

**DELAWARE MANUFACTURING HOME RELOCATION AUTHORITY**

1675 S. State Street  
Dover, Delaware

**Minutes of May 12, 2010 Meeting**

**IN ATTENDANCE:**

Authority: Richard Lemire, Chairman  
Terri Rock  
Ken Fuchs  
Joanne Agostarola  
Fred Neil  
Caron Thompson  
Derek Strine

Absent: Charles Clark

Excused: Brian Posey

Legal Counsel: William Denman

Other

Attendees: Scott Sipple, CPA  
Ed Speraw, Code Investigator  
Theodora Butler, Tenant of Nobles Pond  
Juanita McElroy, Tenant of Nobles Pond

**I. CALL TO ORDER:**

Mr. Lemire called the meeting to order at 1:02 p.m.

**II. REVIEW AND APPROVAL OF MINUTES:**

Mr. Neil made a motion to accept the minutes from the April 14, 2010 meeting. Ms. Thompson seconded the motion.

Unanimous approval was given by all members present by voice vote.

### **III. OLD BUSINESS:**

#### **A. FINANCIAL REPORT:**

Ms. Agostarola stated that the Financial Oversight Committee report stands as given at the last meeting.

The majority of the operating money spent by the Authority is for legal services and accounting services. The Board is charged with controlling costs and getting the best deal they can for services rendered.

Ms. Agostarola stated the Board had requested RFP's from the Attorney General's Office. The Board also requested job descriptions from the current accounting firm and legal firm.

Mr. Strine distributed a proposal from an outside bookkeeping service for the Boards review.

Discussion followed.

Mr. Lemire stated he would like to see the accounting firm's job description and what their proposal would be for providing continued accounting services as it compares to the one submitted by the bookkeeping services company.

Ms. Agostarola made a motion to use the proposal by the bookkeeping services company as the model for the current accounting firm and other businesses who might submit a proposal.

Mr. Strine requested that Mr. Sipple prepare a proposal for bookkeeping services and submit it to board members as soon as possible.

Mr. Lemire stated he would like input from all members as to what their views on the accounting firm continuing to provide bookkeeping services or to bring it in-house. He would like feedback by June 1<sup>st</sup> so that a decision can be made on whether or not to have a June 9<sup>th</sup> meeting before the next quarterly meeting which would be on July 14, 2010.

#### **B. CODE INVESTIGATOR REPORT:**

Mr. Speraw gave his report.

#### **C. AMINISTRATIVE REPORT:**

Ms. Sisco reported that the website is up to date on posting of meeting minutes and contact information.

Ms. Sisco advised at the last meeting that she had mailed out approximately 50 delinquent account letters. To date, more than 12 accounts were brought up to date. She just received the quarterly report so will check letters sent against it to see if others have paid up their accounts.

A second letter was sent to 3 discovered parks advising them to set up accounts with the Division of Revenue.

Two HOA still have not submitted their bylaws. Ms. Sisco left a message for one and the other association said they will send as soon as they can.

Ms. Sisco updated and emailed Ed's travel log today.

Discussion followed on the procedure for contacting community owners with delinquent accounts.

It was recommended that in the letter sent to the community owner advising them of their past due amount, it should state "if no response is received in this office within 10 days, the account will be referred to our legal counsel".

Mr. Denman explained the collection procedure once the account is turned over to him to handle for collection. He stated that someone needs to make a decision on which accounts should be pursued further with legal action.

At the next board meeting Ms. Sisco will supply to the board a list of those community owners who, after receiving a past due notice, still have a delinquent account. The board in turn will decide if they should be turned over to legal counsel for further action.

**D. LEGAL COUNSEL REPORT:**

Mr. Denman stated he had filed a lawsuit against Northern Chesapeake Management and obtained a judgment. The judgment was transferred to the Superior Court. There is a lien on the property.

Mr. Denman stated usually the parks that he files lawsuits against, usually pay what they owe. This park has not.

He ordered a lien search and as a result came up with a mortgage for \$1.2 million and another for \$4.8 million. The Authority is behind those outstanding debts.

The question is does the Authority want incur the legal expenses to take it to the next level and schedule a sheriff's sale and file notices.

Mr. Strine stated if the Authority is in line behind over \$5 million liens, the Authority should not spend any more money on collection of this debt. Mr. Lemire stated the board still should find out its lien position.

Ms. Agostarola asked what amount the trust fund is owed. Mr. Denman stated about \$4-5,000. Ms. Agostarola stated may be the trust fund should back away from any further action.

Mr. Denman stated he does not think it would be economical to spend any more money on this.

However, if money has been collected from the tenants and not submitted, that is another issue. Mr. Denman stated someone should put pressure on the Attorney General's office to proceed with that.

Mr. Lemire stated that HB 247 gives the Attorney General's Office more power and the ability to collect some of these things.

Mr. Denman stated he submitted a job description to all board members per the request made to him at the last board meeting.

Mr. Denman stated he senses that the Attorney General's Office feels when the Board retains outside legal counsel, they need to have the blessing of the Governor and Attorney General. He also feels the Attorney General's office does not want to do all the work currently being done by outside legal counsel.

Also, the Attorney General Office has to be involved in the RFP.

Mr. Lemire stated the by-laws read that the Board has the right to contract whatever services they deemed necessary to run the authority. Mr. Denman agreed, but both the Governor and Attorney General must approve outside legal counsel.

During discussion, Mr. Neil requested that the Governor and Attorney General be informed before the legal service contract is extended, or he would vote against the motion for extending the present legal counsel's contract.

Ms. Rock made the motion to extend the present legal counsel's contract from today's date for one year, subject to approval from the Attorney General and the Governor. Ms. Thompson seconded the motion.

Unanimous approval was given by all members present by voice vote.

It was agreed that a letter be sent to the Governor and Attorney General's Office advising them of this decision.

### **III. NEW BUSINESS:**

Mr. Lemire opened the floor to Ms. Theodora Butler and Ms. Juanita McElroy, residents of Noble Pond manufactured home community, who spoke about problems with their homes in the community.

Mr. Lemire stated what the RTA does and stated it does not get involved in tenant's issues with the landowner. The tenants were advised to contact the Attorney General's Office. They were also referred to Mr. Speraw, President of DMOA, who will offer information that might help them.

### **IV. EXECUTIVE SESSION:**

At 3:00 p.m. Mr. Neil made the motion to go into Executive Session to discuss personnel issues. Ms. Thompson seconded the motion.

Unanimous approval was given by all members present by voice vote.

At 3:10 p.m. Mr. Neil made the motion to come out of Executive Session. Ms. Thompson seconded the motion.

Unanimous approval was given by all members present by voice vote.

Mr. Fuchs made the motion that the Board increase Ms. Sisco's salary by 5% effective May 1, 2010 and it should be retroactive. Ms. Rock seconded the motion.

Unanimous approval was given by all members present by voice vote.

### **VI. ADJOURNMENT:**

As there was no further business before the Board, the motion was made for adjournment by Mr. Neil and seconded by Ms. Thompson. After unanimous approval from the members present, the meeting was adjourned at 3:11 p.m.

Respectfully submitted,

Susan Sisco  
Administrator