



## *Borough of Stanhope*

77 MAIN STREET  
STANHOPE, NJ 07874

TEL: 973-347-0159      FAX: 973-347-6058

December 13, 2004

Richard Briigliodoro, Esq.  
Weiner Lesniak, LLP  
P.O. Box 0438  
Parsippany, NJ 07054-0438

Re: *Hopatcong Adult, LLC/D.R. Horton, Inc. New Jersey*  
*Block 20002, Lot 3*  
*Block 20202, Lot 1*  
*Block 20203, Lot 3*  
*Block 20204, Lot 1*  
*Block 20205, Lot 1*  
*Block 20215, Lot 1*  
*Block 20216, Lot 1*  
*Block 20217, Lot 1*  
*Hopatcong, New Jersey*

Dear Mr. Briigliodoro:

At the Stanhope Borough Governing Body meeting on November 30, 2004, your client's request to have the Borough of Stanhope transfer 100,000 gallons of sewage treatment capacity at the Musconetcong Sewage Authority (MSA) Treatment Plant from the Borough of Stanhope to the Borough of Hopatcong was discussed in open session by the Governing Body. The Governing Body's discussion included the additional proposals set forth in your letter of November 29, 2004 to the Borough concerning your client's offer to perform an infiltration/investigation study of the Borough's collection system for purposes of determining whether or not an additional 22,000 GPD of sewage treatment capacity could possibly be available from the Borough for transfer to Hopatcong.

After the matter was reviewed by the Governing Body a motion was made, seconded and unanimously adopted to direct me to forward this letter of intent to you on behalf of the Borough of Stanhope to transfer 100,000 gallons of its sewage allocation at the MSA Treatment Plant to the Borough of Hopatcong under terms and conditions to be negotiated by the Borough and your

client. Any such agreement would be subject to the consent and approval of both the MSA and the Borough of Hopatcong.

Your letter of November 29, 2004 offered an infiltration/investigation study of the Borough of Stanhope's collection system to determine whether or not any significant areas of inflow or infiltration could be located which, if repaired, would possibly allow the Borough to transfer more than 100,000 GPD. The motion adopted by the Governing Body included an approval of an infiltration/investigation study to determine whether or not any additional sewage allocation up to 22,000 GPD would be available for transfer as well.

The Borough would request that you draft and forward a proposed form of Developer's Agreement to commence negotiations for the proposed sewage allocation transfer and provide same to the Borough within the next 45 days based on this letter of intent.

Very truly yours,



Teri Massood  
Borough Administrator

c: Borough of Hopatcong  
Musconetcong Sewage Authority