

Housing Authority of the City of Cape May

REGULAR MEETING

December 17, 2018

At 4:00 PM, **Vice-Chairperson Patricia Hodgetts called to order** the December 17, 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.

Attorney Gabage swore in the new Commissioner Dr. Patricia Ann Martz

Roll Call was taken and the following Commissioners were present:

Chairperson Dr. Keith Lafferty (via Face Time)
Vice-Chairperson Patricia Hodgetts
Commissioner Carol Boyd
Commissioner Victor Faison
Commissioner Patricia Ann Martz

Commissioners Helen Meier and Dr. Christopher Traficante were not present at the meeting.

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

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

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

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

Vice-Chairperson Patricia Hodgetts called for a Motion to accept the November 19, 2018 Regular Meeting and Executive Session Minutes, Commissioner Carol Boyd made the Motion, seconded by Vice-Chairperson Patricia Hodgetts to accept the November 19, 2018, 2018 Regular and Executive Session Meeting Minutes.

The following vote was taken to approve the November 19, 2018 Regular and Executive Session Minutes.

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Abstain)
Commissioner Dr. Patricia Ann Martz	(Abstain)

ACCOUNTANT'S REPORT:

The Accountant's Report – The Board reviewed the 2-month Financial Report as submitted by the Accountant. The bottom line for the two months ending November 20, 2018, the Housing Authority was under budget by \$33,865 and showed a profit of \$13,957. Commissioner Victor Faison questioned the expenses over budget; Ms. Avena indicated the largest overage was in Administrative Expenses due to training for Commissioners and legal expense. However, the environmental legal expenses are being reimbursed by JCP&L.

The E.D. pointed out that next month there will be a draw down from the Capital Fund to cover some of the Contractor expenses like the sidewalk alterations.

There is an RFP for a Capital Needs Assessment that is due on December 18, 2018, so the Board will be asked to approve a Resolution at the next meeting to award the services to the most responsible responsive RFP.

COMMITTEE REPORTS:

Chairperson Dr. Keith Lafferty and the Board had established an Energy Committee comprised of Commissioner Victor Faison and Commissioner Dr. Christopher Traficante. The Committee will explore options for tank-less water heaters that will include analyzing the cost and feasibility of installing this equipment. They will also gather information on Contractors who provide and install this equipment. Commissioner Christopher Traficante had reported they are not feasible for the City of Cape May Housing Authority.

The Board will discuss the establishment of additional committees such as Finance, Buildings/Grounds and Personnel.

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>	
\$283,093.00	Money Market (Sturdy Bank)
<u>TOTAL</u>	<u>\$283,139.54</u>

Energy Savings:

The energy savings will be available at the next Board Meeting.

COMMISSIONER:

The E.D. distributed the Rutgers Spring Training Schedule. Chairperson Dr. Keith Lafferty reminded the new Board Members that their training must be completed 18 months from the swear-in date.

RENTAL ASSISTANCE DEMONSTRATION (RAD):

The E.D. reported that on December 11, 2018 the Authority received a second CHAP Award from HUD which is a commitment for the 55 senior units on Lafayette and Osborn Courts in addition to the 30 units on Broad Street Court. The Board was given a copy of the Executive Summary of RAD Conversion that was prepared by the Brooke Group, Rick Ginnetti.

The report summarizes several items including the anticipated income based on a 5% vacancy rate which would show a net income of \$746,370 while the Authority's 2019 budget shows anticipated expenses in the amount of \$778,600. At first look it would appear that the RAD conversion would not be feasible, however HUD has announced a potential increase in funding and the potential for the Authority to lock into higher than average rents.

The E.D. advised the Board the next step in the process is to prepare a financial feasibility study based on updated HUD data; perform an environmental assessment; a RAD Physical Condition Needs Assessment, hold 2 meetings with the Residents and offer public review. She also stated that although the numbers are very close; however, it may be worthwhile to proceed with the conversion

In response to inquiries from Chairperson Dr. Keith Lafferty and Commissioner Carol Boyd about the rent calculations and the ratio of seniors versus families, the E.D. stated there will be no increase in the rent calculation formula, it will remain at 30% of annual gross adjusted income and further that the ratio of seniors versus families will not change.

ENVIRONMENTAL HISTORY:

Attorney Gabage again updated the Board on the two issues:

There are two environmental issues at Osborne Court. One caused by JCP&L and the other that JCP&L claims was not caused by them, but more than likely caused by historic fill.

JCP&L ISSUE:

JP&L does ongoing testing for contamination on the CMHA property they had contaminated years ago. The Board will have to make a decision about whether or not it will agree to JCP&L's offer of leaving the environmental problem on the Housing Authority property and accepting \$15,000.00 for a Deed Notice. The LSRP will be able to better advise CMHA on this matter.

HISTORIC FILL:

The Authority has already claimed an "Innocent Purchaser" defense. The Board has a decision to make; whether to remove the contamination or take no action. This decision will depend on what the DEP rules. The LSRP, on behalf of CMHA, may apply for a grant to remove the contamination. JCP&L has offered their help in completing the necessary paperwork to apply for this grant, and pay for the LSRP.

CONTAMINATION:

The contamination does not cover a large area and is not in great quantity. The greatest quantity contains lead as a result of possible historic fill. The City's former environmental consultant (LSRP) advised the Authority this could just be covered over because it is not that high of a quantity and it is in the ground, not on the surface. Any contaminated surface was covered with gravel given to CMHA by JCP&L. This is considered an "IRM" interim remedial measure.

Commissioner Carol Boyd questioned the effectiveness of a Deed Notice when it's only purpose is to put people on notice about a contamination problem but it does nothing to cover the Authority in the event someone gets sick which could tie the Authority up in court for a long time.

Attorney Gabage explained this is not his area of expertise, but he is not aware of those types of ramifications. However, that is the reason the Board is engaging an Environmental Consultant (LSRP) who will be reviewing the documents and then advising the Board on the proper course of action. If the Board is not satisfied with the Consultant's recommendations, they have the option of obtaining another opinion.

The E.D. also reminded the Board that as part of the RAD conversion, the Authority will be required to have an outside source conduct an environmental review.

NON-PROFIT:

Dr. Lafferty reported the activities as follows:

On December 9, 2018, a Trolley Tour was held for the seniors. The tour included Historic Cherry House 2018 Christmas Tour and a trip to the Physick Estate to view the holiday display at the Carriage House.

On December 18, 2018 the Organization will be sponsoring an event for the Broad Street Children, "Santa's Workshop". Children will be given the opportunity to select small presents for parents and siblings.

On December 23, 2018 – Congress Hall Breakfast with Santa – children from the Broad Street Court will take part with a full breakfast with Santa along with a Christmas train ride at Congress Hall.

On December 24, 2018 – Dr. Lafferty and his family will be delivering Christmas presents to 51 Broad Street Children.

Additional activities are planned such as art classes and singing lessons.

Chairperson Dr. Lafferty made special note of the first fundraising event to be held on February 1, 2019, at the Cape May Brewery from 5pm to 8pm. The event will include catered food, music and a silent auction etc.

PROPOSALS:

A. **PEST CONTROL**

The Authority has reminded past bidders to submit a price for Pest Control Services, since no one responded to the Newspaper advertisement for services.

PROJECTS FOR CAPITAL FUNDS:

The E.D. reported that the projects for capital funding are ongoing as follows:

Chairperson Dr. Lafferty asked about the Contractors doing the refurbishing of units versus the maintenance staff and if it makes more sense on a duration and economical stand point? The E.D. responded in the affirmative, that the Authority would continue with this practice, particularly since the Authority is paying a reasonable rate.

A. **Alterations to Ramps on Lafayette and Osborne Courts** – M.D. Remodeling was the lowest responsible responsive bidder at \$1,790.00. The Board approved the Resolution awarding this contract to M.D. Remodeling.

B. **Installation of System of PVC Posts and Plastic Chain across Lafayette Office Parking Lot** – the Board did not approve this work rather Commissioner Victor Faison suggested that the Maintenance Staff perform this work.

C. **Electrical Work Broad Street Court** – Install Exterior Lighting – KN Electrical Contractor, Inc. was the lowest responsible responsive bidder at \$1,746.00. The Board approved the Resolution awarding this contract to KN Electrical Contractor, Inc.

D. **Electrical Work** – Identify Circuits and Evaluate Switch Gear – Lafayette Office for Installation of a Generator – KN Electrical Contractor, Inc. was the lowest responsible responsive bidder at \$1,520.00 – the Board approved the Resolution awarding this work to KN Electrical Contractor, Inc.

E. **Unit #16 Osborne Court** – Replace 9 sq. Ft. new VCT tile for bathroom floor, Ocean Contractors, Inc. was the only bidder at a price of \$350.00 – the Board approved the Resolution awarding this contract to Ocean Contractors, Inc.

FLAT RENT SCHEDULE:

The Board approved the following Flat Rent Schedule:

UNIT SIZE	RENT PER MONTH
0 bedroom non-elevated 1 story unit	\$650.00
1 bedroom non-elevated 1 story unit	\$949.00
2 bedroom non-elevated 2 story unit	\$1,144.00
3 bedroom non-elevated 2 story unit	\$1,517.00
4 bedroom non-elevated 2 story unit	\$1,467.00

PILOT PAYMENT:

The Accountant calculated the annual PILOT Payment in the amount of \$10,241.50.

ANNUAL AUDIT:

The Auditor will be scheduling the annual audit for some time in January 2019.

MISCELLANEOUS:

1. The E.D. solicited a response from the Board with respect to the recommendation of a licensed/qualified plumber.

2. The E.D. reported that the HUD Newark Office picked the Authority to participate in a study with HUD's repositioning and reorganization group which will probably focus on RAD and the Self-Sufficiency Program. More explanation will follow.

Resolutions:

#2018-66 – A Resolution Approving December Monthly Expenses

Vice-Chairperson Patricia Hodgetts called for a Motion to approve the resolution to pay the December 2018 expenses. Vice-Chairperson Patricia Hodgetts made a Motion to approve the resolution, seconded by Chairperson Dr. Keith Lafferty, the following vote was taken.

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-67– A Resolution Approving Executive Session

Not needed.

#2018-68– A Resolution Awarding General Contractor Contract-Alterations to Lafayette #16

Vice-Chairperson Patricia Hodgetts called for a Motion to approve the resolution. Commissioner Carol Boyd made a Motion to approve the resolution, seconded by Commissioner Victor Faison, the following vote was taken.

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-69 – A Resolution Approving Pest Control Services

Placed on hold.

#2018-70 – A Resolution Awarding Electrical Services Contract – Electrical Work

Vice-Chairperson Patricia Hodgetts called for a Motion to approve the resolution. Commissioner Carol Boyd made a Motion to approve the resolution, seconded by Vice-Chairperson Patricia Hodgetts, the following vote was taken.

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-71 – A Resolution Approving 2019 Board Meeting Schedule

Vice-Chairperson Patricia Hodgetts called for a Motion to approve the resolution. Commissioner Victor Faison made a Motion to approve the resolution, seconded by Commissioner Carol Boyd, the following vote was taken.

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-72 – A Resolution Approving CMHA Flat Rent Schedule

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

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-73 – A Resolution Awarding Professional Services Contract – Environmental Contract

Vice-Chairperson Patricia Hodgetts called for a Motion to approve the resolution. Commissioner Carol Boyd made a Motion to approve the resolution, seconded by Commissioner Victor Faison, the following vote was taken.

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-74 – A Resolution Awarding General Contractor Services Contract – Alterations to Ramps

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

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-75 – A Resolution Awarding General Contractor Services Contract – Driveway Posts

Not Approved

#2018-76 – A Resolution Approving a JIF Fund Commissioner

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

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

#2018-77 – A Resolution Awarding General Contractor Services Contract - #16 Osborne Court Bathroom Floor

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

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

There being no further business before the Board, at 5:12PM Vice-Chairperson Patricia Hodgetts called for a Motion to **adjourn the meeting**. Commissioner Victor Faison made the Motion; seconded by Chairperson Dr. Keith Lafferty the following vote was taken:

Chairperson Dr. Keith Lafferty	(Yes)
Vice-Chairperson Patricia Hodgetts	(Yes)
Commissioner Carol Boyd	(Yes)
Commissioner Victor Faison	(Yes)
Commissioner Dr. Patricia Ann Martz	(Yes)

Respectfully submitted,

Carol Hackenberg
EXECUTIVE DIRECTOR