

PATERSON HOUSING AUTHORITY
PATERSON, NEW JERSEY
MONDAY, NOVEMBER 21, 2016
COMMENCING AT 5:30 P.M.
WORKSHOP MEETING

THERE BEING PRESENT:

REV. MICHAEL McDUFFIE, CHAIRPERSON
PETER RENDINA, VICE CHAIRPERSON
REV./DR. DOUGLAS MAVEN, COMMISSIONER
JOEL RAMIREZ, COMMISSIONER
ROBERT F. GUARASCI, COMMISSIONER

ALSO PRESENT:

IRMA GORHAM
EXECUTIVE DIRECTOR
DALE JONES
ASSISTANT EXECUTIVE DIRECTOR
FRED VAZQUEZ, DIRECTOR
DEPARTMENT OF MODERNIZATION & DEVELOPMENT
RHONDA PEACE
RECORDING SECRETARY
DELINDA HOLMES
ASSISTANT PURCHASING AGENT
VANESSA SIFFORD
DEPARTMENT OF PLANNING & GRANTS

KIM O. FURBACHER, C.C.R., R.M.R.
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ALSO PRESENT (cont'd):

JOHNNIE JACKSON
DIRECTOR OF LEASING & OCCUPANCY

ILEANA KMECH
PERSONNEL OFFICER

RICHARD LARSEN, CPA
NOVOGRADAC & COMPANY

M A N A G E R S P R E S E N T :

CLARA CANTY, PROPERTY MANAGER
ALBERTA BOULWARE, PROPERTY MANAGER
IAEISA MONDESIR, PROPERTY MANAGER

A P P E A R A N C E S :

ROGUT McCARTHY TROY, LLC
BY: PATRICE E. HEW, ESQ.
COUNSEL FOR THE PATERSON HOUSING AUTHORITY

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DEPARTMENT OF MODERNIZATION & DEVELOPMENT
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Bids/Contracts (0)

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OATH OF OFFICE IS ADMINISTERED TO
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1 CHAIRPERSON McDUFFIE: The
2 Commissioners of the Housing Authority of the City of
3 Paterson are hereby called to this Regular Meeting
4 immediately following the Workshop at these office,
5 60 Van Houten Street, Paterson, New Jersey, on this
6 Monday, November 21st, 2016, to discuss and transact
7 upon the following matters listed below.

8 ROLL CALL

9 CHAIRPERSON McDUFFIE: Roll call.

10 (At this point in the proceeding roll
11 call is taken with Commissioner Maven, Ramirez,
12 Vice-Chairperson Rendina, and Chairperson McDuffie
13 present, and Commissioners Bonds, Diaz, and Nation
14 absent.)

15 EXE. DIR. GORHAM: These things were
16 done to comply with the Open Public Meetings Law and
17 was filed with the City Clerk.

18 OATH OF OFFICE IS ADMINISTERED TO COMMISSIONER F.

19 GUARASCI

20 CHAIRPERSON McDUFFIE: We're going to
21 have officially our swearing-in of our new
22 Commissioner at this time. That's you.

23 MS. HEW: Have a seat, Commissioner
24 Rendina.

25 (At this point in the proceeding the

1 Oath of Office is administered to Commissioner Robert
2 F. Guarasci.)

3 COMMISSIONER GUARASCI: I just wanted
4 to offer some remarks.

5 First of all, I'm very happy to be here
6 tonight to begin my term of service as a Commissioner
7 of this Housing Authority. I know just about all of
8 you, and I look forward to a productive working
9 relationship.

10 I do want to make this body aware, in
11 the spirit of transparency, that NJCDC receives
12 payment from this Housing Authority for nine
13 Continuum of Care vouchers that allow us to house
14 homeless youth and adults with disabilities. The
15 decision to award these vouchers, however, is made by
16 a committee of the Continuum of Care under the
17 auspicious of the County of Passaic, so the PHA does
18 not decide whether or not individuals living in NJCDC
19 housing will continue to benefit from these vouchers.
20 The PHA plays a pass-through role, receiving the
21 money for these vouchers through an agreement with
22 HUD and then cutting a check on a monthly basis.
23 But, again, the decision about whether or not these
24 vouchers will continue to be awarded is made outside
25 of the PHA.

1 So I wish to make it clear that I will
2 not participate in any discussions regarding these
3 Continuum of Care vouchers, nor participate in any
4 vote related to them, if, for any reason, that matter
5 comes before this Board.

6 I do not believe that will be the case,
7 but I want to state this anyway.

8 Additionally, I would ask counsel to
9 provide me with ongoing guidance, if she believes
10 that there is a matter from which I should recuse
11 myself for this or any other reason.

12 There are two actions this body could
13 take to ensure that a conflict of interest, rather
14 real or perceived, never occurs.

15 The first is to request that HUD
16 transfer the funds that support these nine vouchers
17 from the PHA to another entity, such as the County of
18 Passaic, which currently administers hundreds of
19 these same vouchers.

20 The second is to request a conflict of
21 interest waiver from HUD, which would review the
22 matter and determine what, if any, action should be
23 taken to ensure that my service is entirely
24 aboveboard and transparent.

25 I would ask that this Board consider

1 both of these potential courses of action.

2 Lastly, I have received no information
3 about whether or not this body approves payment of
4 bills on a regular basis. If a bill list is approved
5 regularly, I would ask that I be alerted to any
6 pass-through payment to NJCDC, so that I can recuse
7 myself.

8 Thank you. I look forward to serving.
9 And if there are any questions, I'm certainly happy
10 to answer them.

11 CHAIRPERSON McDUFFIE: Thank you.

12 Welcome.

13 COMMISSIONER GUARASCI: Thank you.

14 CHAIRPERSON McDUFFIE: Okay. Ready?

15 EXE. DIR. GORHAM: Yes.

16 BIDS/CONTRACTS

17 CHAIRPERSON McDUFFIE: All right.

18 Department of Planning & Grants.

19 MS. SIFFORD: Good evening.

20 Department of Planning & Grants has a
21 resolution to approve a no cost contract extension
22 for Passaic County Community College's hybrid
23 pre-GED/high school equivalency test preparation
24 course for our HOPE VI residents.

25 Do we read the whole thing or just the

1 last paragraph?

2 CHAIRPERSON McDUFFIE: No, just the
3 last "Now, be it resolved."

4 MS. SIFFORD: Now, therefore, be it
5 resolved by the Board of Commissioners of the Housing
6 Authority of the City of Paterson that they hereby
7 approve a no cost contract extension to Passaic
8 County Community College for the completion of the
9 hybrid pre-GED/high school equivalency test
10 preparation cost, at The Heritage, during the period
11 November 22nd, 2016 through December 8, 2016.

12 CHAIRPERSON McDUFFIE: Okay.
13 Questions, comments?

14 COMMISSIONER MAVEN: Yes.

15 Do we have a record of success rates,
16 where these students are?

17 MS. SIFFORD: Right now, we'll be
18 testing the students to see their growth from the
19 beginning of the class to the end of the class on
20 December 1st. So, after that, I will have a better
21 idea as to where the students are, but there are
22 about seven residents completing the program from The
23 Heritage, as well as original residents from HOPE VI,
24 and Riverside Terrace Development residents. And
25 they meet on Tuesdays and Thursdays from 5:30 to

1 8:30 p.m.

2 COMMISSIONER MAVEN: So this is the
3 first time we're doing this this year?

4 EXE. DIR. GORHAM: Yes.

5 COMMISSIONER MAVEN: Okay.

6 CHAIRPERSON McDUFFIE: Okay. I'm going
7 to ask that you read the whole resolution now.

8 Okay. Department of Administration.

9 MS. HOLMES: Good evening.

10 CHAIRPERSON McDUFFIE: Good evening.

11 MS. HOLMES: Our resolution is for the
12 lease of the mail machine, the table, and the sorter
13 that's located in our mailroom.

14 It reads as follows:

15 Whereas, at the July 16, 2012 Board of
16 Commissioners' meeting, authorization was given, via
17 Resolution No. 12-07-106, to enter into an agreement
18 with Pitney Bowes Inc., out of Louisville, Kentucky,
19 for a 60 month lease for one Connect+ 2000 Mailing
20 Machine, with a 15-pound Integrated Mail Scale, one
21 45 1/2 inch table, one D1500 sorter/folder/inserter,
22 and that was for the amount of \$786 per month, under
23 state contract #A75237.

24 And, whereas, that lease is not due to
25 expire until July of 2017.

1 And, whereas, we have experienced
2 several problems with the mail sorter/folder/insertor
3 machine.

4 And Pitney Bowes has agreed on an early
5 lease termination, to give the PHA better pricing and
6 upgrade of all of our current mailroom equipment,
7 with a written customer service guarantee.

8 Now, therefore, be it resolved by the
9 Board of Commissioners of the Housing Authority of
10 the City of Paterson that they hereby authorize staff
11 to enter into a 60-month lease with Pitney Bowes, out
12 of Sanford, Connecticut, for one SendPro P Series
13 Mailing Machine with a ten-pound integrated weighing
14 scale, one 60-inch table, and one Relay 4000
15 inserting system, for the amount of \$762.05 per month
16 under a new state contract number, which is #A41258.

17 CHAIRPERSON McDUFFIE: Questions,
18 comments?

19 (No response.)

20 CHAIRPERSON McDUFFIE: Okay.
21 Department of Administration, bids and contracts.

22 MR. JACKSON: Good evening.

23 The first one is the Federation Rental
24 Assistance Demonstration program project-based
25 voucher contract renewal.

1 Whereas, the Paterson Housing Authority
2 entered into a Section 8 project-based voucher
3 contract with the Jewish Community Housing
4 Corporation of New Jersey for 115 rental units, known
5 as Federation Apartments, under the U.S. Department
6 of Housing & Urban Development Rental Assistance
7 Demonstration Program, effective 12/1/13 to 11/30/16.

8 Whereas, the owner submitted a request
9 to the PHA for a renewal, and the HUD RAD program
10 regulations does allow the PHA to contract for up to
11 15 years.

12 And, whereas, the PHA submitted a
13 letter informing the Jewish Community Housing
14 Corporation of North Jersey that the PHA would renew
15 the contract for an additional ten years, in
16 accordance with the HUD project-based voucher
17 regulation that permits a maximum of 15 years.
18 However, JCHNJ submitted an email of 11/15/16
19 requesting a one year renewal at this time.

20 Now, therefore, be it resolved by the
21 Board of Commissioners of the Housing Authority of
22 the City of Paterson that they hereby authorize the
23 Executive Director to execute the renewal contract
24 with the Jewish Community Housing Corporation of
25 North Jersey for the 115 rental units known as

1 Federation Apartments, located 510 E. 27th Street in
2 Paterson, New Jersey, for one year, commencing on
3 December 1st, 2016 to November 30, 2017.

4 CHAIRPERSON McDUFFIE: Questions,
5 comments?

6 (No response.)

7 CHAIRPERSON McDUFFIE: Okay.

8 MS. JOHNSON: The second, Housing
9 Assistance Payment Rental Increase for the Rental
10 Assistance Demonstration project-based voucher
11 contract, Lawrenceville Housing Authority in Eggerts
12 Crossing Village.

13 Whereas, the Paterson Housing Authority
14 and Lawrenceville Housing Associates entered into a
15 15-year Housing Assistance Payment contract, with an
16 effective date of January 5, 2015, in accordance with
17 the U.S. Department of Housing & Urban Development
18 Rental Assistance Demonstration Program, wherein the
19 PHA is contract administrator for 40 units of
20 subsidized affordable housing units known as Eggerts
21 Crossing Village.

22 Whereas, on October 24, 2016, the owner
23 requested a rent increase effective January 1st,
24 2017. Staff has determined the rent to be reasonable
25 and in accordance with the Housing Choice Voucher

1 Program.

2 And, therefore, be it resolved by the
3 Board of Commissioners of the Housing Authority of
4 the City of Paterson that they hereby authorize the
5 rent increase for the Lawrenceville Housing
6 Associates, LP t/a Eggerts Crossing Village,
7 40 units, RAD project-based, effective January 1st,
8 2017, as per attached.

9 CHAIRPERSON McDUFFIE: Questions,
10 comments?

11 COMMISSIONER MAVEN: When was the last
12 rent increase?

13 EXE. DIR. GORHAM: This is their first.
14 You want to respond?

15 MR. JONES: Yes.

16 This is their first. We had them for,
17 this is going into our third year.

18 COMMISSIONER MAVEN: You said 30 years?

19 MR. JONES: Third.

20 CHAIRPERSON McDUFFIE: Department of
21 Administration, Operations.

22 MR. JONES: The next resolution,
23 Commissioners, is seeking your approval to amend the
24 current contract that the Housing Authority has with
25 YARDI Systems.

1 The Housing Authority is in the process
2 of implementing the direct deposit for the Section 8
3 landlords, and we're seeking your approval to have
4 the YARDI Systems implement the landlord portal,
5 which would allow owners to access their data online,
6 at the one time setup cost of \$18,500. And this will
7 result in an increase of approximately \$3,750 in our
8 annual maintenance costs through YARDI Systems. And
9 this system is scheduled to go live on January 1,
10 2017.

11 CHAIRPERSON McDUFFIE: Questions,
12 comments?

13 (No response.)

14 CHAIRPERSON McDUFFIE: Okay.
15 Department of Administration, Operations.

16 MR. JONES: Commissioners, we have our
17 auditor here today. We have the audit for adoption,
18 and Mr. Larsen from Fallon & Larsen is going to give
19 you a presentation before we do the resolution.

20 MR. LARSEN: Good evening,
21 Commissioners.

22 CHAIRPERSON McDUFFIE: Good evening.

23 MR. LARSEN: This afternoon I met with
24 the employees of the Authority or Mr. Jones and his
25 staff and Ms. Gorham, and we held an exit conference

1 with regard to the audit.

2 Then a little later, I also met with
3 the Finance Committee. We went over the audit, as
4 well, and in great detail.

5 I will give you a summary of that
6 presentation, if I can. If you have any questions,
7 please just jump in and ask.

8 There are three audit reports that my
9 firm signed that are contained in that audit package.

10 The first one, we give an unmodified
11 opinion on the Authority's finances. That is the
12 highest level of assurance that an auditor can give,
13 where we say the financial statements presented to
14 you in the audit report do present fairly the
15 financial position of the Authority. So that is a
16 very good outcome.

17 The other two reports have to do with
18 compliance, and the biggest report is where we give
19 an opinion on compliance: Did the Authority comply
20 or not comply with the major grant programs here at
21 the Authority?

22 We audited five programs for
23 compliance. That's just kind of the way the formula
24 worked out. The federal government gives us a
25 formula to follow every year for the programs, the

1 Lower and Public Housing Program, the Capital Fund
2 Program, the HOPE VI Program, and the CDBG Program.

3 We gave those four out of five an
4 unmodified opinion, which is a clean opinion with no
5 findings, that the Authority did comply with all
6 those grant regulations, those program regulations.
7 So that is a very good outcome.

8 And then the Housing Choice Voucher
9 Program received a modified opinion. We had a couple
10 of issues with tenant files, with inspections, and
11 the waiting list, which we addressed with the Finance
12 Committee and the employees, and they're working on a
13 Corrective Action Plan to remedy those findings that
14 we're going to submit to HUD.

15 With regard to the finances of the
16 Authority, there's some good news and some bad news.

17 The bad news first is that the
18 Authority had to adopt, because of a regulation,
19 what's called GASB 68, Government Accounting
20 Standards Board Opinion No. 68. And that required
21 the Authority to adopt their portion of the state's
22 unfunded pension liability.

23 The State of New Jersey has a
24 \$40 billion pension liability. And our portion of
25 that was given to us in a report, and that totaled

1 \$9.2 million. So that needed to be put on our books,
2 which took a big chunk out of the Authority's equity.
3 It's nothing the Authority did wrong, it's a
4 regulation.

5 So that was put on the books. So that
6 hurt the overall picture of the Authority. However,
7 the liquidity of the Authority, which is really the
8 most important factor in determining if an authority
9 is running well and is healthy, remains strong. We
10 have approximately ten months' worth of reserves,
11 which, for a Housing Authority of this size, is very,
12 very good. You know, I audit about 40 Housing
13 Authorities, mostly in New Jersey, Pennsylvania. And
14 this Authority, liquidity-wise, matches up very, very
15 favorable to other authorities of the same size. So
16 that is very good.

17 So, financially, even with that charge,
18 the pension liability, which put us into a deficit in
19 equity, in unrestricted equity, our liquidity is
20 still strong. So that is good news.

21 If anybody has questions, I can answer
22 them. You can email me questions. I don't charge
23 for anything like that. The report is for the Board,
24 so it's addressed to you.

25 Any questions, I'm obligated to answer,

1 you can send me an email, I will gladly do so. If I
2 can, before you throw me out --

3 COMMISSIONER GUARASCI: Mr. Chairman,
4 if I may?

5 Were there any management findings or
6 comments?

7 MR. LARSEN: No.

8 You know, we'll talk general business
9 comments. What we do with HUD, either we have a
10 material finding, like we issued, so we had the three
11 findings that I mentioned before, but no written
12 management letter comments.

13 COMMISSIONER GUARASCI: Okay.

14 MR. LARSEN: You know, with Dale, I've
15 known him for a few years, we'll talk about managing
16 and program loans, and I keep him informed of pending
17 HUD regulations so we make sure we stay in compliance
18 finance-wise, but we did have the three issues.

19 COMMISSIONER GUARASCI: Thank you.

20 MR. LARSEN: I do want to point out to
21 you, you do have a fantastic staff here. They work
22 incredibly hard, and really do a nice job in managing
23 the finances. To say you have strong liquidity is
24 really an accomplishment, because it's a very tough
25 time to be in the public housing business.

1 We fill out these forms requesting
2 subsidy, and we get 82 percent or 84 percent or 86,
3 and the tough part about managing that is, a lot of
4 times you don't know you're going to get 86 percent,
5 until you're three months into your year or four
6 months into your year, and Dale and his staff have to
7 make those adjustments. So they do a very good job
8 of doing that, in the face of a lot of challenges.

9 COMMISSIONER MAVEN: Thank you.

10 MR. LARSEN: So thank you very, very
11 much. I appreciate the opportunity to be here.

12 COMMISSIONER MAVEN: Thank you.

13 MR. LARSEN: And good luck,
14 Mr. Commissioner.

15 COMMISSIONER GUARASCI: Thank you.

16 CHAIRPERSON McDUFFIE: Thank you.

17 All right. Is there another one,
18 Department of Administration, bids and contracts, you
19 have a question?

20 COMMISSIONER MAVEN: He has to do the
21 resolution now.

22 MR. JONES: Yes.

23 EXE. DIR. GORHAM: On the audit, yes.

24 MR. JONES: Do it right now?

25 CHAIRPERSON McDUFFIE: Do it right now.

1 MR. JONES: Commissioners, you heard
2 the report from our auditor. The resolution before
3 you recites that the auditor from Fallon & Larsen
4 issued their report. November 1st is when we
5 received the first draft. On November 15th, we
6 received a revised draft. And the report on the
7 internal controls and compliance requirements is
8 listed on pages 47 through 50 of the audit report.
9 And it shows that on the financial statement section,
10 we had an unmodified opinion from the auditor on the
11 internal control over financial reporting. There was
12 a material weakness identified.

13 Were there significant deficiencies, if
14 not considered to be material weakness?

15 The answer is no.

16 No. 3, noncompliance material to the
17 financial statements?

18 Yes.

19 And on the federal awards section of
20 the audit report, auditee qualified as a lower risk
21 auditee?

22 No.

23 Type of auditor's report on compliance
24 for major programs.

25 Qualified.

1 And on the internal control section, we
2 had a material weakness identified, which the auditor
3 talked about. And there were no significant
4 deficiencies identified that required disclosure.

5 And this report will be submitted, upon
6 approval, to HUD and to the Department of Community
7 Affairs, along with the affidavit and the synopsis
8 that we will publish in the newspaper shortly.

9 CHAIRPERSON McDUFFIE: Questions,
10 comments?

11 (No response.)

12 CHAIRPERSON McDUFFIE: Okay.
13 Department of Administration, bids and contracts.

14 MR. JONES: The next resolution,
15 Commissioners, is seeking your approval for the
16 renewal of the Housing Authority insurance policies
17 that we currently carry with Housing Authority
18 Insurance Group of Cheshire, Connecticut. And they
19 provide our coverages for all insurance, except for
20 auto insurance, which they sub out to Travelers, and
21 workers' comp is subbed out to Berkshire Hathaway,
22 and those two will come at a later date, once we
23 receive the renewal.

24 For the 2017 January 1st renewal date
25 through December 31st, the rates for our insurance

1 premium is moving up approximately 20 percent, from
2 \$190,692 to \$229,257.

3 We're seeking the Commissioners'
4 approval to have the Executive Director signoff on
5 the renewal application that is due for January 1st.

6 The resolution has an error under the
7 now therefore be it resolved, it's \$229,257 for the
8 year.

9 CHAIRPERSON McDUFFIE: Questions,
10 comments?

11 Mr. Rendina.

12 VICE-CHAIRPERSON RENDINA: Yes.

13 I don't know what the page is, it says
14 one of one, it says acceptance of terrorism insurance
15 coverage, \$3,613.

16 Now, I didn't read the whole thing yet,
17 I should have, but I didn't, what would be considered
18 terrorism, did they tell you that?

19 MR. JONES: Yes.

20 So, this is a new requirement after
21 9/11.

22 VICE-CHAIRPERSON RENDINA: I understand
23 that, just tell me what they consider terrorism.

24 MR. JONES: If we don't accept, we
25 still have to pay.

1 The way it works, if something
2 happened, has destroyed the entire block, for this to
3 kick in.

4 VICE-CHAIRPERSON RENDINA: So you're
5 not talking about a guy comes in here, and, say,
6 punches somebody in the face?

7 MR. JONES: No.

8 VICE-CHAIRPERSON RENDINA: And takes
9 out a gun and shoots two people. That's not what
10 you're talking about?

11 MR. JONES: No.

12 VICE-CHAIRPERSON RENDINA: You're
13 talking about a big --

14 MR. JONES: The entire block.

15 VICE-CHAIRPERSON RENDINA: So it's more
16 an umbrella thing, than it is an individual act.

17 MR. JONES: Yes. That would be on the
18 liability side.

19 VICE-CHAIRPERSON RENDINA: Okay.

20 COMMISSIONER MAVEN: Through the Chair,
21 was there an increase last year as well?

22 MR. JONES: Last year we had a small
23 increase.

24 COMMISSIONER MAVEN: Yes.

25 MR. JONES: So this year, so the

1 combination here, Commissioners, for this drastic
2 increase has to do with three main things.

3 Premiums went up.

4 Our costs for the properties, they were
5 low, so they increased the cost, just in case we have
6 a claim or we will have a total loss of a building,
7 we would be able to bring it back to the original
8 state.

9 And the third thing, we had an
10 increased number of liability and property claims,
11 which, you know, prior to cost. And we had several
12 fires, as you can recall, over the past year.

13 So this is why we're looking at, we
14 have to now take some corrective action in terms of
15 retraining our residents. We've had a lot of kitchen
16 fires and so forth.

17 So we've already reached out to the
18 insurance company, the risk control department, and
19 they are going to visit us in the early new year to
20 see how we can do some training of our staff as well
21 as our senior residents.

22 COMMISSIONER MAVEN: So coverage has
23 increased?

24 MR. JONES: Yes. So the coverage has
25 gone up.

1 EXE. DIR. GORHAM: Yes.

2 MR. JONES: The next resolution,
3 Commissioners, this is for insurance renewal for
4 Sojourner Douglass properties. We have 20 units.
5 And the policy expires on January 1st, and we're
6 seeking the Commissioners' permission for the
7 renewal. And this is moving by about 7.7 percent,
8 from \$11,872 to \$12,778.

9 We're seeking the Commissioners'
10 approval for exercising the renewal option on this
11 contract.

12 CHAIRPERSON McDUFFIE: Mr. Rendina.

13 VICE-CHAIRPERSON RENDINA: Yes.

14 What do they mean by "equipment
15 breakdown"? If you look on page --

16 MR. JONES: I think it covers, like for
17 example, if we have the boiler --

18 VICE-CHAIRPERSON RENDINA: Oh, the
19 boiler. That's what I was going to say. So it's a
20 boiler thing?

21 MR. JONES: Yes.

22 VICE-CHAIRPERSON RENDINA: All right.

23 MR. JONES: We have never put in a
24 claim, but I think we can.

25 VICE-CHAIRPERSON RENDINA: Okay.

1 MR. JONES: If we put in a boiler, it
2 could breakdown.

3 VICE-CHAIRPERSON RENDINA: Boilers, I
4 think, are made to breakdown. I think they do that
5 on purpose.

6 CHAIRPERSON McDUFFIE: Okay.
7 Department of Administration, Operations,
8 prescription plan.

9 MS. KMECH: Good evening.

10 CHAIRPERSON McDUFFIE: Good evening.

11 MS. KMECH: Amend Prescription Plan
12 Administrator Contract.

13 On March 21st, 2016, the Board of
14 Commissioners approved the renewal of the Housing
15 Authority self-insured prescription plan with
16 Benecard for the period of 4/1/16 to 3/31/17.

17 And with the implementation of New
18 Jersey P.L. 2011c. 78 legislation, local government
19 employers participating in the State Health Benefits
20 Program (SHBP) are required to calculate the medical
21 and prescription premium in order to assess
22 employees' share of the premium. Hence, in order to
23 simplify the process, the PHA requested a change in
24 the contract with Benecard, from a fiscal year to a
25 calendar year to coincide with the SHBP plan year,

1 which is on a calendar plan. So, to facilitate this
2 request with Benecard Services, the Housing Authority
3 was asked to extend the contract to December 31st,
4 2017.

5 And Benecard Services' fees will remain
6 the same at the current contracted administrative fee
7 structure rate of \$0.85 per claim, \$0.70 for the new
8 staff add-ons, and \$1.00 for new cards for the new
9 contract year beginning 4/1/16, and projected that
10 HACP will spend approximately \$418,000 for
11 prescription costs for the period of 4/1/2016 to
12 12/31/2017, as per attached.

13 Therefore, be it resolved by the Board
14 of Commissioners of the Housing Authority of the City
15 of Paterson that staff is authorized the extension of
16 the Prescription Drug Plan administered by Benecard
17 Services of Lawrenceville, from 3/31/17 to
18 12/31/2017.

19 CHAIRPERSON McDUFFIE: Questions,
20 comments?

21 (No response.)

22 CHAIRPERSON McDUFFIE: Okay.

23 MS. KMECH: Approval of CBA Teamsters
24 Local 97.

25 The negotiation committees of the

1 Paterson Housing Authority and Teamsters Local 97, a
2 New Jersey union representing maintenance employees,
3 recently reached an agreement on a new Collective
4 Bargaining Agreement (CBA) for the period beginning
5 April 1st, 2016 to March 31st, 2018.

6 And the parties have agreed on the
7 following terms:

8 Duration of the contract shall be two
9 years, commencing April 1st, 2016, and expiring
10 March 31st, 2018.

11 Effective April 1st, 2016, and
12 retroactive to said date, the employees shall receive
13 an increase of 1.5 percent of their base salary.

14 Effective April 1st, 2017, to
15 March 31st, 2018, the employees shall receive an
16 increase of 1.5 percent on their base salary.

17 Effective April 1st, 2016, maintenance
18 employees no longer earn three personal days from
19 April 1st to March 31st, but, rather, three personal
20 days will be earned each calendar year, as is the
21 practice for administrative employees.

22 Be it resolved by the Board of
23 Commissioners of the Housing Authority of the City of
24 Paterson that they hereby retroactively approve the
25 CBA signed by the Board Chairman and the Executive

1 Director with Teamsters Local 97 of New Jersey
2 covering the period April 1st, 2016 to March 31st,
3 2018.

4 CHAIRPERSON McDUFFIE: Questions,
5 comments?

6 (No response.)

7 CHAIRPERSON McDUFFIE: Go ahead,
8 personnel.

9 MS. KMECH: Compensation for excess
10 (over 30) annual leave days.

11 The policy of the Housing Authority of
12 the City of Paterson allows staff to carry-over no
13 more than 30 accrued annual days into the new year,
14 and some employees will have accrued in excess of
15 over 30 annual days at the end of 2016.

16 And the Housing Authority in previous
17 years allowed employees with less than 30 days to be
18 paid up to ten days of accrued annual time.

19 Be it resolved by the Board of
20 Commissioners of the Housing Authority of the City of
21 Paterson that those employees having accrued in
22 excess of over 30 annual days by year end be
23 compensated for all such accrued annual days over 30,
24 and those employees with less than 30 days be paid up
25 to ten days of accrued annual time.

1 CHAIRPERSON McDUFFIE: Questions,
2 comments?

3 COMMISSIONER GUARASCI: Mr. Chairman,
4 is there a cost associated with this?

5 EXE. DIR. GORHAM: Yes, there's a cost.
6 It is our time. It's monies that we've accrued for
7 time on the books, so there's a cost.

8 COMMISSIONER GUARASCI: I'm sorry, I
9 understand that. I'm just asking is there a dollar
10 figure that's been calculated as to what will be paid
11 out?

12 EXE. DIR. GORHAM: We haven't done it
13 yet. We are working on it. We ask for approval, and
14 then we do everyone's time and put a dollar amount to
15 it.

16 COMMISSIONER GUARASCI: Okay. Thank
17 you.

18 EXE. DIR. GORHAM: We just haven't done
19 it yet. Maybe \$10,000, but not a quarter of a
20 million dollars or anything like that.

21 COMMISSIONER GUARASCI: Thank you.

22 CHAIRPERSON McDUFFIE: Okay.
23 Operations.

24 MR. JONES: The next resolution,
25 Commissioners, is seeking approval for Dale Jones and

1 Johnnie Jackson to attend a NAHRO Consortium
2 Conference from March 7th through March 10, 2017, in
3 Las Vegas, Nevada.

4 Whereas, this conference will provide a
5 series of sessions focusing on Section 8 Assessments,
6 HUD's Budget Forecast Tool, Submissions and
7 Reporting, HUD's PIC Information Management System,
8 Rental Integrity Monitoring, Capital Fund, Family
9 Self Sufficiency, and a host of other related topics.

10 Now, therefore, be it resolved by the
11 Board of Commissioners that they hereby authorize
12 Dale Jones, Assistant Director, and Johnnie Jackson,
13 Director of Leasing & Occupancy, to attend the 2017
14 NAHRO Consortium Conference, with a registration cost
15 of \$998 combined, travel costs of \$1,067.90 combined,
16 and hotel accommodation of \$319.20 each, and per diem
17 of \$146 each.

18 CHAIRPERSON McDUFFIE: Questions,
19 comments?

20 (No response.)

21 CHAIRPERSON McDUFFIE: Go ahead.

22 MR. JONES: The next resolution,
23 Commissioners, is seeking your approval for Dale
24 Jones and Orthneil Palmer to attend the Housing
25 Authority Insurance Group Committee Meetings, from

1 November 30th through December 2, 2016, in South
2 Padre Island, Texas. And the resolution is seeking
3 your approval.

4 This is at a cost of \$842.40, which is
5 the combined airfare; and \$217.56 each for hotel; and
6 \$190 in per diem, and reimbursement by HAI Group will
7 be made, once attendance and duties have been
8 satisfied.

9 CHAIRPERSON McDUFFIE: Yes.

10 VICE-CHAIRPERSON RENDINA: Is that the
11 same two guys, Davy Jones, and what's the other guy's
12 name?

13 MR. JONES: Palmer.

14 VICE-CHAIRPERSON RENDINA: For the two
15 trips?

16 MR. JONES: No, Dale Jones is the same
17 guy, but the other guys are different.

18 The first one was Johnnie Jackson
19 (indicating).

20 VICE-CHAIRPERSON RENDINA: And you're
21 Jones?

22 MR. JONES: Yes.

23 VICE-CHAIRPERSON RENDINA: And what
24 about the second trip?

25 MR. JONES: The second one is Dale

1 Jones and Palmer.

2 VICE-CHAIRPERSON RENDINA: So you're
3 the lynchpin to this?

4 MR. JONES: Yes.

5 The next resolution, Commissioners, is
6 the bills.

7 CHAIRPERSON McDUFFIE: Questions on the
8 bills, anybody?

9 COMMISSIONER GUARASCI: I would just
10 say, sort of constant with what I said earlier, I
11 guess I should probably abstain, because I don't know
12 what's in it.

13 EXE. DIR. GORHAM: I would think for
14 the future we will take out and put included as an
15 addendum the --

16 MR. JONES: Yes, we'll do a separate
17 list, because it's all lumped into the Section 8
18 disbursement. So we'll segregate it.

19 COMMISSIONER GUARASCI: Thank you.

20 VICE-CHAIRPERSON RENDINA: That's a
21 good idea.

22 EXE. DIR. GORHAM: Okay.

23 MR. JONES: The final resolution,
24 Commissioners, is seeking retroactive approval for
25 Executive Director, Irma Gorham, to attend -- well,

1 she attended from November 2nd through November 4th,
2 the Mayor of the City of Paterson's Cabinet Retreat,
3 held in Woodloch Resorts, Hawley, Pennsylvania.

4 And the resolution is requesting a
5 retroactive approval of a cost of \$300 for the
6 lodging accommodations for that retreat for the
7 Executive Director.

8 CHAIRPERSON McDUFFIE: All right.

9 Yes.

10 VICE-CHAIRPERSON RENDINA: I was going
11 to make a motion, but I guess not. Keep going.

12 CHAIRPERSON McDUFFIE: Can I have a
13 motion to close the Workshop?

14 VICE-CHAIRPERSON RENDINA: I make a
15 motion we close the Workshop.

16 CHAIRPERSON McDUFFIE: Can I get a
17 second?

18 COMMISSIONER RAMIREZ: Second.

19 CHAIRPERSON McDUFFIE: Mr. Ramirez made
20 the second.

21 Roll call.

22 (At this point in the proceeding roll
23 call is taken and the motion is passed by a vote of
24 five in favor, with Commissioner Bonds, Diaz, and
25 Nation absent.)

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(Whereupon, the Workshop Meeting is
adjourned at 6:07 p.m.)

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C E R T I F I C A T I O N

I, KIM O. FURBACHER, License No. XIO1042, a Certified Court Reporter, Registered Merit Reporter, Certified Realtime Court Reporter, and Notary Public of the State of New Jersey, hereby certify that the foregoing is a verbatim record of the testimony provided under oath before any court, referee, board, commission or other body created by statute of the State of New Jersey.

I am not related to the parties involved in this action; I have no financial interest, nor am I related to an agent of or employed by anyone with a financial interest in the outcome of this action.

This transcript complies with Regulation 13:43-5.9 of the New Jersey Administrative Code.

KIM O. FURBACHER, CRCR, CCR, RMR
License #XIO1042, and Notary Public
of New Jersey

My Commission Expires:
7/11/19