

STATE OF NEW JERSEY
SECAUCUS HOUSING AUTHORITY
700 COUNTY ROAD
SECAUCUS, NEW JERSEY

January 22, 2015

This is a condensed transcription of the taped minutes as taken on Thursday, January 22, 2015 at Kroll Heights, 700 County Road, Secaucus, New Jersey.

Chairman Michael Harper welcomed everyone and called the meeting to order.

Kenny Koch, Mayor's Liaison, congratulated Executive Director Marra on the arrival of his first child, Adrienne, on January 7, 2015. (Applause from everyone.)

ROLL CALL

Present: Commissioner Richard Fairman
Commissioner Michael Schlemm
Commissioner Michael Harper
Commissioner Frances Jodice
Commissioner Roger Adriaenssens

Also Present: Executive Director Christopher Marra
Deputy Executive Director Jacob Naszimento
James Burke, Esq., Counsel to the Authority

Absent: Commissioner Michael Grecco

Chairman Harper read the Open Public Meetings Act.

OPEN PUBLIC MEETINGS ACT

“Adequate notice of this meeting, as required by the Open Public Meetings Act, has been provided by the filing of a Regular Meeting Notice with the Municipal Clerk, the posting of said notice on the official bulletin board in the Municipal Government Center, and delivery of same to the Jersey Journal and Secaucus Homes News on December 11, 2014. This body wishes to advise you that, in accordance with N.J.S.A. 26:3D(1), et seq. (Smoking in Public Buildings), smoking is prohibited while this body is in open or closed session.”

FLAG SALUTE

(At this point in the proceeding, the Pledge of Allegiance was lead by Kerrigan Harper and recited by all present.)

PAYMENT OF CLAIMS – JANUARY

Motion to approve payment of claims made by Commissioner Adriaenssens; seconded by Commissioner Schlemm.

Commissioner Schlemm asked about the PSE&G Gas bill of \$15,000. ED Marra explained a new air handler was installed on the roof of The Elms, having not been working for 10 years. It was hooked up and is gas-fired. Prior to the new air handler the bill was \$20/month; that \$15,000 was for when it was first turned on and is for an extended period. The next month was \$2,400 and there was a problem in the beginning and monitored for a while. Mr. Marra said the bill of \$15,585.05 is for electric charges. He noted it is mistitled on the bill list. \$2,430.70 is for gas coupled with \$16,510 electric bill for 12/1-12/31/14. Major discussion ensued and Mr. Marra said maybe the payment went out past the due date. He explained now in the winter months more than \$1,000 is for gas at The Elms. There is an electric heater on every floor of The Elms and turned on at the source. Now they are turned off.

The other large bill listed is \$71,000 to JIF, which is paid for the entire year. The plow was stolen in December; an insurance check for \$3,800 was received.

VOTE: AYES/All Present Commissioners (6)

Chairman Harper stated SHA has had several new members in the past few years. Now for the first time in the history of the Secaucus Housing Authority, the Board meets without a Kroll. For almost 50 years between Bill Kroll and Arlene Kroll, a Kroll has been on the Board. Arlene resigned for professional reasons, a job change with more responsibility and travel and didn't think she'd have the time to devote to the Board. Her presence will be truly missed and is a special part of the Authority.

FINANCE COMMITTEE

1. RESOLUTION #2015-1 – BOARD RESOLUTION APPROVING AMP BUDGET

Mr. Katchen explained #2015-1 is a Resolution Mr. Marra copied off HUD form, and only the Resolution, if approved, goes to HUD. SHA is high performer as designated by HUD. It relates to a HUD form of budget that has been prepared using an estimated funding level of 85 percent of what SHA is entitled to. Last year SHA used 89 percent, which equates to a haircut of \$90,746. It shows a proposed deficit of \$150,595 this year. The lion's share is an \$110,000 contribution towards the bathroom project. Based upon cost cutting measures, staff retirement, no replacement, tightening up maintenance and other items, your proposed deficit would be \$40,000. This year's anticipated deficit is \$50,384. If the budget holds true, the surplus at the end of next year – March 31, 2016 – would be \$979,383, still above HUD's rule of thumb of \$942,000.

Commissioner Fairman asked Mr. Katchen if it was doable along the lines of net results. Mr. Katchen said yes. ED Marra said there is a firm price for the bathrooms, and if they do everything right with no change orders it will be \$551,000, not \$571,000. Mr. Katchen said the largest source of expenditures is utilities, salaries, and employee benefits. It's always possible there could be maintenance problems, but if there is a problem, it's usually covered by insurance. Commissioner Fairman asked if there was a general reserve in these numbers. Mr. Katchen said yes, that is what the \$942,000 is – a surplus.

RESOLUTION #2015-1
(HUD Budget Proclaimer Resolution)

WHEREAS, the Housing Authority of the Town of Secaucus, New Jersey (the Authority) commences its fiscal year on April 1st, 2015, and

WHEREAS, it is required that we send in our control and operating budget formula prior to the commencement of the fiscal year for approval by the United States Department of Housing and Urban Development, and

WHEREAS, the Authority has found:

1) The proposed expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income families.

2) That the financial plan is reasonable in that:

a) it indicates a source of funding adequate to cover all proposed expenditures.

b) it does not provide for use of federal funding in excess of that payable under the provisions of the PFS regulations.

c) that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract.

d) the positions and salaries, as identified on the salary schedule do not exceed 100% of any individual employee's time. This statement and this submission are being made in accordance with the requirements of paragraph 2-7b and exhibit 2-3 on page 2-53 of the Financial Management Handbook (7475.1 REV.).

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the Town of Secaucus that the operating budget for HUD projects NJ39-PO83-001, 002 and 005 for the fiscal year ending 3/31/2016 be

adopted and that the Executive Director be authorized to submit this document to HUD for their review.

Motion to approve Resolution 2015-1 made by Commissioner Schlemm; seconded by Commissioner Jodice.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco

2. RESOLUTION #2015-2 – FY 2015-2016 BUDGET INTRODUCTION

Mr. Katchen explained this is a brand new New Jersey budget, as a result of both sides of the Legislature with the Governor's signoff approving a transparency act, which put into play a budget 3 times thicker in terms of disclosure than what was before. It has gone from a financial document to an informational document, not caring as much about the numbers at the Authority level as at the Municipality level, because SHA is not impacting the local taxpayer, but they want to know more aspects of the Authority's operations. There is a questionnaire, which Mr. Katchen explained in great length. Mr. Marra, Mr. Naszimento and Mr. Katchen filled out the pages three weeks ago and on Page F1, a summary of SHA operations are provided. In the Housing Vouchers column, it is anticipated there will be a loss of \$24,900, not in the area of rents to owners/landlords, but in the area of funding for administrative purposes. HUD funded that in 2014 at the rate of 79 percent; it was going to be 73 percent, but they found \$40 million. This year the funding level will be 75 percent, which is what Mr. Katchen used.

On the State budget, SHA is utilizing total surplus of \$175,495. On Page F8, the surplus for public housing and surplus for voucher program, available surplus as audited last year, \$1,307,142. In the current year, SHA's total projected deficit is \$72,184. At the end of this year, it is expected total surplus – voucher/public housing \$1,391,068. Next year, a surplus of \$1,215,573.

On the SHA web site there is an informational page listing every vendor that got paid over \$17,500. ED Marra said it's done once a year when the fiscal year ends. Everything is listed: budgets, audits, etc. Commissioner Fairman asked if SHA has complied with everything disclosure-wise. Mr. Marra said yes. When Mr. Marra gets all the information from the Commissioners, he will give it to Mr. Katchen and Mr. Katchen will get it to the State. ED Marra stated each Commissioner gets a form, it is blank and stays in the budget folder, the questionnaire, which is needed ASAP by Monday. Tonight it is for approval, not adoption. The State has 45 days to review it. At the March meeting, it is adopted.

Commissioner Fairman asked Mr. Katchen in envisioning two or three years down the road by the government in regards to reimbursement perspective, taking extraordinary items out of the picture, how does he see the surplus amounts looking in that horizon. Mr. Katchen said he, Mr. Marra and Mr.

Naszimento were looking into going out for bids or proposals for rooftop antennas, which SHA has not done. If they find a company, and the town approves it, perhaps 20-\$30,000 could be realized a year, which would cut the difference down. Health benefits are up eight percent this year, the lowest in several years. Mr. Katchen said SHA doesn't have a lot of subjective type of expenditures. Hopefully, it will level off and if the level of funding goes below 80 percent, the next five-year plan will have to be discussed.

Mr. Marra said they are looking into a different utility supplier, getting an RFP for an electric service provider from the Phillipsburg Housing Authority. In addition, Mr. Snyder recently did an RFP for the antenna for Hackensack. Mr. Katchen explained one of the downsides is The Elms, because it is all electric. His clients that have gas have a surplus. What SHA paid four years ago was over \$1.00/therm and now 49-50 cents/therm. Electric has been stable, so SHA has not benefitted from it. Legislation did raise the level of RAD to 185,000 units, and SHA is in that. SHA will take the February 22nd regularly scheduled meeting, put Mr. Katchen on that agenda, and have him speak about "CHAP". The Financial Committee will look into it also and decide if this is the right way to go, which would be two years in the future. The two items: RFP for electricity and rooftop antennas can at least be looked into and perhaps save some money that way. The bathrooms will be the last \$500,000 capital project done at SHA for a very, very long time, which might mean only carpeting half a building or painting half a building at a time.

The Hudson County Division of Housing & Community Development will like SHA, because we will spend the funds immediately. Historically, the program has had difficulty in expending their funds in a timely manner. Potentially, SHA could go back to them every other year and get some funds toward a project.

**RESOLUTION 2015-2
FY 2015-2016 Budget Introduction**

**2015 HOUSING AUTHORITY BUDGET RESOLUTION
Secaucus Housing Authority**

FISCAL YEAR:	FROM:	4/1/2015	TO:	3/31/2016
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WHEREAS, the Annual Budget and Capital Budget for the Secaucus Housing Authority for the fiscal year beginning, April 1, 2015 and ending, March 31, 2016 has been presented before the governing body of the Secaucus Housing Authority at its open public meeting of January 22, 2015; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$4,074,395 Total Appropriations, including any Accumulated Deficit if any, of \$4,249,890 and Total Unrestricted Net Position utilized of 175,495; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$474,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$0; and

WHEREAS, the schedule of rents, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Secaucus Housing Authority, at an open public meeting held on January 22, 2015 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Secaucus Housing Authority for the fiscal year beginning, April 1, 2015 and ending, March 31, 2016 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Housing Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Secaucus Housing Authority will consider the Annual Budget and Capital Budget/Program for adoption on March 26, 2015.

(Secretary's Signature)

(Date)

Motion to approve Resolution 2015-2 made by Commissioner Schlemm;
seconded by Commissioner Jodice.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco

PERSONNEL COMMITTEE

3. RESOLUTION #2015-3 – APPOINTING JACOB NASZIMENTO AS PURCHASING AGENT

Chairman Harper indicated Jacob Naszimento has become Qualified Purchasing Agent (QPA). Jake took over the purchasing responsibility when Denise left 13 months ago.

RESOLUTION #2015-3

Increasing Bid Threshold and Appointing a Qualified Purchasing Agent (pursuant to N.J.S.A. 40A:11-3a & N.J.A.C. 5:34-5)

WHEREAS, P.L. 2009, c. 166, codified as N.J.S.A. 40A:11-2 et seq., supplementing and amending Chapter 11 of Title 40A of the New Jersey Statutes allows local contracting units in New Jersey to create the position of Purchasing Agent; and

WHEREAS, the Secaucus Housing Authority desires to create the position of Purchasing Agent; and

WHEREAS, Jacob Naszimento possesses the Certification of Qualified Purchasing Agent as issued by the Director of the Division of Local Government Services in accordance with N.J.A.C. 5:34-5 et. seq.;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Secaucus Housing Authority that the position of Purchasing Agent is hereby created for the Secaucus Housing Authority; and

BE IT FURTHER RESOLVED as follows:

- 1) The Purchasing Agent shall possess a valid Qualified Purchasing Agent certificate, as issued by the New Jersey Division of Local Government Services, Department of Community Affairs; and,
- 2) The Purchasing Agent shall have the authority, responsibility and accountability for the purchasing activity for the Secaucus Housing Authority, to prepare public advertising for bids and to receive bids and requests for proposals for the provision or performance of goods, services and construction contracts on behalf of the Secaucus Housing Authority and to award contracts permitted through New Jersey statutes and in accordance with the regulations, forms and procedures promulgated by state regulatory agencies in the name of the Secaucus Housing Authority, The Secaucus Housing Authority Procurement Policy and conduct any activities as may be necessary or appropriate to the purchasing function of the Secaucus Housing Authority ; and,
- 3) That the Commissioners hereby appoint Jacob Naszimento as the Purchasing Agent authorized to exercise the duties of a purchasing agent pursuant to N.J.S.A. 40A:11-2(30), with specific relevance to the authority, responsibility, and accountability of the purchasing activity of the Housing Authority; and
- 4) The Board of Commissioners hereby increases the bid threshold, in accordance with N.J.A.C. 5:34-5.4 which provides that a government unit which employs a Qualified Purchasing Agent can take advantage of the higher bid threshold of \$36,000 pursuant to N.J.S.A. 40A: 11-3(a) and grants the authorization to negotiate and award such contracts below the bid threshold; and

Motion to approve made by Commissioner Adriaenssens; seconded by Commissioner Jodice.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco

POLICY COMMITTEE

4. RESOLUTION #2015-4 – ANNUAL AUTHORIZATION TO ATTEND CONFERENCES

Mr. Marra said this resolution is passed every year involving the many conferences of public housing authorities.

RESOLUTION #2015-4 **(Authorization to Attend Conferences)**

WHEREAS, the Housing Authority of the Town of Secaucus attempts to remain current on issues that affect the administration of its housing programs; and

WHEREAS, there are several industry recognized organizations that conduct seminars and conferences that are of importance and interest to the staff and Board of Commissioners of the Housing Authority; NOW THEREFORE

BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the Town of Secaucus that those interested Commissioners and staff are hereby authorized to attend the following conferences:

PHADA Annual Convention & Exhibition
May3-6, 2015 San Francisco, CA

PHADA Legislative Forum
September 13-15, 2015, Washington DC

PHADA Commissioner's Conference
January 10-13, 2016 Miami, FL

NJAHRA Annual Conference
September 2015 - Atlantic City, NJ

NJ Chapter of NAHRO
April 22-24 2015, Atlantic City, NJ

NAHRO Legislative Conference
March 15-18, 2015 Washington, D.C.

NAHRO Summer Conference
July 30-Aug. 1, 2015 Austin, TX

NAHRO National Conference
October 15-17, 2015 Los Angeles, CA

Motion to approve made by Commissioner Jodice; seconded by Commissioner Fairman.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco

BUILDING & GROUNDS

Mr. Marra had a preconstruction meeting on Tuesday, January 6th. In a nutshell – SHA was told by the contractor that bathrooms must be measured, then order that one mold (because the tub is coming out and stall shower going in) for the model bathroom, which will take until the 3rd week of February. This model is part of the spec, and everyone will inspect it to make sure it's what everyone wanted. When the okay is given, contractor then orders the other 98, which the manufacturer says is eight weeks – putting everything into 3rd week of April. Mr. Marra is hoping for six weeks. Commissioner Fairman wondered if it would be 30 at a time; Mr. Marra said perhaps. There are two or three versions of the shower because it's a handicap bathroom, regular one bedroom and studio bathroom, and Mr. Marra isn't sure if studio bathroom is slightly different in size. The 120 day notice to proceed doesn't start until April. Looking down the road, it's finished in August, but a little later than SHA thought.

On January 27th there will be a meeting with the representative from Best Bath to be held at The Elms including Lee Mestres, architect for the project, Mr. Marra, Jake, Harry, and Joe. The County's money will be drawn down first, leaving them with 10 percent; then taking capital money; then 2nd year capital money and when done with all those capital funds; then the operating budget starting – April 1st.

The number 1 issue will be where to place a trailer on The Elms property. The most likely location will be in the Center Avenue parking lot, because not every spot @ Center Avenue is taken. The model apartment will be 502 – it is not an empty apartment, but one chosen with a single tenant and easy in/easy out access. Commissioner Fairman asked who manufactures the tubs – Best Bath, Mr. Marra said. Commissioner Fairman asked – the pricing from Best Bath which went into the total project was determined approximately at what date? Mr. Marra said at the latest that the company submitted the bid to SHA – the end of November. Geocon's price doesn't change, Mr. Marra said. Commissioner Fairman speculated that the manufacturer would have a wide margin, based upon when they quoted the prices compared to what his raw cost is going to be when he makes the goods, guessing that his margin, because of natural gas costs/chemical costs are just falling. Mr. Katchen added SHA selected him on the lowest responsible bidder. Geocon did some of the bathrooms at The Towers, costing \$535,000, and Mr. Marra doesn't recall any change orders.

ED Marra said in some apartments, walls could be opened and there might be piping issues (corroded, leakage, etc.) but the rest of it is a basic bathroom job. Kenny Koch added that when his bathroom was done, the contractors worked in teams and very few problems were found at The Towers.

CAPITAL FUND PROGRAM REPORT THROUGH 12/31/14 – ED Marra stated this shows what is left in capital fund accounts.

HOUSING CHOICE VOUCHER (HCV) PROGRAM

Deputy ED Jake Naszimento informed the Commissioners the list would be opened up again. All Preference Point Families from the 2011 have been gone through, issuing them vouchers or they were not qualified. There are no current Preference Point Families on it. It will be opened for one week in February – 9 to 13, Office of Social Services and it is anticipated hundreds of applications will be received. The list will be narrowed to only people who live in Secaucus; work in Secaucus or are veterans or veterans' spouse. No applications will be taken from out-of-towners. Commissioner Schlemm asked if points were given. DED Naszimento said no, chronologically ordered and no hand ins. If 10 come in on a specific day, they'll be time-stamped. It will be noticed in Home News, Jersey Journal, and SHA web site. People can come get the application and then it must be mailed back. Previously, it had to be turned in in person, but the lines were so long, police were called. If the application is on the web site, it gives too many people access that are not really qualified.

OLD BUSINESS, NEW BUSINESS – nothing at this time

REMARKS OF CITIZENS – nothing at this time

MAYOR'S LIAISON KENNY KOCH

Kenny reported the handicap list has been updated and the Fire Department has received laminated lists to be kept in glove compartments. OEM, Radio Room and cars have lists also, as does Police Dispatcher. The list is smaller now – 78 compared to 87 last year.

ADJOURNMENT

Motion to adjourn made by Commissioner Jodice; seconded by Commissioner Schlemm.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco

Respectfully submitted,

Deborah L. Alvarez, Transcriber