointed Accounting Clerk of the HTMUA.
- h. Grant Rome is appointed CFO/Purchasing Agent of the HTMUA.
- i. Sussex Bank and New Jersey Cash Management Fund are designated as official depositories of the HTMUA.
- j. The New Jersey Herald and The New Jersey Sunday Herald as the official newspapers for publication.
- k. Appointment of Professional: Attorney, Engineer and Accountant (as per below motions)
- l. Adoption of meeting dates (1st Monday of each month with the exception of September 9th). Meeting time 7:00 p.m.

- m. Motion to direct Recording Secretary to advertise public contract awards and Meeting dates.

In favor: Cicerale, Verrilli, Kula, and Marples.

A MOTION was made by Marples seconded by Kula to appoint the following professionals;

Authorizing contract with Mark Hontz, Esq. of Hollander, Strelzik, Pasculli, Hinkes, Vandenberg & Hontz, and LLC.

WHEREAS, there exists a need for the retention of an attorney for the Hardyston Township Municipal Utilities Authority to render professional advice and consulting services to the Authority and to examine and prepare all legal documents; and

WHEREAS, the contractor shall, for such services, bill at the rate of One Hundred Fifty (\$150.00) Dollars per hour for work performed; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A: 11-1 et seq.) requires that the resolution authorizing the award of contracts for “professional services” without competitive bids on the contract itself must be available for public inspection;

NOW, THEREFORE, BE IT RESOLVED by the Hardyston Township Municipal Utilities Authority as follows:

1. The proposal of Hollander, Strelzik, Pasculli, Hinkes, Vandenberg & Hontz, LLC, through Mark Hontz, Esq. The attorney who shall perform such services and submitted a proposal to this Board, shall be and is hereby approved.
2. A contract is awarded without competitive bidding as a “professional service” in accordance with 40A: 11-5(1) (a) of the Local Public Contracts Law because Mark Hontz has served as attorney for the HTMUA in the past and has special knowledge as to the conditions in the Township which are particularly valuable to the Authority.
3. A notice of this action shall be printed once in the official newspaper of the Township of Hardyston.

Authorizing contract with Guerin & Vreeland Engineering, Inc. Robert P. Guerin & Michael Vreeland

WHEREAS, there exists a need for the retention of an engineer for the Hardyston Township Municipal Utilities Authority to render professional advice and engineering consulting services to the Authority and to examine or prepare all engineering documents; and

WHEREAS, the contractor shall bill at the following rates for such services:

Engineer	\$115.00 per hour
Engineer (Staff)	\$75.00 per hour

AutoCAD Technician	\$70.00 per hour
Field Survey Party	\$150.00 per hour
Inspector	\$60.00 per our
Licensed Surveyor	\$90.00 per hour

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A: 11-1 et seq.) requires that the resolution authorizing the award of contracts for “professional services” without competitive bids on the contract itself must be available for public inspection;

NOW, THEREFORE, BE IT RESOLVED by the Hardyston Township Municipal Utilities Authority as follows:

1. The proposal of Guerin & Vreeland Engineering, Inc. through Robert P. Guerin, P.E., and Michael G. Vreeland, P.E., the engineers who shall perform such services and submitted a proposal to this Board, a copy of which is annexed hereto, shall be and is hereby approved.

2. A contract is awarded without competitive bidding as a “professional service” in accordance with 40A: 11-5(1)(a) of the Local Public Contracts Law because Robert Guerin & Michael Vreeland have served as engineers for the HTMUA in the past and have special knowledge as to the conditions in the Township which are particularly valuable to the Authority.

3. A notice of this action shall be printed once in the official newspaper of the Township of Hardyston.

Authorizing contract with Ferraioli, Wielkotz, Cerullo & Cuva, P.A. for professional services

WHEREAS, there exists a need for the retention of Certified Public Accountants for the Hardyston Township Municipal Utilities Authority to render professional advice and consulting services to the Authority and to examine or prepare budgets and financial statements; and

WHEREAS, the contractor shall, for such services, bill at the rate for such services as follows:

Partner	\$115.00 per hour
Manager	105.00 per hour
Senior Accountant	95.00 per hour
Staff Accountant	80.00 per hour
Secretarial	65.00 per hour

WHEREAS, the Local Public Contract Law (N.J.S.A. 40A: 11-1 et seq.) requires that the resolution authorizing the award of contracts for “professional services” without competitive bids on the contract itself must be available for public inspection;

NOW, THEREFORE, BE IT RESOLVED by the Hardyston Township Municipal Utilities Authority as follows:

1. The proposal of Ferraioli, Wielkocz, and Cerullo & Cuva submitted to this Board to perform such services, a copy of which is annexed hereto, shall be and is hereby approved.
2. A contract is awarded without competitive bidding as a “professional service” in accordance with 40A: 11-5(1) (a) of the Local Public Contracts Law because Ferraioli, Wielkocz, Cerullo & Cuva, a Professional Association, having extensive experience serving municipal and other public bodies for a number of years, including the Township of Hardyston, and has special knowledge as to the conditions in the Township which are particularly valuable to the Authority.
3. A notice of this action shall be printed once in the official newspaper of the Township of Hardyston.

In favor: Cicerale, Verrilli, Kula, and Marples.

OLD BUSINESS:

Indian Field:

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

Marianne stated that the reality is that HFH is non-existent. Thus, the sections which have not been conveyed to us become more difficult to cash out the bonds. We would like to explore the possibility of cashing out the bonds. It may be to our benefit to call the bonds now rather than later. Cicerale commented on the possibility of HFH reappearing as they are not out of business. Mark suggested a strategy will be presented at the next meeting.

A MOTION was made by Marples seconded by Verrilli to authorize the attorney to research and present a strategy at the next regularly scheduled meeting regarding the Indian Field Bonds as for Phases which remain incomplete with the exception of the Beazer Homes section of the development as it relates to the conveyance of the water and sewer system. In favor: Cicerale, Verrilli, Kula, and Marples.

Phase III Conveyance – Mike stated the contractor will be performing an inspection tomorrow. Beazer Homes stated that they have completed repairs.

Well #2 – Mike stated that Aqua was not interested in taking over ownership. Before sealing the well and notifying the State we may want to investigate the water quality of the well as it has a much higher yield. Testing procedures were discussed. This well is part of the allocation permit. This well would have been needed if the development expanded thus this well was listed as a backup.

A MOTION was made by Marples seconded by Verrilli to authorize the engineer to investigate well pumping scenarios and costs as it relates to inactive Well #2 located within the Indian Fields Development. In favor: Cicerale, Verrilli, Kula, and Marples.

Crystal Springs:

K. Hovnanian – Mike stated a formal request from their attorney requesting release of the bonds was presented. Marianne stated the Township passed a resolution denying the request.

By Pass Upgrade – Mark read the resolution as drafted;

**RESOLUTION
of the
HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (“HTMUA”)
regarding
Analysis of Crystal Springs Pump Capacity**

WHEREAS, at the regularly scheduled HTMUA meetings of December 3, 2012 and March 4, 2013, the HTMUA Commissioners discussed the capacity of the Crystal Springs pump station in light of average daily flow records; and

WHEREAS, the HTMUA Engineer, Mr. Vreeland, brought to the Commissioners’ attention the fact that from August 2011 through December 2011, a period greater than 90 days, the average daily sewer flow through the Crystal Springs pump station exceeded 174,000 gpd; and

WHEREAS, the Commissioners recalled a June 2009 Memorandum of Understanding between the HTMUA and the Sussex County Municipal Utilities Authority (“SCMUA”) and recalled that the obligations contained in that Memorandum of Understanding could be triggered by a sustained average daily sewer flow through the Crystal Springs pump station in excess of 174,000 gpd for more than 90 days; and

WHEREAS, the Commissioners considered the advice of the HTMUA Engineer, Mr. Vreeland, and the HTMUA Attorney regarding the HTMUA’s rights and the capacity of the Crystal Springs pump station, together with the average daily flows at said pump station;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the HTMUA as follows:

1. The pumping capacity of the Crystal Springs pump station is deemed insufficient for HTMUA’s pumping needs.
2. The Crystal Springs pump station should be upgraded pursuant to the terms of the June 2009 Memorandum of Understanding between the HTMUA and the SCMUA.
3. The HTMUA Engineer and HTMUA Attorney are authorized to implement the terms of the 2009 Memorandum of Understanding.

Certified as a true copy of the Resolution
adopted by the Hardyston Township
Municipal Utilities Authority at its
regular meeting held on March 4, 2013

Approving: 4
Opposing:
Abstaining:
Recusing:

Bluff at Crystal Springs – Performance Bond – Previously discussed.

Shotmeyer Maintenance Bond – Mike stated the two year maintenance period as ended. Crystal Springs sent correspondence requesting release of the bond. There are two issues which need to be resolved with regards to the sewer force main and air release valves. These have been ongoing and have not been resolved. Mike explained the process and issues of both. The chart recorder in Well House #3 has been working intermittently. Crystal Springs is aware that these two items are outstanding and an e-mail was sent stating that there would be no issue with recommending release of bonds provided these two issues were resolved. Mark recommended responding to Crystal Springs indicating that the request for release is denied at the moment but will be revisited once the two outstanding items have been resolved.

A MOTION was made by Verrilli seconded by Marples for the HTMUA engineer and attorney to respond to Crystal Springs Builders in regards to their request to release the Shotmeyer Maintenance Bond indicating it is denied until such time when the force main air release valve and Well House #3 chart recorder issues have been resolved. In favor: Cicerale, Verrilli, Kula, and Marples.

High Ridge Properties:

Payment Status; High Ridge Properties – Gail stated they are 18 and one partial quarter behind with interest calculated through 2/28/13, for a total due of \$490,321.82. This amount was certified to the Hardyston Township Tax Collector today.

Beaver Run Shopping Ctr. – Gail stated they are one partial quarter behind with interest calculated through 2/28/13, for a total due of \$ 3,639.33.

A MOTION was made by Verrilli seconded by Kula to convene to Executive Session to discuss the pending litigation. The minutes of the executive session will be released at a late time.

A MOTION was made by Kula seconded by Verrilli permitting the HTMUA Attorney, Mark Hontz to share with the Attorney representing Lakeland Bank the pleadings and briefs which are publicly filed documents in regards to court case Beaver Run Shopping Center LLC vs. HTMUA; Docket # SSC-C-7-11 and High Ridge Properties vs. HTMUA, Sussex Borough & SCMUA; Docket # SSX-L-835-10. In favor; Cicerale, Verrilli, Kula, and Marples.

Ridgefield Commons Emergency Interconnection –

Mike stated a phone call was received from Dykstra Walker, engineer for the purchaser of the project inquiring on specific sewer pump stations relating to water and sewer service in that area. It was recommended that they should contact Aqua. Aqua recommended that it would be premature to meet with all three parties instead the developer and Aqua should meet to discuss the current and future project and their requirements. No timeframe was given. Mike will reach out to the developer's engineer and Aqua in the next couple of months.

North Church Technical Center:

Mike stated proposals were received from two fire and safety engineers. The town has placed the proposals on the Agenda for tomorrow night's meeting. The recommended company would also perform project management and inspections. Mark stated within the correspondence a letter was mailed to Michael Meltzer, Esq., attorney for Riverdale Quarry indicating the obligations of each party.

New Business

Mike stated a phone call was received from Sparta Township inquiring if the HTMUA would have any interest in taking over the Summit Lake water system as Sparta is looking to release this to an interested party. This system was researched and studied several years ago. Mike explained the system's issues and logistics. Discussion was held and determined that the HTMUA has no interest. Mike will send an e-mail.

PAYMENT OF BILLS:

A MOTION was made by Verrilli and seconded by Marples to pay the bills as per the bill list. In favor: Cicerale, Verrilli, Kula, and Marples.

CORRESPONDENCE:

Nothing at this time.

OFFICER'S REPORTS:

Nothing at this time.

TRUCK PURCHASE:

Marianne stated this was part of the previously approved budget and each year \$5,000 is set aside as reserve for future purchase needs. This authorizes purchase of the truck utilizing contract pricing with the State of New Jersey. Discussion was held regarding the truck's equipment.

A MOTION was made by Kula, seconded by Marples whereas, the HTMUA discussed the fact that pricing for the proposed truck is based upon a contract price with the State of New Jersey and Flemington Chevy Buick GMC Cadillac, LLC in Flemington, New Jersey; and the HTMUA is satisfied that both this State contract pricing, coupled with the specialized equipment required and the comparison of other price quotations satisfied the New Jersey Local Public Contracts Law;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the HTMUA as follows;

Purchase of a 2013 GMC Sierra 3500 HD 4WD truck with options as set forth in the attached documents is hereby authorized up to a total price of \$43,144.00 from Flemington Chevy Buick Cadillac, LLC. In favor; Cicerale, Verrilli, Kula, and Marples.

PROFESSIONAL'S REPORTS:

Administrator – nothing further.

Operator – not present

Billing Clerk – Gail stated Ron Schneider presented to Mike three quotes for a valve exerciser. Mike explained the purpose of the requested equipment. The request will be tabled until the April meeting allowing Ron Schneider, Water and Sewer Supervisor to be present at the meeting to further discuss the request.

CFO – not present

Accountant – not present

Attorney – nothing further

Engineer – nothing further

OPEN PUBLIC PORTION:

The meeting was opened to the public.

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