

Housing Authority of the City of Vineland

REGULAR MEETING
Thursday, February 18, 2016
7:00 p.m.

The Regular Meeting of the Housing Authority of the City of Vineland was called to order by Chairman Mario Ruiz-Mesa on Thursday, February 18, 2016, at 7:00 p.m. at the office of the Authority located at 191 W. Chestnut Avenue, Vineland, New Jersey 08360.

The following Commissioners were present:

Commissioner Chris Chapman	
Commissioner Rudolph Luisi	
Commissioner Nicholas Fiocchi	(Absent)
Commissioner Alexis Cartagena	(Absent)
Commissioner Daniel Peretti	
Commissioner Brian Asselta	
Chairman Mario Ruiz-Mesa	

Also present were Jacqueline Jones, Executive Director, Wendy Hughes, Assistant Executive Director, Charles W. Gabage, Esquire – Solicitor, Dan Avena and Linda Cavallo – Accountants, and Gloria Pomales, Executive Assistant.

Chairman Ruiz-Mesa read the Sunshine Law.

Chairman Ruiz-Mesa entertained a motion to approve the minutes of the Regular Meeting held on January 21, 2016. A motion was made by Commissioner Chapman and seconded by Commissioner Asselta. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Rudolph Luisi	(Yes)
Commissioner Nicholas Fiocchi	(Absent)
Commissioner Alexis Cartagena	(Absent)
Commissioner Daniel Peretti	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Mario Ruiz-Mesa	(Yes)

Chairman Ruiz-Mesa called for the Financial Report from the Fee Accountant. Mrs. Jones stated that late last year Washington approved the national budget and then the appropriations committee worked to decide how much funding each department would receive. This was done right before the holidays in December. This was the funding for 2016 and we are now into 2016. The Authority never knows going into the year what the funding will be. While preparing the budget, which was done in June 2015, the operating subsidy to be received was estimated.

There are several factors that are part of the Operating Subsidy Funding calculation. One is the project expense level or the PEL. The PEL is determined by the annual adjustment factor, which is derived from the inflation factor. Since inflation has been low the PEL was not very high. The other factor is the Utility Expense Level or the UEL. The UEL is less than 1% and therefore reduced the utility reimbursement portion of the calculation to less than last year's amounts. Therefore, the operating subsidy has been reduced. The affect on budget from 2015 to 2016 funding is a \$103,000 reduction. Since the Authority's budget year started in October and we were counting on a different amount of funding an adjustment has been made to this financial report to reflect the funding reduction for this budget year. The operating subsidy line was reduced by \$33,000 to reflect the change for the Financial Report for the four (4) months ended January 31, 2016. Linda Cavallo reviewed the Financial Report for the four (4) months ended January 31, 2016.

Chairman Ruiz-Mesa requested the Executive Administrative Report. Mrs. Jones addressed the two wire transfers that were made in January outside of the Authority's standard procedures, which Mrs. Jones spoke to each Commissioner previously about via phone. The Authority is in the process of recovering those funds. Mrs. Jones informed the Board the Authority has instituted new procedures that require more authorization and verification of those types of transactions in the future. In addition, the Authority's insurance company has a new cyber security training video. Staff will be required to take the cyber security online training annually.

Mrs. Jones stated a resolution was added to the agenda this evening for the 2016 Capital Budget. Since the last meeting the Authority has been notified of its Capital Fund funding for 2016. It is about an \$11,000 increase over last year's funding.

The Board was updated on the Scattered Site Disposition process. Meetings are being held monthly with the Resident Advisory Committee. There is not a lot of participation. Hopefully, participation will increase in the next couple of months. Rick Ginnetti, the Brooke Group, and Authority staff is meeting with the group and has started to develop the relocation plan. The relocation plan will address the various options for housing for residents once the homes are sold. Mrs. Jones believes that at least 25% of the residents in the scattered site homes will be interested in home ownership. In future meetings the home ownership process will be discussed with the residents and what counseling will be offered to reach this goal.

In regards to the Rental Assistance Demonstration Program for Parkview Apartments, the VHA is moving through the process, but Mrs. Jones is not convinced that this program is going to work for Parkview. A physical needs assessment was completed on the property, which is in the process of being reviewed. Before any final application is sent in or any "closing" the process will be presented to the Board for approval.

There has been some progress on Melrose Court since the last Board Meeting. Of the seventeen (17) homes, the Authority has ten (10) occupancy permits. There are seven (7) units left that have been inspected and have failed inspection at least once. There are six (6) units expected to be ready in the next week or so. There is one (1) unit, which has a cracked window. The bond company has been notified as previously reported. Meetings are being held weekly via conference call with the bond company, the principles from Carlson Construction and the Site Manager, Ron Miller of the VHA, Rick Ginnetti – consultant and our council with Brown and Connery, and Mrs. Jones. Some progress has been made, but unfortunately there are a few major issues that need to be resolved. One major issue is regarding wage rate determinations, which are the wages that were paid or not paid to workers on site whether it was Carlson employees or subcontractors. Subcontractors have to submit certified payroll for each worker on-site that is then compared to the information gained from interviews conducted onsite. In some cases it appears that some of the workers were not being paid the proper rate. It is the developer's responsibility to ensure the proper rates are paid. Before there is a final payment to the general contractor there has to be a certification from each subcontractor that they have paid the proper wages and that the subcontractor has been paid in full. There has been a couple of complaints filed and some missing certified payrolls. Rick Ginnetti is in the process formalizing these payrolls into a consolidated sheet of what we believe to be missing or what we believe to have not been paid properly. It will be up to Carlson to prove that they have paid the proper amount. Carlson claims to be working on this.

Also, there are several porches that may have an improper pitch. Pitch is important and has to be done based on the code. Carlson was supposed to have a third party verify and certified the pitch was correct. They have done this. The authority is not accepting anything less than a third party verification and certification that the porches are at the required pitch per the code.

In addition, the issue of great concern is the exterior or envelope of the homes. This involves issues with the siding and trim installation and roofing issues. There is a concern with the long-term sustainability of the exterior of the homes due to these workmanship issues. The Authority is working with its consultant, architect and attorney for resolution of these issues. The most recent draw payment request by Carlson has been rejected due to these issues.

Mrs. Jones reported the Authority has residents ready to be move in, but are awaiting HMFA approval.

Old Business: None.

New Business: None.

With no other discussion in related matters the Chairman moved to the Resolutions.

Resolution #2016-06
Resolution to Approve Monthly Expenses

Chairman Ruiz-Mesa stated he reviewed all the bills and recommended payment in the sum of \$692,286.38. Chairman Ruiz-Mesa called for a motion to approve the monthly expenses. A motion was made by Commissioner Asselta; seconded by Commissioner Chapman. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Rudolph Luisi	(Yes)
Commissioner Nicholas Fiocchi	(Absent)
Commissioner Alexis Cartagena	(Absent)
Commissioner Daniel Peretti	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Mario Ruiz-Mesa	(Yes)

Resolution #2016-07
2016 Capital Budget

Mrs. Jones reported the total amount the Authority was awarded is \$769,815. The attachments to the resolution are the Capital Fund Budget forms that must be submitted to HUD. The amount was separated among operations, management improvements, administration, fees and costs, dwelling structures and the debt service payment, which is the Bond. This allocation can be changed if the need arises. Chairman Ruiz-Mesa called for a motion to approve Resolution #2016-07. A motion was made by Commissioner Chapman; seconded by Commissioner Asselta. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Rudolph Luisi	(Yes)
Commissioner Nicholas Fiocchi	(Absent)
Commissioner Alexis Cartagena	(Absent)
Commissioner Daniel Peretti	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Mario Ruiz-Mesa	(Yes)

Resolution #2016-08

Resolution Granting Official Leave of Absence (Workmen's Compensation – Frankie Ruiz)

Mrs. Jones explained this is concerning one of the Authority's maintenance employees who is out on workmen's compensation. Employees out on workmen's compensation are being paid directly from the insurance company now instead of through the housing authority. This resolution is required for the Division of Pension and Benefits. Chairman Ruiz-Mesa called for a motion to approve Resolution #2016-08. A motion was made by Commissioner Chapman; seconded by Commissioner Asselta. The following vote was taken:

Commissioner Chris Chapman	(Yes)
Commissioner Rudolph Luisi	(Yes)
Commissioner Nicholas Fiocchi	(Absent)
Commissioner Alexis Cartagena	(Absent)
Commissioner Daniel Peretti	(Yes)
Commissioner Brian Asselta	(Yes)
Chairman Mario Ruiz-Mesa	(Yes)

There is no need for Executive Session tonight.

Chairman Ruiz-Mesa asked for comments from the Commissioners, press and/or public. No comments.

With no further business to discuss, Chairman Ruiz-Mesa entertained a motion for adjournment of the Regular Meeting. A motion was made by Commissioner Chapman; seconded by Commissioner Peretti. The vote was carried unanimously by the Board Members present. The Regular Meeting of the Board of Commissioners was adjourned at 7:38 p.m.

Respectfully submitted,


Jacqueline S. Jones
Secretary/Treasurer