

**MINUTES
HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
August 4, 2014**

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, August 4, 2014, at the Municipal Building located at 149 Wheatsworth Road. Members present were Mr. Cicerale, Mr. Kula, Mr. Marples, Mr. Albanese, and Mr. Roof. Absent, Mr. Kaminski, Mr. O'Grady Also present were Mike Vreeland, Mark Hontz, Paul Cuva, and Bob Schultz.

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

Minutes: A MOTION was made by Kula seconded by Marples, to approve the minutes of the July 7, 2014 meeting. In favor; Kula, Marples, and, Albanese, Abstain; Cicerale, and Roof.

OLD BUSINESS:

Indian Field:

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

Phase III Conveyance – Mark stated an updated title report was received indicating continued difficulties in the conveyance due to the Association's inability to do business for failing to file an annual report. It is believed to remain unresolved.

Water spheroid – Mike stated all the punch list items and inspections have been completed to our satisfaction. The final invoice was received and is in process.

Crystal Springs:

By Pass Upgrade/SCMUA – Mike stated a brief conversation was held with SCMUA and Ron Schneider. Ron is in the process obtaining equipment cost quotes.

Hamburg By-Pass – Mike stated nothing new at this time.

High Ridge Properties:

Payment Status – Gail stated there are 24 full and 1 partial quarter due with interest calculated through July 31, 2014 for a total due of \$707,606.70.

Ridgefield Commons Emergency Interconnection –

Mike stated nothing new at this time.

North Church Technical Center:

Mike stated nothing new to report. There is another meeting scheduled.

New Business

Nothing at this time.

PAYMENT OF BILLS:

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

CORRESPONDENCE:

Mark questioned if response was made to the Hardyston tax assessor regarding income and expense data on the cell tower property. Gail stated the request was forwarded to the CFO, she will follow up.

A MOTION was made by Kula seconded by Marples to accept the correspondence as presented. In favor: Cicerale, Kula, Marples, Albanese, and Roof.

OFFICER'S REPORTS:

Nothing at this time.

BUDGET:

Paul Cuva stated the budget will be introduced tonight and put on the Agenda for Adoption at next month's meeting, after approval has been made by the State.

Paul presented the proposed budget indicating the proposed 2015 budget, budget from 2014, projected actual for 2014 (fiscal year is not complete) and the actual from 2013 revenues and expenditures. Water and sewer rents are improving as we added some customers. The SCMUA service contract is listed as \$650,000. We had an additional \$35,000 bill from SCMUA as our contract is based on a guaranteed minimum flow.

The proposed indicates the utilization of unrestricted and undesignated earnings of \$29,268 for water and \$174,832 for sewer. It is anticipated we should have \$547,000 left in unrestricted and undesignated funds. At that time we should re-visit the rates. It is recommended to not to use the entire surplus. Renewal and replacement is budgeted at \$256,000, we may or may not fund that at the end of the year. It all depends on how the numbers are reflected at the end of the year. There is an excess over \$1 million in R&R. There is a projected increase of nine new customers; the current year had an increase of approximately twenty.

A MOTION was made by Kula seconded by Albanese to introduce the sewer budget for fiscal year ending August 31, 2015. Total revenues of \$909,953 total appropriations of \$1,084,735 unrestricted undesignated retained earnings utilized of \$174,832, in addition to capital appropriations of \$500,000 with a planned funding source of \$500,000 from renewal and replacements. In favor; Cicerale, Kula, Marples, Albanese, and Roof.

A MOTION was made by Kula seconded by Marples to introduce the water budget for fiscal year ending August 31, 2015. Total revenues of \$428,342, total appropriations of \$457,610 unreserved retained earnings utilized of \$29,268, in addition to capital appropriations of \$500,000 with a planned funding source of \$500,000 from renewal and replacement. In favor; Cicerale, Kula, Marples, Albanese, and Roof.

Rules and Regulations:

Mark presented a general housekeeping of our Rules and Regulations in addition to the rule changes previously adopted for fees. The following sections were presented;

Section I- 1.7; 1.2 – Update of meeting times; amendment of the rules by majority vote and a properly noticed meeting of the HTMUA.

Section II – 2.2; 2.11; 2.12; 2.14 – statement of the sewer rate, interest rate clarification for both unpaid service charges and unpaid developer charges as per statutory requirements; inspection and purchase of government records.

These changes brings the complete Rules and Regulations document up to date and allows for fees such as interest rates to refer to statutory regulations unless a specific rate is voted upon.

A MOTION was made by Marples, seconded by Albanese to accept the proposed changes and updates to the HTMUA Rules and Regulations as presented. In favor; Cicerale, Kula, Marples, Albanese, and Roof.

PROFESSIONAL'S REPORTS:

Administrator – not present

Operator – nothing further

Billing Clerk – Gail stated disconnect notices will be mailed out the end of the week. A list of tax sale accounts will be available for next month's meeting.

CFO – not present

Accountant – nothing further

Attorney – nothing further

Engineer – Mike stated a site visit was done at the Bourne section of Crystal Springs and the punch list was completed by Crystal Springs. The next step is the paperwork side of the conveyance. Crystal Springs has also indicated they want to begin the inspection process in the Cedar section.

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 Albanese to adjourn, meeting adjourned.

Respectfully submitted,

Gail Hensal
Recording Secretary