

Housing Authority of the City of Cape May

REGULAR MEETING

April 16, 2018

At 4:00 PM, Vice-Chairperson Patricia M. Swain **Called to Order** the April 16, 2018, Regular Meeting of the Board of Commissioners of the Housing Authority of the City of Cape May. The meeting was held in the Conference Room of the Housing Authority located at 639 Lafayette Street, Cape May, NJ 08204. **Roll Call** was taken and the following Commissioners were present:

Vice-Chairperson Patricia M. Swain
Commissioner Patricia Hodgetts
Commissioner Diane Hutchinson
Commissioner Dr. Keith Lafferty

Chairperson Thomas G. Hynes, Commissioner Frank Acker and Commissioner Thomas White were not present at the meeting.

The following individuals were also present: Carol Hackenberg, Executive Director, Charles W. Gabage, Solicitor from the firm of Eisenstat, Gabage & Furman, Linda Avena, of Avena CPA's.

Vice-Chairperson Patricia M. Swain noted that there were no members of the public at the meeting.

Vice-Chairperson Patricia M. Swain read the "**Statement of Compliance – Sunshine Law**" and led the Pledge of Allegiance.

Following the roll call of Commissioners, Vice-Chairperson Patricia M. Swain declared there was a quorum present.

Vice-Chairperson Patricia M. Swain called for a Motion to accept the March 19, 2018 Regular Meeting Minutes.

Commissioner Diane Hutchinson made the Motion, seconded by Vice-Chairperson Patricia M. Swain to accept the March 19, 2018 Regular Meeting Minutes.

The following vote was taken to approve the March 19, 2018 Regular Meeting Minutes.

Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

ACCOUNTANT'S REPORT:

The Accountant's Report – The Board reviewed the 6-month Financial Report as submitted by the Accountant. The bottom line for the five months ending March 21, 2018 showed a loss of \$13,358.00.

COMMITTEE REPORTS:

There were no committee reports.

a. Executive Administrative Report

Ms. Hackenberg reported the following:

Investments: The C.D. and Money Market Investment schedule is as follows:

<u>MONEY MARKET</u>	
<u>TOTAL</u>	Money Market (Sturdy Bank)
\$282,527.38	
<u>TOTAL</u>	<u>\$282,527.38</u>

Energy Savings:

The energy savings for the month was \$2,252.80 or 18.60%.

COMMISSIONER:

Commissioner Patricia Hodgetts has been enrolled in the following course – Ethics May 21, 2018 after completion of this course, Ms. Hodgetts will have completed all of the required Commissioner Training.

RENTAL ASSISTANCE DEMONSTRATION (RAD):

The Authority is awaiting a response from HUD concerning their Interest Letter to convert the remaining 55 units on Lafayette and Osborne Courts.

On March 15, 2108 the Authority received notification from HUD that the Authority’s application to convert the 30 Broad Street Units to RAD PBRA was approved. The Authority also received a Commitment to Enter into a Housing Assistance Payment Contract (CHAP award) provided the Owner meets all the requirements. The letter also indicated that HUD reserves the right to revoke or amend its commitment any time prior to closing if HUD, in its sole judgment, determines that the Authority has not met all of the required conditions, including it not being financially feasible.

The Authority has submitted the necessary information into the PIC System to ensure the CHAPS award is not withdrawn. However at this time the Authority will defer the conversion process until HUD has announced the amount of the Capital Fund Grant; based on recent articles it is anticipated that this grant will be increased by approximately forty percent (40%).

WATER/SEWER:

There is a City of Cape May Ordinance that provides for a flat rate for water/sewer usage equal to the sum of \$80,000.00 beginning in the 2011 calendar year, based on existing conditions at that time. It also states that “Beginning in the 2012 calendar year and continuing for each calendar year thereafter, the rate will increase by two percent annum, subject to further adjustments as determined by the Mayor and Council and implemented by ordinance from time to time”. (Note: current quarterly payment is up to \$22,523.25 and \$90,093.00 annually).

The E.D. has made several reminder calls to the City Water Department, re: the analysis and the City Manager’s response to set up a meeting soon – Chairperson Thomas G. Hynes expressed his intent to also be present. Coordination of schedules has been difficult.

ENVIRONMENTAL HISTORY:

Attorney Gabage reviewed the three remaining issues as follows:

- The Authority has been asked to sign a Deed Notice and receive payment from JCP&L – this will remain on hold at this time.
- NJDEP \$800.00 bill – the Authority will continue to withhold payment so as not to jeopardize the Authority’s defense as an “Innocent Purchaser”.

- There is an open issue whether the Authority has to remediate at Osborne Court because of the Innocent Purchaser defense which appears to be available to the Authority. That issue is still under investigation. The Authority has raised the remediation issue with both the State and HUD and neither has responded. The Authority does not have the funds to remediate if either the State or HUD takes the position the remediation is necessary so funding will have to be pursued from the State and HUD if either determines that remediation is required.

ANNUAL AUDIT:

The Annual Audit was conducted between December 4 and December 7, 2017. The Authority has received good results of that audit, verbally; they are just awaiting the State of NJ GASB 68 figure for the audit report to be submitted and presented at a Board Meeting.

NONPROFIT STATUS:

Dr. Lafferty updated the Board on the status of this program. The initial Board Members have been selected and the members will be limited to two representatives from the Cape May Housing Authority Board Members in order to prevent a possible situation of a Conflict of Interest.

Ms. Avena will begin the process of applying for an EIN number.

STORM DAMAGE:

The Nor'easter Storm, Riley, that occurred on Friday, March 2, 2018, resulted in damage to the cupolas on one of the roofs on Lafayette Court. Joseph Culligan did a follow up inspection and found there is extensive damage on both Lafayette and Osborne Courts cupolas.

The JIF Insurance Company has indicated they will reimburse the Authority \$1,495.00 for the cupolas repairs. The Authority has contacted a contractor to repair the broken cupola on Lafayette Court; if that repair is successful then the Maintenance Staff will continue the repairs as needed on the other Courts.

LAWN CARE:

The Authority received two proposals as follows:

PROPOSAL	WORK TO PERFORM	COST
A Touch of Grass Landscaping	Lawn cutting services-bi-weekly, edging all sidewalks & trimming all fence areas.	\$1,100.00
	Edging all landscaped beds	\$900.00
	Spring cleanup of lawn beds	\$1,500.00
	Trim shrubs & trees	\$1,100.00
	Mulching beds and pre-emergent	\$1,500.00
	Option of two year extension	
Murphy's Lawn Care & Landscaping	Mowing, edging, trimming and blow off sidewalks	\$1,315.00

The Board approved the awarding of the services to A Touch of Grass Landscaping as of May 1, 2018. (Note: initial lawn cut may be needed prior to 5/1/2018).

INCOME LIMITS:

HUD has issued the 2018 Income Limits for Ocean City NJ which includes Cape May. The limits have increased somewhat from the prior year, by \$1,000/\$2,000 based on household size and poverty level. Area Median Income went up \$5,000.00.

HUD OPERATING SUBSIDY & CAPITAL FUND:

As reported it is anticipated that the Capital Fund grant will be increased this year; however next year the reports are that HUD may combine the Operating Subsidy and the Capital Funding into one grant. It is not clear whether this will result in a reduction in funding for the Authority.

MISCELLANEOUS:

1. One Tenant has ended their tenancy on Osborne Court
2. Monthly HUD reports indicate two Tenants have not accurately reported their income; the Authority will follow up on the collection of the retro-rent.
3. Annual Financial Disclosure Information due by April 30, 2018, on-line by all Commissioners, the E.D. and the Solicitor.
4. JIF Risk Manager visited CMHA on 4/3/2018 for a site review. There were no significant findings.

Resolutions:

#2018-15 – A Resolution Approving April Monthly Expenses

Vice-Chairperson Patricia M. Swain called for a Motion to approve the resolution to pay the April expenses. Commissioner Dr. Keith Lafferty made a Motion to approve the resolution, seconded by Vice-Chairperson Patricia M. Swain; the following vote was taken:

Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

#2018-16– A Resolution Approving Executive Session

There was no requirement for an Executive Session

#2018-17 – A Resolution Approving Lawn-Care Services

Vice-Chairperson Patricia M. Swain called for a Motion to approve the resolution. Commissioner Dr. Keith Lafferty made a Motion to approve the resolution, seconded by Vice-Chairperson Patricia M. Swain; the following vote was taken.

Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

There being no further business before the Board, at 5:00PM Vice-Chairperson Patricia M. Swain called for a Motion to **adjourn the meeting**. Commissioner Diane Hutchinson made the Motion; seconded by Vice-Chairperson Patricia M. Swain the following vote was taken:

Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

Respectfully submitted,

Carol Hackenberg
EXECUTIVE DIRECTOR