

**HARDYSTON TOWNSHIP
SUSSEX COUNTY, NEW JERSEY**

**REQUEST FOR BIDS FOR SALE OF WATER SYSTEMS
AND WASTEWATER SYSTEMS**

**Question and Answer Document No. 1
Dated June 9, 2023**

Q1. Section 1.2.1 of the RFB references that "certain wastewater allocations" will be excluded from the sale. Please provide details.

A1. Sussex County Municipal Utilities Authority (SCMUA) has granted the HTMUA with certain wastewater allocation amounts which the HTMUA has assigned to certain approved but as yet unconstructed projects. The Township intends to keep these allocations for said developments.

Q2. Provide Word doc of Draft Agreement of Sale.

A2. Please see Addendum No. 1, dated June 9, 2023.

Q3. Provide total amount of MUA and Township outstanding debts and liabilities.

A3. Please review the information contained in Appendix F of the RFB. As noted at the Pre-Bid meeting, the HTMUA has no outstanding debt.

Q5. Provide a listing of any previous federal or state grants provided for the systems, including specifically any grants that may be subject to recoupment in whole or in part in connection with the sale of the system.

A5. The Township is not aware of any federal or state grants utilized for the systems.

Q6. Section 1.10 discusses a public comment period and possible revisions to the Draft Agreement of Sale. Would selected Bidder have opportunity to review/comment on any edits made after public comment period?

A6. Yes, the process would only be undertaken in collaboration with the Selected Bidder and only upon mutual agreement of the Township and the Selected Bidder.

Q7. How many additional customer connections does the HTMUA expect to acquire with the anticipated acquisitions referenced in Section 2.1 and Exhibit A - Description of Systems?

A7. None, the customers associated with these anticipated acquisitions are already part of the customer statistics provided in the RFB.

Q8. Please provide any and all agreements (draft or final) for the anticipated acquisitions referenced in Section 2.1 and Exhibit A.

A8. Other than the requirements contained in the various developers agreements, no agreements exist at this time, however the agreements, when produced, will simply require the transfer of the infrastructure and associated easements at no cost to the HTMUA or Township prior to closing with the Buyer.

Q9. Please provide miles of water and/or sewer main and any other assets anticipated to receive in developer acquisitions referenced in Section 2.1 and Exhibit A.

A9. Please see Appendix D of the RFB

Q10. Provide sample water and wastewater bill for a typical residential customer.

A10. Please see Addendum 1, dated June 9, 2023.

Q11. Provide breakdown of customer accounts by residential, commercial, and industrial.

A11. There are no commercial accounts. There are 360 residential accounts in Indian Fields, 1,018 residential accounts in Crystal Springs (the Crystal Springs Hotel is billed at the residential rate for water and sewer with a total of 22 accounts). In addition there are 12 irrigation accounts and 6 fire suppression accounts.

Q12. Provide 2022 water usage data by volume broken out by residential, commercial, and industrial customer accounts.

A12. This information is not available.

Q13. Provide 2022 water usage data by volume broken out by meter size.

A13. This information is not available.

Q14. Please provide a five (5) year history on sewer main collapses / repairs and the approximate costs associated with each instance.

A14. There have not been any sewer main collapses or repairs in the last five (5) years.

Q15. Please provide a five (5) year history on sewer overflows, including the date, location and estimated amount.

A15. There have not been any sewer overflows in the last five (5) years.

Q16. Please provide an estimate on number of sewer blockages in a year.

A16. *The system averages less than 1 sewer blockage per year.*

Q17. Please provide a five (5) year history on water main breaks / repairs and the approximate costs associated with each instance.

A17. *There have not been any water main breaks / repairs in the last five (5) years.*

Q18. Please provide the local ordinance on paving/road restoration requirements.

A18. *Please see Hardyston Township Code.*

Q19. Please provide details on why the Township must remain the party to the SCMUA Service Agreement. Would the Township be open to transferring the agreement to New Jersey American Water?

A19. *Please see the Service Agreement, included in Addendum No.1, dated June 9, 2023, based on the language of the Agreement the Township cannot transfer the Agreement to the Buyer.*

Q20. Are there any additional or amended agreements with SCMUA since the January 15, 1987 agreement? If so, please provide copies.

A20. *Yes, please see Addendum No. 1, dated June 9, 2023.*

Q21. Understanding that the Township seeks a 5 and 7-year rate schedule, is the Township agreeable to modification of rate structure as long as total bill amount remains the same for the first two years?

A21. *As per Section 5.5 of the RFB, the Township is requesting that the existing rates remain in place for at least one year following the closing of the sale of the systems.*

Q22. Please provide details on the type of meters installed throughout the system, as well as age, operational status, and other notable information regarding the meters.

A22. *The meter fleet consists primarily of Sensus touch read and Neptune radio read of varying ages. The HTMUA currently uses fixed rate charges to bill its customers.*

Q23. Section 5.6.1 of the RFB notes required capital improvements projects are outlined in Appendix J - Asset Management Plan; however, a list of required projects are not included. Is the Township expecting the Bidder to include all recommended projects listed under Conclusions on page 35 of the Asset Management Plan as the required projects?

A23. *The Township is requesting that the Bidders include the projects listed in the Asset Management Plan as well as any other projects that the Bidders believe may be necessary. The Bidder shall be responsible for determine when these projects are*

undertaken and should reflect a proposed schedule for said projects in its Bid submission.

Q24. What system provides water and wastewater service to the North Church industrial park?

A24. The individual buildings in the North Church Industrial Park are served by individual wells and wastewater service is provided by Franklin Borough. The Fire Protection System is served by its own well.

Q25. Provide a copy of the last three years of CCR's.

A25. Please see Addendum No. 1, dated June 9, 2023.

Q26. Provide copies of all NOV notices received in the last 5 years.

A26. Please see Addendum No.1, dated June 9, 2023.

Q27. Please provide history on openings of the Aqua emergency interconnection and volume of water sent through interconnect over last 5 years.

A27. This facility has not been utilized in the last five (5) years although it is regularly inspected.

Q28. Please provide a list of all contract labs and copies of lab analysis reports from the past 3 years.

A28. Please refer to Drinking Water Watch. The HTMUA utilizes Garden State Labs.

Q29. Provide a list of Sewer Collection Assets

A29. Please see Addendum No. 1, dated June 9, 2023.

Q30. Did the HTMUA acquire the systems from developers overtime? Did HTMUA have to pay for these systems?

A30. HTMUA did acquire the system in pieces from several developers at no cost to the HTMUA.

Q31. Does the Township intend to retain the Cell Lease Agreement for the cellular equipment located on the Crystal Springs Water Tower?

A31. No the Cell Lease will be assigned to the Buyer.

Q32. Will the Franchise Area granted to the Buyer be limited to the currently served customers?

A32. The Township has no intention of limiting the size of the franchise area.

Q33. Are there standards for HOA-owned road repairs?

A33. The Township does not have this information.

Q34. Is there a registry of assets (i.e. continuing property report) for capital improvements performed by year of the history of the HTMUA?

A34. No.

Q35. Can the Township provide the existing contract with cell carrier on Crystal Springs tank and if contract/revenue will be transferable as part of the sale?

A35. The Cell Tower Lease Amendment is posted on <https://files.vancleefengineering.com/public/?folder=66ffb1a1> and Please see Addendum No. 1, dated June 9, 2023 for the original lease agreement.

Q36. In Appendix D, Asset Management Plan was provided for water. Is Asset Management Plan available for sewer?

A36. No.

Q37. Appendix J is to include Proposed Capital Projects. However, it just includes the Water Assessment Management Plan that was also included in Appendix D.

A37. The Asset Management Plan includes anticipated capital projects.

Q38. Will any of the developer agreements be assigned to the Buyer?

A38. No.

Q39. Please provide a five-year history of bills from SCMUA and volume/flow sent to the SCMUA.

A39. Please see Addendum No.1, dated June 9, 2023.

Q40. Is there any reason why the DMRs for SCMUA were included in the package?

A40. This inclusion was inadvertent.

Q41. Has the switch from blended phosphate to orthophosphate been completed at Indian Field Treatment Plant?

A41. Yes.

Q42. Does HTMUA have customer meter population data (quantity by year broken down by size)?

A42. Please see Addendum No. 1, dated June 9, 2023.