

**Housing Authority of the City of Cape May**  
**REGULAR MEETING**

**June 18, 2018**

At 4:00 PM, Chairperson Thomas G. Hynes **Called to Order** the June 18, 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:

Chairperson Thomas G. Hynes  
Vice-Chairperson Patricia M. Swain  
Commissioner Thomas White (via telephone)  
Commissioner Frank Acker  
Commissioner Patricia Hodgetts  
Commissioner Diane Hutchinson  
Commissioner Dr. Keith Lafferty

The following individuals were also present: Carol Hackenberg, Executive Director, Joseph Culligan, Site Manager, Charles W. Gabage, Solicitor from the firm of Eisenstat, Gabage & Furman, Linda Avena, of Avena CPA's, Steven Kutsuflakis (via telephone), Barbacane Thornton & Company and Charles Collins, Architect.

Chairperson Thomas G. Hynes noted that there were no members of the public at the meeting.

Chairperson Thomas G. Hynes read the "**Statement of Compliance – Sunshine Law**" and led the Pledge of Allegiance.

Following the roll call of Commissioners, Chairman Thomas G. Hynes declared there was a quorum present.

Chairperson Thomas G. Hynes called for a Motion to accept the May 21, 2018 Regular Meeting Minutes which included the correction to the first page concerning Chairperson Thomas G. Hynes opening the meeting not Vice-Chairperson Patricia M. Swain.

Vice-Chairperson Patricia Swain made the Motion, seconded by Commissioner Diane Hutchinson to accept the May 21, 2018 Regular Meeting Minutes.

The following vote was taken to approve the May 21, 2018 Regular Meeting Minutes.

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(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 8-month Financial Report as submitted by the Accountant. The bottom line for the eight months ending May 31, 2018 showed a loss of \$9,566.00.

**ANNUAL AUDIT REPORT:**

Steven Kutsuflakis reviewed the final version of the “Report on Audit of Financial Statements and Supplementary Information” for fiscal year ending September 30, 2017. The Authority had a “clean” audit including the internal control over financial reporting. Accordingly, the report did not contain any comments or recommendations.

The Authority’s total liabilities and deferred inflow of resources decreased primarily due to a decrease in the Authority’s proportionate share of the net pension liability. The HUD operating funds and capital grant increased somewhat over the prior year.

The largest portion of the liability is the Pension Liability of \$608,700.00 or .0026% of the total plan liability. The change in the net position of -\$193,969.00 is largely due to additional pension liability (\$68,000) and depreciation expense (\$133,863); without those expenses the Authority’s financial position would be a break-even for the year.

The Audit will be submitted to the State tomorrow.

**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:

<b><u>MONEY MARKET</u></b>	
<b><u>TOTAL</u></b>	Money Market (Sturdy Bank)
\$282,759.70	
<b><u>TOTAL</u></b>	<b><u>\$282,759.70</u></b>

**Energy Savings:**

The energy savings for the month was \$1,030.16 or 19.62%.

**COMMISSIONER:**

It is anticipated that two Commissioners will need to be replaced, Commissioner Thomas White and Vice-Chairperson Ms. Patricia M. Swain as they will not be continuing as a Board Commissioner when their term expires. Chairperson Thomas G. Hynes suggested that the Board Members make suggestions for possible replacements for these Commissioners. The Authority has notified the City of Cape of these term expirations.

**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.

On June 4, 2018, the Authority received an e-mail indicating that the Authority’s request for an exemption from the Choice Mobility requirement has been approved and this approval has been formally documented on the RAD Resource Desk.

**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. reported that a meeting has been arranged with the City of Cape May for Thursday, June 21, 2018, Chairperson Thomas G. Hynes and the E.D. will attend this meeting.

**ENVIRONMENTAL HISTORY:**

Attorney Gabage updated the Board as follows:

By e-mail dated May 29, 2018 the Department of Environmental Protection notified the Authority of their non-compliance concerning the environmental issue on Osborne & Lafayette. The State has indicated the Authority must retain a LSRP and submit an Initial Receptor Evaluation. Additionally, failure to comply with a regulated timeframe has triggered penalty exposure and the mandatory timeframe for submittal of the IRE is 7/18/2018. If this timeframe is missed then direct oversight is triggered.

Attorney Gabage has responded to this correspondence and has also conferred with the JCP&L Attorney concerning this matter. At this time there is a difference of opinion between the State and JCP&L as to what action the Authority is required to take at this time.

Attorney Gabage indicated there are three possible scenarios that could occur:

- The Authority takes no action
- The Authority issues a Deed Notice-which is a notice stating there is an environmental issue on the site.
- The Authority applies for a Grant to remediate the site.

Again Attorney Gabage indicated that at this time the Authority does not have the money to remediate the site however he will forward the requested documents to the JCP&L Attorney to start the process for the Authority to begin applying for a grant.

**NONPROFIT:**

The Cape Cares, Inc. Organization will be holding the second board meeting today after the Housing Authority Board Meeting.

**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 cupola has been repaired and re-installed. Through Charles Collins, Architect, the Authority will be seeking quotes to repair/secure the remaining cupolas.

**ANNUAL PLAN:**

The E.D. is currently in the process of completing the necessary paperwork to submit the annual plan to HUD in July.

The open public comment period for this ends June 22, 2018.

**RESIDENT COUNCIL ELECTIONS:**

The final elections were held on June 12, 2018, the new officers will be: Lynn Waterman, President, Nikit Jarmoluk, Vice President and Elsa Sohlich, Secretary-Treasurer. The E.D. will be holding a meeting with the newly elected Officers on July 12, 2018.

**EMERGENCY SAFETY & SECURITY GRANT:**

Tandem Care, Inc. completed the necessary paperwork and submitted to HUD (Washington, DC) in person.

**CAPITAL FUNDING:**

The Authority has been notified that the Capital Funding for this year(2018) will be \$153,579.00. Mr. Collins reviewed possible areas to use the additional funding to remain in compliance with REAC as follows:

- Repair damaged sidewalks
- Install root barriers to prevent trees from raising the sidewalks
- Perform necessary tree trimming

Estimated cost for these repairs would be \$41,000; the remainder of the monies could be used to repair window well replacements/repairs as needed.

**PERSONNEL MANUAL:**

Attorney Gabage has reviewed the changes made to the Personnel Manual to be in compliance with the MEL-JIF requirements.

**COMCAST BROADBAND AGREEMENT:**

The Authority has entered into an agreement with COMCAST for them to make necessary repairs to their equipment during normal working hours.

**VECTOR SECURITY:**

The Authority has received a video camera proposal and recommendation for a “lease to own” option. The installation price for the system including, parts, labor and training is:

- \$1,800.00 down
- \$99.00 per month for 60 months
- \$50.00 per month for service agreement

The Authority will hold up on taking action on this proposal since if granted the Safety & Security Grant would help cover these expenses.

**MISCELLANEOUS:**

1. The Authority will be installing additional signage to more clearly identify unit numbers.
2. The Authority is exploring the option of buying out the current copier and securing a new/faster model.
3. Employee benefit premiums- Effective July 1, 2018 the employee share of the costs for Health and Pension benefits will once again be increasing. The Pension contributions are increasing to the final increment of 7.5% of the annual salary; the health benefit contributions are based on the type of plan and current salary.

**Resolutions:**

**#2018-23 – A Resolution Approving June Monthly Expenses**

Chairperson Thomas G. Hynes called for a Motion to approve the resolution to pay the June expenses. Vice-Chairperson Patricia M. Swain made a Motion to approve the resolution, seconded by Commissioner Frank Acker; the following vote was taken:

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-24 – A Resolution Approving Executive Session**

There was no requirement for an Executive Session

**#2018-25 – A Resolution Approving MEL-JIF PERSONNEL CHANGES**

Chairperson Thomas G. Hynes called for a Motion to approve the resolution. Commissioner Diane Hutchinson made a Motion to approve the resolution, seconded by Commissioner Patricia Hodgetts; the following vote was taken.

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-26 – A Resolution Approving Audit Review Certificate.**

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

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-27 – A Resolution Approving Certification of the Annual Audit**

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

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-28 – A Resolution Approving Capital Fund Program Agreement**

Chairperson Thomas G. Hynes called for a Motion to approve the resolution. Commissioner Thomas White made a Motion to approve the resolution, seconded by Vice-Chairperson Patricia M. Swain; the following vote was taken.

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-29 – A Resolution Approving COMCAST Broadband Service Agreement**

Chairperson Thomas G. Hynes called for a Motion to approve the resolution. Commissioner Diane Hutchinson made a Motion to approve the resolution, seconded by Commissioner Patricia Hodgetts; the following vote was taken.

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-30 – A Resolution Approving Grant Writing Services-Safety & Security**

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

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

**#2018-31 – A Resolution Approving Installation of Signs**

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

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

There being no further business before the Board, at 05:08PM Chairperson Thomas G. Hynes called for a Motion to **adjourn the meeting**. Vice-Chairperson Patricia M. Swain made the Motion; seconded by Commissioner Keith Lafferty the following vote was taken:

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Thomas White	(Yes)
Commissioner Frank Acker	(Yes)
Commissioner Diane Hutchinson	(Yes)
Commissioner Patricia Hodgetts	(Yes)
Commissioner Dr. Keith Lafferty	(Yes)

Respectfully submitted,

Carol Hackenberg  
EXECUTIVE DIRECTOR