

MINUTES

REGULAR MEETING

MARCH 21, 2012

A Regular Meeting of the Gloucester Township Housing Authority was held on March 21, 2012 at the Community Center located at Gloucester Township Senior Campus I, Gloucester Township, New Jersey.

Opening statements were made by Board Chair Carlamere.

The meeting was called to order by Board Chair Carlamere at 7:00 p.m. A roll call for attendance was taken:

COMMISSIONER BUCCERONI	PRESENT
COMMISSIONER FONTANEZ	PRESENT
COMMISSIONER GANSIAM	EXCUSED
COMMISSIONER KNAPP	PRESENT
VICE CHAIR PICCOLO	PRESENT
COMMISSIONER WASHINGTON	PRESENT
BOARD CHAIR CARLAMERE	PRESENT

Also in attendance were: Roy E. Rogers-Executive Director, Debbie Calabrese-Operations Manager, Dan Hutchinson-Council Liaison, Frank Borin-Solicitor and Bill Harla-DeCotiis.

PLEDGE OF ALLEGIANCE

Board Chair Carlamere: Before we get started, I'd just like to welcome the public. If you can't hear us for some reason, let us know.

APPROVAL OF MINUTES:

Commissioner Bucceroni made a motion to approve the minutes from the Regular Meeting of February 15, 2012. Commissioner Knapp seconded the motion.

A roll call was taken:

COMMISSIONER BUCCERONI	YES
COMMISSIONER FONTANEZ	YES
COMMISSIONER KNAPP	YES
VICE CHAIR PICCOLO	YES

COMMISSIONER WASHINGTON	YES
BOARD CHAIR CARLAMERE	YES

Vice Chair Piccolo made a motion to approve the minutes from the Executive Session Meeting held on February 15, 2012. Commissioner Bucceroni seconded the motion.

A roll call was taken:

COMMISSIONER BUCCERONI	YES
COMMISSIONER FONTANEZ	YES
COMMISSIONER KNAPP	YES
VICE CHAIR PICCOLO	YES
COMMISSIONER WASHINGTON	YES
BOARD CHAIR CARLAMERE	YES

PAYMENT OF BILLS

Commissioner Knapp: I have some questions in regards to the bills. In the February meeting I had questioned the bills from DeCotiis in regard to the size of the bill. My concern is at that point the bill was nine-thousand dollars. I had asked if that was going to continue to be the case. It appears that this months bill is three times that at twenty-eight thousand dollars. Based on what we're paying annually for a retainer and what we've paid, in two months we've already exceeded what we paid our former solicitor. I'm extremely concerned at the rates and matters at which we're being billed.

Board Chair Carlamere: Would you like to address that...

Bill Harla: Yes. I'm a member from the management committee and I'm overseeing the litigation also for this, so I wanted to come here tonight for two reasons, one I know you've met Frank and Amy, but for many of you I just wanted to come down and answer questions about the firm as we're relatively new counsel here. I also wanted to speak to you about the litigation. I know we're in a public session, but I think I can speak generally to it. I want to address your questions Commissioner Knapp with respect to the bill because I think it's a fair question. It's always an appropriate question to ask about how you spend public funds for legal services. This case is involved in a claim for one-

point-eight-million dollars. It's a very significant matter and to answer your questions, both the ones you had at last month's meeting and today. The reason the bills are probably higher than you are used to seeing are several. One is we took over this matter, one that has been pending for three-years, so of course it's always a file review. We received five or six boxes of rather significant files, but I think more importantly, just to put the work in context, there's been a dramatic shift in the way the case is being handled from your prior counsel and there have been significant developments, even from the last meeting that I believe accounts for this fee. We've obtained a Stay in the State Court proceeding, which we do not believe was the correct forum to be pursuing this matter because at the end of the day this is a matter that is ultimately going to involve HUD and the lawsuit at the State Court didn't have any ability to go after HUD. So we've obtained a Stay of the State Court matter so that there will be no further legal work done for the state matter and in my view that was not the best use of attorney resources to spend money in that forum. We have now filed a new complaint in the Federal Court so a lot of that work, and if you look at your bill closely you will see we provided very detailed bills. You'll see there is a lot of work there from Gregory Bevelock, who's one of our really senior Federal Court litigators. This is a complex case and it is a very important case for the Authority because if it doesn't go well it could really hurt the finances of the Authority. So when you bring an action to Federal Court and when you sue the Federal Government you have to be really careful about dotting the "I's" and crossing the "T's", making sure you have appropriate jurisdictional prerequisite and the law has also been changing in this area, given the kind of contract you have with HUD and laws change with respect with how their claims can be, how you can sue and how you can get money from HUD. So we had to research, we had to go through all the files, figure out a litigation strategy, research the Federal Law to make sure we were acting appropriately on behalf of the Authority, draft the complaint, and if you read it, you should have a copy of the complaint somewhere I presume in your information packet, but I think you'll see it's a pretty detailed document. That all takes a fair amount of time, and I think, in my view it was expeditiously done. So we filed that complaint. What does that mean for the Authority? It means that now for the first time in three years we have all the relevant parties in a single litigation in Federal Court. Instead of Franklin

Square pointing the finger at us and we pointing the finger at somebody who's not even in this case, we now have HUD in this case. They haven't answered yet because they have thirty days to answer. But that's going to really start the ball rolling in terms of getting, I hope a negotiated settlement. There's always in these litigation matters an evidence flow. A lot of the work always occurs in the beginning so the bills do spike a little bit. Nine-thousand then turns into twenty, but just to give you some expectation of what's coming, the bill, the prebills for March, and we're already at March 21st are eight-hundred dollars for this month. So you're not looking at a straight upward projection. We had a rather difficult task and we're also facing statutes of limitations that if we didn't meet, that would have foreclosed us entirely from bringing HUD in. Always anytime you're fighting a clock, also that unfortunately raises, requires a little more time to make sure everything is done right, so the short of it is, that's my view of it in terms of why it's a little higher than you might normally see. The fact is we're now declining in terms of fees. I think at the end of the day, in the long term you'll be much better off because now you have the litigation in the proper forum and you're gonna be able to manage it and hopefully get a settlement, that spares you to exposure of one-point-eight-million dollars. So it's a significant claim and sometimes we have to spend a little bit of money to protect your interest. In a thoughtful way, that's what we're trying to do here.

Commissioner Fontanez: Do we recoup any of the attorney's fees?

Mr. Harla: It's a contract action, we're not going to be able to recoup those fees. There's no fee shifting provision, there are some kinds of litigation, civil rights being the most common, where you can, if you're the prevailing party get your money back, but this is really just a contract action, so there's really not a basis to do that. But right now again, the main point is, from my prospective, is you have a potential claim of one-point-eight-million that was kind of sitting in State Court and it's true you weren't spending a lot of money on lawyers, but you weren't accomplishing anything either. So the goal is to get in this case, have it in the proper forum, with the proper parties who can protect you and get rid of the case. That's the goal.

Commissioner Knapp: Can you explain the difference in billing rates for your associate? One rate is ninety-five an hour; one rate is one-fifty an hour?

Mr. Harla: Let me explain that, we have, I think we have a flat rate of one-hundred-fifty for all attorney time, and then we bill paralegal time at ninety-five dollars an hour. But partner...

Commissioner Knapp: I'm not questioning the partner. You got associate Alice Pena billed at eighty-one hours at one-hundred and fifty dollars an hour, then the same person for one hour at ninety-five dollars an hour.

Executive Director Rogers: I think that was travel time.

Mr. Harla: We have an agreement to charge travel at a ninety-five dollar an hour rate as opposed to the regular attorney's rate. A lot of government entities we do charge the full hourly rate for travel, attorneys charge to get back and forth places. In the case of this litigation, we've agreed at request of the Chair and the Executive Director to charge a lesser rate for travel, which is by the way, I'm not billing any of my time tonight, as I said I came because I wanted to meet everybody, introduce the firm to you and explain the litigation, but we're not billing you for my appearance tonight Mr. Borin is capable of saying what I said, but I thought it was important because I knew it was a concern to you, to come and address it to you directly.

Commissioner Knapp: Thank you.

Council Liaison Hutchinson: I'm Dan Hutchinson. Do you know, off the top of your head, when the statute is going to expire, with regard to bringing HUD in? If you don't have the answer, that's fine. Was it close?

Mr. Harla: It was close. I know it was close, but I don't have the dates in my head.

Council Liaison Hutchinson: If it expired, would that have preventing us from pointing to HUD?

Mr. Harla: It would have been really hard to get them in, we'd probably still be pointing, but we'd be in a State Court Action stating it's really not our fault, it's those guys fault. It's a lot better to make that argument when you have them in the case, because then the judge turns and says well why can't you throw some money in there HUD, so you really want them in there.

Solicitor Borin: I think, yeah, to answer your questions, there's a chance, it's kind of a rolling affect, because some of the claims go back, against HUD, go back for six-years. It's possible they could still raise that as a defense in the Federal Action but then you come in and say part of this claim is foreclosed by the statute of limitations. The importance from our prospective was instead of this thing sitting in State Court, getting it filed in Federal Court quickly in order to forego any further statute of limitations arguments.

Council Liaison Hutchinson: The point I wanted to make it this, I don't want to say thank you for billing me twenty-eight thousand, thirty-seven thousand, forty thousand, I don't want to say thank you for that necessarily, but I think we all have to understand, if we're talking about a one-point-eight-million dollar case, in asteroid terms that would be, what, a disaster, and you can't have that. Sometimes you have to pay for the right advice, which is your protection.

Commissioner Bucceroni: I agree, I agree.

Mr. Harla: In this case you're up against the justice department, they're very skilled lawyers, so it's a sophisticated matter jurisdictionally and the law is somewhat intricate, especially there is a fair amount of law across the country on these kind of suits involving payments from HUD through a conduit authority to the building owner and there are national law firms involved and I believe, if I'm correct Frank, that Franklin Square here

has a national firm as well that bring these kind of suits across the country, so it's not just like a local lawyer bringing a lawsuit against you, it's more global than that and they have...

Council Liaison Hutchinson: You're on thin ice, I'm the local lawyer.

Mr. Harla: I don't mean that, we're local too, we're local all the time, it's just that with these guys that's all they do nationally. I mean we compete that way too, we're the local guy, you know so I'm not disparaging it because we're in that situation Dan. You know these are guys who go from state to state to state bringing these lawsuits and that's what I meant.

Board Chair Carlamere: Okay, thank you very much. Art did you have any more questions?

Commissioner Knapp: Archer & Greiner, why are there two different invoices for two different matter numbers?

Executive Director Rogers: Art, is that, I think the bill is five-thousand...

Commissioner Knapp: Fifty-five hundred, but there's two different matter numbers. One is RE: Code Electric and one says corporate. I only remember hiring Archer & Greiner for Code Electric, I don't remember us approving them to do any other work at any point.

Executive Director Rogers: I'm sorry I don't...the invoice I'm looking at, I don't see any different page numbers.

Commissioner Knapp: Look at the matter number in the upper right corner.

Executive Director Rogers: Okay, invoice number?

Commissioner Knapp: Matter number, one says GLO 132, the other one is GLO 133. One says RE: Code Electric contractors the other says corporate.

Executive Director Rogers: Okay, I'm sorry I don't have the 133. Okay I see what you're talking about, 133 would be quote/unquote legitimate, which is Code Electric. The 132 is corporate, which means, I think that's the transition period between turning the litigation regarding Franklin Square from Archer Greiner to the DeCotiis Firm.

Commissioner Knapp: When did Archer and Greiner ever get approved to do the lawsuit for Franklin Square? Dennis handled it up to our re-org. then at that point we paid DeCotiis all nine-thousand dollars in January, in February.

Board Chair Carlamere: There was a point where Sarrubi's office was taking over the litigation and then it was determined that, and you weren't here for that meeting, it was determined that they could not because of the conflict of, a client conflict.

Commissioner Knapp: Well, I mean if a law firm is taking on business, should they be aware prior to billing that there is a conflict?

Board Chair Carlamere: Archer Greiner is a very large firm so what they have to do is, when a case is developing and they run it through their system, and then they determine whether or not there is a conflict.

Commissioner Knapp: So we've have to pay whatever it is because they determined there's a conflict, for work that they really shouldn't have done under a conflict.

Board Chair Carlamere: Was there work also done, I don't remember offhand Roy, was there work also done with regards to, I can't even, in the beginning of the year, in the beginning of January after we changed our...

Executive Director Rogers: Our Re-organization was January third right?

Board Chair Carlamere: Yes.

Commissioner Knapp: What they did January third was in regards to GTHA and Code Electric.

Executive Director Rogers: Art the last two entries on there were for a tenant eviction issue that we had here. And that was, went along with Mr. Riley's, all of his current litigation was transferred to Archer Greiner.

Commissioner Knapp: Which is what matter number?

Executive Director Rogers: I'm sorry. On the second page of corporate, it's two hours total on February the seventh.

Commissioner Knapp: Okay, so out of six, twenty-three, roughly twenty-six hours, only two, as far as I'm concerned, were legitimate hours that should be paid for. Whether it was a conflict they should have known it was a conflict and we shouldn't have been billed for those hours.

Vice Chair Piccolo: I don't think they knew until they did a search. I mean it was a case where we appointed them special counsel to handle the matter. I believe they went through the process of taking over the case from our previous solicitor, and I think at some point in time, and it wasn't long after they took possession of the documents the search came back, I don't know, I wasn't part of that conversation, but I was notified that through an extensive search, there was a conflict in their extended..

Board Chair Carlamere: While they were doing the conflict search they were already starting to get up to speed because, if we all remember correctly, there was a court date before the judge.

Vice Chair Piccolo: I can see in here where there is a substitution of attorney from, they had done work and there was a substitution of attorney on January 25th. I guess from work that was already done and handed over to DeCotiis, is that accurate?

Solicitor Borin: They were, Vince Sarrubi was substituted into the case from when we took over and then we substituted so he was officially in the case.

Board Chair Carlamere: And then I would imagine the four-twenty from Riley & Shovlin was just a clean up bill for that month. Any other questions? If there aren't any more questions I'll entertain a motion to approve the payment of bills.

PAYMENT OF BILLS

Commissioner Bucceroni made a motion to approve payment of bills. Commissioner Washington seconded the motion.

A roll call was taken.

COMMISSIONER BUCCERONI	YES
COMMISSIONER FONTANEZ	YES
COMMISSIONER KNAPP	NO, I feel very uncomfortable with the Archer & Greiner situation
VICE CHAIR PICCOLO	YES
COMMISSIONER WASHINGTON	YES
BOARD CHAIR CARLAMERE	YES

EXECUTIVE DIRECTORS REPORT

Executive Director Rogers: We have a couple items we have to go into executive session on which I will not discuss at this time. We had a gentleman here a few days ago from the administrative office of the Camden County MUA. They evidently, not evidently, their pumping station over there in back of those fifteen acres that we own, well they just found out it no longer has fire protection. The sprinklers are not hooked up because we evidently severed a line, put a valve on and shut it off and it runs across our property nobody could trace it. I am just guessing this, anyway, I put him in touch with Steve Bach. I had a conference call with him right here in my office and they seemed to be happy. They're not really, they just want to get it hooked back up, they're not holding us responsible.

Commissioner Knapp: But we researched that and could never find what it was for.

Executive Director Rogers: That is what I told him.

Board Chair Carlamere: What was the gentleman's name?

Executive Director Rogers: Woody Minner. He's the safety coordinator with the MUA.

Vice Chair Piccolo: Is there an easement?

Executive Director Rogers: Most likely, I hope there is, but I don't know of a major problem, it was probably just cut off at the edge of our property. I told him if we have to dig under asphalt, whatever we have to do, we'll help him correct the problem. They seem to be cooperative. An inspector, a fire inspector, from I don't know where, actually inspected that for a couple of years and passed it. But they got a new inspector and he found out they don't really have water in their sprinkler system. I just wanted you to be aware of it in case you heard anything. Also the residents are cooperating with us very well and they seem to be somewhat happy, so I got together with the Residents Association, I just want the Board to be aware of it, that I extended the dog roaming area, on leash, to the court yard.

Board Chair Carlamere: On leash?

Executive Director Rogers: On leash. The residents have promised and there's probably only, the maximum number of dogs we have here is four out of seventy-five apartments and two of them would probably be the ones to use the court yard, but I just think it's something that we should allow.

Board Chair Carlamere: I have a question Roy. With regard to the leaving the dogs out, is there a mechanism to clean up after the dogs?

Executive Director Rogers: Yes, we have a doggie station and we have a walk area and they use it, they're pretty good. The doggie station consists of baggies to clean up the dog waste and stuff like that. Again we only have four dogs out of seventy-five apartments.

Commissioner Bucceroni: What's worse than the dogs is the geese out there, they're killing you guys in that parking lot.

Commissioner Fontanez: What about the township ordinance, is that...

Executive Director Rogers: No with our five acres as long as the dog's on a leash we're okay. We don't let them loose, I don't want to be responsible; I've had small dogs bite me before. But I just wanted the Board to be aware in case...

Board Chair Carlamere: I have a question for you Roy. As to item number six on the report with regard to the stove, do you have an update on that?

Executive Director Rogers: Yes, I was going to give you an update on the stove. On the stove we have an individual, I believe it's Little Knothole, that's in the process of trying to see what's the best way to do this. They have to bring in an HVAC guy for the vent, but we are working on it, in fact I think he's going to be here tomorrow morning.

Board Chair Carlamere: What about the code?

Executive Director Rogers: With the code, there's a good chance we could, we were going to vent it up through the roof, which we have to put a safety rail, we're looking to send it out the side, there's nothing over there, no yard, it is empty space, no one congregates there.

Board Chair Carlamere: Will that comply with fire inspection?

Executive Director Rogers: I checked with the fire inspector, Mr Horner, and he said well there's a restriction in the township, you have so many feet from the adjacent property, but I can't imagine. We'll find out. I've got to get a permit to do it. In fact I'm keeping my fingers crossed on that because I just can't imagine...

Commissioner Knapp: Well I'm sure the adjacent property wouldn't be an issue.

Executive Director Rogers: I hope not, but we are working on that. And speaking of that we're also, and I'd like to ask Mr. Piccolo if he would call his friend Joe Connell. We met with Joe, I sent everybody an email, we met with Joe and he was very, very cooperative and he was more excited than we were about doing all the projects because troops are looking for projects, and I committed myself to at least one of us being here anytime they're here, but on Saturday and Sunday if they need me, they could have full access of course to our rest rooms, community room to meet. We would furnish food. Mr. Connell indicated if we give him the gas grills he would be glad to cook for the scouts on the weekend while they are working here. We agreed that we'd pay for all the materials, which is something they normally don't get priveledge to. We don't need to do it of course tonight, but I'd like to have the Board keep in the back of their mind, I think we should make some type of donation to the troop for all their efforts.

Vice Chair Piccolo: You probably don't need or want to do that, I think it's probably frowned upon.

Executive Director Rogers: Oh, Okay.

Vice Chair Piccolo: They are volunteer.

Executive Director Rogers: But I didn't mean the troops, I meant the...but they do do a lot of fundraising. For example they have a popcorn fundraiser going on right now, they

have in the middle of April, they sell mulch, various kinds, including licorice mulch, which is a...

Commissioner Knapp: Well we're going to need mulch for here.

Executive Director Rogers: Right and they get a dollar a bag profit off that. They made nine thousand dollars last year they told me so. I want to support them any way we can on something like that.

Vice Chair Piccolo: I agree. They're excellent free labor, they're better than outsourcing to China.

Commissioner Fontanez: We could give them a nice plaque for doing it.

Executive Director Rogers: I discussed that with them and I told them that we would commit to doing it. If they put up the gazebo, there will be a brass plaque there. If they put up the bocce ball court, there'd be a brass plaque there. And we'll see if we can get some township officials to be involved as well as the resident group, hopefully we can get the job done. I was surprised, former Commissioner Dority, and I'll just hand these out to you guys just for information purposes only, he stopped in here from the church in Washington Twp. and I did not want to, I wanted to be as discreet about it as I could, and I had one of our residents hand out these flyers and last Thursday several of our residents went there and they were warmly greeted and the ones that deserved it were given food baskets, so I thought it was a generous move, and I think he gave me that literature on a Wednesday, and on Thursday the residents were over there picking up their food. That is the third Thursday of every month. Thanks to Laura Power everybody was invited to a St. Patrick's Day party, but we didn't have anybody show up. All the commissioners got the invite right?

Commissioner Bucceroni: No, I don't think I remember seeing that.