

MINUTES
HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
April 3, 2017

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, April 3, 2017 at 7:00 p.m., at the Municipal Building located at 149 Wheatsworth Road. Members present were: Mr. Cicerale, Mr. Kula, Mr. Marples, Mr. Roof, Mr. Kaminski, and Mr. O'Grady. Also present Ryan Scerbo, Mike Vreeland (arrived 7:08), Paul Cuva, 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 Kula, seconded by Roof, to approve the minutes of the March 6, 2017 meeting. In favor, Cicerale, Kula, Marples, and Roof. Abstain; Kaminski, O'Grady.

OLD BUSINESS:

Indian Fields:

Phase II As-Built Plans- Mike stated nothing has been received.

Phase III Conveyance – Ryan stated that we reached out to Beazer again. Unfortunately, it remains with the HOA. Beazer fired the past two consultants and one retired. We are going to press on. Ryan suggested Gail contact the HOA.

Bonds Ryan stated he has called Fred Semrau, but has not received a call back.

Well #3- Mike stated the drilling company performed rehabilitation on the well and installed the pump. There are additional parts that needed to be ordered. Once they are received and installed a test will be run to see what the yield is. At that point we will be able to report the information and make a recommendation.

Crystal Springs:

Shotmeyer Tract/ Bypass- Mike stated nothing new officially to report. A couple of conversations were held with Crystal Springs in regards to some possible investors for an assisted living project. Hopefully a plan will be in place to present at the next meeting.

High Ridge Properties:

Marianne stated nothing new to report.

Mountain Ridge (Ridgefield Commons) Emergency Interconnection –

Mike stated nothing new at this time.

North Church Technical Center:

Marianne stated Ryan had made some comments to the draft agreement which was from the system owner. A conference call will be held tomorrow. The agreement is very straight forward. Further discussion was held and will also be discussed at the council meeting. The agreement will be between the HTMUA, North Church Property Owners, and the Township.

New Business

Nothing new at this time.

PAYMENT OF BILLS:

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

CORRESPONDENCE:

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

OFFICER'S REPORTS:

Nothing at this time.

2016 ANNUAL AUDIT CORRECTIVE ACTION RESOLUTION:

Gail stated we did not make a formal resolution on the corrective actions listed in the 2015-16 audit.

A MOTION was made by O'Grady seconded by Kula for a corrective action to ensure compliance with the State of New Jersey's requirement of establishing and maintaining a fixed asset list is hereby adopted and consists of the following tasks: (a) the HTMUA Engineer is authorized to discuss fixed asset list requirements with Mr. Cuva; (b) the HTMUA Engineer shall research and present proposals of outside vendors for performing necessary valuation tasks for the fixed asset list; (c) the HTMUA Engineer is authorized to work on the establishment of the fixed asset list.

A corrective action to ensure compliance with the State of New Jersey's requirement of emergency contracts that exceed the quote threshold to be awarded on an emergency basis shall be approved by board resolution. In favor: Cicerale, Kula, Marples, Roof, Kaminski, and O'Grady.

DORMANT ESCROW ACCOUNTS:

A chart listing the various dormant escrow accounts and the recommendations was distributed. After research and discussion amongst the professionals and the Commissioners, the accounts listed will be returned or used accordingly with the following exceptions; Blue Lake Realty – attempt to return funds, Pottersville Properties and Walden Village Water will hold as project is not complete, funds stay with property. Further discussion was held.

A MOTION was made by Roof, seconded by Kula to authorize the utility billing specialist to move the funds in the listed escrow accounts as recommended in the document provided. In favor: Cicerale, Kula, Marples, Roof, Kaminski, and O’Grady.

OPERATIONAL CONSIDERATIONS AND RECOMMENDATIONS:

Marianne stated Ryan developed a recommendation of Operational Consideration to begin our discussions in regards to ongoing and developing issues. Our plan is to discuss the issues as a whole based on policies and how it works with the operational part of the organization. Many of the operations that need to be done need a certain amount of investment and given the environment of the lack of developers, the infrastructure needs to function at its optimum capacity. The memo highlights what we would like to accomplish and the challenges we face.

Stan stated he appreciates the memo as it highlights what we are trying to accomplish. He thinks of the water system as a living body. We are up here saying we need to do this but the professionals are telling us we need to do this in order to accomplish the end result which could include being out of compliance. We understand we are the policy makers and policy depends on investment. I support the idea but there are many questions.

Ryan and Mike stated, as professionals we have discussed during meetings one or more particular issues. One issue affects the other. In years past the developers were adding the infrastructure and handling the maintenance until such time that there was conveyance. Unfortunately, developers are either minimal or nonexistent and thus the infrastructure is aging and problems and issues will develop over time. We would like to be prepared for these issues because the bottom line affects the rates. Please keep this in mind as we continue these discussions.

Marianne stated Ron, Gail, and Bob see the operational issues and deal with the consumers on a daily basis. Those consumers do not understand or even see the developer as part of the mix. And with the developer no longer in the mix for us, it leaves us trying to run a system for the consumers.

Further discussion was held regarding the meter replacement issues and challenges.

Further discussion was held regarding the renewal and replacement study and its last study in 2005.

Further discussion was held regarding anomalies within the system, such as the missing curb

boxes, inaccurate structure maps, etc. Bob stated he is already working on a list and once complete will present maintenance issues with an absent developer.

The Commissioners requested numbers and projections. Marianne stated to target the June meeting for further discussion and more concrete information.

Stan stated in conclusion we agree with the memo report but once we get the R&R study completed the operations numbers from Bob, and further information, it will help to make decisions and go forward.

PROFESSIONAL'S REPORTS:

Administrator – Nothing further

Operator –Nothing further

Billing Clerk –. Nothing further

CFO –Not present

Accountant –Nothing further

Attorney – Nothing further

Engineer –Nothing further

OPEN PUBLIC PORTION:

The meeting was opened to the public.

As there were no members of the public present, the meeting was closed to the public.

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

Respectfully submitted,

Gail Hensal
Recording Secretary