

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

March 23, 2017

This is a condensed transcription of the taped minutes as taken on Thursday, March 23, 2017 at Rocco Impreduto Towers, 600 County Road, Secaucus, New Jersey.

Executive Director Christopher Marra welcomed everyone and called the meeting to order.

ROLL CALL

Present: Vice-Chairman Michael Schlemm
Treasurer Richard Fairman
Commissioner Antonio Suarez
Commissioner Patricia Mondadori
Commissioner Carmen Rivera

Also Present: Executive Director Christopher Marra
Deputy Executive Director Jake Naszimento

Absent: Chairman Michael Harper
Commissioner Michael Grecco

ED Marra announced Chairman Harper was absent because his Mother had passed away yesterday, March 22, 2017.

Executive Director Marra 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 17, 2016. 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 – Recited by all in attendance.

APPROVAL OF MINUTES OF FEBRUARY 23, 2017

Vice-Chairman asked for a motion to accept minutes of 2/23/2017. Motion made by Commissioner Fairman; seconded by Commissioner Mondadori.

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

PAYMENT OF CLAIMS FOR MARCH 2017

Motion to approve payment of claims made by Commissioner Fairman; seconded by Commissioner Suarez.

Commissioner Fairman asked about monitoring by Tyco; is it a monthly or quarterly or yearly charge. ED Marra said it is quarterly.

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

COMMITTEE REPORTS

FINANCE COMMITTEE

1. RESOLUTION #2017-10 – AMEND BUDGET FOR 4/1/2017

ED Marra explained SHA introduced its budget in January and voted upon. It is then sent to N.J. Department of Community Affairs, where it is reviewed. They have asked SHA to amend the budget due to an \$800 incorrect figure for debt service. This resolution makes the amendment.

**RESOLUTION 2017-10
(Resolution to Amend Budget for 4.1.17)**

RESOLUTION BY THE COMMISSIONERS OF THE SECAUCUS HOUSING AUTHORITY
AMENDING AN APPROVED BUDGET

Whereas, the Board of the Secaucus Housing Authority has previously approved an introduced NJ Budget for the year of 2017, and:

Whereas the Authority is desirous of amending the approved Budget due to changes in the proposed operating expenses, specifically debt service.

Whereas, the following line items of the Budget are amended:

	Original	Amended
Appropriations:		
Total Principal	\$ 49,422	\$ 50,620
Total Interest on Debt	\$ 83,207	\$ 82,825
Total Appropriations	\$4,515,340	\$4,516,155
Surplus Utilized	\$ 2,066	\$ 2,882

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

Commissioner Fairman asked about the \$800; that everything else remains unchanged; that the \$800 is not a monthly amount. ED Marra said that was correct.

VOTE: AYES/All Present Commissioners (5)

Absent: Harper/Grecco

2. RESOLUTION #2017-11 – ADOPTION OF 4/1/2017 BUDGET

**RESOLUTION 2017-11
2017 ADOPTED BUDGET RESOLUTION**

SECAUCUS HOUSING AUTHORITY

FISCAL YEAR: FROM: 4/1/2017 TO: 3/31/2018

WHEREAS, the Annual Budget and Capital Budget/Program for the Secaucus Housing Authority for the fiscal year beginning April 1, 2017 and ending, March 31, 2018 has been presented for adoption before the governing body of the Secaucus Housing Authority at its open public meeting of January 26, 2017; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$4,513,273, Total Appropriations, including any Accumulated Deficit, if any, of \$4,415,339 and Total Unrestricted Net Position utilized of \$0.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$0.00 and Total Unrestricted Net Position planned to be utilized of \$0.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Secaucus Housing Authority, at an open public meeting held on March 23, 2017 that the Annual Budget and Capital Budget/Program of the Secaucus Housing Authority for the fiscal year beginning, 4/1/2017 and, ending, 3/31/2018 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

(Secretary's Signature)

(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent

Motion to approved amended budget made by Commissioner Suarez; seconded by Commissioner Mondadori.

ED Marra called the roll, as follows:

Vice-Chairman Schlemm	Yes
Treasurer Fairman	Yes
Commissioner Mondadori	Yes
Commissioner Rivera	Yes
Commissioner Suarez	Yes

3. RESOLUTION #2017-12 – RENEWAL OF MANAGEMENT AGREEMENT WITH LHC

VC Schlemm noted SHA takes care of Patriot Commons and Colonial Port. The LHC has an agreement with SHA for the first year of \$41,820; there is a 2% increase each year.

RESOLUTION 2017-12 (Renewal of agreement with LHC)

WHEREAS , the Housing Authority of the Town of Secaucus (SHA) has established a policy of being innovative and entrepreneurial is searching for other sources of income; and

WHEREAS, in 2011 and again in 2014, the SHA had entered into an agreement with the Leased Housing Corporation of the Town of Secaucus (LHC) for purposes of managing and maintaining two properties located at 1178-1190 Paterson Plank Road (Patriot Commons) and 160 County Avenue (Colonial Court); and

WHEREAS, the SHA and LHC desire to continue with this agreement for an additional term of 3 years; and

WHEREAS, the terms of the agreement are enumerated in the “Management Agreement” attached to this resolution; and

WHEREAS, the term of this agreement shall be from April 1st, 2017 through March 31st, 2020; and

WHEREAS, those annual payments shall be

4.1.17 -\$41,820 (\$3,485 per month)

4.1.18 -\$42,656 (\$3,555 per month)

4.1.19- \$43,509 (\$3,625 per month)

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the SHA that the attached management agreement is hereby approved; and

BE IT FURTHER RESOLVED that the SHA Executive Director is authorized to execute the agreement on behalf of the SHA.

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

VOTE: All Present Commissioners (5)

Absent: Harper/Grecco

BANKING

Treasurer Fairman reported that Commissioner Suarez, ED Marra, and he met with two representatives – CFO and a Marketing person – from Bogota Savings Bank to discuss investment and maximization of surplus cash position, which has grown substantially, from net proceeds of the financing that closed December 31, 2016. The funds are in Rehab and Long-Term Accounts. Until they are deployed and invested over several years, SHA will be in a surplus position. The meeting was to maximize the return, giving SHA money launched into various investments. The men offered SHA an attractive product, which is no longer on the open market due to its success and the return. That being offered has a variable daily rate, commercial money market investment, so that SHA can access the funds when needed. The penalty is only \$10 as opposed to a rate breakage, which is attractive, but not envisioned to be needed. There are monthly/quarterly disbursements, which are within ED Marra's expectations of needs. The money would be put in a maximum tier of \$1-1/2 million with 1.226%. Commissioner Fairman has discussed it with various people and feels this is a very attractive, solid rate. As interest rates escalate during 2017-2018, SHA would envision pooling some laddering and investing various blocks out of the initial investment up to \$2-1/2 million. SHA will be able to take cash out of this money market account, redeploy it in a higher yield on a ladder basis to maximize duration. Results from meeting were good, and liked products offered. It was requested by us that they revisit pricing on existing operating accounts, which are also maintained there, and the Senior Official agreed to make a proposal back to ED Marra regarding yields on those deposits.

Commissioner Fairman handed out a paper indicating SHA cash positions in various operating accounts as well as two large accounts that are net proceeds from the financing last year, the RAD transaction. Commissioner Fairman feels some monies will be put to work quickly with a good upfront yield and good

flexibility also. VC Schlemm asked if the \$2.4 million sitting there goes into the highest tier or is SHA limited to \$1.5 million. Commissioner Fairman said he believed SHA could go above the 1.5. Commissioner Suarez added SHA is not being capped at the 1.5 million, and you can debit up to six times per cycle. ED Marra will decide how much of those two sums will be deposited initially. Commissioner Fairman did ask if they had any other alternative products, if SHA wanted to purchase U.S. Treasury Notes, etc. and they did not want those. Rates have leveled off in the past few weeks, and even 2-year money would be equivalent to their daily money market rate.

ED Marra has to speak with Grace Ramsey Monday morning to see how the money can be placed into the accounts ASAP. Commissioner Fairman said ED Marra had a conversation with the bankers regarding the banking needs of Leased Housing Corporation. They're going to follow-up with them and probably pitch for LHC's business. LHC is in Capital One getting zero interest.

NJSEMS

ED Marra spoke of the monthly account balances on the paper he handed out and monthly savings report on electric consortium from New Jersey SEM. More importantly, there is a note from NJ SEM on top, which says: they were miscalculating SHA money, our rate, and although SHA is down \$18,000; they will reimburse SHA \$24,268.04, which makes sense. He added by the end of June, this will put SHA back to the \$9-10,000 savings that he anticipated SHA would have. As an aside note, Mr. Marra doesn't know how many others were in the consortium, perhaps 20 entities, only two entities identified this: Secaucus and someone else. Commissioner Fairman said this monthly bank statement balance, which ED Marra put in place about two years ago, which creates a bit of work, but is a very useful tool. Mr. Marra noted he follows the TD Bank account, because over 12-months, it consistently increases by \$30,000, which is money from washers/dryers.

Commissioner Fairman brought up the NJSEM again, and how diligently ED Marra is and his vigilant focus on this issue, reaching out to the organization and drawing their attention to this problem, not being dismissed by them, and causing them to go out and investigate it. For the good of all the other 27 organizations in New Jersey, they all owe Chris and one other person a thank you.

POLICY COMMITTEE

Mr. Marra has not produced anything as of this time regarding updating the smoking policy and pet policy for SHA. A new chapter will be created in the Administrative Plan, which addresses what the old Admissions and Occupancy Policy of the Public Housing Authority would address. Hopefully, it will be

available in the next six weeks, at which time he will give to the Policy Committee for review.

BUILDINGS & GROUNDS

VC Schlemm reported B&G Committee met with PSE&G and had a discussion pertaining to the converting of The Elms from electric heat to boiler gas heat. ED Marra reached out to PSE&G after seeing a program associated with multi-family program to help pay for that project. PSE&G sent out a consultant, who came up with a plan on could possibly be done to help offset costs that SHA currently pays from The Elms, which was built in the '70's. Each of the rooms has air-conditioners running as well. MaGrann Associates had interesting ideas about putting in split air-conditioning/heating units so instead of replacing baseboard, running pipe for hot water for boilers, they would have a way to run refrigeration lines that work as a heating pump, which would be Mitsubishi units, they're placed up top in a room and can do both heating/cooling and require a small unit outside/one unit inside. Cost savings was almost the same, but they felt it was a better way to do it as well as the installation cost was less expensive. The only problem is PSE&G currently does not have any more money for the multi-family program. They're going to the State to see if they can get some and would love to help SHA with this project, but they feel it won't be until 2018 or further, so SHA will have to reevaluate how we're going to take care of heating/cooling at The Elms for the next two years. There will be another meeting of B&G regarding how to address the problem and speak with others.

VC Schlemm said B&G also met with the engineers; a new air-handler will be put into this building to help in the common areas. A crane will be placed either in the parking lot or on the side of the building. The idea is, they'll stage the new air handler the day before, crane come in, pick up the old one, drop it; pick up the new one, put it up and they'll be out within a day, but it will be a slight inconvenience for anyone who parks down in the parking lot. Bids for that will be received on April 6th. It takes 6-8 weeks to order, so work might begin August or September. The roof will be done here as well as at The Elms. Those will take place during the summer or late August. This is the original 1986 roof, which lasted 31 years.

4. RESOLUTION #2017-13 – CHANGE ORDER IN CHARLES COLLINS, JR., CONTRACT

This is a change order from the architect working on roof over at The Elms. The greenhouse is being removed there. This corrects some of the items on the removal/demolition of the greenhouse. It is for \$720.

ED Marra informed those present that anyone was invited to take whatever items they wanted from the greenhouse, as everything else is going into a dumpster.

Resolution 2017-13
(Approval of Change Order to Architecture Contract for Replacement of Roofs at The Elms and Impreveduto Towers)

WHEREAS, the Housing Authority of the Town of Secaucus has entered into a contract for architectural services to replace roofs at 777 Fifth Street (The Elms) and 600 County Avenue (Impreveduto Towers); and

WHEREAS, the architect has submitted a change-order for a change in the scope of work which was not in the original Request for Proposal and has been reviewed and approved by the executive director and the Authority's Building & Grounds Committee; and

WHEREAS, the change order was requested by the architect due to the change which requests the drawings and bid specification include the removal of a green house on the roof of 777 Fifth Streetl;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the Town of Secaucus that Change Order #1 with the contract with Charles J. Collins, Jr/Architect is hereby approved and the contract amended as follows:

Original Contract	\$ 9,600.00
Change Order #1	<u>\$ 720.00</u>
	\$ 10,320.00

BE IT FURTHER RESOLVED that funds for this change order are available through the Operating Fund.

Motion to approve Change Order made by Commissioner Mondadori; seconded by Commissioner Rivera.

VOTE: AYES/All Present Commissioners (5)

Absent: Harper/Grecco

HOUSING CHOICE VOUCHER (HCV) PROGRAM

DED Naszimento reported for March; total amount of available funds spent was \$183,016. Vouchers have been issued to 19 families, who currently are in various stages of apartment searches. 9 of those families have elected to use their vouchers out of town, and most likely be absorbed by those other housing authorities. Rest are searching in town. SHA has adjusted its admin. fee to \$52.42 – down by \$1.00. A letter explaining how HUD reaches that number is attached. Secaucus Town Administrator sent a letter to SHA making SHA aware of a Town Code that has been existence for a long time, that whenever there is a change in tenancy, a landlord is required to receive a smoke/carbon monoxide certification and a Certificate of Occupancy from the town. He's asking SHA essentially that when SHA has people moving, that SHA request that

landlord attain these certificates from the Town. ED Marra and DED Naszimento will speak with the new Counsel regarding this, because SHA is Federal funded, and then will respond. VC Schlemm agreed, thinking it would make SHA the authority. DED Naszimento added SHA's Code of Federal Regulations that deal with housing authorities do not cover this. He has been in classes where others say local officials come to you and say this is what you have to do, and those in class said don't do it. Commissioner Suarez repeated the statement, they want SHA to say, hey, landlord, make sure the certificates are up to date. Mr. Naszimento added, the landlord has to prove it to SHA, and if he doesn't have it, SHA won't allow Section 8 tenant to move into this house until you do it. Commissioner Suarez asked if Section 8 properties are inspected and is there a checklist, does it cover smoke detectors and carbon monoxide. DED Naszimento answered specifically smoke only, a smoke detector on each floor of the apartment. SHA does like to enforce that and mention that they should have a carbon monoxide detector, but not part of HQS – Housing Quality Standards, which is SHA's code of how inspections are done.

CORRESPONDENCE

ED Marra spoke about a letter he received from a lawyer from Committee for Civil Rights, which he calls “probes”, generally OPRA involved – who ask for name of everyone who works for SHA, how long, what their salary is, job title, etc. and it is sent to them. SHA is supposed to post certain things on the internet: administrative plan for one. They're looking specifically at housing authorities and how they're enforcing issue of criminal activity, as there is a PIH notice about this, and SHA has seen it. But it has never been totally clear about how one should incorporate that into your plan, which needs more definition. ED Marra has been in communication with them, an easy email stating SHA just converted to RAD Project Based Vouchers and Administrative Plan is currently under review, and will be addressing those matters in the entire Admin. Plan. They only talked about Section 8. SHA sends out a document to N.J. State Police, everybody signs it, which only has to do with Section 8. For prospective tenants, we use our usual service. State Police report tells if they have criminal record in N.J. SHA only had a shoplifter, which is not something you could deny a Section 8 person for, not a violent crime. Pedophilia, crystal meth, e.g., those are absolute no-no. Certain things, you can deny a person three years, but not a lifetime denial. What they want better defined is: when did those three years begin; does it begin at the arrest, conviction or release? So, if it begins at conviction, they're in jail for three years, then they're eligible. Even in HUD rules, it isn't clear – still left up to housing authority. Now it needs to be in there and it isn't.

In Mr. Marra's time here, there have been only 3-4 amendments to it, mostly having to do with preference lists. Most of this is quoted right out of Code of Federal Regulations. Basically, people are coming out of prison with drug arrests and housing authorities were counting that against them, so we would call them non-violent offenders, and they can't get housing. This might come up here 1-2

times every two years. SHA needs to get our plan better in tune with what's going on.

Mr. Marra received a letter today from James Burke, Esq., which he read to the Commissioners and those in attendance. Mr. Burke thanked ED Marra and the Commissioners for the opportunity to serve the Authority as Counsel for the past 15 years. Next month, a new attorney will be serving SHA.

REMARKS OF CITIZENS

MARY - #307 – Asked about the 3 men that were in the building. Mr. Marra hasn't had time to write a memo, but noted one man came back. Two people responded to the 100 letters he sent out. One of the 4 men, not pictured, is the son of a resident of this building. One of the 2 men pictured is the grandson of one of the residents. Mr. Marra didn't get the response immediately, and didn't hear anything until after the second visit. Mr. Marra called the person, who is listed as the responsible party, inquiring if he drives a gray van; were you here on Sunday with 3 other people; did you come on Monday night at 5:00; is it your Mom. The man answered yes to all. The answer is: it's okay. Mr. Marra added it was a resident who lives in the building that first brought this to his attention. He didn't care for the looks of those coming in and actually went outside and took a photo of their license plate when they went upstairs, and Mr. Marra did make a police report based upon the photos. He then called the police back and said the person is here. Mr. Marra reiterated: if you see something call 330-2060 and tell the police there are people we don't recognize that are outside the building. Police will come and ask why are you here, who do you know, then trying to track them down later.

A lady asked about getting the windows washed. ED Marra said no. Funding that is available to SHA right now, but proposal for funding for HUD is a large reduction in funding, whether in public housing or project based vouchers. He needs to worry about roofs, the air handler, etc.

Another lady requested that people not park over the white lines. Could Mr. Marra please send out a notice regarding that. ED Marra said this has to be self-policed. One person always has a problem and it isn't fair.

LINDA CROWLEY - #304 – Is there any possibility for new washers and dryers? She has complained many times and one washer doesn't spin out the water. Mr. Marra said new fiscal year begins April 1st. He knows these machines have a life unlike those in your house that last 15-18 years. One was purchased at full price. If it isn't working, the office needs to know so it can be sent back as it's under warranty. Mr. Marra will get SEPCO to come back and take it out and fix it. At the time, Mr. Marra didn't have the money to replace 4 washers, as the compactor had to be replaced – it was broken, leaking and smelly. It isn't likely in 2017 you will see 4 new washers/4 new dryers. He will follow up with SEPCO

and have them come back. It's not working. Another lady says she does her laundry at 700.

ELEANOR - #1015 - has a problem with her next-door neighbor. Mr. Marra will speak with Eleanor privately, not on the record.

ADJOURNMENT

Motion to adjourn made by Commissioner Rivera; seconded by Commissioner Suarez.

VOTE: AYES/All Present Commissioners (5)

Absent: Harper/Grecco

Respectfully submitted,

Deborah L. Alvarez
Secretary/Transcriber

MEETING ENDED AT 7:50 P.M.