

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$200,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$-0-; and Other Sources planned to be utilized as funding thereof, of \$200,000; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Hardyston Municipal Utilities Authority, at an open public meeting held on July 7, 2021 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Hardyston Municipal Utilities Authority for the fiscal year beginning, September 1, 2021 and ending, August 31, 2022 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Hardyston Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on August 2, 2021.

A MOTION was made by Kula and seconded by O'Grady to adopt a **Resolution to Introduce the Authority Budget for Fiscal Year 2022 after the July 1, 2021 due date**. In favor, Cicerale, Kula, Marples, Leatham, and O'Grady.

HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

A Resolution to Introduce the Authority Budget for Fiscal Year 2022 After the July 1, 2021 Due Date

Whereas, the Local Authorities Law requires every Authority to transmit three certified copies of the Budget to the Director of Local Government Services at least 60 days prior to the end of the current fiscal year; and

Whereas, the Hardyston Township Municipal Utilities Authority Budget for the fiscal year ending August 31, 2022 was due on July 1, 2021;

Now, therefore, be it resolved by the Commissioners of the Hardyston Township Municipal Utilities Authority that the reason for the late introduction of the Authority Budget for the fiscal year ending August 31, 2022 is that the Authority's estimated

revenues and appropriations were not known at the time the Budget was to be legally introduced.

OLD BUSINESS:

Indian Fields:

Phase II As-Built Plans- Mrs. Kaufer discussed the Resolution between the First Indemnity American Insurance Company, Hardyston Township and the HTMUA. She said the resolution is to authorize and execute agreement with FIA and the Township to utilize a portion of the funds that are available. Ms. Kaufer also gave an update on the well and reported the next step would be to schedule a meeting with DEP representatives to get further clarification on the requirements.

Crystal Springs:

Shotmeyer Tract/ Bypass-Mrs. Kaufer reported Tom Graham has filed the permit and said things are moving forward.

Irrigation – Mrs. Kaufer indicated Crystal Spring II section has decided to withdraw from any decision to connect to the MUA system for irrigation purposes and said the irrigation company would have to submit further plans in the future.

Operational Considerations / Metering / Strategic Planning:

Conversion to a Meter Based Billing System – Mrs. Kaufer provided an update and reported that not all meters will have to be tested or replaced. She indicated the software billing system identifies the type of meter that is installed at the property.

Asset Management Plan – Nothing new to report.

Fixed Assets/Developer Conveyance – Nothing new to report

New Business:

A **MOTION** was made by Leatham and seconded by Marples to adopt the **Resolution of the Hardyston Township Municipal Utilities Authority Authorizing the Execution of an Agreement by and Between the Hardyston Township Municipal Utilities Authority, Hardyston Township, and the Borough of Sussex**. In favor, Cicerale, Kula, Marples, Leatham, and O’Grady.

**RESOLUTION OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES
AUTHORITY AUTHORIZING THE EXECUTION OF AN AGREEMENT BY AND
BETWEEN FIRST INDEMNITY AMERICA INSURANCE COMPANY, HARDYSTON
TOWNSHIP AND THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES
AUTHORITY CONCERNING CERTAIN PERFORMANCE GURAUNTEES**

WHEREAS, on December 6, 1994, in connection with the Indian Field Phase I subdivision, First Indemnity American Insurance Company (“FIA”) issued Performance Bond No. S02751 in the amount of \$199,362.62, as surety for HFH Development, Edward Nann and Eugene Lowe, principal and co-principals, and naming the Township as obligee. (“Phase I Performance Bond”).

WHEREAS, Hardyston Township (the “Township”) also received a cash performance guarantee for the Indian Fields Phase I subdivision (“Phase I Cash Bond”).

WHEREAS, on March 8, 1999, in connection with the Indian Fields Phase Two subdivision, FIA issued Performance Bond No. S04883 in the amount of \$97,339.00 as surety for HFH, Inc., Aspi Irani, Dr. Bakhtavez Irani and Edward Nann, principal and co-principals, naming the Township as obligee with a cash bond reported by the Township of Hardyston in the amount of \$9,733. (“Phase Two Performance Bond”).

WHEREAS, the Township also received a cash performance guarantee for the Indian Fields Phase Two subdivision (“Phase Two Cash Bond”).

WHEREAS, on August 21, 1995, in connection with the Indian Fields at Hardyston Phase Two, Section I subdivision, FIA issued Performance Bond No. S03164 in the amount of \$420,813.36 on behalf of HFH Development, Edward Nann, Eugene Lowe, Albert Tallia and Beatrice Tallia, principal and co-principals, naming the Township of obligee with a cash bond reported by the Township of Hardyston in the amount of \$115,255.20. (“Phase Two, Section I Performance Bond”).

WHEREAS, on August 25, 1995, Rider A was issued to Phase Two, Section I Bond adding the Authority as an additional obligee.

WHEREAS, the Township and/or Hardyston Township Municipal Utilities Authority (the “Authority”) also received a cash performance guarantee for the Indian Fields at Hardyston, Phase Two, Section I subdivision (“Phase Two, Section I Cash Bond”).

WHEREAS, the Phase I Performance Bond was reduced to \$44,074.80 and the Phase I Cash Bond reduced to \$4,897.20.

WHEREAS, The Phase Two, Section I Bond was reduced to \$66,279.60 and the Phase Two, Section I Cash Bond reduced to \$7,364.40.

WHEREAS, the Township, Authority and FIA desire to resolve all matters, issues and disputes relating to the above performance bonds and cash performance guarantees.

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

1. That the Authority's Administrator is hereby authorized and directed to execute an agreement with FIA and the Township in a form substantially similar to the form attached hereto as **Exhibit A**.
2. The Authority's Consulting Engineer is hereby authorized and directed to utilize the funds secured from FIA to inspect the water and wastewater infrastructure in Indian Field Phase I and Phase II and generate as-built drawings and complete any repairs or improvements up to the total amount of funds secured for same.
3. That this Resolution shall take effect upon adoption.

PAYMENT OF BILLS:

A **MOTION** was made by O'Grady and seconded by Kula to pay the bills, as per the bills list for July 12, 2021 In favor: Cicerale, Kula, Marples, Leatham and O'Grady.

CORRESPONDENCE:

A **MOTION** was made by O'Grady and seconded by Leatham to except the correspondence. In favor: Cicerale, Kula, Marples, Leatham and O'Grady.

OFFICER'S REPORTS:

Nothing at this time.

PROFESSIONAL'S REPORTS:

Administrator – nothing further

Operator – not present

Billing Clerk – nothing further

CFO – not present

Accountant – nothing further

Attorney – Mr. Scerbo reported there has been a moratorium temporarily issued on water shut offs. He is working on a statement to be included with the delinquent bills regarding water shut-offs and payment plans. He is hoping this will encourage residents that are behind in payments to start planning appropriately.

Engineer – not present

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 Leatham to adjourn, meeting adjourned.

Respectfully submitted,
Karen Osellame
Recording Secretary