

**Housing Authority of the City of Ocean City**

**Regular Board of Commissioner Meeting Minutes**

**April 20, 2021 – 3:00 p.m.**

The regular meeting of the Housing Authority of the City of Ocean City was held April 20, 2021, at 3:00 p.m. via tele-conference from the Management Offices of the OCHA located at 191 W. Chestnut Avenue, Vineland, NJ 08360.

The meeting was called to order by Chairman Barr. Chairman Barr requested everyone to rise for the Pledge of Allegiance.

Chairman Barr read the Sunshine Law.

Upon roll call those present were:

Commissioner Robert Halliday	
Commissioner Patrick Mumman	
Commissioner Beverly McCall	
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Excused at 3:57 p.m.)
Commissioner Brian Broadley	
Chairman Robert Barr	

Also present were Jacqueline Jones, Executive Director, Wendy Hughes, Assistant Executive Director, Ron Miller, Assistant Asset Manager – Operations, Charles W. Gabage, Esquire – Solicitor, Linda Cavallo – Accountant, Samantha Kurtz-Seif – Director of Social Services of City of Ocean City, Donald Whycowski – *The OCNJ Daily* and Gloria Pomales, Executive Assistant.

**Minutes**

Chairman Barr requested a motion to approve the Regular Meeting minutes from March 16, 2021. A motion was made by Commissioner McCall and seconded by Commissioner Broadley. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Yes)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**New Business**

The meeting will move to new business with the audit presentation from Mike Garcia of Ford-Scott & Associates, LLC. Mrs. Jones stated Mr. Garcia will present the audit for the year ending September 30, 2019. She also stated there is a resolution for the Board to approve and sign. Mr. Garcia reviewed and explained the balance sheet. He stated the asset part of the balance sheet did not change significantly, but the liabilities and fund balance side did change significantly for the good. The OCHA is all paid up with the PILOT fees to the City other than the most recent year’s pilot fees, which is normal. The hurricane Sandy expenditures made by the City on behalf of the OCHA has now been paid in full. The Authority has increased its net assets and created some net income. Mr. Garcia reviewed the revenue and expenses statement. He stated three years prior the rent revenue rather than being \$589,000 was only \$440,000 in 2017. This is because the new management of the Housing Authority is charging and collecting the proper rental amounts. In the 2016 audit the Authority had approximately 15-16 findings in the audit. This year Mr. Garcia is happy to report there are no findings or recommendations in the audit and it has been a clean audit for the past 3 years in a row (17, 18 and 19). He stated there has been a lot of hard work from Mrs. Jones and her staff to get down from sixteen findings to zero. It was actually done in one year. Mr. Garcia asked for any questions and/or comments. Commissioner Halliday asked about the accrued health benefit

and pension liability if it is based on size or based on individuals in the system. Mr. Garcia stated the pension benefit is through the State. This benefit the OCHA has no control of because your employees (previous and active employees) once they meet a certain criteria of amount of time worked they are required to be enrolled in the PERS system. The State then does a calculation where they attempt to isolate employer by employer and calculate their share of the total statewide pension liability. The reduction being seen is due to the reduction of the number of employees the Authority has working This will decrease the pension liability number. By going interlocal with services that were previously handled by salaried employees creates a big piece of the decrease. As the Authority's payroll goes down this number also goes down. In regard to the health insurance part of it, the Authority has a separate retiree health insurance and this number is independently calculated by an actuary that the Housing Authority has hired. New employees are no longer earning credit for post-retirement health insurance. Mrs. Jones stated that benefit is no longer available upon retirement. Mrs. Jones stated Mr. Garcia has a presentation on internal controls after everyone has had an opportunity to ask some questions regarding the audit. Commissioner Henry had requested a report on internal controls several meetings ago.

Mr. Garcia stated as part of the audit it is also required to evaluate and test the internal controls that the Housing Authority has in place. The two main areas of significant accounting controls are over the revenues and cash receipts as well as purchasing. Significant testing is done in the revenue area to determine the controls are working. The Authority has segregation of duties and has different personnel handling different functions. The auditors have testing in place to make sure the controls are working. Mr. Garcia provided examples and explained internal controls and control processes of the Authority. They are very strong and working very well. They are tested every year as part of the audit to make sure they are continuing to work in the way they are designed to functioned. If any problems are found the auditors would write a finding and recommendation for it to be addressed. The policy and controls the Authority has implemented are well designed and appropriate in the circumstances as well as working well. Mrs. Jones thanked Mr. Garcia and indicated the Audit for 2020 will be in the works. There is an extension for the 2020 Audit, but Mr. Garcia's firm is available to have it completed by June 30<sup>th</sup> if it is the Authority's desire. He believes the extension date is December 31, 2021.

**Treasurer's Report**

Ms. Cavallo reviewed the Financial Report for the six months ended March 31, 2021. Commissioner Mumman questioned the behavioral tenant services line item. Mrs. Jones stated due to COVID there was not as much onsite face to face time which is why there is a decrease in this area. However, it appears the services and activity are up for the month of March. Commissioner Halliday commented that it will be interesting to see as the new units come online in the next month's how the utility and maintenance expenses will decrease.

Motion to approve the Treasurer's Report made by Commissioner McCall and seconded by Commissioner Jackson. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Yes)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Executive Director's Report**

Mrs. Jones stated the board packet included the quarterly comparison report that was requested by Commissioner Henry. This is just for informational purposes. It is best to view online. There are some good variances particularly in the income area in being ahead of last year probably due to the RAD conversion and operating subsidy bump due to COVID. As far as expenses go there is nothing that really jumps out other than insurance being higher. Possibly due to the builder's risk policy needed for Speitel. This is a reimbursable item. The report will be provided on a quarterly basis as requested.

The Authority was fortunate to connect with Walmart to provide a COVID vaccine clinic for all of its sites. The Pleasantville Walmart was scheduled to be at Bayview tomorrow. The Authority reached out to its residents and only had 2 responses. The two residents decided to go together to Walmart and get their shot there. Mrs. Jones understands that the City was

helping the elderly population with getting vaccines and appointments. It is possible some of the Authority's residents were helped in that way as well.

Mrs. Jones stated Rick Ginnetti will provide a report on the ongoing projects.

Motion to approve the Executive Director's Report made by Commissioner Jackson and seconded by Commissioner McCall. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Yes)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Committee Reports** – None.

**Old Business** – Rick Ginnetti provided an update on Speitel. He stated through March, the building was 83% complete and the good news is as of yesterday the elevator was delivered to the building. The elevator company is currently working on site now and the elevator should be up and running within 30 days of yesterday. There is electricity to the building and all the units. The last utility that is being connected is water. The building should have water by the end of the week. It is anticipated that the punchout inspections can be started with the architect by the middle to end of May. The contract with the general contractor, Gardner, runs through May 31<sup>st</sup>. There will probably be a request for a 30-day extension to the contract to allow the punchouts to be finished. This month there are change orders on the agenda. One is for parking bollards and the other is for grab bars for the bathtubs in the non-accessible units. The Authority is requesting these items. The change orders have run in the negative because there were a couple large negative change orders in the beginning of the project. This is the first time we are out of the negative and will have approximately a little over \$16,000 above the original contract amount. This is paid by the contingency of approximately \$400,000. The Authority is significantly under the construction budget. In respect to draws and payments to contractors for Speitel and Bayview, in the board packet there is an approval for \$465,750.58.

The roof at Bayview Manor is complete. The capping around the top of the building needs to be replaced. The roofing material used on this roof is from company that will do their own inspection of the project. Their inspection is to ensure that the roof was installed based by their specifications. There is a resolution today for a change order regarding Bayview Manor roof for a time extension through May 18<sup>th</sup> to complete the capping. The electrical work at Bayview has not started, but last month there was a value savings change order because the electrician found a panel box system that was more efficient than what was originally bid. The submittal has been approved and they have ordered the boxes for replacement. No delivery date due to COVID. Possible start time is May.

In respect to Scattered Sites and the grant agreement with the DCA, the Authority has been finalizing the details of that agreement over the last three weeks with the Commissioner of the DCA. The Authority should have that agreement for the next OCCDC Meeting to pass a resolution authorizing the execution of the grant agreement. Architectural and site work has not slowed down its planning. The current schedule calls to get to the planning board of the City in June to finalize the subdivision of the lots and hopefully, have a construction bid package out in June to award to a general contractor in August.

Mr. Ginnetti stated a bid package for Bayview is out for a contractor to do the windows, exterior work and HVAC systems. The bids are due back May 5<sup>th</sup> anticipating a board approval in May. Briefly discussed moving of tenants as well as unit layouts, laundry rooms, community bathrooms, offices and maintenance shop.

Mr. Ginnetti reported the Authority has met with every resident at Peck's Beach Senior except for one. The process of relocation was reviewed in detail to them and asked them to select their top three choices of which unit they would like in

Speitel. As of today, a unit has been identified for them. The next step is to reach out to the residents at Bayview. It is anticipated that occupancy will be in July of this year.

Included in the Board Packet there is an Ocean City redevelopment timeline spreadsheet looking at the projects globally. Speitel construction is expected to be completed by the end of June/beginning of July with occupancy in July. Bayview Manor renovations discussed with an overall goal to be completed in November of next year. Scattered Sites will hopefully be awarded to a general contractor in August to start construction in September with a 12-month construction schedule. The demolition of Peck's Beach Senior cannot be done until September. Phase two timeline has architects and engineers on board in June to start the site plan and construction documents for this phase starting in March of 2023 and completion in December 2024.

*Commissioner Jackson excused herself at 3:57 p.m.*

Chairman Barr stated Commissioner Henry apologized for not making the meeting today. Commissioner Henry is excused due to a medical issue.

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

**Resolution #2021-15**  
**Resolution to Approve Monthly Expenses**

Chairman Barr called for a motion to approve the monthly expenses in the amount of \$1,213,349.94. A motion was made by Commissioner McCall; seconded by Commissioner Halliday. Mrs. Jones stated the City 2019 PILOT payment is on this bill list. The bill list is rather large, but as a reminder funds for Speitel and BVM will be reimbursed by the City. Reimbursement timeframe is approximately 30 days. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Resolution #2021-16**  
**Certifying the 2019 Fiscal Year Annual Audit as Prescribed by the New Jersey Local Finance Board**

Chairman Barr called for a motion to approve Resolution #2021-16. A motion was made by Commissioner Mumman; seconded by Commissioner Broadley. This resolution is required for the 2019 Audit and each commissioner is required to sign the certification page of the resolution. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Resolution #2021-17**  
**Award Janitorial Cleaning Contract**

Chairman Barr called for a motion to approve Resolution #2021-17. A motion was made by Commissioner McCall; seconded by Commissioner Mumman. Ron Miller stated this is the routine cleaning services for Bayview Manor and will probably be extended to Speitel for the remainder of the contract. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Resolution #2021-18**  
**Resolution Approving Change Order #3 Roof Replacement at Bayview Manor**  
**(time extension)**

Chairman Barr called for a motion to approve Resolution #2021-18. A motion was made by Commissioner McCall; seconded by Commissioner Mumman. This resolution is for time extension for roof completion due to weather. This is not a dollar amount change only a time extension to May 18, 2021. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Resolution #2021-19**  
**Resolution Approving Change Order for Construction of Speitel Commons at Bayview Manor**  
**(bollards & grab bars)**

Chairman Barr called for a motion to approve Resolution #2021-19. A motion was made by Commissioner Halliday; seconded by Commissioner McCall. This resolution was discussed in Mr. Ginnetti's report. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

**Resolution #2021-20**  
**Resolution Authorizing Payment of Draw 12**

Chairman Barr called for a motion to approve Resolution #2021-20. A motion was made by Commissioner McCall; seconded by Commissioner Broadley. Mrs. Jones stated this is to formalize the payments being made to the contractors listed on the attachment for Speitel and/or Bayview. These are the funds that will flow from the City of OC to the housing authority and then the housing authority will pay the vendors. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Patrick Mumman	(Yes)
Commissioner Beverly McCall	(Yes)
Commissioner Robert Henry	(Absent)
Commissioner Patricia Jackson	(Absent)
Commissioner Brian Broadley	(Yes)
Chairman Robert Barr	(Yes)

There is no need for Executive Session tonight.

Chairman Barr requested comments from the Board. No additional comments from the Board. No public comments.

With no further business to discuss, Chairman Barr entertained a motion for adjournment of the Regular Meeting. A motion was made by Commissioner McCall; seconded by Commissioner Mumman. The vote was carried unanimously by the Board Members present. The Regular Meeting of the Board of Commissioners was adjourned at 4:16 p.m.

Respectfully submitted,



Jacqueline S. Jones, Secretary/Treasurer