

**MINUTES
HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
June 3, 2013**

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, June 3, 2013, at the Municipal Building located at 149 Wheatsworth Road. Members present were Mr. Cicerale, Mr. Verrilli, and Mr. Kula. Absent; Mr. Marples, and Mr. Albanese. Also present were Mark Hontz, and Bob Guerin.

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

Minutes: Minutes of the May 6, 2013 will be presented at a later date.

OLD BUSINESS:

Indian Field:

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

Phase III Conveyance – Bob stated most of the punch list items have been completed. A final inspection will be done after the title work has been completed.

Mark stated that Beazer Homes had provided a title commitment for one parcel. A complication has arisen in conveying an easement to that parcel due to ownership of the parcel by the homeowners' association and not by Beazer. This is further complicated by the homeowners' association's failing to be in good standing with the State of New Jersey as a result of failing to file its annual report. Beazer Homes is working toward resolving title issues and is cooperative.

Well #2 – Bob stated nothing new at this time.

Indian Field / HFH Bonds – Mark stated we are waiting for the final inspections.

Crystal Springs:

By Pass Upgrade – Bob stated a letter was sent by SCMUA indicating they are responsible for the upgrade costs. Estimates are in progress.

Ardleigh & Shotmeyer – The extension permits have been completed and are at the DEP waiting for approval.

K. Hovnanian – Mark suggested convening to executive session at the end of the meeting.

Hamburg By-Pass – Mark recused himself.

Bob stated a 4” line pump needs to be installed. Mike is researching whether or not it is feasible to install as it would only pump 250 gallons a minute because of the size of the line. Further information will be provided when available.

Payment Status –

Gail stated the quarterly developer fee is overdue (due 4/20/13). Total amount due with interest calculated through May 31st, \$1,674.93.

The Water Escrow has several vouchers pending (-\$1017.64). Replenishment was requested on March 4, 2013 and a reminder e-mailed on May 30th.

It will be placed on the Agenda for the next meeting.

High Ridge Properties:

Payment Status; Gail stated the High Ridge portion is 19 full and 1 partial quarters behind with interest calculated through May 31st for a total amount due of \$525,502.85.

Gail stated the Beaver Run portion is two quarters behind with interest calculated through May 31st for a total amount due of \$8,578.09.

Mark stated the notices were mailed preceding and following last month’s meeting regarding revocation hearing to be held this evening. The contemplated revocation involves sewerage allocation originally known as the Pilz allocation. The two quarters which is outstanding is paid for by the HTMUA which is derived from our customer’s funds. If the board chooses not to fund these fees, there is a process of revocation. Mark reviewed the handout for revocation procedures and the 9,650 gpd at stake.

The meeting was opened to the public.

Ron Grant appeared on behalf of Beaver Run Shopping Center and High Ridge Properties. He explained that he has been attempting to develop the property since 2001 and that the real estate market has been terrible for the past five years. He explained that there has been no activity on the property and that the bank had been paying quarterly fees recently. He was surprised by the bank’s decision to discontinue paying quarterly fees. He explained that he had attended a recent real estate convention in Las Vegas and had been in discussion with two major supermarket chains in an attempt to pursue the project. He indicated that there was no money to be offered to make quarterly payments.

Mr. Verrilli stated that we understand the financial difficulties, but unfortunately the payments continue to be paid. Recommendation for revocation if payment is not received in 15 days.

Mr. Cicerale stated payment has to be made out of our funds, which comes from our customers.

Further discussion was held.

Mr. Grant requested until the next meeting of July 1st to present payment which would allow him to speak with the bank.

Discussion was held regarding the procedure of revocation.

A MOTION was made by Verrilli and seconded by Kula to revoke 9,650 gallons per day of sewerage capacity allocation, which had previously been reserved for the benefit of Beaver Run Shopping Center and/or High Ridge Properties related to land in Hardyston Township by means of contract and judicially-recognized obligation, for reason of the developer's failure to make timely payments and being in arrears for more than two quarters and more than 30 days. This revocation is effective 4:30 p.m. on Tuesday, June 18, 2013. In the event that payment in full of outstanding obligations is made prior to 4:30 p.m. on Tuesday, June 18, 2013, there will be no revocation of sewerage capacity allocation at that time. In favor: Cicerale, Verrilli and Kula. Opposed: None.

A MOTION was made by Verrilli seconded by Kula to convene to executive session to discuss pending litigation.

The meeting returned to regular session.

A MOTION was made by Kula seconded by Verrilli for the release of maintenance bond as per the terms the terms of a proposed settlement agreement in a pending lawsuit in the Superior Court of New Jersey, Law Division: Sussex County, bearing docket number SSX-L-151-13, and captioned, "MCNJ, Inc. v. Township of Hardyston, et al." to which the HTMUA is a defendant. In favor; Cicerale, Verrilli, and Kula.

Ridgefield Commons Emergency Interconnection –

Bob stated all the physical work is completed and the paperwork is pending with the new developer.

North Church Technical Center:

Bob stated a meeting had to be rescheduled.

New Business

Nothing at this time

PAYMENT OF BILLS:

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

CORRESPONDENCE:

No comments.

OFFICER'S REPORTS:

Nothing at this time.

INTERLOCAL CONTRACTS:

Tabled for July meeting.

PROFESSIONAL'S REPORTS:

Administrator – not present

Operator – not present

Billing Clerk – Gail stated certified letters were mailed to 108 property owners regarding the discontinuation of courtesy tenant billing. Gail reported that she received some questions from customers but did not receive any complaints regarding the discontinuation of courtesy billing.

The 49 accounts on the shut off list presented at the last meeting resulted in 29 accounts paying, 10 shut off today, two to be shut off tomorrow because of the difficulty of the lines, two account are being paid by social services and six payment arrangements were made.

CFO – not present

Accountant – not present

Attorney – nothing further

Engineer - nothing further

OPEN PUBLIC PORTION:

The meeting was opened to the public. No members of the public were present.

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