

Housing Authority of the City of Cape May

REGULAR MEETING

October 15, 2018

At 4:08 PM, **Chairperson Dr. Keith Lafferty called to order** the October 15, 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 Dr. Keith Lafferty
- Vice-Chairperson Patricia Hodgetts
- Commissioner Carol Boyd
- Commissioner Victor Faison
- Commissioner Dr. Christopher Traficante

Commissioner Helen Meier was not present at the meeting but called in with her regrets due to an emergency matter.

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.

Chairperson Dr. Keith Lafferty noted that there were no members of the public at the meeting.

Chairperson Dr. Keith Lafferty read the **“Statement of Compliance – Sunshine Law”** and led the Pledge of Allegiance.

Following the roll call of Commissioners, Chairperson Dr. Keith Lafferty declared there was a quorum present.

Chairperson Dr. Keith Lafferty called for a Motion to accept the September 24, 2018 Regular Meeting and Executive Session Minutes, Commissioner Carol Boyd made the Motion, seconded by Vice-Chairperson Patricia Hodgetts to accept the September 24, 2018 Regular Meeting and the Executive Session Minutes.

The following vote was taken to approve the September 24, 2018 Regular Minutes and the Executive Session Minutes.

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| Chairperson Dr. Keith Lafferty | (Yes) |
| Vice-Chairperson Patricia Hodgetts | (Yes) |
| Commissioner Carol Boyd | (Yes) |
| Commissioner Dr. Christopher Traficante | (Yes) |
| Commissioner Victor Faison | (Not present) |

ACCOUNTANT’S REPORT:

The Accountant’s Report – The Board reviewed the 12-month Financial Report as submitted by the Accountant. The bottom line for the twelve months ending September 30, 2018 showed a loss of \$7,833.00 and the Authority was over budget by \$12,543.00.

Ms. Avena passed out two reports that Commissioner Victor Faison requested at the September 24, 2018 Meeting, as follows:

- A. General Account Ledger for Sundry Expenses for the period 10/2017 through 9/2018.
- B. General Account Ledger for Contract Expenses for the period 10/2017 through 9/2018.

The total Sundry Expenses for the fiscal year were - \$27,924.00 which includes Payroll Services and Petty Cash and other miscellaneous items. The RAD expenses which were not anticipated amounted to \$6,390.00.

The Contract costs included expenses for snow removal, lawn care, bed bug treatments and security cameras. The total expense for snow removal was \$15,890.00, the total cost for lawn care was \$16,770.00 and the cost for pest control was \$4,538.00.

COMMITTEE REPORTS:

Chairperson Dr. Keith Lafferty and the Board 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.

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

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>	
\$282,900.72	Money Market (Sturdy Bank)
<u>TOTAL</u>	<u>\$282,900.72</u>

Energy Savings:

The energy savings for the month was \$706.55 or 12.15%

The Authority is still awaiting a response from HUD regarding the RRI approximate figures to the Authority for the calculation of the 2019 operating subsidy. The savings numbers may appear in the online subsidy forms for 2019.

COMMISSIONER:

Commissioners Helen Meier and Carol Boyd have signed up for training on PHAS & SEMAP on November 13, 2018 in Atlantic City.

The Mayor has advised the E.D. that the Commissioner to replace Thomas G. Hynes who resigned as of 9/14/2018 should be appointed at the next City Council Meeting.

RENTAL ASSISTANCE DEMONSTRATION (RAD):

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 September 6, 2018 the Authority received a letter from HUD acknowledging that they were in receipt of the Authority's request to voluntarily withdraw their existing RAD CHAP Award for the 30 Broad Street Units and to request a new RAD application for the Authority to convert all 85 units (Broad Street Court (30 units), Lafayette Court (27 units) and Osborne Court (28) units).

On August 31, 2018 a new application was submitted to HUD for the conversion of all 85 units.

The next stage is for the Authority to have a RAD needs assessment performed and submit a 20 year financial plan and an environmental study. HUD will not let the Authority proceed with the RAD implementation if they deem it is not financially feasible.

The E.D. reported that Mr. Ginnetti, the RAD Consultant, will be attending the next board meeting. At this time the Authority is not required to take any action until they receive a response from HUD concerning their request to convert the entire 85 units.

WATER/SEWER:

The Authority received the quarterly water/sewer billing whereby the cost was based on “usage” as opposed to a flat rate, there was a reduction in the cost as follows:

April 16, 2018 Payment	\$22,973.32
July 16, 2018 Payment	\$22,973.32
October 15, 2018 Payment	\$20,603.50 (equals savings of \$2,369.82)

ACC HUD REVISIONS:

Attorney Gabage explained that the ACC is the contract between the federal government and each housing authority and basically explains how the money is to be paid to the housing authority. HUD tried to unilaterally change the contract by stating that once the Authority drew on the money they have essentially agreed to the HUD revisions so there was no chance for debate or negotiations.

The most recent communication seems to be that the government has “backed off” or recanted this position and they are going to try and work out a more compatible resolution.

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 had to do testing for contamination for the property they had contaminated years ago. The Board is eventually going to have to make a decision about whether it will agree to JCP&L’s offer of leaving the environmental problem on the Housing Authority property and being paid \$15,000.00 for a Deed Notice.

JCP&L has also agreed to continue paying Mr. Gabage’s legal fees, and up to \$2,500.00 for the Authority to engage an Environmental Attorney and \$2,500.00 for the Authority to engage an Environmental Consultant. These individuals will review the Deed Notice documents and advise the Board on the environmental contamination.

Attorney Gabage indicted that at his request the Authority prepared a Resolution for Board Approval whereby the Authority will engage an Environmental Consultant, Don Toder. This Consultant currently works with the City of Cape May on another project and has some experience on the MGP site. The cost for the consultant is capped at \$2,500.00 for which JCP&L shall reimburse the Authority.

HISTORIC FILL:

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

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. The area was covered over with gravel given to CMHA by JCP&L.

The Board participated in another discussion on the ramifications of this contamination on future residents. Attorney Gabage indicated that it is not likely that the DEP will require the Authority to remediate this area other than to apply more gravel to the site. However, he did advise the Board that would not prevent them from making

arrangements to remediate the site and hiring an environmental consultant. Albeit, Mike Poland, the former LSRP for the City of Cape May, did produce a comprehensive report on the contamination and the manner in which it could be remediated. He also reminded the Commissioners that at this point there is no immediate problem and there is no danger to anyone at this time.

The Board gave Attorney Gabage the approval to move forward with engaging the Environmental Consultant, Dan Toder.

NONPROFIT:

The Cape May Cares, Inc. organization held a “Meet and Greet” on October 11, 2018 and had an opportunity to walk through 3 units on Broad Street Court. Approximately 10 individuals came to meet the Board Members and shared many good ideas and suggestions with them.

Chairperson Dr. Keith Lafferty indicated that at the next meeting he will be sharing information on the upcoming plans, ideas and fundraising events the group has planned for the future.

PROPOSALS:

A. **SNOW REMOVAL**

The Authority has put the snow removal services out for bid.

PROJECTS:

A. The Cupolas Repairs have been completed. The Board approved a Resolution for the one Change Order, for some additional repairs caused by plate damages. The cost for the repairs is \$1,350.00.

B. Sidewalk Alterations – the Ocean Construction Company is scheduled to begin these repairs next week, the specifications for this work which also includes tree maintenance work. Both should begin next week as well.

BY-LAWS:

The By-Laws were revised to correct the time of the Regular and Special Board Meetings to 4:00p.m.

Chairperson Dr. Keith Lafferty also noted that at next Board Meeting he would like to review the Authority’s Mission Statement since the Statement encompasses the goals of the Authority and the Board of Commissioners.

PERSONNEL POLICY:

The E.D. reported that this Policy will need to be updated to include the recent NJ Regulations concerning the granting of sick time to part time employees.

OCCUPANCY POLICY:

The E.D. reported that this Policy will have to be updated to include the HUD regulations concerning the Housing Opportunity Through Modernization Act of 2016 – Final Implementation of Public Housing Income Limits. This regulation provides how the Authority is to set their policy for addressing over-income families who will be required to leave public housing after a 2-year grace period.

EXPENSES:

Chairperson Dr. Keith Lafferty asked that a review of the monthly expenses be done for the Board.

Following a review of the October 2018 expenses Commissioner Faison questioned several of the items as follows:

A. Trash Removal – he indicated there are several other providers who may be cheaper than Waste Management. The E.D. indicated that the service is put out for bid and that Waste Management is the only one who submitted a proposal, even though the Authority has contacted other providers such as Dave’s and Gold Medal. They all decline to place a bid because they are unable to perform the services cheaper than Waste Management.

B. **Water-Sewer** – Commissioner Faison believes that there are some avenues the Authority can pursue to reduce this expense such as investigating the possibility of installing tank-less water heaters. The matter was referred to the Energy Committee.

The E.D. reminded the Commissioners that they are not permitted to solicit bids that such solicitation must come from the Authority.

C. **COMCAST** – security cameras at the Cape May Police Department – all of the Commissioners agree that the Authority should not be paying for the router box that provides the cameras service to the Policy Department. This should be paid by the City of Cape May. Commissioner Boyd agreed to look into the matter then touch base with Chairperson Dr. Keith Lafferty and Commissioner Victor Faison. Then they will address the matter with the City of Cape May.

D. **Verizon** – fax machine bill – the matter was discussed in depth and the Board directed the Authority to explore options other than paying for a fax line – the suggestion was to bundle the services for internet, cable, phone and faxes into one service. The E.D. agreed to follow up on this matter.

E. **Sundry** – Cape Winds Florists – Commissioner Faison questioned the billing for flowers sent last year for a former Commissioner’s husband who passed away and for a get well basket that was sent to a former employee. He further indicated that payment for these items should not be paid for by the Authority. The E.D. indicated the expenses had been approved by the prior Board but that the Cape May Housing Authority Employees would reimburse the Authority for this expense.

MISCELLANEOUS:

1. Chairperson Dr. Keith Lafferty indicated that the Authority needs to re-address the matter of a Resident Council for the Broad Street Residents.
2. The E.D. will make available the Energy Audit Report for the Commissioners.
3. The E.D. will also make available for the Commissioners review the report prepared by Mike Poland the former LSRP for the City of Cape May.

Resolutions:

#2018-53 – A Resolution Approving October Monthly Expenses

Chairperson Dr. Keith Lafferty called for a Motion to approve the resolution to pay the October 2018 expenses. Commissioner Victor Faison 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. Christopher Traficante	(Yes)

#2018-54– A Resolution Approving Executive Session

Not Needed

#2018-55– A Resolution Approving Amending the By-Laws of the Housing Authority

Chairperson Dr. Keith Lafferty 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. Christopher Traficante	(Yes)

#2018-56 – A Resolution Approving MD Remodeling Change Order – Repair of Cupolas

Chairperson Dr. Keith Lafferty 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. Christopher Traficante	(Yes)

#2018-57 – A Resolution Approving Environmental Consultant

Chairperson Dr. Keith Lafferty 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. Christopher Traficante	(Yes)

There being no further business before the Board, at 5:15PM Chairperson Dr. Keith Lafferty called for a Motion to **adjourn the meeting**. Commissioner Victor Faison made the Motion; seconded by Commissioner Dr. Christopher Traficante 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. Christopher Traficante	(Yes)

Respectfully submitted,

Carol Hackenberg
EXECUTIVE DIRECTOR