

**HARDYSTON TOWNSHIP
SUSSEX COUNTY, NEW JERSEY**

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

**Question and Answer Document No. 2
Dated June 14, 2023**

Q1. Can the Township explain why there is a Large Quantity Generator (LQG) hazardous waste generator registration number for the Indian Field Water Tank – NJR986634277?

A1. This registration was associated with the repainting of the waterspheroid.

Q2. Can the Township identify the property for which the emergency generator air permit Gen180001 PI83553 was issued for and can the Township provide a copy of the Permit?

A2. This permit is associated with Crystal Springs Well 3. A copy will be provided to the Buyer.

Q3. Can the Township advise what the current licensing requirements are for the Systems?

A3. The Systems required the following licenses: Crystal Springs – C2, W2 and T1, Indian Filed – C1, W1 and T1.

Q4. Can the Township provide the NJDOH Right to Know Reports completed for the Systems for the last five (5) years?

A4. The HTMUA does not prepare specific Right to Know reports for its facilities the facilities are addressed in the Township's reports. These will be provided to the Buyer.

Q5. Can the Township provide the current Water Allocation Permit expiring in 2026?

A5. Please see Appendix M of the RFB.

Q6. Can the Township provide a copy of the most recent Water Conservation Drought Management Plan?

A6. The most recent report is from 2014 and a copy will be provided to the Buyer.

Q7. Can the Township explain why the Water Allocation Permit does not reference the Aqua interconnection?

A7. The Township assumes it is not included in the Permit because it is an emergency interconnection.

Q8. Can the Township provide the inactive well inspections reports for the last five (5) years for Indian Field Wells 2 and 3?

A8. Prior well inspection reports will be provided to the Buyer.

Q9. Are there any employee relations issues in litigation? If so, provide details.

A9. No.

Q10. Provide budget details (annual) for all benefits by category

A10. There are no employees of the Systems so there are no benefits provided.

Q11 Provide listing of vacancies across all levels

A11. There are None.

Q12. Please provide all material contracts associated with the systems (i.e. purchase contracts, maintenance, cell phone tower contracts)

A12. Please refer to the RFB and Addendum No. 1. The HTMUA purchase materials via cooperative contracting.

Q13. Provide copies of all outstanding judgments, decrees, or orders

A13. There are none.

Q14. Provide a list of any litigation or judgments settled or resolved within the last five years in which the Entity was involved either directly or indirectly valued over \$50,000

A14. Please refer to the audit reports linked to the RFB.

Q15. Provide a list of all pending or threatened litigation or administrative proceedings, inquiries, or investigations, including copies of petitions or complaints

A15. There are none.

Q16. Are there any threatened or actual environmental cleanups, claims, or other matters affecting the Systems?

A16. None that the Township is aware of.

Q17. Provide copies of all material leases of/or security agreements for personal property of the Entity, including conditional sales contracts, equipment leases, chattel mortgages, accounts receivable, financing agreements, and factoring agreements

A17. N/A, the Township is not proposing to sell any personal property.

Q18. Provide listing of all land holdings including acreage, and land included in the sale. Listing of all buildings, including square footage, included and excluded from rate base

A18. Other than the water storage tank locations (Block 16, Lot 34 and Block 67.06, Lot 1.41), and the Briarcrest Sewer Pump Station (Block 17.05, Lot 17), the majority of the Systems are located within easements.

Q19. Provide copies of any Notices of Violation (water or wastewater -- including MCL exceedances, NPDES exceedances and violations noted on facility inspection reports) in the past 5 years, and the Entity responses

A19. Please refer to Addendum No. 1.

Q20. Provide copies of all public notifications distributed over the past 5 years

A20. Copies will be provided to the Buyer.

Q21. Provide summary of permits and DMR's, including any NPDES permits. Confirm that all permits are current

A21. Please refer to Appendix M of the RFB.

Q22. Please list any active consent orders for noncompliance of the Safe Drinking Water Act or Clean Water Act

A22. There are none.

Q23. Describe disposal of water treatment residuals (landfill, beneficial use/farm, other)

A23. Not applicable.

Q24. Describe wastewater sludge disposed (landfill, beneficial use/farm, other)

A24. The System does not include any wastewater treatment facilities.

Q26. Provide list of any wastewater systems that have permits expiring and new permits being issued in the next two years. Are any expected to have additional requirements that will impose more stringent effluent limits and treatment upgrades?

A26. The System does not include any wastewater treatment facilities.

Q27. Describe all current unresolved compliance and/or permitting issues

A27. Please refer to Appendix M of the RFB.

Q28. Provide historical (last three years) and 2023 budgeted financial statements separately for water and wastewater. Understand that things like labor may be shared but please separate revenues and other opex.

A28. *Please refer to the links to the budgets included in the RFB.*

Q29. For the audited and budgeted financials, please provide a breakout of miscellaneous revenues and other expenses by water and wastewater

A29. *Please refer to the budget links provided in the RFB.*

Q30. How many hydrants are there?

A30. *Refer to the Asset Management Plan.*

Q31. Please list all of the City buildings that you expect to receive free water and wastewater service for the two years after closing. What is the water consumption for each of these city buildings?

A31. *Please be advised that the Township does not have any municipal buildings connected to the Systems.*

Q32. Please provide known level of pfna for treatment, testing values for each of the sources to appropriately size equipment and scope of needed treatment

A32. *The Township is not aware of any pfna issues. Please refer to lab results set forth on Drinking Waterwatch.*

Q33. Can we have a better connection count of Hardyston, how many more connections are going to be acquiring prior to settlement.

A33. *The connections served by the Systems that will be acquired by the HTMUA prior to the sale to the Buyer are already included in the customer connection figures provided in the RFB.*

Q34. Does the HTMUA/Township need to repay developers for the contributed assets included in the sale?

A34. *No.*

Q35. Will there be any real property with the sale or are all facilities for the W&WW systems located on easements? Please provide details on any real property to be included with the sale. RFB notes additional information on real property in Appendix D, but could not find reference to real property to be included in the sale.

A35. *Please refer to A18 above.*

Q36. Provide a list of locations that do not currently pay for water and/or sewer service, if any. (schools, municipal properties, county properties, houses of worship, etc.)

A36. *Please refer to A31 above.*

Q37. What ancillary services does the Township currently provide for the MUA that may not be reflected in the MUA's financials (cutting grass, snow plowing, etc.)?

A37. All services provided by the Township are included in the HTMUA's budget.

Q38. Would the Township transfer the escrow funds from the Indian Field development to the selected Bidder to make system repairs, upgrades, etc.?

A38. If there any funds remaining after acquisition, the Township will consult with the Buyer concerning the use of said funds for repairs.

Q39. Please provide the franchise agreement for the private water system in the Stockholm section of Hardyston Township.

A39. The Township does not have a copy of any franchise agreements readily accessible.

Q40. What easements and access agreements exist for assets not currently located within municipal or county ROW?

A40. The Township will provide the Buyer with necessary easements and rights of way required to own, operate and maintain the Systems.

Q41. Provide 3 years of water production records.

A41. The Township will provide this information to the Buyer.

Q42. Please provide a status update on Indian Field Well 3 - active, inactive, pumping to the system?

A42. Well 3 is active but is not pumping into the System. Please refer to the Corrective Action Plan associated with Well 3.

Q43. Are there any state approved Lead & Copper, Revised Total Coliform Rule, Water Quality Parameter, and/or Stage 2 DBP sampling plans for either system?

A43. Approved sampling plans, to the extent that they exist, will be provided to the Buyer.

Q44. The Developer's Agreement between HTMUA and C.S. Acquisition (Crystal Springs Acquisition and R.N.G. Realty LLC) was allotted a sewer flow allocation of a maximum of 202,500 g.p.d. Is that being monitored? How is it being monitored?

A44. Yes, the HTMUA measure flow from the development after the main Crystal Springs sewer pump station.

Q45. Provide copies of all easements that the developers were required to provide to the HTMUA pursuant to the developer agreements.

A45. Not all of these easements have been drafted yet.

Q46. Provide fully executed copy of the first amendment to the cell tower lease between New Cingular and HTMUA.

A46. The HTMUA will locate a fully executed version and will provide same to the Buyer.

Q47. Does the HTMUA intend to renew its interconnect agreement with Aqua New Jersey, Inc.?

A47. Yes, the agreement renews automatically unless one of the parties decides to terminate it with advanced notice.

Q48. Will the Township and the HTMUA terminate the Shared service agreement for secretarial billing and administration services as part of the sale?

A48. Yes.

Q49. Will the HTMUA terminate the Interlocal Service Agreement with Sparta Township for services for Chief Financial Officer?

A49. Yes, with respect to the services provided to the HTMUA.

Q50. How are the township and HTMUA handling the lease of the Indian Fields Water Tower and will the water tower property be sold as part of the transaction?

A50. The HTMUA owns the lot upon which the water tank at Indian Fields is located. The real estate rights owned by the HTMUA will be transferred as part of the sale.