

JACKSON TOWNSHIP RENT CONTROL BOARD
MEETING OF OCTOBER 26, 2007
MINUTES

The meeting was called to order at 7:35 PM with a flag salute and reading of the Sunshine Law by Mr. Rumpf.

PRESENT: G. DeVito, R. Cruz, D. Hopkins, N. Stallone, D. O'Keefe, J. Bellu, CPA, B. Rumpf, Esq.

Motion to approve Minutes of October 11, 2007 – DeVito / Cruz O'Keefe – Abstain
DeVito, Cruz, Hopkins, Stallone – Ayes

BILLS - Motion to pay all bills DeVito / Stallone All ayes

CORRESPONDENCE – Regency Club Apartments CPI application.
Table to next meeting.

SOUTHWIND MOBILE HOME PARK – Real Estate Tax Increase Application

Present – Anna Chew, Allison Nagleberg, Esq. for Southwind Park

Ms. Chew and Mr. Bellu were sworn in by Mr. Rumpf.

Mr. Bellu has reviewed the application and finds all information to be in order. The application is for a real estate tax increase of \$1.08 per site per month, with a maximum of \$34.56 per site per month for 250 units effective October 1, 2007.

Motion to approve DeVito / Cruz O'Keefe – Abstain

DeVito, Cruz, Hopkins, Stallone – Ayes

OAK TREE CAPITAL IMPROVEMENT APPLICATION

Ms. Hopkins notes that information requested at the last meeting was just received today.

Ms. Greenberg notes that she does not usually supply information to individual board members.

Present for Oak Tree Park are Kerry Ann Severino, CPA, Lori Greenberg, Esq., Johanna DiAmbrosio and Kurt Blatt

Ms. Greenberg states that they are here to complete the application for the Road Improvement and then for the Metering Issues (cost & credit).

Mr. Bellu has prepared a revised sheet.

Mr. Rumpf notes that he has asked the Township Engineer to generally determine if the costs for paving were reasonable – and he had some concerns as to quantity vs. price, there was some escalation in price. He noted that the cost of the work will increase when a lot of “walk around” work is included. On the face, the board is concerned that the price was inflated.

Ms. Greenberg states that the park put the work out for bids, and took the lowest bid. Best Paving is not related in any way to the park. She further stated that the park cannot compare to what the Township can obtain the work done for. The park has 258 driveways. The park did not put through in the increase approximately another \$50,000.00 worth of work done throughout the park. She has a problem with what is being said. Ms. Greenberg notes that the Township Engineer is not present at the meeting to substantiate what was said.

Mr. Rumpf acknowledges that the township attorney is not present at the meeting. Townships are forced to go out to bid and pay prevailing wage. The engineer made a call to an asphalt plant and obtained a price. It was questioned why there are two separate contracts with two different dates that have the square yardage identical in Phase I and Phase II.

Ms. Greenberg would have like to have known that this information was needed prior to the meeting in order to prepare.

Mr. Rumpf notes that on two documents marked contract "Best Paving" #3 on each page has road square yardage. Quotes are from 6/5/07 and 12/5/06. (Page 32, G1)

Mr. Rumpf is presenting a concern over the price. Both Oak Tree Park and The Board can bring in an Engineer to satisfy the board that the price is reasonable.

Mr. Blatt – the park got four quotes, all were near the same amount, and the park took the lowest of the quotes.

Mr. Rumpf – the quotes are not easily compared.

Ms. Greenberg – will talk with the township engineer, she would have like to have contacted him prior to this meeting. If additional funds are required for an engineer, the application will have to be amended to include the costs.

Mr. Rumpf – the board needs to be satisfied with the cost being reasonable

Mr. Bellu has a question with the number of mobile homes, number of meters purchased – 256 vs. 258 meters purchased, he will address this during the meter portion.

Ms. DiAmbrosio stated that there are empty lots, no meters were installed.

Mr. Blatt states that the meters go under the homes and are inserted in the water line.

Ms. Hopkins – the two lots will be occupied sooner or later, why not purchase the meters now?

Mr. Bellu – by not purchasing, it helps the tenants cost-wise

Ms. DiAmbrosio stated that the park did purchase 261 meters.

Mr. Bellu notes that #4 Exhibit G - \$215.00 discrepancy was for sales tax that was cut off the page.
#5 Exhibit H – Oak Tree Accountant has forwarded information as to why the terms do not match, again the residents benefit.

#8 – amount should be \$9.27 as opposed to \$9.26

Mr. Bellu notes that the application for Capital Improvement is mathematically correct.

PUBLIC

Charles Koch – 25 Antonia Drive – states meters have been on the houses since 6/25

Ms. Greenberg states that Mr. Koch has an open suit against the Park, this matter cannot be discussed.

Ms. Hopkins – notes that this cannot be discussed

Fred Jager of 46 Antonia Drive – notes that some skirts were removed / damaged when the meters were installed. Will they be repaired?

Mr. Blatt – most were repaired, the others will be repaired

Ann Sebastian of 8 Antonia Drive – questions the meter credit

Ms. Hopkins advises that this presently is for the roadway improvement

Ms. Hopkins states that it is her opinion that the park has done everything that it can do. They got bids for the road work. The driveways were in need of work, they went for the mortgage over 15 years to save money. If engineers are brought in, it will cost more money. The bids of the four pavers were close. If Capital Improvement is not allowed, the park will go for a Hardship increase.

Jackie Douglas of Fountainhead Park – questions if Oak Tree engineer would have to appear.

Ms. Hopkins states that both would have to appear.

Mr. Blatt states that there was grading done on Alissa Terrace that is not in the quote, to alleviate the flooding. The mason crew did the sidewalk and curb repair. Extra milling was done by the paving company and more asphalt was needed in the low areas. Some of the driveways had to be cut back and were regarded. This work was not in the original proposal. All of the additional work is documented.

Mr. O'Keefe questions that when the job was bid was it bid on square foot or tonnage?

Mr. Blatt notes that it was bid on square footage.

Mr. O'Keefe notes that when a vendor bids on square footage it is their job to make it work.

Mr. Blatt – didn't know the final yardage due to the driveway repair. The height of the curbs and sidewalks changed.

Ms. Hopkins questions if all four of the contractors got a chance to bid after the heights were changed?

Mr. Blatt stated they did not. The extra work added approximately \$28,000 .

Mr. DeVito states that at the last meeting residents noted that some driveways sustained damage, questions if they have been repaired?

Mr. Blatt contacted two companies, one did not respond, the other will be out tomorrow.

Ms. Hopkins questions the \$10,000 for the first phase

Ms. Greenberg states that this was included in the vote, the estimate at the time of the vote was \$230,000, the actual cost of the project was \$272,000.

Ms. Hopkins asks if there is any room in the \$42,000 to give back

Ms. Greenberg states that there was \$8,000 that came in August that was not included in the amount. There is also loss in vacant properties. The park has already given a considerable amount.

Ms. DiAmbrosio states the letter for the vote was dated 9/2006. Every time the price of oil rose, the price went up. The contract was signed in June, last quote was June 5, 2007.

Fred Jager – questions at the last meeting there was 900' of paving for a driveway.

Ms. DiAmbrosio states this was for another home on the property, a rental unit. This will be deducted from the amount. 569 Diamond Road in the amount of \$2,700.

Mr. O'Keefe questioned the curbing.

Mr. Blatt replied that the curbing was installed around April 12, the leveling was mentioned in the original contract, and the amount was based strictly on square footage, but was not included in the original bid.

Gary Miller of 48 Boxwood – Maple Glen asked if a site plan was put in for.

Mr. Blatt – re-did the existing roadways using existing drains.

Pat Storm of 99 Antonia Drive – residents were promised a discount

Ms. Hopkins – we are not at that phase yet

Ms. Storm – it is not fair, the roads were neglected for 37 years, the park passed 100% of the cost onto the residents. Should only be responsible for 50% of the cost.

Mr. Blatt stated that the park is only coming in for a clean capital improvement. The park has put up a pole barn at \$30,000, the new well - \$20,000, a new tractor - \$26,000 all of which the park is not applying for.

Nancy Lie of 68 Antonia – board told the park to put the new well in and not charge the residents.

Ms. Hopkins – the board does not have the power to tell the park to put in a new well

Ms. Severino – if these amounts are not recouped, the park may have to be sold. Many expenses are not passed on to the tenants. The pump station cost \$600,000 and was required by the State.

Mr. DeVito will abstain from voting as he has a relative living in Oak Tree Park.

Sally Trainly of 21 Larissa Lane – questions what is a ‘hardship’

Ms. Greenberg explains that under the Ordinance if net expenses are not 65% of the net revenue, the park can go for a rent increase for a fair rate of return.

Jason Gudiatis – questions if the other three paving companies had the chance to bid on the road leveling.

Mr. Blatt noted that Best Paving was the lowest, the other three would have to use the same amount of asphalt. The other three did not bid on the leveling.

Motion to approve Capital Improvement Increase for Oak Tree Mobile Home Park in the amount of \$9.18 for a 15 year period for roadway improvements. Total amount \$269,743.48 (amount of \$2,700 deleted for the 900’ driveway) effective September 1, 2007

CAPITAL IMPROVEMENT FOR METER INSTALLATION – OAK TREE PARK

Mr. Bellu notes that the tenants have voted and approved the meter. The park is asking for 15 years on the mortgage. \$9.21 subtract \$5.18 (credit for old sewer) equals \$4.03 increase per month, per site for both roads & meter.

Ann Sebastian – original amount of credit was \$12 and change per home. Amount has been going up.

Ms. Greenberg – 2002 converted from private to public sewer, cost passed on to residents via capital improvement increase. Residents paying for public sewer are entitled to a credit.

Ms. Severino – meter total cost \$93,807.32. Jackson Township charged for individual permits. This resulted in a charge of \$2.02 per lot, per meter, interest on the loan at 6.62% was \$1.17. Meter reading and maintenance cost \$3.10, includes reading, billing and maintenance. Total meter cost per site per month \$6.29 per unit per month. Credit based on private sewer, the last year being 2002. Private sewer cost per month \$3,800. Pump station upkeep \$841.60. \$2958.76 divided by 258 sites equal \$11.47 decrease. \$11.47 subtract \$6.29 equal \$5.18 credit to tenants.

All meters have been installed.

The park owns the meters. They will be replaced at no cost if they should fail. The \$3.10 metering fee is fixed for five years.

Fred Jager – has a letter from 2004 stating the credit was \$14.59

Ms. Severino – the permit fees were not figured in to the final cost. Bids came in higher at the time the project was done.

Charles Koch – should have left status quo

Ms. Hopkins – park was ordered by the State to go to the public sewer

Jackie Douglas asks what metering company the park is using.

Ms. DiAmbrosio states it is using Vista.

Nancy Lie – states that the park has always helped her out.

Lincoln Wadsworth – questions the \$3.10 paid to Vista for metering reading

John DeFreola – how does he read the meter.

Ms. Hopkins advised to contact the people at Vista or ask Mr. Blatt.

Motion to approve Capital Improvement increase of \$5.18 for meters. There will be one free month meter reading. Effective date December 1, 2007. CRUZ / Stallone O'Keefe and DeVito – Abstain
Hopkins, Stallone, & Cruz – Ayes

Ms. Greenberg states that if the increase was paid previously, the amount be refunded or credited in December.

Motion to amend Capital Improvement motion for roadway improvement to be effective December 1, 2007
CRUZ / DeVito Hopkins, Stallone, Cruz & DeVito – Ayes O'Keefe – Abstain

Meeting of November 8, 2007 will be held in the lounge due to a conflict with the Township Council meeting of that date.

Meeting adjourned 10:07 PM

Minutes prepared and submitted by:

Kathleen Sevckenko
Secretary