HOUSING AUTHORITY OF THE COUNTY OF LACKAWANNA

In Re: Commissioners Regular Meeting

TRANSCRIPT OF PROCEEDINGS

BEFORE: Paul Walker, Chairman
Patrick Padula, Executive Director

DATE: June 11th, 2026

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

APPEARANCES:

Rocco Valvano, Esquire

MARIA McCOOL
OFFICIAL COURT REPORTER

(Pledge of Allegiance.)

MR. WALKER: Roll call.

MR. PADULA: Mr. Walker.

MR. WALKER: Present.

MR. PADULA: Mr. Dorunda.

MR. DORUNDA: Present.

MR. PADULA: Mr. Wallis.

MR. WALLIS: Present.

MR. PADULA: Mrs. Nealon.

MS. NEALON: Present.

MR. PADULA: Mr. Padula is here. Attorney Valvano.

ATTY. VALVANO: Here.

MR. PADULA: Miss Felicity Schultz is here.

MS. SCHULTZ: Present.

MR. PADULA: Miss Nicholina Clark.

MS. CLARK: Present.

MR. PADULA: Mr. John Prislupski.

MR. PRISLUPSKI: Present.

MR. PADULA: And I'm proud to announce John as the new Deputy Executive Director.

ALL MEMBERS: Congratulations, John.

MR. PADULA: He got approval from Civil Service. We went through a panel. Civil Service approved him yesterday. So we officially -- you're our first body to explain that to. I'll get an official letter out to all the other staff. So, congratulations to John, well deserved. And you're going to be a great asset to everything for us.

Approval of Minutes:

A motion to accept the minutes of the May 14th, 2026 meeting was made by Mrs. Nealon and seconded by Mr. Wallis.

All Board Members present voted in favor.

Approval of Vouchers:

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

All Board Members present voted in favor.

Public Comment Period:

None.

MR. WALKER: Report of the Treasurer.

MR. PADULA: In your packet you guys will find expenditures for the month. If you have any questions on please ask. It should be fairly routine. You'll see a lot of utility bills in there. You'll see a lot of construction cost in there.

Some large expenditures would be for the capital fund department. Nothing out of ordinary for the month of May that we need to report. So with approval tonight, you'll approve those expenditures and need a vote.

<u>Report of Treasurer</u>:

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

All Board Members present voted in favor.

<u>RESOLUTION #4547</u>

Review and approve the Public Housing Agency Budget for

Fiscal Year 7/1/26 to 6/30/27.

MR. PADULA: As you guys are aware every year we are fiscal year. We're on June 30th starting for July 1. Every year we need to submit a balanced budget to Housing and Urban Development. John, Nicholina, and the team will get the budget together.

We'll balance out our expenditures from last year. John will give in much more detail on that. You're going to submit this to HUD.

MR. PRISLUPSKI: Yeah, we just have to send the resolution to HUD.

MR. PADULA: We send the resolution to HUD. The budget is here in case they ever request it. This is just common annual practice. John, if you would like to explain everything on here?

MR. PRISLUPSKI: Attached is the budget. It's for the Public Housing, the Housing Choice Voucher Program, and the Central Office Cost Center. After 10 months of activity and prorate it out for 12 months, any additional estimates we put on, for example, we put on 5 percent increase for electric.

They are saying it's going up 3.9 or something like that. We always have to have a cushion. The Public Housing Rental Income, we increased that by 2 percent each year.

And we'll be paying out for the Housing Choice Voucher Program, 120 percent of the area's fair market rent. We do that so we could keep the landlords interested and to help the clients that we have. The Housing Choice Voucher Program, we have 842 units.

We have 720 of them leased. We never quite reach the full potential because the money that they give us, they only give you what you paid out last year. And then they go into they have these HUD held reserves that they add to it.

So right now we're on 720. We expect to get a little bit more. Every one of the budgets are balanced. We have a positive cash flow on every one of them. The only concern that one of the AMPs is just a little bit low.

But we're going to look at moving our maintenance people around, maybe splitting some charges up differently to bring them into more balance.

MR. PADULA: John, if I could stop you there for a minute. Explain how we have the ability to take a more positive development and put it with a more maybe low achieving developments because of the rents and to make that AMP correct.

MR. PRISLUPSKI: So what we could -- one of the developments, if you look at the second page of the Public Housing Budget, you'll see like AMP2 has 16,000; 31,000 in AMP4. And AMP3 is the one that we're a little concerned about because it's a little bit over 5,000. But we could take the money from there and move it as we need it.

The other part of it is, we don't know yet what our '26 Capital Fund is going to be. But it's usually more each year. So we could take 25 percent of that grant and put it towards the cost of public housing.

MR. PADULA: Now, John, AMP3 is a little lower than normal. But you would base that off the year before to get this balanced budget, correct?

MR. PRISLUPSKI: Right --

MR. PADULA: But if we had large single expenditures there for the last 10 months or for last year, we may not have them going into this year. We could have had a one time -- a large payment up there we might not have coming up. So that might be higher -- so do you want to explain something like that?

Some large payments won't -- they may be one time payments. We could have had a large construction cost, could have had a large apartment, anything could have happened.

MR. PRISLUPSKI: Right. And we do watch it every month. We're on top of it.

MR. PADULA: AMP3, did we have any type of water leaks in that development?

MR. PRISLUPSKI: No, not that one.

MR. PADULA: Because that will drive it too.

MR. PRISLUPSKI: If you want to look at it at your leisure. Any questions, call me, e-mail me whatever you need.

MR. WALLIS: How much is the fair market rent?

MR. PRISLUPSKI: It changes for

every unit size. So the latest ones just came out.

MR. PADULA: Would you like to know about the fair market rent? I have a professional, Miss Nicholina.

MS. CLARK: I don't know them off the top of my head.

MR. PADULA: I have to give her credit. Nicholina said you guys aren't going doing the fair market rents right. You're not raising them every year.

And you're leaving money in the developments. She came in and she did a lot of study and a lot of research on it. And we raised our fair market rent to where they should be. Nicholina, take it from there what you did.

MS. CLARK: Every year HUD releases the fair market rents based on bedroom size of whatever. I don't know them off the top of my head what they are right now. But if you basically sign onto -- in public housing we could charge up to 80 percent of that fair market rent that they release every year.

If you sign on for that then you

have to do that. If you don't do it, then you have to get approved by HUD to not -- once you sign in, you're in. We kind of fell behind the eight-ball on that. Now we're increasing everyone that's -- now this is a flat rent we're talking about.

So we either have income based rent or flat rent. That's the choices that the tenants have when they come in. These flat rents we're updating to -- everyone that's on flat rent to the new -- we can only increase them 35 percent.

And then we have to phase them in to bring them up to par. It might take a year to two years to bring everyone up to par. That should help --

MR. PADULA: That's why HUD lets them offer two choices of rent, income based or family. Whatever the lower, the family will usually choose. Our flat rents were low. Now we're go to bring the rents up. And our formula says that a family can afford it, especially utilities count. Now that we're on track with this we'll continue to keep up with the rents.

MR. WALKER: Are you talking about for public housing?

MS. CLARK: Yes. So Felicity pulled up a zero bedroom fair market rent is 779; one bedroom is 928; two bed is 1,123; three bedroom, 1,462; and four bedroom, 1,596.

MR. PADULA: We pay the utilities.

MR. WALKER: Obviously if it's income based, it's a percentage of those things.

MS. CLARK: Thirty percent of their income is what their rent will be --

MR. PADULA: We'll give them deductions for their medical. We do the best we can. They get treated more than fair.

MR. WALKER: I know it's not our fault, my problem with that is we don't treat landlords similarly. So when we have a Section 8 and we go to HUD and say the fair market rent is out of proportion to what it really is in Lackawanna County and we say the landlords won't take us because we're $600 is what they consider the fair market rent for a two bedroom when in reality it's $1,500.

And I think we've talked about this.

Polcari every year tries to increase that. If we're saying public housing two bedroom is 11, 1,200 bucks and we go to the landlords and say, yeah, our fair market on public housing is 1,200 for a two bedroom. But your fair market value is 660. I'm throwing numbers at you.

But we're doing them a disservice. You have to have that conversation with HUD at some point and say --

MR. PRISLUPSKI: In Section 8 program though, we do pay the 121 percent.

MR. WALKER: It's still completely out of proportion.

MR. PADULA: The only way we could have that conversation is we write them a letter. The only way we could get down to it is if we wrote them something from Rocco.

MR. WALKER: I know we tried it. I remember talking about this years ago. And you said Polcari always tries to get the --

MR. PADULA: That would be our national. That's why you have the NAHRO. They're always pushing for that, trying to get more for the PHAs and we never seem to get any more with that.

I would say you'd have to have a group of housing authorities going in on and then going back at that them. One Housing Authority would be -- I would think that is how you would have to combat that.

MR. WALKER: I'm just saying it's not fair.

MR. PADULA: We give them annual increases if they ask. But then that portion comes out of their tenant's part of it. It's not really an increase.

MR. WALKER: That's my complaint.

MR. PADULA: John, do you have anything else to add to the budget?

MR. PRISLUPSKI: No.

MR. PADULA: In the past years that you put out this balanced budget, do you usually stay on track with it?

MR. PRISLUPSKI: We do. When we do our financials we have to do a budget to actual for the year end. We have to give that to the auditor.

MR. PADULA: Right. That is my question. The budget to actual, does it usually come out close to that?

MR. PRISLUPSKI: Yeah, pretty close unless there is, like, an extraordinary event that takes place.

MR. PADULA: Our expenditures are pretty normal, pretty routine unless something happens like that big snow and different things that we had. But we know how to handle that.

MR. WALKER: How about healthcare, John, is that going through the roof or are we okay on that?

MR. PRISLUPSKI: Healthcare is running around $153,000 a month.

MR. PADULA: Did we get an increase? How much did we increase?

MS. CLARK: 13 percent.

MR. WALKER: Any questions? Okay, so I will entertain a motion to approve the budget.

<u>Approval of Budget</u>:

A motion to approve the budget was made by Mr. Wallis and seconded by Mrs. Nealon.

All Board Members present voted in favor.

RESOLUTION #4550

Authorizing Attorney Valvano to enter into a contract with Stevens and Lee for additional professional services for the development of a tax credit property project. All legal work will be under Attorney Valvano's contract.

MR. PADULA: As you know, we are all definitely in favor of adding housing to our complement. We know we have a need for it. And this is a law firm that has professional service in tax credits.

So with Board Approval tonight they will work under Mr. Valvano's contract and Mr. Valvano and I will work with Stevens and Lee to help us entertain and feel the market out for tax credits.

We'll have assistance with our application to HUD, our request for proposals, and pretty much anything that comes up, whatever we need on that.

MR. WALKER: As I understand it, we had a discussion with these people that there is a period of time within which you have to make your application for that tax credit. We're not opposed to that.

We can't do it this year. So we're going to start preliminarily talking to people, developers and whatever about going into Jessup and Dickson City to put a development together for next year's tax credit.

ATTY. VALVANO: And also try to gauge any interest from the builders, the contractors to see.

MR. PADULA: It's going to be a long process. We want to shoot for our Jessup property and Dickson City property on Grier Street. But once we get our feelers out and talk to some developers, they may have some other ideas. There could be a school maybe that we could purchase or something. That's why we want to go ahead and talk to some professionals and see where we want to be with that. So with Board Approval tonight, we'll enter into that contract.

<u>Approval of Resolution #4550</u>:

A motion to approve Resolution #4550 was made by Mr.

Wallis and seconded by Mrs. Nealon and Mr. Dorunda.

All Board Members present voted in favor.

RESOLUTION #4551

Authorizing Executive Director to solicit bids for tax credit developers. That is part and parcel to the other resolution. One is for employment of the firm that specializes in the tax credits. The second is to solicit developers.

MR. PADULA: I will start working with Rocco and an official from Stevens and Lee. We will start preliminary just chatting on this, giving us some ideas from them. And we'll go out and talk to some different developers at the recommendation of Stevens and Lee.

Approval of Resolution #4551

A motion to approve Resolution #4551 was made by Mrs. Nealon and seconded by Mr. Wallis.
All Board Members present voted in favor.

RESOLUTION #4553

Authorizing Attorney Valvano to enter into a contract with Wolff Law for additional professional services for the research of local zoning and data center concerns. All legal work will be under Attorney Valvano's contract.

MR. PADULA: As you're aware there's a proposed data center going to be built next to our development on Henry Drive in Jermyn. Our concern is what everybody else's concern is being built so close to our families, is it going to affect our families, is it going to affect our operation, is that development going to be less desirable for our families.

With Attorney Valvano and Attorney Wolff, we will file whatever we need to file on that to get into the suit that is pending now or however we feel we need to --

ATTY. VALVANO: Yeah, I would just add for research and representation in the resolution because he's going to be doing -- he actually would be representing us with the court on our behalf.

MR. PADULA: We'll just add that into that resolution.

Approval of Resolution #4553

A motion to approve Resolution #4553 was made by Mr. Wallis and seconded by Mrs. Nealon and Mr. Dorunda.

All Board Members present voted in favor.

Old Business:

MR. PADULA: I can put under Old Business that we have been researching the deputy.

ATTY. VALVANO: You could put that anywhere. You already mentioned it.

MR. PADULA: Everybody knows that we posted the position for the Deputy Executive Director. We had two applicants within Judy Thiel applied and John Prislupski applied.

We worked with civil service originally to start the posting. We formed our in-house panel, which would be Rocco Volvano, Pat Staples, and myself. We did interviews.

John did outstanding during the interview. We all voted unanimously for John to be the Deputy.

And just to go back, we had to post it for so long. We followed all that civil service guidelines. We got approval for John to be the Deputy once we submitted all the paperwork. June 1st was his official start date from Civil Service.

Congratulations to John. Thank you for doing everything you do. And if you, John, you want to say a couple things, please feel free, and you guys want to say anything, please.

MR. PRISLUPSKI: I just appreciate the opportunity you've given me.

MR. PADULA: Absolutely, John.

MR. WALKER: Will John be performing a dual function?

MR. PADULA: Yeah. John always had a hat with Johnny, myself, and himself for the planning of the operations. John was in name, he was the Comptroller. But he was more than that in our little group. We would make day-to-day decisions.

And John not only kept us on track financially, but he also would keep us on track with, you know, keep us advised on his opinion on things with his experience. Not much is going to change for John.

And then Nicholina is starting to learn a lot of -- not learn, she's on it already, more of the high level finance stuff. Felicity is helping us with our team and all this admin work that we need to do. We're going to continue to work together as a team and keep moving the Housing Authority forward.

If you guys have anything to add, please do so. But thank you, John, for applying and stepping up when we need that. We need a spot filled from somebody who has experience, though very important.

MS. NEALON: Thank you. Congratulations. I think this is a really good team. I'm excited about what's going forward.

MR. PADULA: Thank you. We work good together. And we're going to get better too. We're going to meet our goals. I feel confident of that.

Okay, so under Old Business, the

data centers we already talked about. Let's talk about the EPC. So the energy performance contract is -- we're rocking on that contract now. The weather's here. We wanted to start a little earlier, but the weather wasn't good to do what they're doing. We're really ahead of schedule almost right now.

On the EPC, we're really moving really well on all the installation of the new toilets, the installation of the new aerators, the shower heads and all the lighting inside. They're actually going into a unit and they're doing x-amount a day. And they're doing all the electrical and all the plumbing all at one time every time they go into a unit.

That's why they were happy with the contractor they picked because they do -- they're like general. They have, like, a large team to do what they're doing. Matter of fact, did you see all the toilets all over the yards, like, hundreds of toilets were all over, new ones, old ones.

And then they take them and haul them out. And they're gone. So they're doing a good job. Tenants are cooperative. They're very appreciative. We are finally fixing those water leaks down there in Taylor. We have the weather. They have the material. And, John, we're $10,000 savings for the month in water?

MR. PRISLUPSKI: Yeah, we are.

MR. PADULA: That's a lot. So we're getting all that back --

MR. WALKER: That's just from the temporary repairs.

MR. PADULA: It's just one site. That was something we really had to get at. The Throop boilers are going to be starting shortly. Just to go down this list, we're going to be preparing for our Cole Village, is going to get all new windows. We'll have more efficient windows. And the tenants, do pay their own electric up there. So that'll help them with that.

Contingency money used so far 15,000. We went into our contingency for 15,000.

MS. SCHULTZ: Yeah, I believe that was part of it for the windows.

MR. PADULA: Anything we could get out of this, we're going to do. If we see something that's not fixed, we're gonna fix it now. So estimated rebates for refrigerators and boilers are about 200,000. That goes back to us.

MS. SCHULTZ: Yeah, if we filed everything as of last meeting, I'm sorry, two meetings ago, it would have been -- that's the estimated amount that they calculated. Now, by the time we end up getting all the fridges out, because those are fridges -- and I'm sorry, what was the other one?

MR. PADULA: The boilers.

MS. SCHULTZ: And the boilers. We're starting on the boilers on Monday. We can't do rebates on them yet because we don't have the old ones to give them yet. As long as that doesn't change by the time we do the rebates, then that's the estimated amount.

MR. PADULA: And the rebates are for because we're using high efficiency equipment.

MR. WALKER: The electrical providers and whatever give you a rebate.

MR. PADULA: Yes. Refrigerators are going very well. We did Taylor. We did --

MS SCHULTZ: Roosevelt, Kennedy,

Fell.

MR. PADULA: All new refrigerators for the families, which is great. Then we have an issue in Taylor with fire hydrants. So what we're seeing is they're connected onto our waterline. We've had this in the past. What have they talked about so far?

MS. SCHULTZ: Yeah, so the contractors have been trying to reach out for months now to the water company to try and see if they can redirect the waterline to connect to -- I don't know what else is down there. But right now it's connected to our waterline. So if anything happens to that fire hydrant, if it needs to be flushed, if there's, God forbid, an accident --

MR. PADULA: It's on our bill. We had this before. I think there could be a public line somewhere where it should go on. They tapped in the waterline years ago on our line, on our dime. So every time they open that, we're paying for it. We'll just keep working along with them and see if --

MR. WALLIS: We have one meter down there. So, yeah, we would just have to get them out, add a meter.

MR. WALKER: There might be money on that too. You know, the people who supply the water might be charging the municipality for a hydrant -- or maybe they're taking money from us.

MR. PADULA: Yeah, these are things that you find that they did years ago. And you know, it's just the way it was. We'll look into that. That'll start coming out, and we'll see how to handle that. And then boilers and furnace are next.

So with that said, we're moving well. We're happy with it so far. We're doing every two weeks of meetings. There is some extra costs. We found a lot of flooring that was rotted with the toilets. We're going to go back.

They said we're not going to spend the time on repairs right now. They have this formula where they're doing eight or nine apartments a day. We will definitely be back on those repairs. We found a couple bad stuff that wasn't in the EPC as well with showers.

We marked them down. We're going to

go back and put them in through our capital funds. Even that you're finding something, I'm glad we're finding it so we could get that stuff repaired. Anybody have anything on their old business?

MR. PRISLUPSKI: The RBC, it was last meeting where you had me look into the pulling out of the RBC with Jessup's development. I contacted them and they recommended that the compliance period finish, which would be in December of 2028.

They listed a whole bunch of things here. It says we generally prefer to wait until the 15-year compliance period has concluded before we exit the partnership. We'll consider some early exits on a case-by-case basis.

Once we are ready to proceed, you will need to submit a purchase price offer to the investors. Once we see it, we'll review it and deem it -- if it's deemed to be a fair offer. So I asked her, I said, "Well, like, how do you go about doing that?"

And she said that, you know, like your actuaries and accountants have to get involved in it and come up with a cost estimate. And basically it's going to be a lot of money.

MR. PADULA: Yeah, so you already have, like, I'm already hearing -- without even doing a study, I hear professional service costs already. I hear accountants are going to start charging.

How much is it going to be -- the buyout of this when we're almost there in 18 months, right?

MR. WALKER: So they're saying if we try to do an early termination, there's a higher premium?

MR. PADULA: No, they're saying there's a buyout. There's an early buyout. But I'm already hearing professional services, you need your accountants to figure it out. There's a bill on top of it.

MR. PRISLUPSKI: Payment at closing, our disposition fee is $8,500, plus legal reimbursement to our counsel, payment at closing cost and any outstanding asset management fees we'll have to pay them.

MR. PADULA: And we're going to need

Tony to help us. So that's a cost on ours. We'll need Rocco to look at some -- sorry, Rocco, but that's another cost. So I don't know what -- I guess we could look at it.

MR. WALKER: I didn't think it was going to be 2028. I thought it was sooner than that.

MR. PRISLUPSKI: I thought when we started building it, I think in '12. By the time it was done it was '13. When the first person gets the lease, that's when they start.

MR. PADULA: So that would be 15 years in 28. I thought we were a bit closer than that.

MR. WALKER: If it's too much, we just ride it out until the end.

MR. PADULA: Tell me how far do you want us to go on it? Maybe ask Tony. I don't need you to find numbers or anything. But, like, how much do we pay them here between the audits and sharing the revenue with them -- our obligation, how much is it?

MR. PRISLUPSKI: I'll estimate it like over 80,000.

MR. PADULA: So if it cost you 80

and you add another year, that last 80 would come back to us. We're going to look at it.

MR. WALKER: Does it impact their tax credits too?

MR. PRISLUPSKI: It does because the investors have to agree to get out, and you know, like, what are you going to pay me to give up my tax credit? We'll ask Tony. Maybe Tony might have some experience with it.

In the meantime, we're just going to keep doing what we're doing and keep it up up there.

<u>New Business</u>:

MR. PADULA: Just the data centers and the tax credit properties that we're gonna do, which we kind of already touched on that. So we'll just continue bringing that up now. That'll fall under old business at one point.

<u>Report of the Executive Director</u>:

MR. PADULA: So public housing is going well, really routine. A couple changes to report is that we're taking a different approach on rehabbing our apartments. What we did a couple months ago we're using some outside contractors to help us with it.

We're using it as a tool. And it was really effective last month because we have gotten our REAC inspectors came in. That's our government inspectors. They come in and they do our properties so they did AMP3, which we think we're going to score about an 87 which is really respectable.

So how we succeed is, our team goes out prior to the inspections and we just kind of go right through the whole development, and two things happen. We usually score really well that way. Even besides the score, we really tighten up repairs that we didn't get done throughout the year.

It's good for our housing stock and our families. While they were all out on these repairs in AMP3, our subcontractors were painting. We didn't fall behind on our vacancies. We'd rather keep the staff that we have and use the services at this point so we could keep everybody, you know, keep our benefits, keep everything going, because once we add, you know, it costs -- and we feel this is a little bit more productive moving this way.

We actually take this a step further this month. We're always talking about doing capital repairs to the outside of the buildings. Everything you guys approve is siding, windows, outside, sidewalks. Insides are starting to need some work. We're doing the contractors that we have, the bids that we have, and we're using a base bid for the painting.

The way we bid that, we took a base bid. But yet we said how much to do extra repairs into the unit, meaning kitchens, bathrooms, flooring, plumbing. And they have all that laid out. We accepted those bids.

So we awarded those contracts. So now what we're doing is really helping our program. The contractors are going in and doing the painting. We're treating that as an operations expense towards the development. But those replacing kitchens, replacing flooring, replacing showers, replacing plumbing, we're using that as a capital fund expense, so perfectly okay to do that. We're replacing it.

So now we're getting all the insides done. So if we can do this over a period of, just say, even a year, this eliminates us from relocating the residents, paying for storage, paying for hotel rooms, paying for food, paying for. There's a much more expense on that.

And John and Nicholina really got this down now to the point where it's really effective once we really roll it out. But we're still able to keep that 25 percent that we draw down from our capital grant to keep that towards the operations. So we could pay our staff with that.

We're doing a little audit on that. And that's going to be helpful. You guys just want to mention just a little bit about how helpful that could be towards our whole operation, our families?

MR. PRISLUPSKI: The old way of doing it was, like, moving them to another development, you know, location plan.

MR. PADULA: We have to have public

hearings.

MR. PRISLUPSKI: The moving trucks, and everything. Now, when somebody moves out, if we had in the plan, which we do, you know, renovate -- renovate the units. So when they go in and they say, okay, like this needs new cabinets, so we have that in there.

And we buy the cabinets through the capital fund. We bought other flooring, things like that. It's just a more efficient way to use the money.

MR. PADULA: It helps so much because if we pull that out, we need more money. So how do we be good managers? So if we were to pull all of that out of our operations, that would be so much less for our families to get the services that we need. This is working out. As a finance part, you guys feel this is by far the way to go with the dollars. We don't want to run short.

There could be apartments that we spend $10,000 on. We need the work done though. We need the material. We need the guys to do it. And we need to get them in and out as fast as we can so we can lease to another family.

MS. CLARK: Plus it helps us also, it keeps us in occupancy. So if we shut a site down because now we relocated -- we're doing that at Lukasik Drive right now. So we're relocating five families at a time. You're relocating them somewhere else in one of our facilities.

So that takes occupancy out of those units. At least this time we take advantage of the turnovers that we're doing when people vacate. And we're taking advantage of the apartments being open. So we're not using and taking up occupancy. So this we feel is a better way.

MR. PADULA: Yeah, and our stock is newer when we lease them. And plus we have new plumbing in the wall. They're 60 years old now. And when we're doing the showers, we're replacing everything in there. I feel good about that. But I feel good the way we're paying for it now. So compliments to our management team. We're on top of that now.

Okay, let me just finish. So, public housing, nothing really to report.

Section 8 doing well, 720 leased, very routine. They got that right down, rolling it out. Nicholina is now an expert in the VMS, getting a lot of experts tonight.

So she's an expert now in VMS. We're working with Frank on that. He's happy with that the way the money's coming in and out. That's also in the budget here. We balanced that out.

Okay, with that said, into the capital funds, and I will talk about Lukasik Drive. Phase two of Lukasik Drive, as you remember, this HMP contract has been working out. They're doing a nice job. They're down from I think like Nanticoke, Wilkes-Barre. Okay, so work being performed, Building number 11 -- oh, okay, is this a change order?

MS. SCHULTZ: Yeah, that's the change order.

MR. PADULA: Okay. We have new sidewalks in the development. We are now putting up the siding. We have a new roof. We have new windows. It's really looking good. We're going to do a lot of outside lighting. We're going to do a lot of contract work on the outside, meaning the blacktop, which would be last.

It's really coming out well. We are going to have one issue here. So we're gonna have a change order, nothing crazy. I just figured I'll report it because you did vote on the contract at a number.

ATTY. VALVANO: I would recommend, though, whatever the change order is that you get the Board Approval for it. Do a resolution once you know what it is.

MR. PADULA: Do we need a dollar amount right now?

ATTY. VALVANO: Are you going to pay it right now? Do you know what it is?

MR. PADULA: No.

ATTY. VALVANO: Once you know the dollar amount the Board should vote on it.

MR. PADULA: So building 11, the demo on the siding, when they remove the fascia board, the boards were rotted. At the rear of the building -- we have to replace the full length of the building so the gutters can be secured properly. So a change order will be required. Crew number three is going to do it.

It's just -- just water got behind it. I have to wait a whole month to do it? They might want to do this next week.

ATTY. VALVANO: No, they could do the work. I'm saying once you get the final bill to pay them --

MR. WALKER: You have to expect that.

MR. PADULA: Yeah, but there's a total procedure for it. We'd have a change order form from HUD. Lenny has pictures. Lenny signs off on it. And then we do it. And then for auditing purposes, why did the contract go from 300,000 to 330? Well, because of this, this, this.

But what we'll do is, we'll do the work, and we'll say, you know, you guys, we did bump this up, and that's usually what I do. But we'll make sure that we do that with the change orders.

Okay, a couple updates on the Capital Fund Program, the Throop stairs, we're just about done. They built all the stairs on the back, and they built them in a shop. They brought them all in on a truck, and they slid them right on. They were weak.

We had tenant fall through them. We built them out of better wood. Lenny added a stringer in the middle of them too. So total goals, okay, so coming up in the updates, we have our pest control is due, which everybody approved on that. June 16th, we have that due.

Cole Village Refrigerators, we're going to do that. For whatever reason, HUD kicked Cole Village refrigerators out of the plan.

MR. WALKER: Out of the Energy Performance Contract?

MR. PADULA: Yeah, so we're doing it on our own through our capital fund. So we have the same dates on these. They don't have the refrigerators. The tenants actually brought it up to me. We have bids in for that now. So we're going to open that on the 16th.

The managers -- I'm glad you put this in here. We had a meeting yesterday with Lackawanna Mental Health -- and what is it called, Susquehanna?

MS. SCHULTZ: It's a really long name, it's like Behavioral Institute. It's basically a resource for any like behavioral or mental health issues.

MR. PADULA: So instead of just having our managers meeting and just going over policy, going over policy. So let's change it up a little bit. Let's bring in the Area on Aging. And let's bring in the Mental Health Association, I'll call it. They came in. Area on Aging offered programs that we really didn't, like, we think we could really use them. Managers had a lot of questions because they're the ones running into this.

I want them to start understanding the mental health. Look, if you're seeing an issue here, just stop. Back out, you could make this whole situation a lot worse, you know, for everybody. How do we handle that?

Well, we handle that by calling the professionals to come in. That's how we handle it. We don't engage to the point where -- I understand we're all policy driven. So we're working on that with them, which I think that's a really good exercise on that. And I talked to Rocco about that.

MS. SCHULTZ: The representative

came in. Her name was Jessica Chellik{phonetic.} And she was wonderful. She gave us a whole paper of probably 100 resources of different things. She said, if you don't know what to do, call me and tell me the situation. And I can direct you to where you should call or who you should talk to.

MR. PADULA: That's that's huge because you have a manager -- our managers are, how are they trained? Enforce the lease. And they're going to enforce those leases. And, you know, that might not be the right idea right now when you're running into somebody that's having a bad day or whatever it may be. This is good if they could educate themselves on that.

MS. SCHULTZ: Yeah, they asked a lot of questions. They were really happy with the resources that they got from both Area on Aging and the Mental Health Association.

MR. PADULA: Good. Okay. Also, the Safety Committee meets regularly and sends out training e-mails and videos for all the staff, active shooter, how to use a fire extinguisher and stocking first aid kits.

I think we got everything covered. This is good, Felicity. Thank you. We do repair some safety issues, right? Like, we turn them into a work order. Are you on that committee?

MS. SCHULTZ: I'm not on that committee. But Denise keeps me updated. She's the head. The people who are on the committee all got assigned some sites. They went around to see if there were any hazards that, you know, if we see every day. We're just kind of blind to. They reported back. And then we informed the property managers of anything that might be hazardous.

MR. PADULA: That's good. And then we get the 5 percent discount. But, you know, you see these different things, and you correct them. Everybody's doing their part.

Report of Executive Director:

A motion to accept the Report of the Executive Director was made by Mrs. Nealon and seconded by Mr. Wallis.

All members present voted in favor.

<u>Motion to Adjourn</u>:

A motion to adjourn was made by Mr. Wallis and seconded by Mrs. Nealon.

All members voted in favor.

C E R T I F I C A T E

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

____
Maria McCool, RPR
Official Court Reporter

____
Mark Wallis, Secretary

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