

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

July 23, 2015

This is a condensed transcription of the taped minutes as taken on Thursday, July 23, 2015 at Kroll Heights, 700 County Road, Secaucus, New Jersey.

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

**ROLL CALL**

Present: Chairman Michael Harper  
Commissioner Roger Adriaenssens  
Commissioner Richard Fairman  
Commissioner Patricia Mondadori  
Commissioner Frances Jodice

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

Absent: Commissioner Michael Grecco  
Commissioner Michael Schlemm

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 26, 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 led by Michaela and Kerrigan Harper.)

## **APPROVAL OF PREVIOUS MEETING MINUTES – Open & Closed Session - June 2015**

Motion to accept minutes made by Commissioner Adriaenssens, seconded by Commissioner Jodice.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco/Schlemm

### **PAYMENT OF CLAIMS**

ED Marra explained Commissioners had an amended list of Payment of Claims; a bill was taken off and another added. The one taken off is paid for the Leased Housing Corporation. The one added had to do with air-conditioning at Rocco Towers.

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

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco/Schlemm

### **RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM**

Mr. Marra explained this is a new category to the agenda, which will probably be discussed every meeting going forward.

### **Resolution 2015 – 24 Award contract to for RAD Financing**

An RFP was published and the SHA received three proposals. The SHA's Finance Committee then met again with N.W. Financial Services, Hoboken, NJ asking them to amend their proposal, attached to the Resolution. They will now get a permanent mortgage and doing a 4% Low-Income Housing Tax Credit Application. The loan will probably be between \$1.5-2 million, and Low-Income Housing Tax Credit, which complicates the process, but gives SHA more funds to do more rehabilitation work, which could be \$8-9 million towards making substantial rehabilitation. It is possible to receive almost \$10 million over a 20-year period. N.W. Financial's contract cannot exceed \$130,000, which they could get in two ways: bill SHA @\$200/hour and reach \$130,000 before they complete D&C, which would be the end unless coming back to SHA and request additional money OR if they bill and make it to 65-\$70,000 then they will get a percentage of permanent mortgage financing and percentage of tax credit to bring their total fee up to \$130,000. They have described about 12 important bullet points; new ones added being in **BOLD** where contract was amended or their proposal, which was in Commissioners' original copies.

Chairman Harper added \$130,000 is a huge undertaking, and SHA asked them to put a cap on it –1% on \$13 million. He believes it is standard for this type of

deal and works well for SHA. \$200/hour is a high number and he does remain leery like everyone else because things are going to change re: funding and doing business. Experts and professionals say this is the future and how things are going to be funded from now on. SHA approached it very conservatively originally; what is bare minimum to make it work moving into the future. Upon sitting down with the three bidders, it was realized this is a once in a lifetime opportunity and have to look at bigger picture, getting more money up front, tax credits, etc. trying to get the biggest piece of the pie up front. Chairman Harper added Secaucus is the best housing authority in the State and best run. Mr. Fairman added in selecting one of the companies, Mr. Ketchen and Mr. Snyder were heavily involved in the discussions. It was also asked of this particular firm to give SHA a one-page analysis and limited assumptions to back up the numbers they presented; secondly, they are going to give SHA a one-page ORD box that will show the various entities and flow of monies through obligations to show SHA – tax credits – this bank, etc. All three firms explained how this process will work and are extensively engaged in this endeavor. Commissioner Adriaenssens, having worked with another housing authority, thought this was all a great idea.

ED Marra added NW Financial is also doing financing for City of Passaic Housing Authority RAD. A key part will be the physical condition assessment coming in about a month. EMG will meet with NW Financial and is where the monies are talked about.

Commissioner Harper lauded Treasurer Fairman on his hard work and what a help he is to the Housing Authority, understanding transactions of this nature on this level, who understands the culture and this Authority moving forward.

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

#### **RESOLUTION 2015-24**

*(Awarding the Contract for Financial Services needed as part of the Rental Assistance Demonstration Project)*

WHEREAS, the Secaucus Housing Authority (hereinafter referred to as SHA) has need for Financial Services as part of the Rental Assistance Demonstration (RAD) Program; and

WHEREAS, SHA is permitted to contract for such services, pursuant to both the New Jersey Redevelopment and Housing Law and the New Jersey Public Contracts Law; and

WHEREAS, pursuant to SHA's Procurement Policy Guidelines, the above contract was advertised for proposals in the appropriate newspapers; and

WHEREAS, SHA received three (3) proposals from financial firms, and

WHEREAS, after review and interviews it was determined that NW Financial, Hoboken, NJ submitted the best proposal in the amount of:

- 1) Hourly Rate of \$200.00 per hour (to be paid monthly)
- 2) 1% of the permanent mortgage financing (to be paid at closing)
- 3) 1% of the tax credit equity (to be paid at closing)
- 4) Total fees not to exceed \$130,000

NOW THEREFORE BE IT RESOLVED by the members of the Board of Commissioners of the Secaucus Housing Authority as follows:

1. The contract for Financial Services will include the Scope of Services attached to this resolution dated July 17, 2015
2. The Executive Director is hereby authorized and directed to execute said contract and to take any and all necessary administrative actions to implement this Resolution.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco/Schlemm

### **Update on PCA being performed by EMG**

ED Marra spoke about physical condition assessment performed by EMG. They completed their survey of all three buildings, have much of the information and now SHA is working with residents in both Kroll and Rocco Towers, the people who get a utility bills mailed to them. He's hoping to get about 50% from each building.

### **RAD Kick-Off Telephone Call**

In Commissioners' packet were two emails sent from Mr. Snyder having to do with what take places during RAD kickoff call and to have Commissioners please read check-off list, which details all the personnel that will have to be contracted with – physical condition assessment; architectural company; general contractor; environmental studies; special counsel; tax credit investment bank services, which SHA just hired. The kick-off call was Wednesday, July 22<sup>nd</sup> and contact is: Sheila Jones. By the end of the day the call was summarized. Next conference call is 8/26 that Commissioners call into. Yesterday was: Messrs. Marra, Naszimento, Ketchen, Fairman, Snyder and Sheila Jones and representatives from HUD. Next SHA meeting date is September 24<sup>th</sup>.

ED Marra discussed leveraging where several housing authorities got together, did a bond together and then are paying that back to their capital. Between 6 and 12 of them are doing Low Income Housing Tax Credit financing, Bill Snyder and Bill Ketchen are talking to N.J. Housing Mortgage Financing Agency. There might be a meeting in Secaucus in August to discuss doing a pool for that Low Income Housing Tax Credit Bond. It will save SHA money even though an RFP for Special Counsel in case that pool doesn't happen. Mr. Marra does not know what housing authorities might be involved, but if they got a CHAP Award in

April, they would be a potential candidate. After California, New Jersey has the most housing authorities that have CHAP awards, out of the 50 states. Mr. Snyder probably recruited all of them.

Commissioner Fairman commented he dialed in on the conference call and felt SHA consultants and people were right in there with understanding, and launching the program.

## **FINANCE COMMITTEE REPORT**

### **RESOLUTION 2015-25 – RENEW MEMBERSHIP IN N.J. PUBLIC HOUSING AUTHORITY JIF**

ED Marra said SHA has been in JIF three years – Joint Insurance Fund. When you join you're in a three-year commitment. SHA's fee has not gone up in those 3 years, it is very stable. SHA was already part of Worker's Comp and Employee Liability Support for years. If this resolution is passed, SHA will be a part of it until December 31, 2018.

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

VOTE: AYES/All Present Commissioners (5)                      Absent: Grecco/Schlemm

DED Naszimento announced the State has increased the minimum bid threshold from \$36,000 to \$40,000 so if anything needs to be purchased below \$40,000, just two quotes are needed. He is a QPA.

ED Marra stated the Commissioners had the monthly account balance reports from the banks. There is a new spreadsheet showing savings on utility bills. There are four accounts with PSE&G – two done by South Jersey Energy Company and two done by Direct Energy @ Kroll Heights and parking lot at Center Avenue. If you turn spreadsheet over, it shows where Mr. Marra got figure of 777 Fifth Street. It says currently electricity is being provided by a supplier. They list the savings as \$7,127.94 minus what was actually paid of \$5,601.83 – saving \$1,500 in month one at The Elms. No report received on Rocco, as not every meter gets read on the same date at SHA. South Jersey said to contact them back if Mr. Marra doesn't have it by the time of the next meeting. Mr. Marra said Month 1 - \$1606 saved. The savings also shows up on the PSE&G bill.

The audit report will be on August 10-11, the 11<sup>th</sup> being the day the Finance Committee comes and meets with Policari.

## **Policy Committee**

- HUD releases Final Rule on Affirmatively Furthering Fair Housing

HUD has issued a final rule on Affirmatively Furthering Fair Housing, which is not a big issue in Secaucus, but occurs in other places frequently. There were a lot of articles in numerous newspapers regarding this discriminatory practice in some housing authorities.

## **BUILDINGS & GROUNDS**

### **Resolution 2015-26 Award of Contract to for the Hydraulic Engineering Study for G01 @ 600 County Avenue**

G-01, 600 County Avenue, is an apartment that cannot be used because of water damage. An RFP was done and three proposals were received. Mr. Marra said Lathrop Industries needed \$1,000 for reimbursable expenses, bringing their price to \$15,900. Habitech Architects said they need \$100 for reimbursable expenses, bringing theirs to \$16,750 separated by \$850. Mr. Snyder has used Lathrop, when he was in charge of Asbury Park Housing Authority had nothing good to say about them. They never came to SHA to see the site, or ask any questions. SHA is working closely now with Habitech on bathroom projects. Habitech came, looked at the project, and talked to Joe. Four other companies came, but never placed a bid. There are four other apartments below ground, but this is the only one that leaks; 15 years ago the SHA had a French Drain put in and sump pump installed, and all was good. There are no plans from the work that was done. Mr. Marra is recommending Habitech be hired for the \$850 difference.

Motion to approve made by Chairman Harper; seconded by Commissioner Fairman.

#### **RESOLUTION #2015-26 (Award of Hydraulic Engineering Contract for 600 County Avenue – Apt. G-01)**

WHEREAS, there exists a need for a study to assist in determining where water infiltration is occurring at 600 County Avenue – Apartment G-01; and

WHEREAS, the Housing Authority duly advertised and solicited proposals for these services in accordance with the requirements of HUD Handbook 7460.8 and PIH Notice 90-47; and

WHEREAS, the Housing Authority received three (3) proposals in response to its RFP which have been reviewed by the Executive Director in accordance with its established rating system; and

WHEREAS, the highest rated proposal was submitted by the firm of:  
Habitech Architects, P.C.  
9 Pinecrest Drive  
Medford, New Jersey

BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the Town of Secaucus that a contract for an infrared study be hereby awarded to:

Habitech Architects, P.C.  
9 Pinecrest Drive  
Medford, New Jersey

in the amount of \$16,650.00 and

BE IT, FURTHER, RESOLVED that a copy of the proposals are on file in the office of the Housing Authority of the Town of Secaucus and funds for this contract have been made available through the operating fund & capital fund program.

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco/Schlemm

### **Update on the Renovation of 99 Bathrooms @ The Elms**

ED Marra spoke about bathrooms at The Elms. No work has been done there for two weeks. They begin again on Monday. Two weeks ago when Plumbing Inspector came, and men were finishing sixth floor, there was a realization that an incorrect valve had been purchased, an integral valve which allows water to be shut off at faucet and change cartridge, which blends hot/cold water. The company had purchased/installed in all 18 units. In addition, Plumbing Inspector wasn't happy that he didn't see many of bathrooms open. Valves have to be ordered. Mr. Marra met with General Contractor, Bill Snyder and Jake Naszimento. Mr. Burke was consulted on this. As ED of Housing Authority, there are three choices: 1. Call man in, but not let Mr. Snyder "attack him", but do read him the riot act; 2. Remind him that if not finished by 11/12, it is \$500/day in liquidated damages – every day past 11/12 \$500 comes off the bill; 3. Or call in bond company. Contractor has a bond for this project. If SHA feels he is not performing up to standards necessary, bond company called in and SHA says we want a new contractor. Bond companies do not want to change contractors. These are the only things available to get contractors to do things.

Mr. Marra is okay with five men who show up every day. Screw-up has been by GC, owner of Geocon, because he screwed up on ordering of materials and on some subcontractor issues. Today Mr. Marra spoke with Plumbing Inspector. Another problem is Geocon did job next door five years ago and there was a different Plumbing Inspector. He showed up first week, looked at project and never came back. Part-time Inspector now is Frank Totolli. He dots "i" and crosses "t's", and wants to see entire thing opened up. He's willing to come every day, because he only works two days a week, but will come every day to do the inspections, to gain confidence that the workers know what they're doing.

A memo went out today to residents that it will take all next week to do 6<sup>th</sup> floor. Commissioner Adriaenssens asked for clarification that none of the bathrooms

are completed. Mr. Marra said 18 completed have to be redone. They have to take out one wall behind the fixtures, put in valve. 4 walls will come out Monday morning, put valves in, be done between 11-12 and Plumbing Inspector will come back to check it out. P.I. wants to be there when they're done, not when they're working on it – when wall is open. Mr. Marra gets good feedback from residents about 5 men working, they clean site when done, polite to residents, clean up and vacuum a mess. If they do six apartments every week, they can finish it by 11/12 and not face \$500/day deduction on bill. If there is another screw-up before 8/31, ED Marra would call Mr. Burke and get the bond company in. Mr. Marra was here at end of Wonderstar problem; he learned it has to be handled at the beginning. You cannot wait until the end.

Commissioner Fairman asked if there were any issues with the subcontractor. Mr. Marra said on bill list this evening there is a bill for subcontractor, but Mr. Marra told him he is not getting it until he resolves an issue under Geocon - \$121,220. SHA is getting \$191,000 from Hudson County. There is another layer of oversight over SHA. Hudson County is going to check that stuff. County Community Development Program just went through an item Mr. Snyder talks about, IGA investigation/audit – Inspector General Audit. They got “nailed” on a few items relating to Lease Housing Corporation and are going to be diligent on everything now. Major discussion ensued regarding this. Mr. Marra explained when contractor went to Best Bath, they purchased the entire package from them – every piece of entire package. The integral valve that is the problem is marked up by Best Bath, they charge \$4.00 but you can purchase it for \$1.75 somewhere, contractor is allowed to go buy that somewhere else cheaper. Geocon said he submitted the correct model number to distributor, distributor sent him the wrong model number. Mr. Marra believes Geocon sent wrong model number and that's what distributor sent. Apartment 502 is correct, has the correct value because it was purchased from Best Bath.

### **HOUSING CHOICE VOUCHER (HCV) – DED Naszimento**

DED Naszimento said all is where it needs to be regarding spending - \$184,000 for July 1<sup>st</sup>. 10 of first 13 families have been housed. Yesterday he sent out letters to three new families to let them now we're ready to issue them vouchers. In January there were 168, and now where we want to be. Next month, hopefully more letters will be sent out.

### **OLD BUSINESS**

Mr. Marra sent out a thank you letter to the gentleman who donated \$200 and a plaque was put down by the tree. There was another \$200 donation for a tree and wishes to remain anonymous. Mr. Marra sent them a thank you as well. Annual Crime Report for New Jersey Department of Community Affairs – all zeros.

## **MISCELLANEOUS**

Kenny Koch, Tenant Liaison, is in rehab at 595 County Avenue. Mr. Marra said he didn't look well, went to Palisades Hospital for perhaps a week and is now at rehab.

Commissioner Fairman asked if the elevator company had contacted SHA. ED Marra said no, not yet.

## **ADJOURNMENT**

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

VOTE: AYES/All Present Commissioners (5)

Absent: Grecco/Schlemm

Respectfully submitted,

Deborah L. Alvarez

Meeting adjourned at 7:43 P.M.