

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

110 N. Main Street, Suite G
Camden, DE 19934

Minutes of June 28, 2016

IN ATTENDANCE:

Authority: Kevin Carroll
William Dunn
Andy Strine
George Meldrum
Carol Dabrowski (Demhra Assistant)

Absent: Joelle Polesky (Non-Voting Member)
Dorothy Boucher

Legal Counsel: Bill Denman

Other Attendees: Michael P. Morton, P.A., Attorney
Susan Hairgrove, Property Manager K-4 Management
Tanner Roher, CLASI Law Clerk
Dee Whildin, Naamans MHP Claymont, DE

I. Call to Order:

Mr. Carroll called the meeting to order at 1:37 p.m.

II. Review and Approval of Minutes:

Mr. Carroll asked the Board if anyone had any comments or corrections of the May 12, 2016 meeting minutes, and if not, requested the Board to consider approval of the May 12, 2016 meeting minutes. Mr. Meldrum made the motion to approve the meeting minutes as written and Mr. Dunn seconded the motion. The Board approved the meeting minutes as written 4:0:1 absent. Mr. Carroll asked the Board if anyone had any comments or corrections of the June 10, 2016 meeting minutes, and if not, requested the Board to consider approval of the June 10, 2016 minutes. Mr. Strine made the motion to approve the meeting minutes as written and Mr. Dunn seconded the motion. The Board approved the meeting minutes as amended 4:0:1 absent.

III. Executive Directors Report:

Since there currently is no Executive Director, Ms. Dabrowski, Demhra Assistant, advised Bon Ayre requested an Appointment of Arbitrator. Mary Sherlock has accepted as arbitrator for Docket 3-2016.

IV. Chair's Report:

Mr. Carroll will forward new job applications for Executive Director to Mr. Dunn and Ms. Boucher to review as well as those they may want to take a second look at. The board will be kept up to date on their progress. Mr. Carroll checked on the status of House Bill No. 403 and forwarded the latest activity dated June 22, 2016 when the Amendment was introduced which replaces the bill. Mr. Carroll thanked Ms. Dabrowski for stepping in while the board is still looking for a new Executive

Director. Mr. Carroll announced that board member Joelle Polesky is leaving the Department of Justice and the Board. Mr. Carroll thanked her for her service as a dedicated member on our board. Mr. Carroll will keep the board informed when the Attorney General appoints Ms. Polesky's replacement on the board.

V. Approval of Financial Activity & Report for April 2016

Mr. Carroll reviewed the financial statements and we're just north of \$7 million in the trust fund currently. Keeping that in mind we have several applications for benefits. Mr. Dunn suggested we may want to review the monthly assessment rates. Mr. Strine suggested having the board's decision on the rates early September 2016 to give the landlords 90 days to inform their tenants. Decision made to review the rates late July or early August. Mr. Dunn made the motion to approve the financial statements as presented and Mr. Strine seconded the motion. The motion carried 4:0 with one absent.

A. Approval of other Financial Matters:

1. Approval of Legal Counsel Invoices for May 2016:

Mr. Carroll reviewed the invoices from Mr. Denman for May. Mr. Strine made the motion to approve the invoices as presented and Mr. Dunn seconded the motion. The motion carried 4:0 with one absent.

VI. Reports

A. Compliance Matters:

1. Arbitration Matters and Status:

Mr. Carroll explained we received a petition for arbitration from Bon Ayre Community Association June 21, 2016. Ms. Mary Sherlock accepted as arbitrator.

Mr. Carroll explained Barclay Farms HOA arbitrator's decision to continue until August 26, 2016 will be discussed in New Business.

2. Park Compliance Issues Arising, Pending and Resolved:

Mr. Carroll explained a letter was sent to Magnolia Crossing regarding Q4 2015 non-payment of assessment fees. We will monitor to make sure all future payments are made.

3. Judgments Filed and Unsatisfied:

Pine Ridge: Mr. Strine asked if they were making their payments on time. Ms. Dabrowski stated yes.

Oakway: Mr. Denman explained that lawsuit is still off record and she has paid her delinquent payments. He also sent her a proposed settlement agreement but has not received any response.

VII. Unfinished Business:

A. Information Packet for New Board Members:

Mr. Carroll suggested we skip Unfinished Business since Ms. Boucher is not here. This will be addressed at the next board meeting.

VIII. New Business:

A. Approval and Review of Tenant Applications St. Jones MHP:

Worthy: Marshall & Bailey Contracting, Inc. inspected the home and could not guarantee that the main frame is structurally sound to relocate the home to another community. The tenant's original request of \$4,500 was changed to \$1,500 in non-relocatable benefits. Mr. Dunn made a motion to approve and Mr. Meldrum seconded the motion. The application was approved 3:0 with one absent and one abstention.

St. Jones Landing LLC: St. Jones Landing LLC has applied for \$3,000 in complete removal/disposal expenses. Mr. Dunn made a motion to approve and Mr. Meldrum

seconded the motion. The application was approved 3:0 with one absent and one abstention.

Gearhart-Holm: The tenant has applied for \$8,000 in benefits to relocate to Lincoln. All necessary paperwork was included with the application. Mr. Dunn made a motion to approve and Mr. Meldrum seconded the motion. The application was approved 3:0 with one absent and one abstention.

Hurd: The tenant has applied for \$8,000 in benefits to relocate to Felton. All necessary paperwork was included with the application. Mr. Dunn made a motion to approve and Mr. Meldrum seconded the motion. The application was approved 3:0 with one absent and one abstention.

Taylor: The tenant has applied for \$8,000 in benefits to relocate to Whispering Pines, Magnolia. All necessary paperwork was included with the application. Mr. Dunn made a motion to approve and Mr. Meldrum seconded the motion. The application was approved 3:0 with one absent and one abstention.

Dill/Creeden: The tenants have applied for \$8,000 in benefits to relocate to Whispering Pines, Magnolia. All necessary paperwork was included with the application. Mr. Dunn made a motion to approve and Mr. Meldrum seconded the motion. The application was approved 3:0 with one absent and one abstention.

B. Draft Legislation for House Manufactured House:

Mr. Carroll had circulated House Bill No. 403 and Amendment to the board. He had not been given any advance notice of the bill and stated this was for informational purposes. If the authority thinks it's appropriate to take an official stance on this legislation, it will be done after consideration by the entire board and voted upon. No further questions or concerns were presented

C. Barclay Farms Arbitration Request:

Mr. Carroll read aloud an email he received from Judge Gebelein regarding Barclay Farms Docket Nos. 6, 8 & 9, 2015. "These cases have been joined for arbitration and stayed on account of the Attorney General action involving the Community owner. As that action has been decided on issues relating to the proper party to be sued it is unlikely that a resolution of the underlying issues will occur anytime soon. It is clear that at least one more rent cycle will be reached before the issues will be resolved. It is more likely that two cycles may take place. If that occurred by the time we finalized the arbitration the homeowners would have been paying the disputed rent for at least 3 years, something I do not think the act envisioned. In denying a further continuance of the arbitrations I suggested that the parties might want to mediate their differences. They have now agreed to that method of attempting to resolve the matter. They have suggested that the only stumbling block would be the actual cost of the mediator fees. They have also argued and I agree that the mediation would be most productive if conducted by someone familiar with the rent issues. As arbitrator I cannot participate as mediator. I respectively ask that the Authority appoint one of its arbitrators who has experience to act as a mediator. Since I have directed the parties to mediate, the cost of the mediator fees would be a direct cost of the arbitration, and should be less than if this matter proceeded to a full arbitration hearing." Mr. Carroll opened it up to discussion. The board then had a discussion regarding who pays the cost of the mediation, the Authority or the parties and/or the community owners. Mr. Michael P. Morton, P.A. presented the following "Order" by Judge Gebelein. "The purpose of the statute is to resolve these things. In a footnote in a prior decision he says, I strongly encourage you to mediate this thing. And then he directed the people to do

this; 'you will attempt to do this, it will be finished by this date, the Authority will appoint someone and under the specifics the statute referenced, will pay for the direct costs.'" Thus indicating the Authority is responsible to pay the costs for the mediation. Mr. Strine said we need a motion that says, "Because the arbitrator dictates this as a direct cost of the arbitration, and both parties agree to it, we're hereby deeming that it be a direct cost of arbitration that's payable by the Trust Authority," then you've just narrowed that scenario. The question is, can we do it or not? Mr. Strine made the motion that, on the order of Judge Gebelein regarding the Barclay Farms case, and in light of the fact that both parties agreed to the potential for mediation, if Judge Gebelein picks, from a list of our approved arbitrators at the rate they have already quoted us, a mediator who handles this case and bills us back as a direct arbitration cost, we should approve and pay for it. Mr. Meldrum seconded the motion. The motion carried 4:0 with one absent.

IX. Public Comments:

The tenants present at the meeting were given an opportunity to make comments. Ms. Dee Whildin, North Claymont, DE presented a complaint against Naamans MHP regarding non-titled trailers. Mr. Carroll explained this is not a responsibility of the Authority and directed her to the Attorney General's office.

X. Executive Session:

Mr. Carroll made the motion to go into Executive Session at 3:20 p.m. to discuss legal counsel and personnel matters. Mr. Dunn seconded the motion. Unanimous approval was given by all members present by voice vote.

Mr. Meldrum made the motion to come out of Executive Session at 3:25 p.m. Mr. Dunn seconded the motion. Unanimous approval was given by all members present by voice vote.

XI. NEXT MEETING DATE - ADJOURNMENT:

Mr. Strine made the motion that, subject to and on approval of the hiring committee, Mr. Carroll, Mr. Dunn and Ms. Boucher, when they find the right candidate to fill the Executive Director position and all are in agreement, they can make an executive decision to hire right then and there without the entire board's approval. Mr. Meldrum seconded the motion. The motion carried 4:0 with one absent.

The Board set the next meeting date to July 26, 2016 at 1:30 p.m.

Mr. Dunn made the motion to adjourn the meeting. Mr. Meldrum seconded the motion. The motion carried 4:0 with one absent. As there was nothing else before the Board the meeting was adjourned at 3:30 p.m.

Respectfully submitted,

Carol Dabrowski
Demhra Assistant