

HOUSING AUTHORITY OF THE COUNTY OF LACKAWANNA

In Re: Commissioners Regular Meeting

TRANSCRIPT OF PROCEEDINGS

BEFORE: Paul Walker, Chairman
 Patrick Padula, Executive Director

DATE: October 14th, 2025

PLACE: Lackawanna County Housing Authority
 Administration Building
 2019 W. Pine St.
 Dunmore, PA 18512

APPEARANCES:

Rocco Valvano, Esquire

MARIA McCOOL
 OFFICIAL COURT REPORTER

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1 (Pledge of Allegiance.)

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3 MR. WALKER: Roll call.

4 MR. PADULA: Mr. Walker.

5 MR. WALKER: Present.

6 MR. PADULA: Dorunda.

7 MR. DORUNDA: Present.

8 MR. PADULA: Mr. Wallis.

9 MR. WALLIS: Present.

10 MR. PADULA: Mrs. Nealon.

11 MS. NEALON: Present.

12 MR. PADULA: Mr. Barrett.

13 MR. BARRETT: Present.

14 MR. PADULA: Mr. Padula is here.

15 Mr. Jackson.

16 MR. JACKSON: Here.

17 MR. PADULA: Mr. Valvano.

18 ATTY. VALVANO: Here.

19 MR. PADULA: Joe D'Arienzo.

20 MR. D'ARIENZO: Here.

21 MR. PADULA: John Prislupski.

22 MR. PRISLUPSKI: Here.

23 MR. PADULA: And Miss Nicholina

24 Clark is absent tonight.

25 Approval of Minutes:

1 A motion to accept the minutes of the September 9th,
2 2025 meeting was made by Mr. Wallis and seconded by Mr.
3 Dorunda.

4
5 All Board Members present voted in favor.

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7 **Approval of Vouchers:**

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9 A motion to approval the vouchers was made by Mrs.
10 Nealon and seconded by Mr. Wallis.

11
12 All Board Members present voted in favor.

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14 **Public Comment Period:**

15 None.

16
17 **Treasurer Report:**

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19 A motion was made by Mr. Wallis and seconded by Mrs.
20 Nealon to accept the Treasurer Report.

21
22 All Board Members present voted in favor.

23
24 **Old Business:**

25 MR. PADULA: Okay. So under Old

1 Business, I would like to touch on our energy
2 performance contract. We're moving forward.
3 But as you know that the HUD offices are shut
4 down. So we could be in a little bit more of a
5 delay than we thought.

6 But all of our process is in. Rocco
7 is searching some more deeds. We're doing some
8 DOTs. The searches are coming back nicely. We
9 have a tentative approval from HUD, but not an
10 official document written to us. We will be
11 ready. We're prepared to do this.

12 I'm thinking with everything going
13 on now, it might be smart to hold off until
14 the spring to start our construction with the
15 plumbing and definitely with the heating.
16 Anything, Joe, to add on that?

17 MR. D'ARIENZO: The loan documents
18 are pretty much -- they seem to be all in
19 order. They just need signatures. We have a
20 meeting on Thursday with further financial
21 information.

22 MR. PADULA: We're all down to legal
23 now with the banks and with our attorneys.
24 We're right at the end of this. We feel
25 comfortable it's going to go through. We could

1 use it and we're looking forward to that.

2 Once we start the work in the field
3 we're going to really have a lot of field
4 meetings. We'll have Joe Incelli involved with
5 it. We're going to give him a hard roll on
6 that. He could stay on that. We'll have him
7 come in and report to you guys once a month.

8 John, on our dollars, just real
9 quick just give us a little touch on how we're
10 going to receive the funds and how we're going
11 to pay for that.

12 MR. PRISLUPSKI: Everything I drawn
13 down we've got. I drew down as much money as I
14 could. Everything seems to be flowing fairly
15 smoothly.

16 MR. PADULA: Before we get into the
17 subsidy end of it, can you just mention how
18 we'll pay for the EPC?

19 MR. PRISLUPSKI: The EPC is paid
20 through our subsidy. It's an add-on. So all
21 the loans and everything to draw down to the
22 money, we added onto our subsidy and they give
23 us the money.

24 MR. WALKER: Whatever costs we incur
25 in the loan, they give to us based on the fact

1 that we're supposed to save money on our
2 energy.

3 MR. PRISLUPSKI: Right.

4 MR. PADULA: Part of us paying
5 annual fee to TEN, they will measure the
6 verification reports. I will sign them and
7 send them to HUD. We'll show them the savings
8 we received. If we don't receive a savings,
9 TEN is on the hook for that.

10 MR. WALKER: I bring it up every
11 time, but the verification of the verification.
12 You'll do that. So TEN will verify it.

13 MR. PADULA: TEN will prepare the
14 report for us.

15 MR. WALKER: And we have a separate
16 independent verification that we're actually
17 saving the money.

18 MR. PADULA: No. So TEN will
19 certify that we're saving the money. We'll
20 send that to HUD. HUD will verify that they
21 are saving the money. But in-house we wouldn't
22 know enough to read that and say, yeah, there's
23 a savings.

24 We're going off our consultant.
25 HUD will police that. That is who our watchdog

1 will be. And then they wouldn't release that
2 until that's verified. They are the experts
3 right now. So we're relying on them. But to
4 take it a step further -- and I don't know if I
5 answered the question, we will recognize an
6 inhouse saving from the model that will we
7 created.

8 Yes, we'll see the savings in our
9 developments with our monthly bills. Plus,
10 John, just touch on the RRI that we submitted.

11 MR. PRISLUPSKI: So because we go
12 and we shop around to those utilities, we get a
13 cheaper rate. Because we do that through the
14 energy performance contract everything we saved
15 on the -- can't think of the term -- it's the
16 cost to compare. You'll see it on a bill.

17 The difference between what the cost
18 to compare is and what we actually paid, we'll
19 get to keep 100 percent of that.

20 MR. PADULA: We had to submit
21 paperwork to HUD to do that with the RRI. Now
22 we have an inhouse model. And we have somebody
23 policing that. Nick is watching that. So
24 we're watching our bills closely on our
25 utilities.

1 MR. WALKER: We're talking about the
2 inhouse models could say our electricity cost
3 was "X" every month for a comparable period,
4 comparable weather, all that other stuff --

5 MR. PADULA: And we'll allow seasons
6 to be elevated. We'll know where we find water
7 if something is being used in excess, then
8 we'll investigate, see if we have leaks, why
9 that is. But we created that model just
10 recently, John, they helped us with that. Is
11 that being helpful to us?

12 MR. PRISLUPSKI: Yes.

13 MR. WALKER: Who created it?

14 MR. PADULA: TEN.

15 MR. WALKER: You also said we're not
16 going to start construction until the fall.
17 But the other things like -- spring, I'm sorry,
18 the refrigeration units and all those things?

19 MR. PADULA: We could start stuff
20 like that I would imagine. I hope to start
21 sooner.

22 MR. WALKER: You can't do it until
23 the government is back.

24 MR. PADULA: Sure.

25 MR. WALKER: You could do things

1 like the refrigerators and all of those.

2 MR. PADULA: We can. We're going to
3 touch on the shutdown a little bit what we did
4 as managers. And you're aware of it. But I
5 want to touch base on that as well. We think
6 they'll get settled. But we have to manage
7 that.

8 And maybe they don't. Maybe we have
9 to go a little longer than we think. We have
10 to be good managers and prepare for that. That
11 is all I have under Old Business.

12 MR. WALKER: You touched on
13 drawdowns and everything. What we're doing
14 with the shutdown, in New Business or
15 something?

16 MR. PADULA: Yeah, we could put that
17 in New Business since it just happened with the
18 shutdown.

19 ATTY. VALVANO: That's fine.

20 MR. WALKER: Okay. I don't need a
21 motion on Old Business. But now we'll do New
22 Business. Are you finished with Old Business?

23 MR. PADULA: Yeah, do you guys have
24 anything? New Business we'll go under.

25 MR. WALKER: Okay.

1 New Business:

2 MR. PADULA: Under New Business the
3 big topic in our world is the government
4 shutdown. So how does that work? So we're
5 still working. We plan on working. We receive
6 our funds. We receive our funds 60 days in
7 advance usually. So we already know that we
8 have funds out until January.

9 We're watching it very close where
10 we drew down as much money as we can. And big
11 dollar amounts including our capital fund
12 projects we have on hold right now. So why do
13 we do that, because I think it's being
14 responsible if we're spending money on siding
15 and different things that aren't in need right
16 now just in this case we may need those
17 particular funds.

18 I would rather have it in-house than
19 to owe somebody something. I think it's just
20 responsible that we did that.

21 MR. WALKER: You're drawing down
22 from the reserves that we have.

23 MR. PADULA: John is going to jump
24 on that in one minute. We also sent out an
25 e-mail that Joe got that out to everybody.

1 That was an e-mail that I directed to the staff
2 just to do better, be better managers. This is
3 the time we need to watch everything and be
4 tight.

5 We're watching everything that we
6 could do, we feel we're going to do here. We
7 are doing here. John, if could you touch base
8 on that. When we use the word drawdown,
9 explain that to them.

10 MR. PRISLUPSKI: Each month HUD
11 sends us information of how much they are
12 giving us in a two month period, 60-day period.
13 So right now we've drawn down everything up to
14 October. We still have November and December
15 to draw down.

16 MR. WALKER: What do you mean draw
17 down, from reserves?

18 MR. PRISLUPSKI: We request the
19 money from HUD is our subsidy. We have the
20 rental income and our subsidy in public
21 housing. And then in Section 8, they put the
22 money into an account the first of each month
23 so we could pay the landlords. They give us an
24 administrative fee.

25 MR. WALKER: Are we getting it

1 monthly? We're still getting it?

2 MR. PRISLUPSKI: Yes.

3 MR. PADULA: We had already gotten
4 it. We have it out for two months in advance.
5 We're concerned about two months from now,
6 January from now. Are they going to release
7 the money if they are not in the office? That
8 is what it is.

9 MR. WALKER: We have reserve
10 accounts too, don't we?

11 MR. PADULA: We have reserve
12 accounts that are held. So we need to ask HUD
13 to release them and they do.

14 MR. WALKER: We also have the
15 reserve from those medical expenses -- go
16 ahead.

17 MR. PADULA: That is actually in
18 just our basic checking account. We could
19 access that money whenever we want. That's our
20 money. When you're talking about reserves,
21 you're going on the idea of subsidy. Am I
22 saying that right, John?

23 MR. PRISLUPSKI: Yes.

24 MR. PADULA: Explain reserves.

25 MR. PRISLUPSKI: So we have a little

1 over 3 million dollars in reserve. And that's
2 enough to take us February, March.

3 MR. PADULA: The account that you're
4 talking about we have a good million and a half
5 just sitting in a bank. That's our money. So
6 we're good managers. And we put things in
7 there for, you know, exactly what's happening
8 right now. So we know we have that.

9 MR. WALKER: In the past, do we have
10 to tap into HUD to say, listen, we haven't
11 spent all of our subsidy so we have it in
12 reserve. HUD controls that. Are they giving
13 it to us or do we tap into it or not?

14 MR. PADULA: We can if we need it.

15 MR. WALKER: All right. But we
16 don't need it right now.

17 MR. PADULA: We don't need it.
18 We're using our regular operating subsidy.
19 We're just operating normally. That's why it's
20 important that we perform. And they give us
21 our dollars two months in advance.

22 If we weren't performing, as they're
23 funding us, that would be less. They won't
24 give us the whole year amount which is smart.
25 So we perform. They pay us for our need. So

1 we're just operating normally.

2 The reserves, your Section 8
3 reserves are there in case we go over the
4 amount. If we have "X" amount of people
5 looking to receive vouchers, what if everybody
6 hits it at one time, they have these reserves.
7 And reserves are there -- and I could probably
8 say not from this group, but reserves are
9 sitting there when we never use them.

10 If we weren't using all that money
11 they put them into a reserve account. We don't
12 have that problem because we have been using
13 them up. John, keep going on the subsidy.

14 MR. PRISLUPSKI: So the subsidy is
15 good until the end of the year. We didn't find
16 out what we're going to get in January. They
17 fund us on a calendar year.

18 MR. PADULA: What's happening is
19 nothing unusual for us. These sixty days, they
20 are not doing that because they're shut down.
21 That is just how they fund us. Remember, what
22 happened back in August, we submitted a
23 balanced budget to them.

24 They kind of already know what we're
25 going to use. And they are doing their formula

1 as they are going throughout the year.

2 MR. WALKER: You said we're not
3 spending capital funds. But we have the right
4 to draw down -- are the capital funds in that
5 account for the year and we have a right to
6 draw down up to 25 percent to pay --

7 MR. PADULA: We did that already.
8 The capital fund money that we have dedicated
9 to these projects, it's still public housing
10 funds. We can't just take them and put them
11 into public housing payroll and different
12 things like that.

13 But we have them. So if the time
14 ever comes where we have to have a discussion
15 on money sitting there, then we have to have
16 that discussion. I would rather have that
17 discussion that we have something than have a
18 discussion when we don't have anything.

19 But I know exactly what you are
20 saying. That is allocated towards large
21 projects. But what happens in January when
22 we're sitting down and we have another
23 discussion, we have to have to make a decision
24 about all that extra money.

25 MR. WALKER: We don't have to make

1 that decision tonight.

2 MR. PADULA: I don't think we have
3 to. But when we see that, you know, just as
4 managers, how do we not react to that? We have
5 to take it very serious.

6 MR. WALKER: We haven't laid anybody
7 off.

8 MR. PADULA: No layoffs. We're
9 operating as usual. Everybody needs to be
10 informed of this.

11 MR. WALKER: Okay. Anything else in
12 New Business?

13 MR. PADULA: Johnny? Joe?

14 MR. D'ARIENZO: No.

15 MR. PADULA: John?

16 MR. PRISLUPSKI: No.

17

18 Report of the Executive Director:

19

20 MR. PADULA: So our public housing
21 program is performing. We're at 98 percent.
22 We're leasing all the time. We're catching up
23 on all of our legal end of it. But other than
24 that, nothing really to report there.

25 Section 8, doing okay. We're coming

1 on with some new leases now. We're on top of
2 our Section 8 inspector now. We got a new
3 inspector. Johnny trained her and she's doing
4 well. That program is rolling out. We're
5 about do you know where we are --

6 MR. PRISLUPSKI: 706.

7 MR. PADULA: We want to get that up
8 to about 713, 14, 18?

9 MR. PRISLUPSKI: Close to 720.

10 MR. PADULA: We're picking up some
11 new leases in Dunmore Bucktown. We got six
12 leases in there now.

13 MR. WALKER: They didn't want
14 project based vouchers, now 15?

15 MR. PADULA: We couldn't hook them
16 for the 13 vouchers. And now they are telling
17 me they have 15 leases in there. So do you
18 know what we're talking about?

19 A project based voucher would stay
20 with the unit. It would always be in the unit.
21 And it would help the owner. It would help our
22 agency. And we would actually use those
23 vouchers that we have dedicated. We have 13
24 dedicated to that. They were hot on them.
25 They wanted them.

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Then they said they don't want them. Now they have 15 of our vouchers from our regular applicant list on there.

MR. WALKER: They didn't want the project based voucher because they didn't think they could make enough money off of the rent and now they need them.

MR. PADULA: Now they're back to it again. They had that in their mind they were going to make all of this market rent. But I'm glad we have a piece of the pie in that area.

MR. BARRETT: What happens when he raises the rent?

MR. JACKSON: My suspicion is that's why they didn't want the project basically, because under project based, the rent will be more controlled.

MR. WALKER: They could lease right now based on fair market value. And then they could come to us next year and say we want an increase.

MR. PADULA: Yes, 90 days in advance a landlord could ask for an increase. And it's a process. Johnny, we won't refuse them increases.

1 MR. JACKSON: No. Based on our
2 payment standard, the increase would affect the
3 tenant, not us.

4 MR. WALKER: So the tenant pays "X"
5 and then "X" plus next year if they want to
6 stay there or they could take their voucher and
7 go somewhere else.

8 MR. DORUNDA: Our rate doesn't go
9 up.

10 MR. JACKSON: No, it won't affect us
11 at all. But if the increase is under the
12 payment standard and they meet rent
13 reasonableness. Like I said, the increase will
14 affect the tenant.

15 MR. WALLIS: But are we paying more
16 like 120 percent over --

17 MR. JACKSON: Yeah, our payment
18 standard is 120 percent.

19 MR. WALLIS: So we could be giving
20 them that now and then he could still request.

21 MR. PADULA: And we're going to
22 stick to the 120 percent, Johnny. There is
23 some paperwork I think we have to do on that.
24 I think we have to do that again. We have to
25 request that to do 120.

1 MR. BARRETT: I got to get this
2 point in. So the people going in there on
3 those vouchers, they are sort of gambling on
4 the low end, I mean, like, if they don't have
5 anything. They are sort of gambling because
6 he's going to raise the rent. There's no doubt
7 about it.

8 MR. PADULA: Well, you're right
9 because their end of it could go up.

10 MR. WALKER: But they could take
11 their vouchers and go somewhere else if they
12 could find a landlord that will accept them.

13 MR. PADULA: They can. Is that
14 fully leased?

15 MR. JACKSON: Yes.

16 MR. PADULA: So those tenants are
17 all on our list. They were sitting on our
18 applicant list because clearly, the list is
19 closed.

20 MR. JACKSON: No, they were
21 presently somewhere else. And they moved it.

22 MR. WALKER: So if they just didn't
23 have vouchers they couldn't find a landlord
24 for, they were somewhere else and they moved in
25 there.

1 MR. PADULA: They had a vouch.

2 MR. BARRETT: There's only 40
3 apartments. They have 14 parking spots
4 underneath. I used to walk by early every
5 morning.

6 MR. PADULA: And we got 15 of them.
7 And they are going to see what we try to
8 explain to them that they are still better off
9 dealing with us.

10 United Neighborhood is the manager.
11 So Johnny is going to ask for the 120 percent.
12 We're going to do that paperwork. We should be
13 approved for that. We have to get HUD approval
14 from DC on that when we go to 120.

15 MR. JACKSON: Yes.

16 MR. PADULA: That's why we have to
17 do that.

18 MR. WALKER: So we have to ask in
19 advance permission instead of forgiveness like
20 we did last year.

21 MR. PADULA: We were right on that.
22 We were right on that. HUD was wrong on that.
23 All right. So our capital fund, we're doing
24 well. We have our projects out. And we have
25 all of our paperwork in order. We have all of

1 our dollars in order. But we're just going to
2 kind of hold a little bit on proceeding just so
3 we do keep them funds inhouse.

4 MR. WALKER: And all the contracts
5 are good to say, hey, we could hold this --

6 MR. PADULA: We spoke to everybody.
7 That is just security. I just feel better
8 doing that right now. Anybody else?

9
10

11 A motion was made by Mr. Wallis and seconded by Mr.
12 Barrett to accept the Report of the Executive Director.

13

14 All Board Members present voted in favor.

15

16 MR. WALKER: I'll entertain a motion
17 to adjourn. We have no write-offs of
18 collection balance?

19 MR. PADULA: Does anybody have any
20 questions for us?

21 MR. WALKER: We don't have any
22 write-offs of collection balances and stuff?

23 MR. PADULA: Do you have a
24 write-off?

25 MR. JACKSON: Yeah.

1 MR. DORUNDA: There's one here.

2 MR. WALKER: To the agenda we'll add
3 a resolution authorizing to write off of
4 collection balances for vacated residents.
5 This one guy owes \$11,000.

6 MR. PADULA: Let's go over that. So
7 as you guys know what that report is. It's a
8 standard resolution. It's tenants that owe us
9 dollars. But we have to get them off our books
10 within two months so. To answer that
11 \$11,000 -- I'm blind here, but I would imagine
12 that is a bad payment --

13 MR. JACKSON: I can explain. It's a
14 lady that failed to report any maintenance
15 charges. And apparently she was utilizing the
16 tub and it clogged up the pipes -- underground
17 pipes and everything.

18 MR. PADULA: She was using her tub
19 for a bathroom.

20 MR. WALKER: Instead of a toilet?

21 MR. JACKSON: Yeah, apparently the
22 toilet was clogged and she failed to report it
23 to the manager. And the way we discovered it
24 was during an inspection. And they seen
25 everything in the apartment. We ended up doing

1 extensive work to clear that drain and the tub
2 and everything.

3 MR. PADULA: So we needed
4 environmental people to come in and clean and
5 that added up.

6 MR. WALKER: Did she acknowledge
7 that she did that?

8 MR. JACKSON: Yeah, she acknowledged
9 it.

10 MR. WALKER: Why didn't she just ask
11 for a maintenance person?

12 MR. JACKSON: I have no idea. I
13 believe there was a mental issue with her. And
14 we ended up evicting her. And this is the
15 balance that was done after all the work.

16 MR. PADULA: What that is, is I'm
17 sure it was Datum Environmental. I'm sure we
18 had a contractor come in for the tub. We take
19 their invoice and pay their invoice, of course,
20 and we add it onto the tenant's account.
21 That's it.

22 MR. WALKER: You said there was a
23 mental health issue. Is she somewhere?

24 MR. PADULA: I would imagine because
25 of the situation, I think we transitioned her,

1 didn't we?

2 MR. JACKSON: We reached out to the
3 Area Agency on Aging and she refused the
4 service. So there was nothing we could do at
5 that point.

6 MR. PADULA: So we didn't transition
7 her out. It was just a straight eviction.

8 MR. JACKSON: She's evicted. It was
9 straight eviction.

10 MR. PADULA: She left on her own or
11 was it a physical eviction?

12 MR. JACKSON: They had a constable
13 come and lock her up.

14 MR. WALKER: Where did she go,
15 Johnny, do you know?

16 MR. JACKSON: I have no idea where
17 she went. Again, we reached out to Area Agency
18 on Aging to assist. But when they refuse,
19 there is nothing.

20 MR. PADULA: And family members were
21 contacted, right?

22 MR. JACKSON: No, there was no
23 listed family members.

24

25

RESOLUTION #4528

1 Authorizing the write-off collection loss balances for
2 vacated residents.

3

4 Following the reading of the Resolution, a motion was
5 made by Mr. Wallis and seconded by Mr. Barrett.

6

7 All Board Members present voted in favor.

8

9 MR. WALKER: Anything else we're
10 missing from the agenda?

11 MR. PADULA: No.

12

13 Adjourn

14

15 A motion was made by Mr. Wallis and seconded by Mrs.
16 Nealon.

17

18 All Board Members present voted in favor.

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C E R T I F I C A T E

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3 I hereby certify that the proceedings and
4 evidence are contained fully and accurately in the
5 notes taken by me of the above-cause and that this copy
6 is a correct transcript of the same to the best of my
7 ability.

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10 _____
11 Maria McCool, RPR
12 Official Court Reporter

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