

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

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

Minutes of March 6, 2018 Board Meeting

IN ATTENDANCE:

Authority: Kevin Carroll
William Dunn
Andy Strine
George Meldrum (Absent)
Elizabeth (Beth) McGinn (Absent)

Dan Daly (Non-Voting Member)
Gregg Sutton (Executive Director)
Jane Sabo (DEHMRA Assistant)

Legal Counsel: William Denman

Other Attendees: Susan Hairgrove, St. Jones Landing
Jen Allen, First State Manufactured Housing Association
Rich Hrycycshyn, Barclay Farms
John Lichtenberg, Barclay Farms

I. Call to Order:

Mr. Carroll called the meeting to order at 1:30 p.m. He stated that although two Board members were absent, we still had a quorum.

II. Review and Approval of Minutes:

Mr. Carroll asked the Board if anyone had any comments or corrections to the January 23, 2018 meeting minutes, and if not, requested that the Board consider approval of the minutes. Mr. Strine made a motion to approve which was seconded by Mr. Dunn. The motion passed 3:0:2 with two in absentia.

III. Executive Director's Report:

Mr. Sutton noted that since the last meeting on January 23, 2018, the following has occurred:

- We discovered that Layton's Riviera has been sold and we will be contacting the new own
- The Division of Revenue informed us that Kings Cliff was sold on June 9, 2016 and a new account number is being issued to them.
- By statue, the community owners are responsible for collecting the quarterly assessments from each of their tenants. With regards to the delinquencies, all community owners will be receiving a copy of the LQ-9 Report instructing them to list the delinquent tenants and the amount of the delinquency.

- We decided to keep our contract with Comcast because Verizon would not pay the fees associated with early cancellation. We will revisit this issue when it is cost advantageous for us
 - To date, we have not received January or February's financial summary
 - Typically, we deposit \$40,000 into our operating account from the Trust Fund every three months. Due to the increase in arbitration costs over the last three months, our accountant requested that \$60,000 be deposited into our operating account as opposed to the usual \$40,000.
- **IV. Chair's Report:**

Mr. Carroll advised the Board that in matters related to the audit, he is finishing up the questionnaire and it should be completed by the end of the week. He stated that he had not heard anything recently regarding the three proposed bills coming out of the legislature. Mr. Strine interjected that the landlords and the tenants have formed a working group to discuss one of these issues. There were three bills that were introduced; one directly affecting DEMHRA extending the trust fund until July 1, 2024, one related to DEMHRA intercepting trust fund payments due to community owners to cover delinquent taxes owed by the community owner, and one recommending that the ROFO process start over if the community was not sold within two years. These bills were referred to an informal working group.

V. Financial Activity & Report

A. Financial Report

Mr. Sutton provided the financial summary for December and again advised the Board that he was still waiting for January and February's financial summary. He further stated that this report was provided for informational purposes only so no vote was required. Mr. Carroll requested that Mr. Sutton e-mail January and February's financial summaries to the Board members as soon as they are received.

B. Approval of Financial Matters:

Legal Counsel invoice:

The Board reviewed the invoice from Mr. Denman for the month of January 2108. Mr. Strine made a motion to approve the legal counsel invoices which was seconded by Mr. Dunn. The motion passed 3:0:2 with two in absentia.

BDO Invoice:

The Board reviewed the BDO invoice. Mr. Dunn made a motion to approve the invoice which was seconded by Mr. Strine. The motion passed 3:0:2 with two in absentia.

Raymond F. Book Invoice:

The Board reviewed the invoice from Raymond F. Book. Mr. Strine made a motion to approve the Invoice which was seconded by Mr. Dunn. The motion passed 3:0:2 with two in absentia.

C. Approval of Arbitrator Invoices

- **Wilcox & Fetzer (Court Reporter):** Mr. Strine made a motion to approve the court reporter's invoice which was seconded by Dunn. The motion passed 3:0:2 with two in absentia.
- **Peter K. Schaeffer:** Mr. Strine made a motion to approve this invoice which was seconded by Mr. Dunn. The motion passed 3:0:2 with two in absentia.
- **Steven Spence:** Mr. Strine made a motion to approve this arbitrator's invoice which was seconded by Mr. Dunn. The motion passed 3:0:2 with two in absentia.

VI. Other Reports:

A. Arbitration Matters:

- 1. Docket # 4-2017 (Sandhill Acres HOA vs. ARCAP, LC)** Awaiting court to decide on oral argument.
- 2. Docket # 8-2017 (Murray Manor HOA vs. Murray Manor MHP)** Arbitration resolved. Residents agree to a \$25.00 a month increase.
- 3. Docket # 9-2017 (Rehoboth Bay Community HOA vs. Hometown America)** Rent increase approved for \$74.85 plus CPI-U
- 4. Docket # 10-2017 (Wild Meadows HOA and Fred Neil vs. Wild Meadows MHC, LLC)** Arbitration scheduled for March 15, 2018.
- 5. Docket # 1-2018 (Donovan Smith HOA vs. KDM Management)** Arbitrator assigned.
- 6. Docket # 2-2018 (Whitehouse Beach HOA vs. Whitehouse Beach, Inc.)** Arbitrator Assigned.

B. Compliance Matters

1. Colonial Estates, Driftwood Village, New Market Village, Shady Acres and Village of Cool Branch are now under new management and they will be settling their accounts. They have been contacted on numerous occasions by telephone, emails, and letters, yet they are still delinquent in paying the assessments.
2. Mount Pleasant, Dackerg, Vanessa MHP and Crossings at Oak Orchard are communities whose tenants have not paid their share of the quarterly assessments.
3. Going forward, DEMHRA will contact these owners and send them a copy of the LQ9 with instructions for them to complete Schedule 1 of that form which identifies delinquent tenants.

VII. Unfinished Business:

A. Updates on Relocation Plans

Addressed under new business

B. Final approval of the draft of Policies and Procedures

The Board reviewed the final draft of the proposed changes and Mr. Strine made a motion to approve changes as written. The motion was seconded by Mr. Dunn and passed 3:0:2 with two in absentia.

C. Purchase of Law Posters from Personnel Concepts

Personnel Concepts wanted to offer additional information for a fee in excess of \$200.00 but Mr. Sutton only paid the original price which was ordered by our account at Falcidian for less than \$15.00.

D. Request from Attorney Michael Morton's office to approve reimbursement of copying expenses associated with an arbitration

After a lengthy discussion, Mr. Dunn made a motion to deny this reimbursement. The motion was seconded by Mr. Strine and passed 3:0:2 with two in absentia.

VIII. New Business:

A. Application for Approval of Relocation Benefits (St Jones Landing and Lighthouse Cove)

Lighthouse Cove Lot #2, 38997 Lighthouse Cove Lane, Fenwick Island, DE

Mr. Tim Abbott applied for \$3000.00 in demolition benefits for property abandoned by Kenneth and Nancy Anderson. The Board reviewed his request based on the documents provided. Mr. Strine made a motion to approve these benefits. The motion was seconded by Mr. Dunn and passed 3:0:2 with two in absentia.

St. Jones Landing Request for Relocation Benefits

None these of these requests was acted upon because Mr. Strine had to abstain from voting. As a result, there was no quorum so these actions had to be tabled until the next Board meeting,

B. Reappointment of Board member, William Dunn

Mr. Sutton presented a letter to the Board from the President Pro-Tempore reappointing Mr. Dunn to serve on the Board for another two-year term expiring December 1, 2019.

C. Drafts of Rent Dispute Resolution in-house form

Mr. Sutton presented the Board with a draft of an in-house rent dispute resolution form that arbitrators could complete identifying the decision of the arbitration. It was the consensus of the Board that this form was not needed since the arbitrators' decisions were always provided to DEMHRA.

D. Emails regarding the dollar limit drawn on the operating account

This request came as result of a question posed by the auditor on whether or not DEMHRA had any procedures in place that addressed a dollar amount and how the approval of expenditures were made. Mr. Denman stated that there are controls and processes in place that address the approval of expenditures.

E. Update on the Sale of Parks

Mr. Strine stated that one his properties, Frederick Lodge has been sold as of February 21, 2018.

IX. Public Comments: Those present at the meeting were given an opportunity to make comments. Two residents of Barclay Farms, Mr. Rich Hrycyshyn and Mr. John Lichtenberg made inquiries as to DEMHRA's role, to include the purpose of registering with DEMHRA and DEMHRA's span of control. The Mr. Carroll, Mr. Dunn, and Mr. Strine explained DEMHRA's role and gave them the address to DEMHRA's website where they could find additional information.

X. Executive Session: By motion made and duly seconded the Board went into Executive Session to discuss arbitrations and any pending litigation for the purpose of receiving legal advice pertaining to such matters.

XI. Next Meeting Date – Adjournment:

The Board set the next meeting date as April 17, 2018.

Mr. Dunn made a motion to adjourn the meeting. Mr. Strine seconded the motion. The motion passed 3:0:2 with two in absentia. As there was nothing further to discuss, the Board adjourned at 2:50pm.

Respectfully submitted,

Gregg Sutton
Executive Director