

**ACTION**  
**MINUTES OF THE REGULAR BOARD MEETING**  
**OF THE**  
**HOUSING AUTHORITY OF THE COUNTY OF MONTEREY**  
**HELD MAY 18, 2015**

Commissioners met at the Central Office. Chair Williams called the meeting to order at 5:07 p.m. Present: Chair Elizabeth Williams, Vice Chair Kevin Healy, and Commissioners Tom Espinoza, Mary Jo Zenk, Kathleen Ballesteros, and Viviana Gama. Also Present: Lynn Santos, Finance Director; Pat Wyatt, Human Resources Manager; and Shannon Tonkin, Housing Management Manager. Recorder: Sandy Tebbs

PRESENTATION: Service Award

Chair Williams announced the service award for Sandra Rosales for 15 years of loyal service to the Housing Authority; the Board congratulates and thanks Ms. Rosales for her many years of service.

COMMENTS FROM THE PUBLIC: None

CONSENT AGENDA

- A. Minutes – Approval of Minutes of the Regular Board Meeting held April 27, 2015
- B. Resolution 2820: Approval of 2015 Revised Utility Allowance Schedules
- C. Resolution 2821: Approval of 2015 Updated HCV Payment Standards

Upon motion by Commissioner Healy, seconded by Commissioner Gama, the Board approved the Consent Agenda. Motion carried with the following roll-call vote:

YES: Williams, Healy, Zenk, Ballesteros, Gama  
NOES: None  
ABSENT: Espinoza

REPORTS OF COMMITTEES

Personnel Committee: Commissioner Zenk stated all items are on the agenda.

Finance/Dev Committee: Commissioner Healy stated all items are on the agenda and the Committee had a good discussion relative to the audit.

Monterey County Housing, Inc.: Mr. Rose reported MCHI is going through a CHDO recertification process and all the resolutions involved with that process. MCHI also had elections and Ms. Heston remains President, Ms. Lloyd was elected Vice President, and Commissioner Gama was elected as Secretary/Treasurer. MCHI will next meet on July 8<sup>th</sup>. MCHI also decided on June 20<sup>th</sup> for their Retreat at the 134 East Rossi building. Mr. Rose presented former MCHI Representative Mary Jo Zenk with a Resolution of Appreciation from the MCHI Board. To query on Parkside, Mr. Rose responded HACM Property Management is doing a good job in a bad situation with respect to bed bugs. Commissioner Zenk suggested when MCHI gets their CHDO status to make sure the jurisdictions know that MCHI is a CHDO because that will give MCHI options for HOME funds. To query on where MCHI offices will be located, Mr. Rose replied they hope to be in the same location as HDC.

Affordable Acquisitions: Same as MCHI

Sunrise House: Chair Williams noted Commissioner Espinoza would report after his arrival.

REPORT OF SECRETARY

- A. Executive Report:

Chair Williams reminded that Ms. Goebel was at a conference; there were no questions. Ms. Santos reported that the RAD Transition Manager has been assigned and the kick-off call with HUD is scheduled for May 28<sup>th</sup>. Richard Kim from the San Francisco HUD Office will also be on the kick-off call along with HDC and a lot of HACM Staff.

Commissioner Zenk stated that Central Coast HIV Aids services is going out of business; she asked is there any organization that's going to pick up their services. Teresa Watkins, Housing Program Specialist, responded that she had met with San Luis Obispo HIV Outreach today who had questions relative to them possibly picking up where Central Coast is leaving off; they wanted to know how the HIMS system works and how the Shelter Plus Care voucher with Central Cost HIV Aids works before they decide on stepping in. Ms. Watkins noted she

suggested they talk to the HACM Executive Director regarding the contract with Shelter Plus Care. To query, Ms. Watkins responded San Luis Obispo would consider opening an office in our area if they decide to take over for Central Coast HIV Aids Services.

NEW BUSINESS

- A. Resolution 2818: Authorization to Enter Into a MOA for Supportive Services In-Kind Match for the Grant Year 2015 Shelter Plus Care #2

Ms. Santos reminded this grant has a start date of June 1<sup>st</sup> and Ms. Goebel quickly cleared this MOA with HUD to have Interim replace Central Coast HIV Aids Services and to also provide the in-kind match.

Upon motion by Commissioner Zenk, seconded by Commissioner Healy, the Board adopted Resolution 2818, authorization to enter into a MOA with Interim, Inc. for In-Kind Match for the Shelter Plus Care #2 Grant for Grant Year Beginning June 1, 2015. Motion carried with the following roll-call vote:

YES: Williams, Healy, Zenk, Ballesteros, Gama  
NOES: None  
ABSENT: Espinoza

- B. Resolution 2819: Acceptance of the Audited Financial Statements for the year ending June 30, 2014

Ms. Santos introduced the Novogradac Auditors, Jon Adkins and Satinder Bhardwaj. Mr. Bhardwaj provided a short PowerPoint and stated that the audit reflects an unmodified opinion, which is the same as unqualified opinion in the past. This is a clean report and things are good; there were no audit findings. To query, Mr. Bhardwaj replied MCHI and MCHI-AA are also presented in this audit but are not combined with HACM's financials because they have a separate Board.

Chair Williams responded to query that the HDC Audit would be presented at the HDC meeting.

Commissioner Espinoza arrived at 5:23 p.m.

Upon motion by Commissioner Healy, seconded by Commissioner Espinoza, the Board adopted Resolution 2819, acceptance of the Audited Financial Statements for the year ending June 30, 2014. Motion carried with the following roll-call vote:

YES: Williams, Healy, Espinoza, Zenk, Ballesteros, Gama  
NOES: None  
ABSENT: None

Mr. Bhardwaj responded to query that there is a separate management letter but it is not included in this audit; he stated they will email it to Ms. Santos for the Board. Mr. Bhardwaj reminded there were no findings. Commissioner Zenk reiterated for the record that the compliance on internal control is clean as well as there are no findings on the federal programs.

The Board thanked Mr. Adkins and Mr. Bhardwaj for attending the meeting.

INFORMATION

- A. Finance Report:

Ms. Santos reported the Finance/Development Committee discussed this report in detail. This quarter HDC received developer fees on Haciendas Senior as well as reimbursements for their pre-development costs. To query on property taxes on Portola Vista LLC, Ms. Santos explained that the Housing Authority is the owner of the property and is the sole member in the LLC and because Housing Authorities are exempt from taxes, we did not pay nor did we receive a bill except for the year 2012. The Board of Equalization stated the LLC is a for-profit entity and as such is subject to property taxes. Since this is a recent development, we need to decide what to do regarding this issue. The property taxes are about \$60,000 a year. To query on bringing this issue to the Board, Ms. Santos replied probably in June or July. Commissioner Espinoza reminded that past taxes can be put on a five-year payment plan.

To query on Lakeview, Ms. Santos replied HACM has remitted the replacement reserve funds to HCD. She further noted that Plaza House owners would like an extension and have paid \$100K out of the \$200K plus interest that they owe.

**B. Human Resources Report:**

Ms. Wyatt reported there is an addition; a Housing Programs Specialist has resigned so we have a vacant position.

**C. Development Report**

Ms. Sahagun reported in Ms. Warren's absence that there is nothing to add to the report. There were no questions or comments.

**D. Property Management Report:**

Ms. Tonkin reported King City Migrant Center opened on May 4<sup>th</sup> and we had a really good opening day with a total of 69 families moving in. We have seven units to fill. Ms. Tonkin further stated her department has been dealing with a lot of bed bugs lately, but none at the migrant center. We do have bed bugs at Parkside and currently are getting canine inspections. She explained pest control companies now have dogs trained to only sniff out bed bugs.

**E. Housing Programs Report**

Ms. Santos noted that Ms. Ruelaz was on vacation; there were no questions or comments on this report.

**F. Retreat Goals:**

There were no questions or comments on Retreat Goals.

**COMMISSIONER COMMENTS**

Commissioner Zenk commended the Housing Programs Staff for the landlord outreach and stated she saw the pictures and heard it went really well. She further commended the Finance Staff for all their hard work in getting the audit done.

Commissioner Espinoza dittoed the comments of Commissioner Zenk. He stated he watched the video on the landlord outreach and wanted to thank Commissioner Healy for agreeing to be the Master of Ceremonies for that event. Commissioner Espinoza apologized for being late tonight.

Commissioner Gama commented good job on the financing reports. She thanked Staff for all they do and stated keep doing what you're doing!

Commissioner Ballesteros congratulated Sandra Rosales for her 15 years of service to HACM. She also congratulated Commissioner Zenk for her Certificate of Appreciation from MCHI. Commissioner Ballesteros stated she also attended the Rental Housing Summit and thought it was really good and very interesting. There was a lot of information provided and what stood out to her was the homeless veterans that need housing; that was an issue spoken a lot at the summit. One homeless veteran gave a very moving talk. Commissioner Ballesteros stated she was glad she was able to attend the summit and commends Ms. Ruelaz and Staff for a great job. She next thanked Ms. Santos and her department for the audit and all the work that went into it. Great Job! Thank you!

Commissioner Healy stated he would reiterate what has been said. He thanked Ms. Ruelaz and her Staff for the great event; he was honored to participate. He echoes everything stated relative to some of the summit speakers. Commissioner Healy thanked Ms. Santos and her Staff for all their work on the audit and congratulated HACM on the unmodified opinion; he was glad there were no findings.

Commissioner Healy next stated he would like to request an agenda item be placed on an upcoming agenda to discuss the situation relative to water and how we might contribute to being more efficient relative to water use either in this building or within the properties. He noted he would make the same request in the HDC meeting.

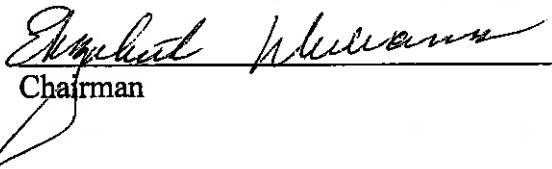
Commissioner Espinoza asked to report on Sunrise House. He stated Sunrise House also did their annual audit with their auditors from McGilloway, Ray, Brown and Kaufman on May 14<sup>th</sup>. They too received an unqualified opinion with some minor findings. Sunrise House Board also approved their budget for 2015/2016 with a rough total of \$822K with cash on hand at \$255K. Everything is going well at Sunrise House.

Commissioner Williams thanked Mr. Adkins and Mr. Bhardwaj for being here tonight and for sticking around for the HDC meeting. Kudos to Ms. Ruelaz and her Staff on the Rental Housing Summit; she was sorry she could not attend but heard it was a success. Commissioner Williams stated a future agenda item for water would be great; she directed the Clerk of the Board to make sure that takes place for the next meeting. Commissioner Espinoza noted that the water issue relates to certain properties and expenses being more than budgeted because of the water component.


Commissioner Williams further thanked Mr. Rose for always attending the meetings; she also wanted to thank MCHI for acknowledging Commissioner Zenk because she did a lot of work for that Board. She stated she appreciates Commissioner Zenk for taking the time to be on that Board and knows it was a real loss when she left. Commissioner Williams thanked Ms. Santos and her Staff for the great audit; we are very blessed to have Ms. Santos and her Staff and they come through year after year and this is a Special Thank You for that. She further noted to Ms. Tonkin that she was sorry she has to deal with bedbugs. Commissioner Williams thanked everyone.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 5:44 p.m.

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
Secretary

6-23-15  
\_\_\_\_\_  
Date