

**ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD OCTOBER 22, 2012**

Commissioners met at the Central Office. Vice Chair Elizabeth Williams called the meeting to order at 6:35 p.m. Present: Chair Kevin Healy (Teleconference), Vice Chair Elizabeth Williams, and Commissioners Josh Stewart, Alan Styles, Tom Espinoza, Andrew Jackson, and Charmaine Scott. Also Present: Jean Goebel, Executive Director; Lynn Santos, Director of Finance; Joni Ruelaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; and Shannon Tonkin, Housing Management Manager. Recorder: Sandy Tebbs

COMMENTS FROM THE PUBLIC: None

PRESENTATIONS: Service Award Announcement

Commissioner Williams announced the service award for Raphael Ramirez for 15 years of loyal service to the Housing Authority; the Board congratulates and thanks Mr. Ramirez for his years of service.

CONSENT AGENDA

- A. Minutes – Approval of Minutes of the Special Joint HACM/HDC Meeting held July 8, 2012
- B. Minutes – Approval of Minutes of the Regular Board Meeting held September 24, 2012
- C. Resolution 2736: Authorization to Apply for SuperNOFA for Continuum of Care – Supportive Housing Program
- D. Resolution 2737: Authorization to Apply for Shelter Plus Care Section 8 Vouchers FY 2012

Upon motion by Commissioner Styles, seconded by Commissioner Healy, the Board approved the Consent Agenda. Motion carried with the following vote:

AYES: Healy, Williams, Stewart, Styles, Espinoza, Jackson, Scott
NOES: None
ABSENT: None

Vice Chair Williams stated for the record that Commissioner Healy is participating via teleconference and Vice Chair Williams is conducting the meeting. Commissioner Healy thanked Vice Chair Williams.

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Espinoza reported items discussed are on the agenda.
Finance/Development Committee: Commissioner Styles reported all items are on the agenda.
Monterey County Housing, Inc.: Staff noted Mr. Rose was here earlier but departed when the HDC folks departed.
Affordable Acquisitions: Same as MCHI.
Monterey County Housing Development Corporation and LP's: Ms. Santos reported all these items are covered in the Development report.

REPORT OF SECRETARY

- A. Executive Report

Ms. Goebel pointed out the article, Tight Market Squeeze of Low Income Residents, was on the table. She further reported that she and Ms. Ruelaz provided a telephonic interview with Ms. Almanzan from KAZU regarding the Housing Choice Voucher Program and attached to her report is the article from that radio interview.

NEW BUSINESS

A. Resolution 2735: New Job Description – Handyperson

Ms. Goebel explained this job description was created for a Handyperson to be used at sites that HACM doesn't manage such as the upcoming Haciendas Place and to make HACM more competitive in the market for private property management; she pointed out the Union had agreed. She stated it is a combination of a Maintenance Worker I and Custodian positions. To query, Ms. Goebel responded the person would belong to the Union.

Upon motion by Commissioner Styles, seconded by Commissioner Healy, the Board adopted Resolution 2735, approving the new job description for a Handyperson and the Salary Range. Motion carried with the following vote:

AYES: Healy, Williams, Stewart, Styles, Espinoza, Jackson, Scott
NOES: None
ABSENT: None

B. RFP for Legal Services

Ms. Mulholland explained the RFP process and the procedure after selection of a legal firm. To query, she responded that the RFP had been forwarded to 37 legal firms and four responses were received but one was disqualified. To another query, Staff responded that the current Legal Counsel has been providing training to Staff with regards to files being prepared for legal consideration just as his predecessor did. Commissioner Stewart commented as a matter of record that he has some concerns about overall legal costs regarding evictions and Staff training; he suggested that maybe a paralegal might be needed to assist Staff with the legal requirements.

Upon motion by Commissioner Healy, seconded by Commissioner Styles, the Board approved the firm of Grunsky, Ebbey, Farrar, and Howell as the legal firm for the Housing Authority of the County of Monterey. Motion carried with the following vote:

AYES: Healy, Williams, Stewart, Styles, Espinoza, Jackson, Scott
NOES: None
ABSENT: None

C. Appointments

Commissioner Healy thanked the Commissioners for their willingness to participate and make adjustments in terms of the Committees. Chair Healy appointed Commissioner Espinoza to be the Chair of the Finance/Development Committee along with Commissioners Stewart and Williams. Chair Healy then appointed Commissioner Styles to be the Chair of the Personnel Committee along with Commissioners Jackson and Scott.

Commissioner Williams noted that Ms. Tebbs, Clerk of the Board, would be providing information about the two Committees to the members. Ms. Tebbs reminded that the Finance Workshop is scheduled for Saturday, November 3rd, at 8 a.m. and that all meetings for November and December are scheduled earlier due to the Holidays in those months.

D. Holiday Dinner

Commissioner Healy reminded that the Holiday Dinner after the December Board meetings has been a tradition and he didn't want to be responsible for breaking a tradition so this has been placed on the agenda for discussion and whether the Board wants to continue to enjoy the holiday festivities as we have in the past. The Board consensus was to have a Holiday Dinner and to invite the MCHI Board members again if they would like to do the same as last year and pay for their Board members. The Board directed the Clerk of the Board to provide more restaurant options if possible.

INFORMATION

A. Finance Report

Ms. Santos reported that the operating fund and the Haciendas budget were attached to her report. To query on the Federal Budget for 2013, Staff explained that sequestration came about when the Republicans and Democrats couldn't come to an agreement and pass a budget with a 10% cut back in August for trillions of dollars and they would encounter sequestration on January 1, 2013. Sequestration means automatic massive cuts and raised taxes for the low income to the very wealthy starting on January 1st if something doesn't change before that date; the only exemptions will be Medicare, Social Security, and VA. Ms. Goebel explained currently there is a continuing resolution for funding the Housing Choice Voucher Program and the Public Housing Operating fund which is supposed to go through March 2013 but the concern is what happens on January 1st and how sequestration will affect the continuing resolution. Sequestration is also known as the Fiscal Cliff.

To a query on Greenfield Help Loan, Staff noted that HDC had committed to pay for that. In further discussion, it was noted that originally Greenfield wanted home ownership for that project but that is not a viable option so they are looking at other options. Staff reminded that there is already a senior project next door to the Greenfield site.

B. Human Resources Report

Ms. Wyatt reported that because of the wage reopener a few months back, Staff is working hard to bring their performance reviews up to date so there will be no grievance by the Union.

C. Development Report

Ms. Santos noted that Ms. Warren had departed the meeting but had requested she report for her. Ms. Santos stated she was willing to try to answer any questions and if she couldn't she would provide the question to Ms. Warren.

D. Property Management Report

Ms. Tonkin reported her department is really busy because they are short staffed right now; she stated that Terry Chaffin has been hired for her former position as Property Management Supervisor. Mr. Chaffin was a Maintenance Worker III and will be a good asset to the department with his maintenance experience plus he was a supervisor in his previous job before coming to HACM.

E. Asset Management Report:

Ms. Goebel pointed out the Comprehensive Housing Market Analysis put out by the HUD Office of Policy, Development and Research was interesting in that it didn't mention much about the rental market and the agricultural area in Salinas and the Valley but focused on the peninsula.

Ms. Goebel reported that about an hour ago she received an email from HUD with the approval of our Annual Plan because HUD had thought they had already done it. She further stated that a letter on SEMAP had been received which Ms. Ruelaz will speak to in her report.

Ms. Goebel further reported a letter on PHAS was also received that shows we are Standard Performers but Substandard MASS because of the way they score; she noted we are okay with SEMAP and we're not troubled but we will have to do a corrective action plan to get our score up. Ms. Goebel noted we scored 13 out of 25 for MASS and the lowest you can be without being substandard is 15 so we need to go up two points. For finance we received the full 25 points. Staff further explained that they scored our occupancy at AMP 101 even though we were in disposition at the time so we may appeal this score; they scored us zero for occupancy for five months of units that were vacant at AMP 101. They also hit us with the scoring for accounts receivable and accounts payable. Accounts payable appears to be because we had large amounts due in June for capital fund at a couple of sites where we were doing capital fund rehabilitation, but this is not an operating expense, it is a modernization expense so it is a different pot of money which is strange.

Ms. Santos noted that they take your accounts payable and make it a ratio of your total expense for the year and it should not exceed one month; the problem is your accounts payable includes construction payables which are not part of your operating numbers so it is a faulty scoring system if you are doing any kind of renovation. For accounts receivable, as an agency we try not to write off receivables and we hold property management accountable to do collections on current and past tenants before we send in to a Collection agency but we may need to be more aggressive with our write-offs because if we write them off it lowers our receivables so that would score us better and it would increase our expenses because that is an expense and that would allow us to have higher payables.

Ms. Goebel noted it is frustrating because you are trying to do the right thing in terms of collections by keeping things on the books yet on the other hand if you keep it on the books you get dinged for it and on the other hand HUD will say why do you have so much write-off. She stated Staff needs to do some more talking and looking at the numbers. Ms. Santos emphasized that the receivable issue could result in bringing higher write-offs in order to improve scores.

F. Housing Programs Report

Ms. Ruelaz reiterated that the bad news was the SEMAP score and we were Standard Performers; she noted we were perfect in 13 indicators but the lease-up one was worth 20 points. She stated we were at 94% lease-up and we had to be at 95% so we missed it by 1%. The good news is that the next SEMAP scoring will be based on this calendar year and we're at 98% lease-up right now and hope to be at 100% by December. Ms. Goebel reminded that 98% is a full score; our response back to HUD for that one indicator will be we have already fixed the problem and we do not need a corrective action plan.

Ms. Ruelaz further reported there was a big briefing last week so there are over 100 people with vouchers on the street and we are bringing in another 350 off the wait list tomorrow so by December we should be at 99 or 100% leased up. She also mentioned that the agency meeting took place on September 13th and went very well; staff seemed to enjoy it. The department heads provided information about what was going on in their department and Ms. Wyatt did a presentation on emails and confidentiality. Dorothy's Place provided a presentation and staff donated some items to their women's shelter. There was a lot of positive feedback from staff; HDC was also invited to participate.

The Board convened to Closed Session at 7:30 p.m.

CLOSED SESSION

The Board of Commissioners met in Closed Session for the following purpose and reason:

- A. Government Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS
AGENCY DESIGNATED REPRESENTATIVES: Lynn Santos, Pat Wyatt, Joni Ruelaz, and Jean Goebel
EMPLOYEE ORGANIZATION: Service Employees International Union 521
ACTION: Nothing to report

The Board reconvened to regular session at 7:41 p.m.

COMMISSIONER COMMENTS

Commissioner Espinoza thanked Staff for their continued efforts and stated he was looking forward to a productive and informative NAHRO Conference.

Commissioner Scott thanked Staff and stated she appreciates everyone and from what she can understand, it is hard work. It takes very special people to be able to navigate all of this so there is a lot of trust.

Commissioner Espinoza further commented that something Commissioner Scott stated made him think back on how the Board thanks Staff for their performance and he wanted to say he is very honored to be associated with all Staff at HACM and HDC.

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Commissioner Stewart commented that it is not easy to put together contracts and things like that; he stated what Commissioner Espinoza just stated was well put.

Commissioner Jackson commented, rah rah team keep it up!

Commissioner Healy commented he ditto's Commissioner Espinoza's comments. He thanked Commissioner Williams for facilitating the meeting tonight and to all the Commissioners for their willingness to participate in the committees.

The Clerk of the Board reminded that the Board was celebrating Commissioner Williams' birthday tonight since it would take place next week. The Board wished Commissioner Williams a Happy Birthday.

Commissioner Williams thanked everyone for attending and Commissioner Healy for phoning into the meeting tonight. She further thanked Staff and noted she knows it is tough but she appreciates the hard work.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:43 p.m.


Chairman

ATTEST:


Secretary

11-20-2012
Date