

## MINUTES

Special Meeting  
April 17, 2017

The special meeting of the Housing Authority of the Township of Brick was held on April 17, 2015 at 6:30 PM at the David Fried Community Room, 157 Chambers Bridge Road, Brick, NJ 08723.

The meeting was called to order by Chair Terebush at 5:30PM

The meeting began with the reading of the Sunshine Law Statement.

Upon Roll Call those present were:

Commissioner Jampel	Commissioner Gedrich
Commissioner Russell	Commissioner Dyer
Commissioner Scaturro	Commissioner Terebush

Also present were Executive Director Alesia Watson, and Terry Brady, Board Attorney.

Absent from the meeting was Commissioner Dunne.

### NEW BUSINESS:

Chair Terebush explained that this meeting was being held for a variety of reasons, mainly to provide an opportunity for new Commissioners and those Commissioners that may have missed meetings to ask questions to the professionals whom assisted with the RAD transition. Chair Terebush introduced NW Financial who assisted with the Financial Consulting and McManimon, Scotland & Baumann who assisted with the Legal Consulting Services associated with the RAD transition.

## **NW FINANCIAL:**

Mr. Daniel Mariniello spoke on behalf of the firm NW Financial and explained that they were hired to meet the financial goals to successfully close the RAD program. He provided each Board Member a portfolio breakdown of the structure and the steps that were taken in order to negotiate the deal with the bank. Mr. Mariniello explained how this was vetted and approved by HUD. Each Board member was given the opportunity to ask questions in regards to the loan terms and finance rates or any other financial matter regarding the transition into the RAD program. Commissioner Jampel raised with NW his belief the \$2,400,000 mortgage associated with RAD was not warranted. He explained \$1,000,000 already existed and available for capital improvements along with annual deposits to the replacement reserve. Those two would be sufficient for the next 7 years to carry any capital improvements identified on the PCNA. If circumstances warranted, a line of credit or some other financial product could cover any unexpected needs for any item(s) rather than paying interest on an entire \$2,400,000. The mortgage obtained will unnecessarily cost the Authority approximately \$500,000 in interest payments over the next 7 years and even more after year 7. In addition, Commissioner Jampel raised concerns about not being able to meet the tax exempt bond and mortgage covenants with respect to the required 1.1 debt service coverage. Not meeting the 1.1 debt service coverage would allow the bank to increase mortgage rate from current 3.25% to 8.25% among other remedies available to the bank which could jeopardized the Authority's project. Mr. Mariniello answered all questions regarding the financial structure used to successfully close on the RAD deal.

## **MCMANIMON, SCOTLAND & BAUMANN:**

Mr. Bakari Lee, spoke on behalf of the firm hired to oversee the legal services needed to have a successful closing for the RAD transition. He detailed the steps that were taken to assure that all requirements of HUD were met in effort to close on the RAD deal by the end of the year. He explained in detail how one of the requirements needed was a different entity other than the housing authority be the manager and operator of the authority so the non-profit was formed, this was a goal requirement to close on the RAD transition. Mr. Lee explained how the non-profit was formulated and approved by the Board at the time and reiterated to the Board of Commissioners that they have the control of the non-profit Board of Trustees. There was mention as to why the fees for McManimon, Scotland & Baumann exceeded the contract price and Mr. Lee explained that there was additional requested work such as political letters to Congressman, IRS and sub-division of land that was above and beyond the scope of services in the contract. Mr. Lee answered all questioned that were asked by Board Members in detail he also stated that if additional question were needed in regards to the transaction that was already done or regarding the nonprofit his firm would be available at no charge to the Authority, however if the Board of Commissioners or the Board of Trustees requested changes above and beyond what was already done, then fees for those services would be applicable.

### Public Input

Ms. Mabel Gurski, Forge Pond Resident, complained that nothing is being done at the Authority. Ms. Gurski explained that she has reported to the office and Ms. Watson about several unauthorized people that are residing at the Authority, the building is infested with roaches, also the hallways, stairwell and building are not being cleaned and lastly the security guard is a waste of money because he is not doing anything. Mrs. Watson said she has already dealt with all these concerns Ms. Gurski has noted. Chair Terebush thanked Mrs. Gurski for her comments and to please allow ample time for some of the issues to be addressed.

Ms. Judy Henry, George Conway Resident, asked if cameras can be put in the hallways of the George Conway Building. Kelly Coolack, George Conway Resident also requested that security at George Conway be considered since she had an incident with another tenant that resulted in a police report being filed. Mrs. Watson said she will look into the cost associated with adding cameras to the hallways at George Conway.

### Executive Session

Resolution #2017-10 by the Board of Commissioners authorizing the meeting to be closed to the public for the purpose of discussing and/or reviewing matters exempt under the open public meeting act in executive session, specifically for the purpose of discussing OCHA shared service agreement and the Executive Director employment under shared service agreement; action may or may not be taken upon return to regular open session. Motion to close the meeting to the public was made by Commissioner Russell and seconded by Commissioner Dyer. Upon roll call, all Commissioners voted "Aye". The meeting was closed to the public at 7:20PM.

Chair Terebush opened the meeting to the public at 8:30PM. Vice Chairman seconded the motion. Upon roll call, all Commissioners voted "Aye".

Chair Terebush requested that the Board consider rotating the location of future meetings to alternate between buildings. After a brief discussion Motion to change the April 24<sup>th</sup> meeting to be held at George Conway was made by Commissioner Russell and seconded by Vice Chairman Scaturro. Upon roll call, all Commissioners voted "Aye".

Mr. Furlong, fee accountant for the Authority noted that budget was ready to go before the board for introduction. Chair Terebush asked about the time frame for submission because she feels the Board should have ample time to review the budget. Mr. Furlong said 60 days. Ms. Watson instructed staff to send the Board the budget tomorrow to give them further days to review.

Motion to negotiate with Ocean City Housing Authority the shared service agreement was made by Commissioner Dyer and seconded by Commissioner Scaturro. Upon roll call, all Commissioners voted "Aye".

**ADJOURNMENT:**

There being no further business to be brought before the Commissioners, motion to adjourn was made by Vice Chairman Scaturro and seconded by Commissioner Dyer. Upon roll call, all Commissioners voted "Aye". The meeting was adjourned at 8:45PM.

Alesia R. Watson, PHM RPPO  
Secretary/Assistant Executive Director