

MORRISTOWN HOUSING AUTHORITY
BOARD OF COMMISSIONERS
31 Early Street
Morristown, New Jersey 07960
Monday, June 9, 2014
Commencing at 6:00 p.m.

RE: Special Open Public Meeting

TRANSCRIPT
OF THE
PROCEEDINGS

M E M B E R S P R E S E N T:

VERA WHITE, Chairperson
MICHAEL A. CHERELLO, Vice Chairman
MARY DOUGHERTY, Commissioner
DOROTHY HOLMAN, Commissioner
MARION E. SALLY, Commissioner
EDWARD RAMIREZ, Commissioner
FRANK VITOLLO, Commissioner

A L S O P R E S E N T:

LEANORA GROSS, Acting Executive Director
ALISON DEEB, Council Liaison
JOSEPH SARDINA, Proceed, Inc.
MARK HYET
JOSEPH CLARK

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

JOSEPH MANFREDI & ASSOCIATES, P.C.
50 Harrison Street
Hoboken, New Jersey 07030
BY: ALBERTO CAMACHO, ESQ.
Attorney for the Morristown Housing Authority

REPORTED BY:
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1 CHAIRPERSON WHITE: I, Vera White,
2 chairperson of the Board of Commissioners of the
3 Housing Authority of the Town of Morristown and
4 presiding officer at this meeting do hereby state
5 that it is now six o'clock in the evening on June
6 9, 2014, and we are convening at 31 Early Street,
7 Morristown, New Jersey, and do hereby announce
8 publicly that proper notice of this special
9 meeting has been provided in accordance with the
10 New Jersey Open Public Meetings Act.

11 (Whereupon, roll call was taken.)

12 COMMISSIONER CHERELLO: We doing
13 all this in public or going in private?

14 CHAIRPERSON WHITE: It's a public
15 meeting.

16 MR. CAMACHO: There's no pending
17 litigation at this point. I don't see there's
18 any issues to discuss necessarily in closed
19 session, unless the board would rather have their
20 discussion in closed session.

21 CHAIRPERSON WHITE: Did we need to
22 open the floor to the public?

23 MR. CAMACHO: You can at this
24 point. I think the best way to proceed, Madam
25 Chair, is just to have the presentation made on

1 the resolution, and then we can have the
2 discussion.

3 CHAIRPERSON WHITE: All right. So
4 we'll now have the presentation.

5 COMMISSIONER CHERELLO: Do we have
6 a resolution?

7 MR. CAMACHO: No, I don't think at
8 this point we do.

9 CHAIRPERSON WHITE: We will have
10 the discussion on the -- we will have the
11 presentation.

12 MR. CAMACHO: If you want to put
13 the resolution on the record first.

14 COMMISSIONER SALLY: Do you have
15 it?

16 MR. CAMACHO: No, I don't have the
17 form resolution, but the resolution would be to
18 approve the project with regard to the boilers
19 replacement at 29 Anne Street.

20 COMMISSIONER CHERELLO: I make a
21 resolution that we hear the presentation.
22 Because there's other things involved, other than
23 just the boilers.

24 MR. CAMACHO: Exactly.

25 CHAIRPERSON WHITE: Could we get a

1 second on that?

2 COMMISSIONER DOUGHERTY: I'll
3 second.

4 (Whereupon, roll call was taken
5 and all voted in favor.)

6 CHAIRPERSON WHITE: You can make
7 your presentation.

8 MR. SARDINA: Hello. Once again
9 my name is Joseph Sardina. I'm with Proceed. We
10 are a non-profit agency that administers
11 weatherization and home energy assistance --
12 well, weatherization to Somerset, Union and
13 Morris County, and we also do home energy in just
14 Union County. I had approached the housing
15 authority. Mark Hyet approached me to see what
16 we can do to help you guys to improve heating,
17 possibly windows, update energy burdens, if at
18 all possible. Some of the things we put together
19 is that the 29 Anne Street project, which is
20 something that we're considering replacing the
21 heating systems there. The heating systems are
22 running at about 73 percent efficiency. We're
23 looking to put 90 plus efficiency heating systems
24 in. We're looking to change out the windows with
25 low-E glass windows. Of course they would be

1 metal windows and they would conform to your
2 local code. We are also looking to change out
3 the refrigerators. A lot of the refrigerators in
4 that building are older than ten years old.
5 Today any new refrigerators you buy today consume
6 roughly half the kilowatt of a ten year old
7 refrigerator. We are looking to change out
8 lighting in that building. From our previous
9 meeting I was not able to promise you lighting
10 because we don't know if I can get the audit to
11 bring it up. We did get the auditors to come
12 over and do the testing, and we did do the equip
13 audit on it, and it did allow for the lighting to
14 be replaced in all three buildings. But we're
15 mainly talking about 29 Anne Street right now.

16 The boilers, the important thing
17 right now is getting these boilers to come
18 through, because there's a time frame in a sense
19 of ordering the boilers, tearing down and
20 everything. I did forward what would be a bid
21 package, and I did -- I'm not sure if you've seen
22 some of this bid package, there's some red
23 writing in here. Red writing basically means you
24 may have to change or we will take out this
25 information. And just say for instance, and this

1 has been with other housing authorities, doesn't
2 necessarily mean applies to Morristown Housing
3 Authority, but because the MHA is a tax exempt,
4 and it could supply to the bidder a New Jersey
5 ST-3 form, which would be to be able to buy the
6 boilers with a tax exempt. If you can do that,
7 that's great, if you can't, the contractor has
8 got to know he has to pay taxes on those
9 boilers. And also sometimes with other housing
10 authorities the city has been willing -- you
11 still have to get the permit but it has waived
12 the fee. If that may be the fact here, that's
13 fine. If it's not, it will be in the bid package
14 saying the fees must be included in the cost.

15 Some of the other things
16 basically, I'm not sure, I know I just handed
17 these out to the board, but I had forwarded it to
18 Mr. Manfredi and Mr. Camacho, and I did forward
19 it to them, and hopefully they reviewed some
20 stuff. Like I said, there is some stuff in red
21 that does have to be modified in a sense of time
22 frame of when it's going to be finished, what
23 we're expecting, any delays, how much is the
24 contractor going to be fined, that kind of
25 stuff. Okay? For instance, just here, \$500 a

1 day fine was basically what would be to the
2 contractor.

3 COMMISSIONER DOUGHERTY: What page
4 are you on?

5 MR. SARDINA: I don't have the
6 pages marked on here. The only ones marked are
7 the actual bid specs.

8 CHAIRPERSON WHITE: What would he
9 be fined for?

10 MR. SARDINA: Time completion.
11 And just basically it explains if awarded the
12 contract, the undersigned agrees to entirely
13 complete all work, and properly discarding the
14 existing heating system and replacing with three
15 high efficiency -- it explains everything. And
16 there's also, if he doesn't meet the deadlines,
17 it's a possibility we're going to end up charging
18 him \$500 per day that he's not finished. In this
19 case, I don't know if we need to do that because
20 we're not in the heating season. But to protect
21 us we do have to do -- give something, because we
22 can't have a contractor just drag it on. And the
23 other thing is the contractor will not be paid --
24 he'll only get two payments from me. Once the
25 equipment is delivered and secured, that's our

1 first payment to him. The last payment is when
2 the city comes, inspects, he gives me the
3 inspection certificates. I come with a state
4 inspector to inspect, and at that point within a
5 seven day period we issue him up to 90 percent of
6 the payment. We usually hold ten percent as a --
7 just in case anything goes wrong for a period of
8 time. That we would have to establish.

9 I told you about the fee part.
10 It is a prevailing wage payment, so we would have
11 to pay the prevailing wage for Morris County.

12 COMMISSIONER CHERELLO: Doesn't
13 necessarily have to be union.

14 MR. SARDINA: No, it does not have
15 to be union.

16 COMMISSIONER RAMIREZ: If you're
17 going to pay prevailing wage why wouldn't you use
18 union?

19 MR. SARDINA: Because basically we
20 make it fair across the board for anyone to bid.

21 COMMISSIONER RAMIREZ: You can
22 have non-union people bid --

23 MR. SARDINA: If a union
24 contractor would come to bid, we wouldn't say you
25 can't bid.

1 COMMISSIONER RAMIREZ: These guys
2 are trained to do this work.

3 MR. SARDINA: I completely
4 understand. With us, it's not necessarily the
5 lowest bidder, it's the lowest responsible
6 bidder. So basically it's not that we're anti --
7 we're hardly anti-union.

8 COMMISSIONER CHERELLO: They're
9 not excluded.

10 MR. SARDINA: Absolutely not,
11 they're not excluded.

12 COMMISSIONER RAMIREZ: You're
13 familiar with our bidding rules. They prevail
14 here. The procurement rules of the housing
15 authority, which is state and federal --

16 MR. SARDINA: That's why I
17 included the housing documents in this, because
18 we do follow that.

19 And right along, I should have
20 had these bookmarked, the actual bid package ends
21 up starting with the bid to noticer, and it's --
22 I'm very sorry, I should have had red tags. It
23 explains what the contractor will do, what he's
24 going to install, pre-bid meetings that I would
25 need to determine what time would be a pre-bid

1 meeting for the contractors to review, invitation
2 to bid.

3 COMMISSIONER VITOLO: Can I ask a
4 question? I wasn't here last week. Proceed is a
5 non-profit organization out of Elizabeth --

6 MR. SARDINA: Yes.

7 COMMISSIONER VITOLO: -- that
8 services the Hispanic community.

9 MR. SARDINA: Absolutely not.

10 COMMISSIONER VITOLO: What's the
11 mission of Proceed?

12 MR. SARDINA: We're a non-profit
13 organization to help low-income families save
14 energy efficiency. During the ARA, when ARA was
15 issued out, our federal, the administration
16 allowed for housing authorities, to help out
17 housing authorities also with that money. And
18 they have continued that. They have not taken
19 the housing authority out of the picture.

20 COMMISSIONER VITOLO: So you guys
21 have a staff, you're non-profit, you provide
22 services, you have employees, all that.

23 MR. SARDINA: Yes, we have
24 certified energy auditors.

25 COMMISSIONER VITOLO: How many of

1 these projects have you done for housing
2 authorities?

3 MR. SARDINA: We've done about
4 five for Rahway Housing, three for Linden
5 Housing, two for Summit Housing. I think I'm
6 missing one, but --

7 CHAIRPERSON WHITE: Did you do
8 Madison?

9 MR. SARDINA: No, we are in the
10 process of trying to qualify Madison.

11 COMMISSIONER VITOLO: And all
12 those projects, there's been no out-of-pocket
13 cost to the housing authority.

14 MR. SARDINA: Never.

15 COMMISSIONER CHERELLO: On this I
16 believe the attorneys verified all that
17 information between --

18 MR. CAMACHO: Yes. And I can, if
19 the board would like, I can give our review of
20 the documents. I did take a look at the entire
21 bid package.

22 CHAIRPERSON WHITE: Before you do
23 that, can he finish his presentation, and then we
24 will wrap it up. I did talk to Joseph.

25 MR. SARDINA: Basically any work

1 that we do for you, we're funded by the
2 Department of Community Affairs. And we go out
3 and help low-income families. You have to be
4 income eligible. What qualified this building,
5 the eligibility of the clients. Basically we go
6 out and help people reduce their energy burden.
7 Not a lot of these people go to the state to help
8 with their energy bills. The state says, let's
9 come back with weatherization and see what we can
10 do to cut that help, to lower their energy
11 burden. At the previous meeting I had given the
12 boards the exact -- the housing authorities I did
13 work, I did suggest they reach out to them. I'm
14 not sure if anyone was able to reach out to any
15 of the housing authorities. But we have never,
16 ever had any problem. And to be honest with you,
17 we make suggestions of what equipment we'd like
18 to put in here, but in the end you have to be
19 happy with what we're putting in here.

20 COMMISSIONER VITOLO: What's your
21 level of involvement after the contractor comes
22 in and does the work?

23 MR. SARDINA: We're involved in
24 foreseeing that the project is progressing.

25 COMMISSIONER VITOLO: Do you have

1 someone on site?

2 MR. SARDINA: Absolutely not. We
3 come in sporadically. We may come in every other
4 day, may come in every third day. We just want
5 to make sure the contractor is doing what he
6 needs to be doing.

7 COMMISSIONER VITOLO: If there's
8 problems on the site --

9 MR. SARDINA: Comes to me.

10 COMMISSIONER VITOLO: -- the
11 residents call us, we call you.

12 MR. SARDINA: Why would the
13 residents call you?

14 COMMISSIONER VITOLO: You're
15 putting in a refrigerator and they bust a water
16 line, they're going to call the housing
17 authority, and you guys are going to be --

18 MR. SARDINA: Are there ice makers
19 in these refrigerators?

20 COMMISSIONER VITOLO: It's a bad
21 hypothetical. If something goes wrong --

22 MR. SARDINA: No, because if there
23 was ice makers --

24 COMMISSIONER VITOLO: Are you the
25 guy everyone is going to call?

1 MR. SARDINA: If there was ice
2 makers I wouldn't be replacing any
3 refrigerators. What I'm saying is, the
4 refrigerators that we order are through Lowe's.
5 The refrigerators come with a five year
6 warranty. We do give a service number that
7 you're going to call. The first call I would
8 assume the resident is going to call the housing
9 authority, and the housing authority will call
10 Lowe's. They don't get anywhere with Lowe's they
11 can call me.

12 COMMISSIONER VITOLO: I'm sayin in
13 general, if there's issues on the job doing all
14 this work, replacing windows --

15 CHAIRPERSON WHITE: One thing
16 discussed was having a liaison, a resident
17 liaison contact us if anything goes wrong. We
18 did discuss that at the last meeting.

19 COMMISSIONER SALLY: If I may, it
20 also has been historically in the past what we've
21 done, and I believe we still do it, we always
22 have Mark Hyet, who is present this evening, who
23 is the clerk of the works, and he goes out a
24 couple times a week to oversee. He's the person
25 that's looking out for the housing authority's

1 interest.

2 COMMISSIONER VITOLO: But you
3 provide, I guess it's not you, someone will
4 provide all this information to the residents,
5 because it seems like it's pretty -- taking
6 windows out is a very obtrusive thing, and needs
7 to be well planned out. You said you've done
8 window replacements in other buildings, you have
9 done that?

10 MR. SARDINA: Yes.

11 COMMISSIONER VITOLO: And you have
12 a procedure?

13 COMMISSIONER RAMIREZ: They won't
14 take a window out until they know exactly what's
15 going back in.

16 MR. SARDINA: It's not like, it's
17 five o'clock, we got to go, and the window --
18 absolutely not. Matter of fact, these
19 contractors, it's the quality of work that is
20 going to get them the job. I'm just saying that
21 to you. It's a quality of work. And with
22 different contractors I've dealt with, I've never
23 been an issue. And if there has been an issue,
24 they have gone back. Not every job goes
25 perfect. But there's -- I mean, they know the

1 money is coming to them.

2 COMMISSIONER VITOLLO: In this job
3 you'll be the primary point of contact at
4 Proceed?

5 MR. SARDINA: Yes.

6 COMMISSIONER RAMIREZ: If you had
7 to call your job something, what would you call
8 it?

9 MR. SARDINA: My job?

10 COMMISSIONER RAMIREZ: Your
11 responsibility on this project. Would you be --

12 MR. SARDINA: Almost as a project
13 manager. But like I said to you, it would be me
14 or my energy auditors. We don't make
15 appointments, we just come. We want to make sure
16 the contractor is not looking good, hey, they're
17 coming at nine o'clock. We just show up. That's
18 how it's always worked with any of our projects.

19 CHAIRPERSON WHITE: Who's going to
20 do the schedule?

21 MR. SARDINA: The scheduling is
22 something that we're going to sit down, and I'm
23 assuming, now that you mentioned it, Mark, we
24 will sit down and schedule up on everything on
25 how everything is going to be set up. With Anne

1 Street, I'll tell you most likely everything is
2 going to be done floor by floor, preferably start
3 the top floor and then work -- because I want one
4 floor completed before you do anything else.
5 What happens is I get a floor completed, I get a
6 state inspector in there, the state inspector
7 will release the check to pay the contractor.
8 And we just keep going and going and going.

9 CHAIRPERSON WHITE: And Mark knows
10 we have to follow that 48 hour rule with our
11 residents.

12 MR. SARDINA: Exactly. And the
13 contractor would be told this. There's no doubt
14 that the contractor would be told that there
15 would have to definitely be strict communication
16 with Leonora or whoever was to get letters out
17 saying your apartment, we're going to change your
18 windows out on this day or that day. And also,
19 to be honest, hopefully tenants will understand
20 give or take a day is not -- I'm saying if we're
21 talking Tuesday and it happens Wednesday, the
22 only reason it happens Wednesday is Tuesday
23 something happened, a problem happened that they
24 couldn't get it done fast enough and didn't want
25 to start another one.

1 COMMISSIONER SALLY: Our seniors
2 don't understand that. They don't want to hear
3 that. They'll be calling on the phone.

4 MR. SARDINA: They're going to be
5 getting new refrigerators, and new shower heads,
6 faucet airators. I'm not sure if some of the
7 buildings, I'm not sure, we're going to be hard
8 wiring CO detectors to replace the ones that were
9 there, if it applies. I don't remember. But I
10 mean, I think the tenants are going to be very
11 happy.

12 COMMISSIONER RAMIREZ: You're
13 going to lay that all out in the contract.

14 MR. SARDINA: Absolutely.

15 COMMISSIONER RAMIREZ: All this
16 equipment is made in the United States. Right?

17 MR. SARDINA: We 100 percent try
18 to, yes.

19 COMMISSIONER RAMIREZ: You can't
20 use that money if it's not. You're using the
21 ARA.

22 MR. SARDINA: I'm not using ARA.
23 That money is gone. But even during ARA, it
24 started that way, it didn't end that way.

25 COMMISSIONER RAMIREZ: I don't

1 know any project that didn't go that way. Matter
2 of fact, the solar panel manufacturers built the
3 factory here in the United States so they could
4 take part in this.

5 MR. SARDINA: I don't disagree
6 with you, but I'm saying, we're one of the
7 agencies that did buy all American, but there
8 were many, many agencies who the manufacturers
9 couldn't supply fast enough and had to go outside
10 of America, and they did get the okay from the
11 federal government.

12 COMMISSIONER RAMIREZ: So you're
13 going to submit a product line, and if they
14 change it they're going to have to ask for our
15 permission.

16 MR. SARDINA: Absolutely.

17 COMMISSIONER RAMIREZ: Ask for a
18 substitution.

19 MR. SARDINA: Absolutely. And I
20 have to review it.

21 COMMISSIONER RAMIREZ: We are
22 going to agree to those line of products, and
23 then if for some reason you're going to have to
24 change it, you have to come back to us.

25 MR. SARDINA: The only line of

1 products really is the windows and the heating
2 system.

3 COMMISSIONER RAMIREZ: And the
4 lights.

5 MR. SARDINA: The lighting, you're
6 giving me the specs. They're not going to change
7 them. The one thing I will tell you is we set
8 the parameters, and the contractor has got to
9 follow it. I'm not going to put a light bulb out
10 there that a contractor says it's not made
11 anymore. It's not true. It is made. And I know
12 exactly how much it's going to cost, and I know
13 exactly what the bid should be.

14 COMMISSIONER RAMIREZ: A T8 bulb
15 should last 20 years.

16 MR. SARDINA: As long as it's not
17 turned on and off 20 times a day.

18 COMMISSIONER RAMIREZ: 20 years,
19 the manufacturer will tell you 20 years. 30 if
20 you don't ever turn it off.

21 MR. SARDINA: Okay. I disagree
22 with you.

23 COMMISSIONER VITOLO: So this
24 developed very quickly. Was there a time
25 constraint on you guys?

1 MR. SARDINA: Yes.

2 COMMISSIONER VITOLO: What's
3 that?

4 MR. SARDINA: I have to have this
5 job -- I'm trying to give a contractor -- and now
6 we're running a little late, trying to look at an
7 August 30th deadline, but I really have until
8 September 30th.

9 COMMISSIONER VITOLO: August 30th
10 deadline for what?

11 MR. SARDINA: Completion. But if
12 I feel that we need more time, I do have those 30
13 days.

14 COMMISSIONER VITOLO: That's
15 because of? Why do you have those deadlines?

16 MR. SARDINA: Because the money I
17 grabbed from the state, I grabbed it until
18 September 30th.

19 COMMISSIONER RAMIREZ: This T8s,
20 they're going to have reflectors in them?

21 MR. SARDINA: They're shields.
22 Yes, they're going to have shields in them.

23 COMMISSIONER DOUGHERTY: You speak
24 about the contractor a lot. I think the last
25 time we met you said you did not have to go out

1 to bid.

2 MR. SARDINA: No, we do have to go
3 out to bid.

4 COMMISSIONER DOUGHERTY: So
5 there's not a specific contractor you're using?

6 MR. SARDINA: No, absolutely not.

7 COMMISSIONER DOUGHERTY: Thank
8 you.

9 COMMISSIONER VITOLO: We're going
10 to have a contract with the engineer?

11 MR. SARDINA: The contract -- put
12 it this way, we can have a guarantee from the
13 engineer that the specs he put up with you guys
14 for you, but I already had everything done up by
15 the engineer because of the timeline we were
16 falling under. So basically almost all the work
17 is done. But if the housing authority requests a
18 letter from the engineer saying -- there's no
19 doubt, there's no problem, I don't think it will
20 be a problem whatsoever.

21 COMMISSIONER RAMIREZ: Who's your
22 engineer?

23 MR. SARDINA: Daly. He's from
24 Jersey City I think.

25 COMMISSIONER VITOLO: I wasn't

1 asking about a letter. I'm saying a contract, so
2 that certain responsibilities we are protected
3 directly in a contract. By whatever work that
4 the engineer does, he certifies to us, and then
5 we have rights --

6 MR. SARDINA: The engineer is only
7 spec'ing out the project. The contractor is the
8 one who has responsibility.

9 COMMISSIONER VITOLO: What if the
10 engineer messes up? Don't we have no rights
11 against the engineer, the housing authority, for
12 work he did in connection with our building?

13 CHAIRPERSON WHITE: Can our lawyer
14 answer that?

15 MR. CAMACHO: That was one of our
16 main questions, was whether or not we were going
17 to have a direct contract with both the engineer
18 and the contractor.

19 COMMISSIONER DOUGHERTY: So we
20 have some kind of fail/safe.

21 MR. CAMACHO: So we have a direct
22 recourse whether or not there's any problem. So
23 that was one of our concerns.

24 MR. SARDINA: If you draw up a
25 contract, that's not a problem. And if he

1 doesn't sign it, if he says, I ain't doing this,
2 then we're -- there's nothing else I can do to be
3 honest with you.

4 COMMISSIONER VITOLO: That would
5 make me a little skeptical.

6 MR. SARDINA: It's not that easy
7 if there's another engineer drawing everything up
8 new.

9 MR. CAMACHO: There shouldn't be a
10 problem with it at all, because he's certifying
11 to you the work is being done properly. He
12 should be able to certify to the housing
13 authority it's being done properly.

14 MR. SARDINA: If you put a
15 contract together I'll send it to him.

16 COMMISSIONER RAMIREZ: You're
17 saying that this boiler system is going to be 90
18 plus percent efficient. And he's --

19 COMMISSIONER DOUGHERTY: 98.

20 MR. SARDINA: 90 plus.

21 COMMISSIONER RAMIREZ: Can't be
22 98. There's not a boiler made that's 98.

23 COMMISSIONER HOLMAN: I don't
24 recall him saying 98.

25 COMMISSIONER RAMIREZ: It's not

1 98. I said 90 plus. But I'm just saying that
2 when he specs all this stuff out, we are going to
3 need to have recourse, errors and omissions.

4 Does he have an insurance policy for that?

5 MR. SARDINA: I'm sure he does.

6 COMMISSIONER RAMIREZ: That's all
7 I'm saying. We don't want to be caught in the
8 middle of winter with a job half done, because we
9 can't have that.

10 MR. HYET: One thing, if I can
11 intercede, one thing we seem to be forgetting, we
12 have done a number of boilers, we've done five or
13 six boilers.

14 CHAIRPERSON WHITE: State your
15 name.

16 MR. HYET: MY name is Mark Hyet.
17 I've worked as clerk of the works for the housing
18 authority off and on for 13, 14 years. We do
19 have, and when we do issue a contract, we have a
20 bond, performance of payment bond, we have a
21 maintenance bond, all those things are in there.
22 Nothing that Proceed is doing circumvents any of
23 those requirements. Number two, we've done it at
24 other housing authorities, Summit being one of
25 them. And I talked to Joe Manfredi about it,

1 where we took the HUD contract, clipped it to the
2 Proceed contract, and all three parties signed
3 it. So that you had what you wanted, you wanted
4 everybody to be held responsible and be
5 responsible to the housing authority directly.
6 Those two things did it. As far as the engineer
7 goes, there's nothing any different about the
8 design work where, you know, he's going to submit
9 an errors and omissions policy, he's going to do
10 all that stuff. That's still going to be the
11 same way that business is done for him. So
12 really not a lot has changed except that he is
13 getting the money through the weatherization
14 program, which is a good thing. Because you know
15 HUD's been cutting all the other monies
16 available. And to do a capital project, a couple
17 of these things that are a half a million
18 dollars, in today's economy is a good thing. Is
19 it going to be easy, I mean, we know not every
20 job we do is easy. But we do watch. If there's
21 a problem with the plans, I don't change the
22 plans, I'm a civil engineer, but I don't change
23 the plans, I go back to the design professional,
24 say, okay, this doesn't work. It's up to him to
25 make sure that it works. Because once I change

1 something, then we've assumed responsibility,
2 which you don't want. You want the guy that
3 signed and sealed the prints to assume the
4 responsibility, and any of the changes that have
5 to be made in the field. And it's basically what
6 we do. So remember, we do have bonded
7 contractors here. This is not a fly by night.
8 And I know weatherizations better than 20 years
9 ago had a bad rap with some of the things that
10 were done. This isn't that program.

11 COMMISSIONER CHERELLO: Do you as
12 an individual who has worked for this housing
13 authority, and would be our representative, your
14 feeling on this is it's a good deal, it's
15 something we should move something on?

16 MR. HYET: It's something -- I've
17 already worked with Joe at Summit Housing where
18 we've done insulation, we replaced 130 heat pumps
19 in the senior citizen building over in Summit.
20 What else. We did some windows at one of the
21 sites that was eligible. Not a lot of windows
22 over there. All the thermostats. We've done
23 work with them before. All the refrigerators,
24 125 refrigerators in all the units were
25 replaced. And we tried to do it, basically what

1 we said before, started on the fifth floor,
2 worked our way down as we went, just the way that
3 we would approach any other project.

4 COMMISSIONER VITOLO: I think all
5 the things you said make sense. I think it's
6 great there's monies available. I think it's
7 terrific we're going to have new windows and
8 boilers. All I'm asking, and sort of I'm here to
9 protect the housing authority, for a simple
10 contract from the engineer. So if there's
11 anything that God forbid goes wrong, I know it's
12 bonded, I agree that's our protection, but I
13 would rather have a piece of paper to go into
14 court rather than someone saying it was done
15 properly and what have you.

16 MR. HYET: That's really up to
17 your attorney. It's a simple thing though.
18 We're making it a lot harder than it has to be.

19 COMMISSIONER VITOLO: So the
20 engineer says, I want a different, so what, we
21 work it out. I don't think it's a big deal to
22 ask for that, and I think we should do it.

23 COMMISSIONER SALLY: We're going
24 to have that, aren't we?

25 MR. CAMACHO: Absolutely. If I

1 may go into review.

2 CHAIRPERSON WHITE: Because he's
3 finished at this point, so go.

4 MR. CAMACHO: I did take a look at
5 the full bid package. And I do say, the
6 majority, vast majority of the documents that we
7 need to have in this package were included. The
8 main questions which I still have based on this
9 review is, number one, we need to make sure that
10 we have a direct line of recourse between the
11 contractor and the housing authority, between the
12 engineer and the housing authority. And with
13 regard to the bond, that's one thing I didn't see
14 in here that the bond would have to be also to
15 the housing authority with regard to the
16 performance opinion.

17 MR. SARDINA: If it's not in
18 there, then -- but it would -- it's not in
19 there?

20 MR. CAMACHO: No, the bond just
21 shows a copy of the bond, but it doesn't say it's
22 to the housing authority.

23 MR. SARDINA: The bond, it would
24 be to the housing authority, it wouldn't be to
25 Proceed. It would be to the housing authority.

1 As a matter of fact --

2 MR. CAMACHO: I wanted to confirm
3 that.

4 MR. SARDINA: Let me write that
5 down.

6 MR. CAMACHO: I did send an email
7 to you, Mr. Sardina, earlier today with regard to
8 a number of those issues.

9 MR. SARDINA: I didn't get
10 anything yet.

11 MR. CAMACHO: I forwarded it again
12 a second time.

13 MR. SARDINA: There's no
14 attachment.

15 MR. CAMACHO: There's no
16 attachment, it's just a list of the 30 different
17 changes to the bid package.

18 MR. SARDINA: I did not receive
19 anything. Can you resend it, please?

20 MR. CAMACHO: Absolutely. But the
21 majority of those changes, just for the record,
22 they are very minor. But again, what we come
23 down to is performance of payment bond in the
24 name of the housing authority, certificate of
25 insurance adding the housing authority as an

1 additional insured from both the contractor --

2 MR. SARDINA: And that would also
3 be adding Proceed by the way, both of us.

4 MR. CAMACHO: Absolutely. The
5 professional, obviously we need a copy of the
6 professional liability policy from the engineer,
7 as well as Commissioner Vitolo indicated a
8 contract directly with the engineer guaranteeing
9 the fact that those specs are in accordance with
10 all local code, state code, federal regulations.
11 So that would be required.

12 MR. SARDINA: I'm going to
13 interrupt you along the way. Is that something
14 you'll put together, a contract with the
15 engineer?

16 MR. CAMACHO: Absolutely. I have
17 a draft of it.

18 MR. SARDINA: If you can send that
19 to me, and I will go forward.

20 COMMISSIONER RAMIREZ: Can you
21 also send us the names of the firms you're
22 dealing with, like this Daly, the engineer?

23 MR. SARDINA: Yes. His name is in
24 here. His name is actually --

25 COMMISSIONER RAMIREZ: And his

1 contact information.

2 MR. SARDINA: Robert, I think he
3 calls himself Daly.

4 COMMISSIONER VITOLO: Daly,
5 D-a-l-y, One Shore Lane, Jersey City.

6 MR. SARDINA: Sorry to interrupt.

7 MR. CAMACHO: No problem. So
8 those items we would also -- one of the items
9 that we talked about, and Mark just indicated as
10 far as his review of the project, I think a
11 couple of items with regard to that is, number
12 one, wanted to make sure that Mark was formally
13 hired to do this work, if the board would like to
14 do that. So we want to make sure we do that.
15 And number two, I want to make sure the contract
16 has language in there that allows for Mark to
17 serve as the housing authority liaison in this
18 project so that it gives him authority to be able
19 to --

20 MR. SARDINA: That's, and once
21 again, sorry if I'm interrupting, that's one of
22 the things when I sent the email initially, I
23 said if there's anything that you need to insert
24 on the part of the housing authority, please let
25 me know, or send it to me and we will insert it.

1 I have not one problem with that.

2 MR. CAMACHO: Okay.

3 COMMISSIONER DOUGHERTY: Can I ask
4 a question with that? Would that fee for Mark
5 come from the authority or out of the project
6 money?

7 MR. CAMACHO: That's a good
8 question. Is that something the project would
9 pay for?

10 MR. SARDINA: I'm going to tell
11 you that --

12 COMMISSIONER CHERELLO: Just say
13 no. I can see that.

14 MR. SARDINA: I'm not trying to
15 give you an answer that I'm going to come back
16 on. I'm going to be very honest with you.

17 COMMISSIONER CHERELLO: I can see
18 us --

19 MR. CAMACHO: I would assume we
20 would have to hire him.

21 MR. SARDINA: But there's -- the
22 issue comes out to is that in our grants we can
23 only pay people out of our payroll that are
24 working for us. And Mark isn't necessarily in
25 our payroll.

1 CHAIRPERSON WHITE: We wouldn't
2 want him to do that. He's working for us.

3 MR. SARDINA: I'm going to see if
4 there's a way, because listen, there's plenty of
5 money here. So why should any money come out of
6 your pocket. So if I can, I will. If I can't,
7 I'm going to be right up front with you. At this
8 point the answer is almost a no.

9 CHAIRPERSON WHITE: Just say no.

10 COMMISSIONER CHERELLO: That's all
11 right. He's working for us.

12 CHAIRPERSON WHITE: The resident
13 liaison I think should be paid out of that state
14 money. The resident who you'll give the
15 schedules to so they can let the residents know
16 when you're coming, make sure things are
17 comfortable. We would like to have a resident
18 liaison. We've done that in the past and
19 contractors have paid that.

20 MR. SARDINA: I'll look into
21 that. The only other thing is that maybe, I
22 don't know if this is -- when you just said that
23 something clicked in, is that something we could
24 add to the contract, that the contractor would
25 have to pay that liaison?

1 MR. CAMACHO: Yes.

2 CHAIRPERSON WHITE: The resident
3 liaison.

4 MR. SARDINA: So preliminarily
5 we're going to know what the cost is. We will
6 know ahead of time to put in the contract do you
7 think, or no? Because basically the contractor
8 is going to come here and say, let's just
9 throw -- the job is going to be \$200,000, what if
10 the liaison is, you know, whatever.

11 COMMISSIONER CHERELLO: If the
12 resident liaison who's just getting a little --

13 MR. SARDINA: I understand that,
14 but I don't want to throw anything at the
15 contractor.

16 COMMISSIONER CHERELLO: Has to pay
17 minimum wage. I don't know what the prevailing
18 wage for a liaison is.

19 COMMISSIONER VITOLO: Mark, do you
20 have a contract with the housing authority?

21 MR. HYET: Off and on, yes.

22 COMMISSIONER VITOLO: Do you have
23 one now?

24 MR. HYET: No.

25 MR. CLARK: Alberto, I'm Joe

1 Clark. I forwarded you at Joe's request last
2 week a RFP. Have you guys reviewed that? Is
3 that ready to go?

4 MR. CAMACHO: We did take a look
5 at that. I guess my concern is the RFP may take
6 longer than the process for the bid. So I think
7 that's a second scenario we'd have to discuss.

8 MR. CLARK: You feel we don't have
9 to use the RFP method, we can just hire Mark?

10 MR. CAMACHO: We'd have to see
11 it. If it was under the bid threshold then we
12 could. I don't know what the quotation for that,
13 for those services are. I don't want to presume
14 anything or have Mark cut his fees for this as
15 well.

16 MR. CLARK: The RFP was requesting
17 firms to give us an hourly --

18 CHAIRPERSON WHITE: I don't think
19 we should be discussing --

20 MR. CAMACHO: We can do that in
21 closed session for that issue.

22 CHAIRPERSON WHITE: That's
23 something I would like to go into closed session.

24 COMMISSIONER CHERELLO: Mark, you
25 were at one time, we had a full contract with

1 you. Correct?

2 MR. HYET: Correct.

3 COMMISSIONER CHERELLO: And then
4 to try to save some money we went to an as-needed
5 basis.

6 CHAIRPERSON WHITE: Right.

7 COMMISSIONER CHERELLO: So we have
8 done -- he was a contract employee for years, and
9 to save money we went to an as-needed, and so --

10 COMMISSIONER SALLY: If I may
11 interject, the only reason we went to the
12 as-needed basis was because the amount of work
13 that we were doing was starting to decline.
14 Because we were doing a lot of major projects,
15 and we needed him here. So when the work started
16 to get done, finished, started to decline, then
17 it was on an as-needed basis.

18 MR. CLARK: It was for the ARA
19 money.

20 COMMISSIONER VITOLO: I'll defer
21 to counsel as to whatever relationship you have
22 with Mr. Hyet needs to be proper and by the
23 books. If we need to RFP it, I'll defer and hear
24 from Joe, and --

25 COMMISSIONER RAMIREZ: Who's going

1 to review submittals and -- product submittals
2 and whatnot?

3 MR. HYET: The design engineer
4 will. I will too. But the design engineer
5 will. Basically you have a general spec that's
6 written, I think it's Peerless boilers, and
7 then --

8 COMMISSIONER VITOLO: So Mr.
9 Sardina, it appears that there's -- was the
10 purpose of tonight's meeting for us to resolve,
11 to approve these documents, was that --

12 CHAIRPERSON WHITE: The purpose
13 was to hear, because you weren't here, and Joe
14 felt, and I did too, it would be fair to have
15 everybody hear this presentation. So that was
16 the purpose. And then after that I guess for us,
17 after hearing it, to make a decision as to, you
18 know, as to what we were going to do on the
19 resolution.

20 COMMISSIONER VITOLO: That makes
21 sense.

22 MR. SARDINA: My intent today was
23 basically to show that this is the documents we
24 have, do we need to insert anything in it, yes or
25 no. We have to give it a frame time for those

1 documents to get to us as quickly as possible.

2 But as --

3 CHAIRPERSON WHITE: And Joe's
4 purpose was to make sure that we had our contract
5 in line with him, and to protect the housing
6 authority. So we asked him for some things, and
7 we wanted to make sure those things were here
8 tonight.

9 COMMISSIONER VITOLO: I can't
10 resolve to approve these documents until we make
11 the changes obviously. So I guess the next step
12 is to take the 30 comments, integrate them into
13 the document, try to get the direct contracts
14 with the contractor and engineer, and then we
15 will have to come back again. Right? Or no?

16 CHAIRPERSON WHITE: I don't think
17 we're going to need another --

18 COMMISSIONER CHERELLO: Or if we
19 have such confidence in our attorneys, we know
20 what we want, and if we approve it, and they sign
21 off, they feel they're satisfied, then I think we
22 could approve tonight pending our attorneys being
23 satisfied.

24 MR. CAMACHO: Right. That was one
25 option is approval contingent upon the changes

1 being made, and our final sign-off on the
2 documents so we can get the approval moving.
3 Now, the only question I had was with regard to
4 all of the projects. Were you looking -- because
5 obviously this is only the bid specs for the
6 boiler project. With regard to the other
7 projects, are you looking for those projects to
8 occur at the same time as the boiler?

9 MR. SARDINA: Absolutely.

10 Everything is going to happen.

11 MR. CAMACHO: Then to me we have
12 to review all the documents.

13 MR. SARDINA: The only thing that
14 would be taken out and inserted is the specs.
15 Everything else would stay the same. It's
16 basically the specs situation, for instance, the
17 lighting, I had briefly, and I'm sorry, I really
18 didn't have a lot of time today, but I had
19 briefly brought up the fact that, for instance,
20 29 Anne Street, we have a light count, we're
21 going to change it from the T12s to the T8s,
22 they're more energy efficient. A total of 141
23 fixtures. And so basically we would give --
24 there's single bulb fixtures and double bulb
25 fixtures. In the specs it would be the spec and

1 the model of what we're looking for. Now, if the
2 contractor, when he submits his bid and he
3 changes those model numbers, that is something
4 that we have to decide, is it something we want
5 or --

6 COMMISSIONER RAMIREZ: He can't
7 change it. He can't change it unless he submits
8 for a substitution.

9 MR. SARDINA: You're right.

10 COMMISSIONER RAMIREZ: That's got
11 to be cut and dry. And if he changes it without
12 telling us and puts them in, they can all come
13 out.

14 MR. SARDINA: You're absolutely
15 right.

16 MR. CAMACHO: I think as the
17 commissioner pointed out earlier, we want to make
18 sure that's a part of the contract, that the
19 housing authority would have to sign off on that
20 change if there is any substitution for those
21 items.

22 MR. SARDINA: I just want to
23 assure you, a lot of times, I know I'm supplying
24 the money, but I want to assure you, this is as
25 much your project, a lot more your project than

1 it is my project. Because in the end you have to
2 be happy. So I'm going to try to do the best I
3 can to make things as smooth as possible, which
4 they have always gone smooth. I know, Ms. Sally,
5 you said you may have known Ann Ferguson.

6 COMMISSIONER SALLY: No, I didn't
7 say I may have, I do know.

8 MR. SARDINA: Ann Ferguson runs a
9 very tight ship. She is right down the line.
10 And I'm going to tell you, you know, did we have
11 210 refrigerators in a parking lot, did we have
12 people bring in, out, in, out, did we have people
13 helping tenants, some of the staff people help
14 tenants pull food out of refrigerators, put new,
15 yes, it was a chaotic moment, but when it was all
16 done everyone was happy. And that's what I think
17 we need to look at. And I understand that you
18 need to be protected, as we need to be
19 protected. And I have no problem getting the
20 bonds that everything that has to be in that
21 contract. We want to make sure in the final say,
22 you're going to be happy. Because if, God
23 forbid, anything happens, what if there's no heat
24 in the wintertime, that's going to be an issue.
25 But that's not the issue here. Like I said to

1 you, we like to give the contractor an August
2 30th deadline, but in reality we have until
3 September 30th with my money. I think your heat
4 doesn't have to be on until September -- October
5 15th. So October 15th is when you have to have
6 the heat on. I think we're sort of safe in that
7 manner with a timeline.

8 COMMISSIONER RAMIREZ: If you've
9 got a September 30th contract, you can have the
10 heat up and running by the 10th of October.

11 MR. SARDINA: The heat will be
12 on --

13 CHAIRPERSON WHITE: It should be
14 on by the 30th.

15 MR. SARDINA: By the time the
16 contractor gives you the permits that heating
17 system better be working, because he ain't
18 getting paid.

19 COMMISSIONER RAMIREZ: What's this
20 30th of September date?

21 MR. SARDINA: My money, I have --
22 the money that I requested from the state, I have
23 it until September 30th. If I don't expend that
24 money by September 30th, it goes back. In this
25 case, to be very honest, it's not going to go

1 back. I came to Morristown Housing Authority
2 because of the fact that me and Mark, when we did
3 Summit, why don't you come, and I couldn't come
4 here, now I can, and I'm trying to see what --
5 take care of all three buildings for you. But
6 there are -- right now I'm working with the
7 Elizabeth Housing Authority, and two of their --
8 one, possibly two of their buildings -- and I
9 think I was explaining to this gentleman, one of
10 the boilers in that building is 26 feet long by
11 12 feet high. If that boiler was out in the
12 midwest somebody would buy it as a doom's day
13 storage, whatever it is.

14 COMMISSIONER VITOLO: Call me
15 old-fashioned, but, I know we're all busy, but I
16 would rather have a complete and final set of
17 documents with an attorney sitting next to me
18 saying all the changes have been made, and all --
19 we have this contract, here it is with the
20 engineer, and it's all here, do you approve the
21 documents. But that's just my opinion.

22 CHAIRPERSON WHITE: That's what we
23 were going to have before we vote. We don't have
24 them today. Before we vote on a resolution. We
25 don't have the resolution today.

1 MR. CAMACHO: That's up to the
2 board. I think, as you indicated, I think the
3 idea tonight was to have the discussion, let's
4 flush everything out, and then to make the
5 change. Let me ask you, Mr. Sardina, with regard
6 to all of the projects then, what is your
7 deadline? If you're looking at August 30th,
8 let's say, for your internal date for the
9 completion of the work, what are we looking at
10 then for the start of the bid process, as far as
11 getting the advertisement out, in your mind?

12 MR. SARDINA: As soon as you get
13 me the information, that bid is going out.

14 MR. CAMACHO: Right. I understand
15 that. But what are we looking at as a time frame
16 so the board can set a date to approve this?

17 COMMISSIONER CHERELLO: Can you
18 have your stuff done tomorrow? I think that's
19 what it comes down to. Just as quickly as you
20 can address those issues, we want to have a
21 meeting.

22 MR. CAMACHO: We can do our
23 documents right away.

24 COMMISSIONER CHERELLO: If that's
25 all resolved, if that all can be resolved by

1 Wednesdays, there's no reason we can't have a
2 quick meeting on Thursday and approve it. I
3 guess we have two issues to resolve, one is the
4 hiring of Mark, which is one thing.

5 MR. CAMACHO: Right.

6 COMMISSIONER CHERELLO: And then
7 addressing the changes --

8 MR. SARDINA: That you're
9 requesting.

10 COMMISSIONER CHERELLO: -- that
11 we're requesting. As long as they can be ironed
12 out, and you're happy with them --

13 MR. CAMACHO: Here's the thing
14 with regard to Mr. Hyet's contract, and I don't
15 know if you want to go into closed session to
16 discuss that?

17 CHAIRPERSON WHITE: I don't want
18 to do that right now tonight. I think the most
19 important thing is what Commissioner Vitolo was
20 talking about, getting that contract and getting
21 that in order. The discussion -- you're talking
22 about a resolution tonight to hire Mark? We
23 would have to discuss what his price is. I don't
24 think -- I didn't come prepared tonight, I don't
25 know about everybody else here, but I do have

1 another meeting after this, and I didn't come
2 prepared to go into closed session on that
3 tonight. Because I didn't know that was going to
4 be part of this discussion. I was under the
5 understanding we were going to talk about what we
6 needed from this gentleman in order to get him
7 going.

8 MR. CAMACHO: Right. And I agree
9 with that. I think the one reason we bring it up
10 is that I see a concern with the fact that Mr.
11 Hyet, or whoever we choose as the clerk of the
12 work, that that contract is going to take some
13 time if we have to put out an RFP.

14 CHAIRPERSON WHITE: Would we have
15 to put out an RFP?

16 MR. CAMACHO: Now that Mr. Sardina
17 has indicated all the contracts are occurring at
18 the same time, I don't think it's fair to say
19 that -- I believe it's fair to say that the price
20 is likely going to be above the bid threshold. I
21 can't say that for sure, because I don't have a
22 bid estimate. It may be. And if we're talking
23 about above the bid threshold, I don't see how to
24 get around the RFP process.

25 COMMISSIONER VITOLLO: Maybe we get

1 below it by the housing authority doing half and
2 Proceed doing half. You said you could try.

3 MR. SARDINA: I can look into it.
4 I can look into it.

5 COMMISSIONER VITOLO: Can you look
6 into it by Thursday?

7 MR. SARDINA: I can have an answer
8 tomorrow by noon.

9 COMMISSIONER CHERELLO: I have
10 another question. Can you break -- could we, if
11 we had to, break Mark into two sections, below
12 the threshold to get things moving, and then to
13 bid it for the additional money if it's above
14 it. You understand what I'm saying?

15 MR. CAMACHO: You want to do a
16 partial contract for the first half of it and
17 then go out for a bid?

18 COMMISSIONER CHERELLO: My concern
19 is that he's the key player, whoever it is, is
20 the key player for us. If we don't have that
21 man, then we're going through this whole thing
22 blind. So it's key that we have someone on board
23 right away.

24 COMMISSIONER VITOLO: Why don't
25 you guys look at that and let us know tomorrow or

1 something and --

2 MR. CAMACHO: We will look it up
3 and we can send a response to the board as far as
4 options for that contract.

5 COMMISSIONER VITOLO: I'm sure
6 it's not the first time that's happened.

7 CHAIRPERSON WHITE: Mark, are you
8 doing the enclosures of the garbages for us?

9 MR. HYET: Not right now, no.

10 CHAIRPERSON WHITE: You're not --

11 MR. HYET: I'm not right now. I
12 was in the beginning. That's when it tapered
13 off.

14 CHAIRPERSON WHITE: I wasn't aware
15 of that. I thought you were on that job.

16 MR. HYET: No, I had done the
17 evaluation of the surveyors and everyone else,
18 and we worked it out. It was with Slade was it?
19 And we selected them, and basically it ran its
20 course.

21 COMMISSIONER VITOLO: Mr. Sardina,
22 is there a lawyer that works at Proceed that
23 reviews everything that goes out?

24 MR. SARDINA: We do have
25 attorneys, but we do our own bid packages. It's

1 a standard boiler plate over and over again.
2 That's what we use.

3 COMMISSIONER DOUGHERTY: Can I ask
4 when we talk about Mark also at the next meeting,
5 can we add a discussion about how we choose the
6 resident liaison also? Is there a process you've
7 gone through in the past, and everybody has an
8 opportunity to be a part of it?

9 CHAIRPERSON WHITE: What we did, I
10 can tell you, because we've done it, they do put
11 out an ad, and they ask the residents who's
12 interested. And anybody can do it. Anybody can
13 apply for it that is in good standing with the
14 Morristown Housing Authority, and that is able to
15 do it. So there's no -- we don't have any
16 cliques. We don't have anybody in mind right
17 now. Because a lot of people that have done it
18 in the past are no longer here.

19 COMMISSIONER RAMIREZ: I just
20 wanted to point out that if we break up the
21 project, just to circumvent the limit, that's a
22 violation of both federal and state law.

23 MR. CAMACHO: Absolutely.

24 COMMISSIONER RAMIREZ: So you
25 cannot -- what we've done here already, we've

1 identified that that's what you want to do, and
2 you just can't do it.

3 COMMISSIONER VITOLO: We didn't
4 identify we want to do it. Just raised it as a
5 question.

6 COMMISSIONER CHERELLO: I'm not
7 saying that we wouldn't go out to bid, we need
8 somebody on board right away. That's the
9 question. That's the thing. We need our project
10 manager right away. So for us to wait 30 days,
11 and to deal directly with Proceed, unless you
12 want to do it, I don't have the expertise to do
13 that. So that's my concern. We have to have
14 somebody right away looking out for our best
15 interests.

16 MR. SARDINA: I just, and I
17 understand where I'm not part of the Morristown
18 Housing Authority, but I just want to tell you, I
19 don't work for the contractor.

20 COMMISSIONER CHERELLO: I'm not
21 saying that.

22 MR. SARDINA: I do have your
23 best -- the one thing I pride myself on is not
24 getting a call back from a housing authority
25 saying something is wrong. We haven't had that.

1 That's only because of the fact that the strict
2 way that I deal with things. And it's not
3 playing around. It has to be this way.

4 COMMISSIONER SALLY: I just
5 want -- maybe I'll give Joe a call tomorrow and
6 ask him. But I was under the impression when we
7 had our last board meeting that we had asked Mr.
8 Manfredi to look into several different things as
9 it related to this job. And when he called for
10 this special meeting, I was under the impression
11 that he had done a lot of the work we had asked
12 him to do as far as contracts, checking out these
13 things, that's what -- so what were you supposed
14 to report on, Alberto? Because you haven't said
15 anything that cleared up anything for me.

16 MR. CAMACHO: We went back and
17 forth with Mr. Sardina with regard to -- we had a
18 phone call with him going over the items, we
19 received the bid package, as he indicated, we
20 reviewed the bid package, and with regard to our
21 review, here's the changes that are required.
22 And we went through it, the changes required as I
23 indicated. We need make sure that the
24 performance of payment bond is to the housing
25 authority. We have to make sure that the

1 contract includes the housing authority, because
2 all we have -- right now we have a contract form
3 in here which indicates that it's from the
4 contractor to Proceed, doesn't include the
5 housing authority, that the housing authority is
6 included. Language to be included with regard to
7 the position of either Mr. Hyet or a clerk of the
8 works that would be included in the contract.
9 And that would allow the clerk of the works to
10 make decisions on behalf of the housing
11 authority. And that those decisions would be --
12 those approvals would be a part of that
13 contract. Other items that required some change,
14 as Mr. Sardina indicated, the permit language.
15 In Morristown, as far as we're aware, Morristown
16 will not be waiving those fees. So that's
17 language that would come out of that.

18 MR. HYET: I did call about the
19 windows. The windows, because we are not
20 changing color, dimension, size or anything else,
21 that is not a permit cost.

22 CHAIRPERSON WHITE: That's true.

23 COMMISSIONER VITOLLO: Mr. Hyet,
24 have you worked with these guys before?

25 MR. HYET: Yes. We did Summit

1 Housing together. We did about a million dollars
2 worth of work over at Summit on three different
3 projects with Proceed.

4 COMMISSIONER VITOLO: You were in
5 the same capacity for Summit?

6 MR. HYET: Yes.

7 MR. SARDINA: The one thing, with
8 all due respect, I only had one conversation with
9 Mr. Manfredi, and the conversation didn't go very
10 well. Only because Mr. Manfredi suggested I only
11 answer to him and not to the board. Okay?

12 MR. CAMACHO: I'm not aware of
13 that conversation.

14 MR. SARDINA: So to me, I
15 understand that you do have an attorney, but
16 there was no one in this room that said to me,
17 don't talk to us, just talk to Mr. Manfredi.

18 CHAIRPERSON WHITE: He probably
19 meant for contractual conversations and that kind
20 of thing.

21 COMMISSIONER CHERELLO: Didn't
22 want you getting six, seven phone calls.

23 COMMISSIONER VITOLO: We did tell
24 him, I wasn't here, to go and talk to him and
25 figure it out. I don't see anything untoward

1 about that.

2 MR. SARDINA: I totally understand
3 that. But I had emailed information, and I cc'd
4 Ms. Gross, Mark and Joe. And like I said, I only
5 had one conversation with him, and it did not go
6 off very well whatsoever.

7 COMMISSIONER VITOLO: You have to
8 understand, the sort of issue I think, as it's
9 been explained, is that this all is happening
10 very fast, and I think Joe Manfredi is looking
11 out for us, so --

12 MR. SARDINA: I totally completely
13 have all respect to that.

14 MR. HYET: The only thing I want
15 to say to you, if you drag your feet, you're
16 going to lose \$660,000.

17 COMMISSIONER DOUGHERTY: Be very
18 clear, we also have the liability here. Nothing
19 in this world is for free. It came upon us very
20 quickly, look at this great big thing, by the
21 way, what's in the protection of the authority.

22 MR. SARDINA: I don't disagree
23 with you whatsoever. I honestly -- like I said,
24 I don't work for the contractor, I work the same
25 way I work for low-income families, to look out

1 for their best interest, I'm looking out for your
2 best interest. The opportunity was here to grab
3 his \$660,000 projected between the three
4 buildings. The opportunity was here. I said,
5 come on, let's go with it. I took a brief look
6 at the boilers. Is this something we can do
7 within that time frame? I've done so many of
8 them, I said yes, it can be done. And to be
9 honest with you, on a personal basis, I don't
10 think those boilers are going to take longer than
11 a month from start to finish, on a personal
12 basis. But there's --

13 COMMISSIONER VITOLO: We're here
14 tonight, Mr. Sardina. You need to let us know
15 when we need to have these documents finished and
16 signed up so we don't jeopardize the money. I
17 agree. We don't want to lose the money. But
18 we're all here.

19 MR. SARDINA: That makes we very
20 happy.

21 COMMISSIONER VITOLO: We will
22 meet, we will make some time, you have to tell us
23 what is the time frame?

24 MR. SARDINA: The same frame for
25 me is, to be honest, I thought today we were

1 going to have documents that needed to be
2 inserted in here. If those documents can come,
3 worse case scenario, to me, worst case by Friday,
4 or by Thursday, so then we can meet or -- and I'm
5 sure there has to be a meeting because I don't
6 know if you guys conference call or whatever,
7 just not to bother people coming all this way,
8 but if we can have the documents ready, if you're
9 happy, if your attorney is happy with everything
10 that's in there and everyone's back is watched,
11 basically made liable for what they're doing, a
12 sign-off, if I can post the bid in the state, on
13 the state website, put it in the newspaper, it's
14 a go as soon as I can do that.

15 COMMISSIONER VITOLO: So early
16 next week is not too late for us to approve it?

17 MR. SARDINA: Like Monday you
18 mean?

19 COMMISSIONER VITOLO: Monday or
20 Tuesday. If in case we can't do it by the end of
21 the week.

22 MR. SARDINA: If we can approve it
23 by Monday or Tuesday, everything -- I mean, that
24 means that if I can post it on Wednesday or
25 Thursday for bid, we're good. So basically that

1 will be okay, as much as I don't want to push
2 it.

3 COMMISSIONER CHERELLO: Is it
4 possible, do you think those issues could be
5 resolved this week?

6 MR. CAMACHO: Absolutely.

7 COMMISSIONER CHERELLO: So there
8 is an outside chance that if that's resolved to
9 your satisfaction, the attorney, we could
10 actually have an emergency special meeting.
11 Right?

12 MR. CAMACHO: Yes.

13 COMMISSIONER CHERELLO: This
14 week. In other words, just as soon as these
15 things are resolved.

16 MR. CAMACHO: Right. You can have
17 it after the time frame with regard to
18 advertising and all of that.

19 COMMISSIONER SALLY: Didn't I hear
20 you say about 20 minutes ago or 30 minutes ago
21 that you had emailed him twice, 30 --

22 MR. CAMACHO: Today.

23 MR. SARDINA: I can show you the
24 emails. I see emails, there's no attachments.

25 COMMISSIONER CHERELLO: That

1 doesn't matter.

2 COMMISSIONER SALLY: Are those the
3 things, I'm trying to find out, that we've just
4 discussed that Mr. Manfredi felt needed to be
5 changed?

6 MR. CAMACHO: Those are pretty
7 much everything. I mean, I can go through each
8 one of the items, but the other items are
9 pretty -- as I said, they're very minor with the
10 exception of make sure the contract includes the
11 housing authority.

12 COMMISSIONER SALLY: So have all
13 that.

14 MR. CAMACHO: Exactly. The rest
15 of the discussion all occurred.

16 COMMISSIONER HOLMAN: He said he
17 can have this done by Wednesday if I remember
18 correctly.

19 MR. CAMACHO: I don't know if I
20 said that, but if you want it by Wednesday I can
21 have it by Wednesday. I'll work on it tomorrow
22 and finalize it.

23 CHAIRPERSON WHITE: What I want to
24 say is this, I would like him to get the emails,
25 and then I don't think we need a special

1 meeting. If Joe says that he has met the
2 requirements that we've asked for, we can take
3 that vote over the phone. Why do we need to come
4 back and have a special meeting on Monday or
5 Tuesday.

6 COMMISSIONER RAMIREZ: You're not
7 going to have to look at the documents yourself?

8 CHAIRPERSON WHITE: We hired Joe
9 to do that. He has a deadline he has to meet.

10 COMMISSIONER VITOLLO: He can send
11 out the documents. He can email them.

12 CHAIRPERSON WHITE: Even that. I
13 don't see where we need to hold another special
14 meeting.

15 COMMISSIONER RAMIREZ: I'd suggest
16 rather than have things in the contract that are
17 read that may change, that you have a contingency
18 section that says if you can't -- if it's not
19 tax-free you have to pay the tax, if it's not --
20 if there's permit fees --

21 MR. SARDINA: I agree with you.
22 I'm getting under the assumption it's not -- I'm
23 not sure if the housing authority is willing to
24 hand over a copy of their ST-3 to the contractors
25 to buy the equipment tax-free. I'm not sure you

1 want to do that. If you don't, that's fine.

2 MR. HYET: We do it every day.

3 MR. SARDINA: I'm saying, if you
4 didn't want to, that's in there. The permit
5 fees, I'm not sure if anyone has talked to the
6 town. Like I said, almost every town I've worked
7 with housing authorities -- so that's part.

8 CHAIRPERSON WHITE: We waive
9 them.

10 COMMISSIONER CHERELLO: Since
11 when? Remember that big fight we had?

12 CHAIRPERSON WHITE: We waive when
13 we want.

14 MR. SARDINA: They've been waiving
15 some of them.

16 CHAIRPERSON WHITE: In this
17 case --

18 COMMISSIONER VITOLO: I think
19 we're getting off track. You told us you're in
20 control of this money right now. So you're
21 telling us early next week is not too late.
22 Right?

23 MR. SARDINA: I prefer not to go
24 past Tuesday.

25 COMMISSIONER VITOLO: I understand

1 that. You see zero percent risk of us losing the
2 money by Tuesday. Right?

3 MR. SARDINA: It's not the idea of
4 losing the money, the money is going to be in my
5 pocket until September 30th. It's the idea of
6 the contractor being able to finish the project.
7 Because if the --

8 MR. CAMACHO: You did say it would
9 take 30 days.

10 MR. SARDINA: When I'm looking at
11 the project and seeing what it is, on my own
12 personal estimate, not what a contractor has told
13 me.

14 MR. CAMACHO: What's the contract
15 going to say as far as a not to exceed date?

16 MR. SARDINA: We are going to put
17 an August 30th deadline on it.

18 MR. CAMACHO: But you typically
19 have in the contract a certain number of days,
20 and that was one of the items in there it was
21 blank in the HUD form as far as the number of
22 days for the contract to be complete.

23 MR. SARDINA: We would most likely
24 count the days up to August 30th. So if it ends
25 up being -- I don't know, I'm just -- if it's 50

1 days to complete the job, it's 50 days, if it's
2 45 days, that's what it is. And if we, when I
3 say we, if the contractor is not done by August
4 30th and he needs another week, then it's our
5 choice if we want to penalize him the \$500 a day
6 or not.

7 COMMISSIONER CHERELLO: We have 62
8 days with July and August, and then whatever time
9 we can give you in June. So today is the 9th.
10 So it's -- I mean, if we can wrap this thing up
11 early next week, we're talking about 75 days
12 before you even hit September.

13 MR. SARDINA: We do have to put
14 out for bid.

15 COMMISSIONER CHERELLO: But you're
16 at a different bid schedule than --

17 MR. SARDINA: Ten days.

18 COMMISSIONER RAMIREZ: No
19 contractor is going to take on a job with a
20 liability that he can't meet. He's either going
21 to raise his price up, put overtime in the job,
22 or he's going to not bid it.

23 MR. HYET: One of the things that
24 does occur with boilers is during the summer when
25 they're not real busy, they'll shut the plant

1 down for a week or ten days. Those things do
2 happen in August or July. So we got to be a
3 little bit careful. You're probably looking at
4 75 to 90 days is a good construction period to be
5 safe.

6 COMMISSIONER VITOLO: I would move
7 that we instruct counsel to have an update to us
8 by no later than close of business on Wednesday,
9 and with a target of trying to do this thing by
10 Friday. And depending on what happens, maybe we
11 look towards next week.

12 COMMISSIONER RAMIREZ: We don't
13 have to have a combined meeting, each of us can
14 call Lee and give her our vote.

15 MR. CAMACHO: If you do that, the
16 only thing is ratify it on the record at the next
17 meeting.

18 COMMISSIONER CHERELLO: So if
19 everything is resolved, then we can do a voice
20 vote approval, and then ratify it later.

21 MR. CAMACHO: Okay.

22 COMMISSIONER CHERELLO: So it's up
23 to you two guys right now.

24 MR. CAMACHO: Absolutely.

25 MR. SARDINA: Anything you need,

1 you have my phone number.

2 MR. CAMACHO: I think we should
3 talk tomorrow and finalize it.

4 MR. SARDINA: Tomorrow morning I'm
5 on a conference call, if I don't answer I will
6 call you back. But you will draw up whatever
7 other contracts you may need for that?

8 MR. CAMACHO: I'll make all the
9 changes now that we discussed as a board tonight,
10 and all the changes that I indicated previously.

11 MR. SARDINA: Yes. And just to
12 make assure you, the bid package for the windows
13 and the lighting will be exactly the same, all
14 we're doing is pulling out the specs of the
15 heating system and bringing in the specs of
16 whatever it is. The other thing I'm thinking
17 about, and I'm not sure yet, is for the lighting,
18 and I know we're going to get this over with real
19 quick, the lighting, I really would not like to
20 do three bid packages. I'm thinking about doing
21 one bid package for all three buildings, saying
22 you're not going to start building two until
23 building one is completely finished. And so
24 that's something I'm thinking of doing. I don't
25 know if there's -- on our part there's no issue

1 with that. I'm not sure if you think that's
2 going to be an issue, because it's three
3 different addresses, but I know it's not for us.

4 MR. CAMACHO: No, we've done
5 plenty of projects that incorporate all the
6 buildings. The only question I would have is
7 with regard to the specs for the other projects,
8 are those completed. I know you said on the
9 lighting there's not going to be any other set of
10 specs as far as the engineer is concerned, but
11 the other two projects I haven't seen any of the
12 specs. Are those done or --

13 MR. SARDINA: We really don't have
14 specs. I'm in the process of putting something
15 together. Basically we have a model number, a
16 model that we're looking at, they're low-E glass
17 argon filled windows, aluminum. One of the
18 things I'm going to be putting in the specs, I'm
19 not sure we spoke about this last time, some of
20 the sills on the first floor, they're slate
21 sills, and they're flaking. So that's something
22 that tomorrow I may have my guys drive by to give
23 an idea about how many we're talking about. The
24 other thing is, I would refer back to you or say
25 something to Mark, Mark, do we want to put slate

1 back or do we want to put something else in place
2 that is just as good.

3 CHAIRPERSON WHITE: It's all going
4 to match though.

5 MR. SARDINA: Everything is going
6 to match. If we're going to change one window we
7 we will change all of them. It's just the idea
8 of what it is -- I mean, we're not going --
9 believe me, it's going to look very nice when
10 we're done.

11 MR. CAMACHO: These windows are
12 being recommended by the engineer or --

13 MR. SARDINA: The windows we've
14 used on other buildings. They're Royal windows.
15 The manufacturer is out of Newark. They have a
16 good product line. They stand behind their
17 product line. And we've never had any issues.
18 And if there are issues with the window, we've
19 never -- either replacing a valance or something
20 or other --

21 COMMISSIONER RAMIREZ: How long is
22 the glass seal warrantied?

23 MR. SARDINA: The gas? I'm not
24 sure of that. I can find out for you. That
25 question has never been brought up to me. I

1 know, it happens.

2 COMMISSIONER RAMIREZ: I have a
3 building right now that needs all the windows
4 changed, because the gas is 13 years.

5 COMMISSIONER VITOLO: Mr. Sardina,
6 as we move forward this week, as I said, I stand
7 behind our lawyers who I think are looking in our
8 best interests, if you run into an issue with the
9 lawyers that you feel like you have been treated
10 unfairly, what have you, tell Ms. Gross, and she
11 will relay the message to the chairwoman.

12 MR. SARDINA: I don't think I've
13 been treated unfairly.

14 COMMISSIONER VITOLO: And the
15 chairwoman will address it with us, and we can
16 work on it.

17 MR. CAMACHO: I don't anticipate
18 an issue.

19 MR. SARDINA: It's just that
20 when -- I didn't know I was just to answer to
21 him, and then he was going to answer to you. I
22 didn't know that.

23 COMMISSIONER SALLY: That's what
24 we instructed him.

25 COMMISSIONER CHERELLO: I think

1 that's more for your benefit rather than start
2 fielding phone calls from different board members
3 asking you a dozen questions.

4 MR. SARDINA: When I do respond to
5 any of my emails, I always respond to Mr.
6 Manfredi, Ms. Gross, and Mark and Joe. I always
7 cc those. And I'm figuring I'm hitting all my
8 bases if I do that. Am I right?

9 COMMISSIONER CHERELLO: Well, Mark
10 is not really on board yet, but you'll be --

11 CHAIRPERSON WHITE: At least he'll
12 know, he has all the information already.

13 MR. SARDINA: Like I said, I don't
14 know this, I don't know that he's not on board
15 with you, that's none of my business.

16 COMMISSIONER VITOLO: I got a
17 motion outstanding for a status report on
18 Wednesday with a target date of Friday. Do you
19 have a second?

20 COMMISSIONER DOUGHERTY: Second.

21 CHAIRPERSON WHITE: What is your
22 motion again?

23 COMMISSIONER VITOLO: To instruct
24 our attorneys to obviously work through this
25 contract with Proceed and have a status update to

1 us no later than close of business on Wednesday,
2 and with a target of having final documents no
3 later than Friday.

4 CHAIRPERSON WHITE: Okay.

5 COMMISSIONER DOUGHERTY: And I
6 second it.

7 MR. SARDINA: As soon as you get
8 me those documents I'll personally run to the
9 engineers, get the signatures I need. So if we,
10 whatever, sent back to --

11 MR. CAMACHO: With regard to the
12 guarantee and the contract?

13 MR. SARDINA: Yes.

14 COMMISSIONER SALLY: Alberto,
15 before you leave, could you get with Mr. Sardina
16 and just make sure you have the correct email?

17 MR. CAMACHO: I received his
18 email.

19 MR. SARDINA: I received his
20 email. I was like, there's not 30 items, there's
21 not any items.

22 MR. CAMACHO: I'll send it back to
23 you.

24 CHAIRPERSON WHITE: We have a
25 motion. It's been seconded. Roll call.

1 (Whereupon, roll call was taken
2 with all voting in favor.)

3 CHAIRPERSON WHITE: I guess we're
4 going to move -- I just want to say to Mr.
5 Sardina, we're not looking a gift horse in the
6 mouth. We're very appreciative of everything you
7 are trying to do for us. I want to make sure at
8 the end of the day we're not responsible for
9 anything.

10 MR. SARDINA: I totally and 100
11 percent agree. Like I'm saying, you need to be
12 happy, not me.

13 CHAIRPERSON WHITE: Thank you.
14 Motion to dismiss.

15 (Whereupon, meeting was
16 adjourned.)

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C E R T I F I C A T E

I, BETH A. BENSON, LICENSE NO. XI01373, a Notary Public and Certified Shorthand Reporter of the State of New Jersey, do hereby certify that the foregoing is a true and accurate transcript of the testimony as taken stenographically by and before me at the time, place and on the date hereinbefore set forth, to the best of my ability.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.

BETH A. BENSON
Notary Public of the
State of New Jersey

My Commission Expires May 7, 2017
ID No. 2420514