

**MINUTES  
HARDYSTON TOWNSHIP  
MUNICIPAL UTILITIES AUTHORITY  
December 6, 2021**

The meeting of the Hardyston Township Municipal Utilities Authority was held on Monday, December 6, 2021 at 7:00 p.m., at the Municipal Building located at 149 Wheatsworth Road. Members present were: Mr. Cicerale, Mr. Kula, Mrs. Leatham, Mr. O’Grady, and Ms. Van Allen. Also present Mr. Vreeland, and Mrs. Kaufer. Mr. Scerbo attended via zoom.

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

**Minutes:** A **MOTION** was made by Leatham seconded by O’Grady, to approve the minutes of the November 1, 2021 meeting. In favor, Cicerale, Kula, Leatham, and O’Grady.

**OLD BUSINESS:**

**INDIAN FIELDS:**

**Phase II As- Built Plans-** Nothing new to report

**Bonds-** Nothing new to report

**CRYSTAL SPRINGS:**

**Shotmeyer Tract/Bypass-** Mr. Vreeland reported the TWA permit was released from the county and the application has been signed and submitted to the DEP for technical review.

**Irrigation** – Nothing new to report

**OPERATIONAL CONSIDERATIONS/METERING/STRATEGIC PLANNING:**

**Conversion to a Meter Based Billing System** – Nothing new to report

**Asset Management Plan** – Nothing new to report

**Fixed Assets/Developer Conveyance** – Nothing new to report

**New Business:**

A **MOTION** was made by Kula and seconded by Leatham to adopt the **Resolution of the Hardyston Township Municipal Utilities Authority Authorizing and Confirming the Performance of Emergency Services in Accordance with N.J.S.A. 40A:11-6**. In favor, Cicerale, Kula, Leatham, O’Grady, and Van Allen.

**HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY  
A RESOLUTION OF THE  
HARDYSTON TOWNSHIP MUNICIPAL UTILITIES  
AUTHORITY AUTHORIZING AND CONFIRMING THE  
PERFORMANCE OF EMERGENCY SERVICES IN  
ACCORDANCE WITH N.J.S.A. 40A:11-6**

**WHEREAS**, N.J.S.A. 40A:11-6 authorizes the award of a contract where emergency circumstances dictate the need for immediate action to prevent harm to the public health, safety and welfare; and

**WHEREAS**, on November 11, 2021, the Hardyston Township Municipal Utilities Authority (the “Authority”) authorized DPS Pump Services, LLC, to repair the well pump in Well #2 (“Repair Work”); and

**WHEREAS**, the Authority is satisfied that an emergency existed requiring the authorization of services to remedy the situation as provided by law; and

**NOW, THEREFORE, BE IT RESOLVED** by the Hardyston Township Municipal Utilities Authority in the County of Sussex in the State of New Jersey on this 6<sup>th</sup> day of December, 2021 as follows:

1. That the Authority’s Billing Specialist is authorized and directed to provide payment to DPS Pump Services, LLC in connection with the Repair Work in the amounts set forth in the invoices attached hereto and made a part hereof as **Exhibit A**.
2. This Resolution shall take effect immediately.

**A MOTION** was made by O’Grady and seconded by Leatham to adopt the **Resolution of the Hardyston Township Municipal Utilities Authorizing the Execution of an Agreement by and Between Hardyston Township and the Hardyston Township Municipal Utilities Authority Concerning the Transfer of Settlement Funds Associated with Certain Performance Guarantees**. In favor: Cicerale, Kula, Leatham, O’Grady, and Van Allen.

**RESOLUTION OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES  
AUTHORITY AUTHORIZING THE EXECUTION OF AN AGREEMENT BY AND  
BETWEEN HARDYSTON TOWNSHIP AND THE HARDYSTON TOWNSHIP  
MUNICIPAL UTILITIES AUTHORITY CONCERNING THE TRANSFER OF  
SETTLEMENT FUNDS ASSOCIATED WITH CERTAIN PERFORMANCE  
GUARANTEES**

**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 entered into a Settlement Agreement and Release dated January 12, 2021, resolving the above performance bonds and cash performance guarantees; and

**WHEREAS**, pursuant to the Settlement Agreement and Release, FIA released any rights, claims or causes of action that FIA has, may have had or relating to the Phase I Performance Bond, the Phase I Cash Bond, the Phase Two Performance Bond, the Phase Two Cash Bond, Phase Two, Section 1 Bond and Phase Two, Section 1 Cash Bond. FIA further consents to the Township and/or Authority retaining the Phase I Cash Bond, Phase Two Cash Bond and Phase Two, Section I Cash Bond plus all accrued interest thereon; and

**WHEREAS**, the Township desires to transfer to the Authority the funds associated with the above referenced cash bonds so that the Authority can complete as-built plans for the constructed water and sewer infrastructure associated with the Indian Field Phases I and II and eventually take ownership of same;

**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 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 the Township 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.

**Discussion: Park Drive Fire Suppression Rate**

Mrs. Kaufer reported the Township has taken ownership of the Park Drive Fire Suppression system. She said the system is fully operational and all work has been completed. She said council is in the process of confirming a special assessment for the cost of the upgrade and the next step is developing a rate for the users of the system. She also indicated Bob Schultz has come up with an estimated annual cost of \$21,300 per year. She reported there are five users connected to the fire suppression system and said dividing the annual cost between those users would be approximately \$3500.00 yearly per user. She suggested charging an annual fee to the users and also a hydrant fee to each property owner within Park Drive. She indicated a standard hydrant rate is about \$45.00 per quarter and said charging a hydrant rate will reduce the operating cost. She also indicated the Township could look into the possibility of selling bulk water which would reduce the annual charge. Also, a connection fee will have to be established for potential users who want to connect to the Fire Suppression System.

**PAYMENT OF BILLS:**

A **MOTION** was made by Kula and seconded by Leatham to pay the bills, as per the bills list for December 6, 2021 In favor: Cicerale, Kula, Leatham, O’Grady, and Van Allen.

**CORRESPONDENCE:**

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

**OFFICER’S REPORTS:**

Nothing at this time.

**PROFESSIONAL’S REPORTS:**

Administrator – Mrs. Kaufer discussed Crystal Springs irrigation billing and reported the utility account is delinquent. She spoke with Art Walton and he indicated Crystal Springs is asking to be charged more of a bulk rate rather than the irrigation rate that is currently being charged.

Operator – not present

Billing Clerk – nothing further

CFO – not present

Accountant – not present

Attorney – nothing further

Engineer –Mr. Vreeland reported he has not heard from the State regarding the ground water under the influence of surface water regarding Indian Fields. He reported the first half of the year sample collections have come back fine and said Ron has completed samples for the second half of the year. He indicated a Corrosion Control Treatment Recommendation was put together and the State recommends we change treatment from polyphosphate to orthophosphate. He reported the treatment change will not address the hardness of the water and said the State recommends we install a central softening system at the water treatment building. He did indicate most homes have water softeners and said it may not be in the best interest to add a central softening system. He said the letter from the state indicates we have 13 months to implement the change from polyphosphate to orthophosphate. He also suggested that a survey could be taken to see how many homes have water softeners and recommended taking water samples and then do some comparisons.

**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,  
**Karen Osellame**  
Recording Secretary