

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE BOROUGH
OF HIGHTSTOWN, NEW JERSEY
HELD ON WEDNESDAY, December 19th, 2018 AT 7:00 P.M.**

Chairperson James Eufemia called meeting to Order at 7:30PM

Open Public Meetings Act Statement: In compliance with Chapter 213 of the Public Laws of 1975, notice of this Meeting was given by way of the Annual Notice published in the Trenton Times, Princeton Packet and are posted on the calendar at The Hightstown Borough Municipal Building by the Authority and posted in a public place reserved for such announcements in the lobby of the Community Building of the Housing Authority Office.

Roll Call: showed that those present and absent were as follows:

Present: Allen Keith LePrevost, Executive Director, Commissioner James Eufemia, Chair, Commissioner Yolanda Swiney, Commissioner Brent Rivenburgh, Commissioner Carole Nelson (Telephone) and Lee Stultz, Council Liaison

Also, Present:

Absent:

Commissioner Chris Moraitis, Commissioner Pascale Emmanuel and Commissioner Monique Wilson

Approval of Minutes: Regular Meeting Minutes of November 14th, 2018. The minutes were reviewed and approved by voice vote.

Open Public Meeting: At this time the public is invited and encouraged to participate in open forum. It is requested by the Chairman of the Board and the Commissioners of the Housing Authority that all comments and opinions be relevant and timely, and be expressed in a manner which contributes to and advances the orderly progress of the meeting and for all concerned. The Chairman or presiding Commissioner may determine that it is necessary to limit the amount of time allotted to speakers from the public.

No Members of the public were in attendance.

Borough Council Liaison Report: Council President Stultz gave the board an update on the Mill project status and the resignation of Denise Hansen and Conner Montferrat. New members of the council will be nominated and moved in the new year.

Resident Council Report: None

Resolutions:

- **2018-9 RAD Physical Conditions Assessment.** Keith discussed how this is the first step in our RAD transition. It is an extensive look at the property and putting a qualified number on the possible capitol improvements that will be needed in the next 20 years. Commissioner Rivenburgh motioned to approve the resolution with a second from Commissioner Swiney. The motion was unanimously approved.
- **2018-10 Approval of the State Approved Budget.** Keith explained the board has to adopt the approved budget that has come back from the State of NJ. Commissioner Swiney motioned to approve the budget which was seconded by Commissioner Rivenburgh. The motion was unanimously approved.

- **2018-11 Proposal to administer the Borough's affordable housing program.** The board reviewed the proposal drafted by Keith to submit to the borough. Keith feels this extra work will be very beneficial to the borough and bring some much-needed non-federal funding into the HA for use with our proposed nonprofit. Commissioner Nelson motioned to approve submitting the proposal to the borough which was seconded by commissioner Swiney. The motion was unanimously approved.

Discussion Items:

- **Meeting Dates:** The board reviewed the proposed meeting dates and times for 2019 and approved the schedule.
- **Domestic Hot water quote:** As part of the boiler replacement project, the board discussed replacing the domestic hot water boiler in building 7 in advance of the major project next summer. This way we are buying the equipment at today's cost to avoid the increases brought on by the tariffs. The board agreed to move forward on this project this winter instead of waiting until spring.
- **Heating Boiler Quote:** We have the opportunity to pre-purchase the heating boilers for building 7 at today's prices to avoid the tariff and other price increases in 2019. This will save the HA over 10K on the project. The distributor is the same distributor we have purchased all of the other equipment from and has given us the option of taking delivery or storing the boilers for us. The board agreed it best to purchase now to save the extra money.

Executive Director Report:

- We are currently at 100% occupancy. We currently do not have any notices from tenants.
- The boiler project is nearly complete. We have run into some venting issues that are causing the systems to occasionally fail. We are working with the contractor, engineer and manufacturer to resolve the issues. At this time, we are waiting for some dry weather to allow a piece of heavy equipment on the lawn behind building 1. We made an attempt the week after Thanksgiving and quickly abandoned the idea after sinking the crane a couple feet into the yard. The rain this year has not allowed us to get back there to install the proper chimney. We have the building 7 boiler room yet to complete. This winter we can discuss the options for getting this done ASAP.
- Our guys have completed a complete cleaning and repainting of the boiler rooms.
- All work orders are up to date.
- We are beginning on the annual cycle painting of apartments. Some of the smaller projects are being done before the holidays, with the majority being done after the 1st of the year.
- We have begun the process of removing our Public Housing Units from the PIC system of HUD. It is a long process that involves several steps. We will need to complete an analysis of the property and its long-term capitol needs as well as an environmental study.
- We made a presentation to the Planning Board on RAD October 9th. I have not heard anything from the Borough on the subject.

- The Borough has asked the HA to provide a proposal for the administration of the Borough's affordable housing program. This includes the rental, for sale and refurbishing programs. This will include setting up a marketing plan, lottery and wait list management for the program, as well as certifying tenants and providing ongoing reporting to the borough and the state. I have developed a proposal for the RFP that was put out by the Borough in October. I am anticipating this new work will bring \$6,000-\$10,000 of new Non-Federal income to the HA per year. This money can be used for any purpose, including funding the new proposed nonprofit.
- We have updated our wait lists and opened our waitlists on October 1 to December 31 for all apartment types. This is for applications only and placement on our wait list. Advertisements have been prepared and will be sent to the papers later this month.

Financial Update: November, 2018

In review of the financial reports for the month of November, 2018, the Hightstown Housing Authority completed the month with positive results. Strong residential rents and a utility grant that was received aided in the strong results this month.

Income:

- Residential income has come in over budget for the period and the year, mostly due to increased resident incomes and actively monitoring new hires and tenant work status.
- Excess Utility is above budget for the period and under the year.
- Interest income is above budget for the period. We have renegotiated our interest rate from the bank from 1.3% to 1.75% starting in December.
- Other Operating receipts is over budget for the period due to grant funding received from the utility company for the installation of the new boilers.
- Laundry income is slightly under budget for the period.
- Operating Subsidy income is over budget for the year. The two-year spending bill passed by congress has increased our subsidy above budgeted levels. We are hopeful this trend will continue into the 2019 budget.

Expenses:

- Administrative and Maintenance salaries are under budget for the period and the year.
- Legal expense is slightly under for the year.
- Telephone is slightly over budget for the year due to renewal of phone system lease.

- Water is under budget for the year (4th quarter bills are coming)
- Electric is slightly over budget for the period and under for the year.
- Natural Gas is under budget for the period, but still slightly under for the year. This is due to the extended cold weather this spring. We are now fully under our new boiler in all but 2 of our buildings. We will begin tracking our usage compared to previous years to determine current and projected savings.
- Maintenance Labor is under budget for the period but over budget for the year due to overtime costs associated with the boiler project.
- Maintenance materials is over budget for the period and continues to be over budget for the year due to apartment renovations, cycle painting, lighting upgrades. This month's expenses are due to ordering supplies to repair units after the annual inspections
- Misc. Maintenance materials is over budget due to purchase of interior doors and exterior storm doors.
- Maintenance contract cost are well under budget due to painting being done in house, and boiler replacements eliminating service calls.
- Small tools are over budget for the year due to purchase of tools to replace missing items.
- Grounds maintenance is over budget due to fall plantings and gutter cleaning. Over budget for the year due to new trees planted, gutter repairs, lawn areas reseeded, aerated and sedge treatments.
- Boiler Contract costs are over budget for the year due to repairs to existing domestic hot water boilers.
- Blue Cross/Shield costs are under budget due to anticipated budget increase in 2018 that did not materialize.
- Extraordinary maintenance. This amount was paid to the boiler engineers for inspection and monitoring. This account will be used as part of the boiler construction project.

Next meeting is scheduled for January 16th, 2018 at 5:00 pm followed by Dinner at Fernando's

The meeting was adjourned by a motion made by Commissioner Eufemia.

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director