

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

December 9, 2021

This is condensed transcription of taped minutes as taken on Thursday,
December 9, 2021, The Elms, 777 Fifth Street, Secaucus, New Jersey.

Executive Director Christopher Marra called meeting to order.

ROLL CALL – ED Marra

Present: Chairman Michael Harper
Vice-Chairman Michael Schlemm
Commissioner Richard Fairman – via Zoom
Commissioner Antonio Suarez – via Zoom
Commissioner Raj Pardasani
Commissioner Carmen Rivera
Commissioner Patricia Mondadori

Also Present: Executive Director Christopher Marra
Charles D'Amico, Esq., Counsel to the Authority

OPEN PUBLIC MEETINGS ACT – ED Marra

“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 on December 12, 2020. 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

APPROVAL OF PREVIOUS MEETING MINUTES – October 28, 2021

Motion to accept minutes made by Commissioner Schlemm; 2nd by Commissioner Mondadori.

VOTE: AYES/All Present Commissioners (5)
Abstain: Harper/Suarez

PAYMENT OF CLAIMS FOR NOVEMBER & DECEMBER 2021

Motion to approve made by Commissioner Schlemm; 2nd by Commissioner Mondadori.

VOTE: AYES/All Present Commissioners (7)

REMARKS OF CITIZENS – nothing at this time

COMMITTEE REPORTS

FINANCE COMMITTEE:

RESOLUTION #2021- 33 – APPOINTMENT OF CHRISTOPHER MARRA AS FUND COMMISSIONER TO NJPHAJIF

WHEREAS, the Secaucus Housing Authority (member) is a member of the New Jersey Public Housing Authority Joint Insurance Fund; and

WHEREAS, the bylaws of said Fund require that each member Housing Authority appoint a FUND Commissioner to represent and serve the Authority as its representative to said Fund; and

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Secaucus Housing Authority do hereby appoint Christopher Marra as tis FUND Commissioner for the New Jersey Public Housing Authority Joint Insurance Fund for the Fund Year 2022.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF A RESOLUTION ADOPTED BY THE BOARD OF COMMISSIONERS OF THE SECAUCUS HOUSING AUTHORITY AT A MEETING HELD ON DECEMBER 9, 2021

Motion to approve made by Chairman Harper; 2nd by Commissioner Schlemm.

VOTE: AYES/All Present Commissioners (7)

Bogota Savings Bank LOAN CHANGE NOTICE –

Effective 1/1/2022 – new payment 2/1/2022 – loan taken for 5 years = \$2.5 million as part of RAD Conversion. At that time interest rate was 3.375%. As per agreement, it was allowed to go up based upon interest based on Wall Street Journal Prime Rate. Effective February 1, 2022 interest rate will be 3.50%.

Questions received by ED Marra were: After 1/1/2022 is there a date for a future rate index step-up to add onto the margin; when would that occur – 1/1/2027. Is 25 go to 50?

ANSWER: Yes, every 5 years Bogota Savings Bank gets to relook at loan; SHA under same guidelines; whatever Prime Rate in Wall Street Journal – in December of 2026 – they will adjust rate accordingly to SHA loan years 11-15.

QUESTION: If the Prime Rate goes down, does our full rate go down or is the 3.50% floor?

ANSWER: Only floor that SHA has is 3.375%; can never go below 3.375% and can never go above 6%.

QUESTION: Are there any prepayments over and above the mandatory amortization applied over all or simply applied to back end of amortization?

ANSWER: No, this loan, as a reminder, is a 30-year amortized loan, but must be paid back at 20 years. There will be a balloon payment in year 20, which depending on Authority's financial position at the time, either have to refinance or paid off.

Commissioners received Monthly Account Balances Report. When SHA wrote to HUD in October, it was noted SHA did not complete 4 projects that we had assigned when closed on RAD; we were told to take rehab money – Account ending 133 – close that and deposit it into Account ending 141, Reserve Replacement Account. We did that on November 30th. There is \$1,806,208 in new account; no money left in Rehab. We are about to complete certification necessary for HUD – some document that came up over past 5 years – the official/official close out of your RAD out of Public Housing.

This afternoon SHA wire transferred funds from Santander into Account #2 at Bogota Savings Bank. No longer see Santander accounts show up in monthly report; a little more than 2-10-3-51; getting very low interest on it. Going to use those funds toward bathroom money.

Also in package is financial statement through September 30th; half a year is gone in that financial statement; emailed out earlier to you; last item in Finance was New Jersey Public Housing Authority Joint Insurance Fund came back for

another meeting with ED Marra and somewhat inspection of buildings. We have to produce a few more reports for them, which we'll do over next few months, but no urgent issues or anything we'd be penalized for in terms of Lost Control Report that's enclosed.

Commissioner Fairman asked re: Santander closing – was that a collateralized account? **ANSWER:** No, it was not because it was under \$250,000.

Commissioner Pardasani asked: Under Net Restricted Assets, we have no budget for (inaudible) 119, which is a big number – no budget for it, but SHA spending \$119,000. **ANSWER:** Net Restricted Assets (voucher program) – HUD holds money for voucher program in a “reserve”. Its title is Net Restricted Assets. Only to be used for HAP payments – Housing Assistance Payments. When HUD creating this budget, they may not have had number because HUD provides you at some point during year and that's why it isn't seem at beginning – and then it shows up here.

PROFESSIONAL SERVICES COMMITTEE

Going out to bid for 3 professional services for 4/1/2022 – Personnel Committee we will start our intern – information provided last meeting; they will begin on 1/10/2022 – an intern for 8 weeks; possible new hire in April, but talk more later on.

Collective Bargaining Agreement which expired 9 months ago – no discussions with Union for 6 months as they're still waiting on Town to complete their negotiations.

POLICY COMMITTEE

ED Marra will send confirmation to each Commissioner that shows each is insured through JIF; was included in last year's December meeting package; will be coming to you this week. Not included is legal notice in newspaper at our first meeting in January; adopting By-Laws at January 27, 2022 meeting. Will send another copy to Commissioners before then; but were changed subsequently after Jake resigned because we put in “if there's a Deputy Executive Director” as there is none right now. Third item is update on HUD required RAD Activity having to do with bank account closing. If you notice we never approved our audit – reason that Housing Authority has not provided Commissioners with audit is – if you recall in past years, Housing Authority paid for OPEB Report – Other Employee Benefits – calculating out what SHA liabilities are, but this year State of New Jersey was to calculate that for every entity – housing authorities, Board of Educations, municipal government, county governments and it hasn't been completed yet. You can't finalize your audit without having the OPEB report.

Other question arises: isn't SHA supposed to supply that audit to HUD by 12/31? Answer is in past SHA was, but it's the last remnants of Cares labels. Our audit was now given 6 additional months to be submitted. We have until June 30th to submit audit from March 31st, 2021. In that audit, and going back to Public Housing, each year we would get a Capital Fund Allotment; lot of paperwork to do with that – resolutions attesting to that we were receiving that information. When we were done and expended all monies; we would do a close-out. Those close-outs needed to be included in audit. Mr. Policari is going to adjust this audit to account for all Capital Fund close-out documents that we had from 2011 through 2017. A rap-up of HUD with RAD and few other things.

Commissioner Fairman: Do you have a handle on that number of that adjustment? What will it cost Mr. Policari to do that? ED Marra doesn't have a figure from him, but when he submits information to SHA, he submits an hourly rate as well; it will probably be tagged onto hourly rate. ED Marra sending him a 5-page document, signed by him and HUD showing that SHA expended Capital Funds; doubts it will be more than \$500.

Commissioner Fairman: Do we have an issue with bank loan agreement? ED Marra: They're always asking at end of year to provide 3 things: SHA still has our (inaudible); see copy of audit and a (inaudible). ED Marra will contact them explaining situation with audit; perhaps 60 more days before audit received; but other 2 documents on hand.

Commissioner Fairman suggested sending 2 other documents now.

BUILDING & GROUNDS

1. Bathroom renovation at Kroll Heights: handed out tonight is final bill from contractor who did renovation there. Commissioners have Resolution 2021-34, \$22,274 Change Order. Contract awarded for \$381,500 back in March. In June Change Order was issued for \$36,000 – related to vanities. There was wood shortage; could not get vanities wanted; find a man in South Jersey who manufactured them – more money; These are better vanities than first, which changed order to \$36,000. Over next few months there were other modifications, explained in backup documentation; modify vanities to get pipes connected in sink to pipe in wall. We didn't include tub diverter in original quote – then asked for tub converter. Project when quoted there was supposed to be a replacement kit for exhaust fan located in each bathroom, which had a price. When we go to do it – no replacement kits; then buy an alternative exhaust fan; do some modifications – labor costs also included and finally, overhead. We've paid \$36,000 – and now \$22,274. Price has been negotiated down; so Change Order #1A is for \$22,274 – totaling \$58,000 in Change Orders plus \$381,000 - \$434,000 for bathroom renovations.
2. UPGRADE CARD ACCESS SYSTEM for buildings. When surveillance cameras upgraded it was good; now problem with card access system – software is old and not thrilled with company servicing that from Cherry Hill, N.J. They've had contract 5-6 years, they installed it. We thought we

get proposals for it; have proposals under \$44,000; but proposals received were for \$55,000 - \$94,000 – that high bid was to rip out every wire and rewire entire buildings. Man didn't look at job, just looked at monitor where we do all this. We will enter contract with Lee Mestres – then go out to bid for it, which will upgrade card system.

3. Bid going out for elevators at The Towers; due first week of January. We will hopefully award contract at January meeting for that.
4. Lee Mestres also working on bid specifications for removal and replacement of EFIs and windows at The Elms. Hoping to go out to bid in January.
5. Going to remove and replace 84 apartment doors at 600 County Avenue – they peel and will be replaced with wood doors. 16 already replaced. Door Jockey did the first batch – a time consuming job getting quotes doing piece-by-piece if SHA did it. Mr. Ketchen said there's money to do this project.

**RESOLUTION 2021-34
(Resolution authorizing Change Order #1A of \$22,274 to La Rocca, Inc. for the Project Kroll Heights Bathroom Renovation)**

WHEREAS, on March 25, 2021 the Secaucus Housing Authority Board of Commissioners approved Resolution 2021-15 which awarded a \$381,500 contract to La Rocca, Inc. (The Contractor) of Jersey City, NJ for the renovation of 75 bathrooms at Kroll Heights located at 700 County Avenue, Secaucus, NJ; and

WHEREAS on June 24, 2021, the Authority authorized Resolution 2021-23 for a Change Order of \$36,000 related to a change in the cost of the vanity, due to the lumber shortage/crisis existing during the 2nd quarter of 2021; and

WHEREAS, after the work commenced with a new vanity, the exhausts fans, and work on the tub, the following areas also required a change order:

1) Vanity modifications	\$3,230.00
2) Vanity modifications	\$5,700.00
3) Tub diverter modifications	\$5,695.00
4) Exhaust fan modifications	\$7,270.00
5) Profit and overhead for items 2-5 above	<u>\$4,379.00</u>
	\$26,274.00
	<u>-\$ 4,000.00</u> Allowance
	\$22,274.00

WHEREAS, this request has been reviewed by Lee Mesters of Habitech Architects and the SHA's Executive Director.

NOW, therefore, be it resolved by the Board of Commissioners of the Secaucus Housing Authority that Change Order #1A be approved

- 1) The Executive Director be and hereby is authorized, empowered and directed to execute and deliver agreements and expend the authorized funds
- 2) The Executive Director be and hereby is authorized, empowered and directed to take any and all such ancillary action necessary and appropriate to fulfill the intent of the foregoing;

Motion to approve made by Chairman Harper; 2nd by Commissioner Mondadori.

VOTE: AYES/All Present Commissioners (7)

HOUSING CHOICE VOUCHER (HCV) PROGRAM

Memo and report showing vouchers SHA is using; how many used; total cost of vouchers. SHA using most vouchers since ED Marra – 225 vouchers/only allotted 250 – close to 80% usage.

In Commissioners' packets is schedule for 2022. Commissioner Schlemm asked what is total H.A.P. SHA can get. HAP works is this: what you spend in previous year, they base that on what they give you in this year. Hard to define what is most HAP SHA can get. ED Marra's position is: over his time here twice HUD has contacted SHA and said SHA is in shortfall. Based upon how HUD projects out, SHA will not have enough money to fund your HAP in 6 months. They tell you put the brakes on; stop; try to figure out a way to save money; our program isn't 1,000 vouchers. When they get to shortfall, its a few thousand dollars. So SHA position is a need to continue to push –SHA got an extra \$154,000 with CARES money for just HAP. SHA position is: we need keep adding people to program until HUD or Bill Katchen as he looks at same projection sheet. HUD has Housing Choice Voucher Tool, which if you put in correct information into it and project you out, but until HUD tell you to stop, we just keep adding people to program. SHA can't do more than 250 vouchers.

Commissioner Pardasani: We are spending about \$13,000 on website, but we have no website. That's a lot of money for \$13,000. ED Marra said it's for PHA Web. One thing is there is software SHA uses called PHA Web; the annual software, but SHA also has a website they maintain for SHA. 85-90% of what that \$13,000 is annual costs for just software and licenses for software. Chairman Harper: its monthly website and yearly support.

Motion to approve SHA yearly calendar – 4th Thursday of the month with exception of December made by Commissioner Pardasani; 2nd by Commissioner Rivera.

VOTE: AYES/All Present Commissioners (7)

Commissioner Fairman had a question regarding vouchers report: in month of December – of \$230,000, how much approximately of that, is to Secaucus-based landlords? ANSWER: All of it. When you see the port-out number, \$12,753 and \$608.50 – that's going to people who started off with their voucher in Secaucus; moved to another town. Town did not absorb them into their program and so Secaucus is subsidizing that person in another town – 11 families.

Commissioner Fairman asked: Did Brick Housing Authority contract terminate and final wrap-up on the date that was envisioned or was there an extension? ANSWER: DED Naszimento's last day on the payroll was November 19th and we got half of a month payment from Brick HA in terms of what we had to pay ED Naszimento for his travel for October and some of November, but yes, all done.

REMARKS OF CITIZENS – nothing at this time

ADJOURNMENT

Motion to adjourn made by Commissioner Schlemm; 2nd by Commissioner Pardasani.

VOTE: AYES/All Present Commissioners (7)

Respectfully submitted, Deborah L. Alvarez