

**MINUTES
HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
July 1, 2013**

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, July 1, 2013, at the Municipal Building located at 149 Wheatsworth Road. Members present were Mr. Cicerale, Mr. Verrilli, Mr. Marples, and Mr. Albanese. Absent; Mr. Kula. Also present were Mark Hontz, Mike Vreeland, Marianne Smith, and Bob Schultz.

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

Minutes: A MOTION was made by Marples seconded by Verrilli, to approve the minutes of the May 6, 2013 and June 3, 2013 meeting. In favor; Cicerale, Verrilli, Marples. Abstain, Albanese

OLD BUSINESS:

Crystal Springs:

By Pass Upgrade – Mike stated nothing new at this time.

Hamburg By-Pass – Mark recused himself. Mike stated information was received regarding water flow and pump development. The pipe from the municipal border to the first intersection is only a 4” pipe which will create an issue for water flow. Only so much water can be moved through this size pipe. This would not be advisable. Mike requested to proceed with obtaining price quotes to upgrade the pipe to facilitate the by-pass.

A MOTION was made by Marples seconded by Albanese for the HTMUA engineer to proceed with obtaining quotes for a pipe upgrade in relation to the Hamburg By-Pass. In favor: Cicerale, Verrilli, Marples, and Albanese.

Mark returned to the meeting.

Payment Status – Gail stated payment was received for both the quarterly developer fees and replenishment of the escrow accounts. All accounts are up to date.

Hydrant Use – Caleb Court – Bob stated our Operator, Ron observed power washing being done on Caleb Court using the fire hydrant. The power washing vendor stated the Management Company had given him permission to use the hydrant with the use of an adapter. Ron notified the power washers that they must be given permission from the HTMUA prior to use. Notification was then given to the HTMUA office and a letter was sent to the Arthur Edwards Management Company regarding the unauthorized use.

A July 1, 2013 letter from Marge Berson, management company representative for the Cedars section of Crystal Springs, stated they were under the impression that earlier permission was given to allow power washing with the use of a special valve and metering equipment. The 2007

minutes indicate that a prior request was received and discussion was held about using a hydrant with the proper equipment. Even though reminder correspondence was sent to all management companies regarding the proper procedures for Hydrant use, Pyramid felt they were exempt to due to prior approval. Basically, a misunderstanding was made. But, as per the rules and regulations, permission must be made for each instance as conditions change whether it is drought conditions, pipe size changes, or other various maintenance issues.

Marge Berson, stated that the occurrence of the hydrant use was solely at her discretion. She does not want the residents of the Cedars punished. The Board and she were under the impression that an arrangement was in place allowing the use of the fire hydrant with the purchase of the equipment needed. The Cedars Board had approved the expense of purchasing the adapter as arranged by a previous board member. It was assumed that it was an ongoing agreement and was not aware of the need to obtain approval each time. Explanation was given on the possibility of obtaining water from different sources. Further discussion was held regarding availability of hose bibs. Clarification was made that the Association will request permission each time the use of hydrant is needed. If a fire hydrant is needed to finish up the power washing project, Marge will contact Gail at the HTMUA to seek permission and to make arrangements for Ron to be present for opening of the hydrant and then provide meter readings for billing purposes.

A MOTION was made by Verrilli seconded by Marples **WHEREAS**, after due discussion, the HTMUA made the following conclusions:

- Unauthorized use of a hydrant is a violation of Rules 2.20, 3.6.8 and 5.7 of the HTMUA Rules and Regulations;
- Use of the hydrant on Caleb Court on June 14, 2013 for power washing was not authorized by the HTMUA, thus constituting a violation of Rules 2.20, 3.6.8 and 5.7 of the HTMUA Rules and Regulations;
- Use of the hydrant on Caleb Court on June 14, 2013 for power washing was mistakenly believed to be authorized by the HTMUA through a good faith misunderstanding by the property manager and this understanding was based upon a prior discussion of this type of hydrant use in 2007;
- Use of the hydrant on Caleb Court on June 14, 2013 for power washing was a good faith error and is unlikely to be repeated in the future as a result: (a) clarification by the HTMUA; (b) cooperation and understanding on the part of the property manager; and (c) provision of alternate water sources for power washing by the property manager in the future.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the HTMUA as follows: The fine for unauthorized use of a fire hydrant on Caleb Court by a power-washing contractor engaged by Cedars property manager Arthur Edwards, Inc. is waived for the reasons set forth above. In favor: Cicerale, Verrilli, Marples, and Albanese.

Maintenance Bond Release Request – Shotmeyer – Mike stated the maintenance bond was being held as there were two items which needed to be completed; the air release valve to be replaced and the chart recorder in the well house. Both items have been completed and there would be no objections to the bond being released.

A MOTION was made by Marples seconded by Albanese to release Shotland Bauer, LLC for the release of Bond 929489504, as set forth in a letter dated June 20, 2013 from Dale E. Pierson, Administrator of Development for Shotland Bauer, LLC. In favor; Cicerale, Verrilli, Marples, and Albanese.

Mike stated while performing the repairs the gravity line was cleaned out. Ron maintains this on a regular basis. At this time Ron observed All American Landscaping had dumped a large pile of mulch on top of the sanitary manhole and while loading the mulch on the machinery the casting was knocked off and the mulch was down the manhole. It is recommended that a letter be sent to All American Landscaping stated that the repair should be made under our supervision and within a specified time period.

A MOTION was made by Albanese seconded by Marples authorizing the HTMUA engineer and secretary to compose and mail a repair demand letter to All American Landscaping regarding the damage of the sanitary manhole in the Crystal Springs development. In favor: Cicerale, Verrilli, Marples, and Albanese.

Indian Field:

Phase II As-Built Plans – Mike stated nothing received to date.

Phase III Conveyance – Mark stated Beazer Homes has provided the title work for the one easement that ran between the buildings. They failed to provide the remaining title work. Communication was made to Beazer and we are waiting for these items. Mike indicated Beazer Homes stated all the punch items have been completed. Mike will then perform an inspection once Mark has received the remaining necessary title work.

Well #2 – Mike stated nothing new to report.

Indian Field / HFH Bonds – Mike stated the inspections have begun but they are not complete at this time.

High Ridge Properties:

Payment Status; Gail stated the High Ridge portion is 20 full and 1 partial quarters behind with interest calculated through June 30th for total amount due of \$ 550,141.34.

The Beaver Run portion is 2 full quarters behind with an additional quarter recently billed and due July 17th with interest through June 30th for a total due \$ 13,312.76.

Mark stated payment was not received. A letter was mailed indicating that revocation occurred on June 18. Mike stated he reached out to two of our current customers of which they indicated they would be interested in purchasing the additional allocation. The proposed cost and the auction could be based on the administrative costs, the quarters which remain unpaid by the

present developer. We would need to check on the legality of keeping the allocation within the township. Discussion continued.

A MOTION was made by Verrilli and seconded by Marples to authorizing the administrator, engineer and attorney to research and compile a term sheet for the purpose of auctioning off sewer allocation as previously held by Beaver Run Properties. In favor: Cicerale, Verrilli, Marples, and Albanese.

Miscellaneous

Gail questioned if escrow replenishment letters should be sent to K Hovnanian given the recent legal issues. It was decided to follow normal procedure with regards to the developer's agreement

Ridgefield Commons Emergency Interconnection –

Mike stated there is nothing new to report. It is his understanding that the developer is currently working on starting up the project again.

North Church Technical Center:

Mike stated a site meeting was done with Associated Fire. A draft set of plans were received and forwarded to the building and fire marshal. Not all items have been received from them as per their contract, but it is a start.

New Business

Gail stated previous approval was done on the purchase of a valve exerciser in the amount of \$3,073 from USA Blue Book. Ron Schneider was able to purchase it at a lower price from Montague Tool for \$2,818.67.

A MOTION was made Marples seconded by Albanese ratifying the alternate purchase from Montague Tool in the amount of \$2,818.67 or \$254.33 less for a valve exerciser. In favor: Cicerale, Verrilli, Marples, and Albanese.

Gail stated a bankruptcy was received for property located at 79 Meadow Pond Road. The account currently has a balance of \$554.94. It is requested for the previously approved standard letter to be mailed to the homeowner and attorney. Further discussion ensued.

Mr. Cicerale stated a previous discussion was made at a town meeting regarding the town's use of water from the Indian Field fire hydrant for the use of the street sweeper.

A MOTION was made by Marples seconded by Albanese authorizing Hardyston Township to utilize non-metered hydrants owned by HTMUA for the purposes of Municipal Street sweeping under the supervision of a trained HTMUA employee. In favor: Cicerale, Verrilli, Marples, and Albanese.

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, Marples, and Albanese.

CORRESPONDENCE:

No comments.

OFFICER'S REPORTS:

Nothing at this time.

SHARED SERVICE AGREEMENTS:

Marianne stated this is for the current year we are in. The administrative contract remains the same. The Billing/Secretarial cost is \$70,355 which represents 86% of time spent or 30 hours on HTMUA and the remaining on Township services. The water and sewer operations contract is for \$ 177,470. The agreements are dated from January 1, 2013.

A MOTION was made by Albanese seconded by Marples to approve the shared service agreements between Hardyston Township and the HTMUA for the purposes of Administration, Billing/Secretarial and Water/Sewer Operator. In favor: Cicerale, Verrilli, Marples, and Albanese.

PROFESSIONAL'S REPORTS:

Administrator – Nothing further

Operator – Bob Schultz stated the truck that was ordered is in and working.

Billing Clerk – Nothing further

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