ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD JUNE 22, 2015

Commissioners met at the Central Office. Vice Chair Healy called the meeting to order at 5:07 p.m. Present: Chair Elizabeth Williams, Vice Chair Kevin Healy, and Commissioners Mary Jo Zenk, Kathleen Ballesteros, and Viviana Gama. Absent: Commissioner Tom Espinoza. Also Present: Jean Goebel, Executive Director; Lynn Santos, Finance Director; Joni Ruelaz, Housing Programs Manager; Pat Wyatt, Human Resources Manager; Shannon Tonkin, Housing Management Manager; and Starla Warren, Fee-for-Service Development Director. Recorder: Sandy Tebbs

INTRODUCTION/PRESENTATION:
A. Introduction of FSS Recipient of the PSWRC FSS Graduate of the Year for 2014 Award
Ms. Ruelaz read the narrative from the PSWRC award presentation to Carol Cervantes, PSWRC FSS Graduate of the Year for 2014 award recipient.

Commissioner Williams arrived at 5:12 p.m. and apologized for being late.

Ms. Cervantes invited everyone to her new store. She stated she just got off cash-aid and wants to get off Section 8 also; she would like to purchase a home in the future. Ms. Cervantes stated 10% of her store sales go back into the community; recently she and others provided pizza to the homeless. She thanked the Housing Authority for the award and stated San Diego was a wonderful experience.

B. Service Awards
Chair Williams thanked Vice Chair Healy for starting the meeting. She announced service awards for the following individuals who did not attend the meeting tonight: Fred Quitevis for 15 years; Roy Hernandez for 15 years; Bill Shearer for 10 years, and Elizabeth Gonzales for 10 years. The Board congratulates and thanks these employees for their many years of loyal service.

COMMENTS FROM THE PUBLIC:
Lupe Zavala commented that her former Section 8 worker gave her incorrect information and she needs to know the next step to finding a place. She stated she has six children and one has a disability. Her concern is finding a place for her family because she has to be out of her current place on July 6th. The Chair of the Board referred Ms. Zavala’s concerns to Ms. Ruelaz.

CONSENT AGENDA
A. Minutes – Approval of Minutes of the Regular Board Meeting held May 18, 2015
B. Resolution 2822: Semi-annual Write-offs
C. Resolution 2825: Authorization to Execute Additional Loan Documents Relative to the Haciendas 2 Development

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.
Monterey County Housing, Inc.: Representative Gama reported MCHI met on June 20th for a Board Retreat which was very productive; the Board discussed goals. Ms. Ruelaz commented everyone was there and it was a good meeting with a lot of things discussed.
Affordable Acquisitions: Same as MCHI
Sunrise House: Chair Williams reminded Commissioner Espinoza was absent tonight.
REPORT OF SECRETARY

A. Executive Report:

Ms. Goebel stated Staff participated in the first HUD-RAD phone call and were introduced to the Transition Manager at the HUD Office. The RAD folks were surprised at how far along we are. She further stated the new notice came out on June 15th and CHAP is now in effect but the timeline clock will start July 15th with 180 days to do a lot of things. Staff has been working ahead of the schedule which is good. To query regarding property management for Fanoe Vista, Ms. Goebel replied due to RAD, Staff would currently not like to take on that property management. To a query regarding HACM building, it was recommended that Ms. Warren report on this issue during her report. Ms. Goebel further reported that the Board has already approved the Significant Amendment to the Annual Plan as well as the Annual and Five-Year Plans which are critical timelines for RAD that now have been completed.

NEW BUSINESS

A. Resolution 2823: Approving the Agency Operating Budget for the Fiscal Year
Beginning July 1, 2015 and Ending June 30, 2016

Ms. Santos provided a brief overview of the highlights of the negative budget in the amount of $261K. She explained that for the Housing Choice Voucher (HCV) program we are projecting a loss of $393K but admin fee reserves can be used. Staff is projecting needs for a special software and kiosk for accommodating the wait list opening. The current telephone system needs to be replaced; and the postage machine is not sized appropriately to handle the current volumes of mail. Ms. Santos further stated in the second quarter, it will be time to renew the vehicle leases with the return of some and possibly leasing hybrids for around town use plus changing the size of some trucks and vans. She explained that it is not that expenses have risen in the program as much as lease-up has gone down partly due to pro-ration and people not being able to find units, which is now being addressed with the change in the payment standards.

Ms. Santos reported that Public Housing projects a slight profit, but these profits have to be spent on public housing. Once the units are in RAD, they will be tax credit units and will be in a calendar year budget process. If there are changes needed, a revised budget will be brought back to the Board. To query on HELP loans, Ms. Santos stated that Ms. Warren is pursuing multiple things regarding these sites.

The Federal and State programs are Portola Vista, Farm Labor Center (FLC) properties, King City Migrant Center, and Pueblo Del Mar. Portola Vista is budgeted conservatively; this amount includes the $60K property tax expense and the project has a small positive cash flow. The FLC's are doing well except for Castroville but the application for the USDA loans will be submitted this week by HDC. To query regarding Portola Vista reserve, Ms. Santos replied that reserve will help fund the $261K loss if needed. Pueblo Del Mar is being budgeted with a $78K loss which includes the required $38K deposit to reserves. To query on Pueblo Del Mar deficit increasing, Ms. Santos replied we have to fund HMIS since the Coalition no longer receives grant funding to cover that portion which is $10K annually. If Pueblo Del Mar makes money, it goes to the State. There are some costs that HCD controls.

Ms. Santos next addressed the Admin which includes the Board, The Finance Department, Administration, Property Management, and Human Resources. To query, Ms. Santos replied the loss for Admin is $257K. Admin fees are going down partly due to lease-up in Section 8 program decreasing or due to pro-ration. In RAD the admin fees will be different. Commissioner Zenk suggested looking at different funding options or different ways of subsidizing. Ms. Santos noted part of it is due to decreasing revenues and Staff does have some ideas for change. Commissioner Zenk suggested this issue be brought back for further input.

Commissioner Zenk stated the Ad Hoc Marketing Committee met last week and currently the 75th Anniversary has a budget of $7,500 and that needs to be increased to $20K for a new brochure, a video for resident success stories along with a celebration event. Commissioner Williams noted that she was not for the brochure or video if they were going to be used a few times and then sat on a shelf. The Board tabled the 75th Anniversary issue until the Ad Hoc Marketing Committee has more information; Commissioner Zenk reminded the Ad Hoc Marketing Committee would next meet in August. Commissioner Healy stated the Finance/Development Committee talked about discussing water efficiency at a future meeting.
Upon motion by Commissioner Zenk, seconded by Commissioner Healy, the Board adopted Resolution 2823, approving the Agency Operating Budget for FY 2015-2016. Motion carried with the following roll-call vote:

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

B. Resolution 2824: Update Organizational Charts.

Ms. Wyatt explained that the chart reflects the additional staffing needs in two departments plus the layoffs of Force Account and the Maintenance Inspector position.

Commissioner Healy asked whether the Personnel Committee had looked at the chart in terms of equity within the management structure and particularly with regards to evaluating employees because it appears that some employees have a significant direct reporting structure that would require an evaluation where others do not. Staff replied we are trying to even out that situation. Knowing first-hand how overwhelming it can be to make sure evaluations are submitted timely, Commissioner Healy recommended the Personnel Committee look at this issue in the future.

Upon motion by Commissioner Zenk, seconded by Commissioner Healy, the Board adopted Resolution 2824, approval of the updated Organizational Chart dated June 2015. Motion carried with the following roll-call vote:

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

C. Report Out of Response for Public Comments – Information

Ms. Goebel reported that Ms. Ruelaz responded to Mr. Truman Long’s comments and he was accepting of the response and noted we had basically resolved some of the problems he was concerned about regarding another tenant. She next reported that Mr. Tomas Moreno did have his internal review. He provided the necessary documents therefore his issue is resolved. Ms. Goebel stated Ms. Tonkin met with Mr. Tommy Lee Harris, who had concerns with his neighbor, and requested he provide further information which he never did. As a result of our investigation we found some issues with the complainant and everything appears to be going okay now.

INFORMATION

A. Finance Report:

Ms. Santos pointed out that the HUD system as well as HCD are comparing our reports to other outside reports but want us to explain why the numbers on both reports don’t match. It requires a lot of supervisory staff time to figure out what they are requesting. Ms. Santos stated another big issue is that GASB is changing the presentation of limited partnerships (LP’s) and for next year’s audit the LP’s will be rolled up into HDC’s audit. HACM’s audit will include HDC without the LP’s and therefore there will be fewer eliminations in the HACM audit. This will make a more appropriate presentation for HACM because the cash and liabilities of the LP’s will not be included.

B. Human Resources Report:

Ms. Wyatt reported the second round of interviews for the Housing Program Specialist position were completed this morning and a decision should be made this week. Commissioner Zenk noted that a suggestion was given to Ms. Wyatt to modify the reporting for evaluations to one column being Over 30 days. Ms. Wyatt stated she also will report workers’ comp data per the monthly carrier report, to avoid confusion and over/under reporting.

C. Development Report

Ms. Warren reported since the PACE program will not work out for 123 Rico building project, Ms. Goebel suggested looking into the California Finance Coordinating Committee which appears would meet all our needs. The RFP will be reissued since the scope of work has not changed. Ms. Warren further reported that the application for the Castroville project went in today to USDA.
D. Property Management Report:

Ms. Tonkin reported she met with Staples Energy here in Salinas last week about some energy efficient programs they were offering for our properties and one was water conservation. After looking over the energy efficient items at their warehouse, she will talk to MCHI to see if they want to use one of their pilot programs for Parkside and Casanova. Due to HACM receiving a similar program several years ago, HACM is exempt for ten years from using their programs plus HACM is going through RAD. To query on bed bug issue, Ms. Tonkin replied the canine inspections have been completed and 26 units will be treated next week. Not all of these units have bed bugs because units surrounding those with bed bugs are also being treated for prevention purposes. Only eleven units have bed bugs.

E. Housing Programs Report

Ms. Ruelaz reported the contract with Happy Software for the wait list opening has been signed; staff is currently working on the timeline but the software company needs about two months to get ready and that has us looking at the last week of August and the first week of September for the wait list opening. We are also in the process of compiling a list of agencies to see if they want to assist in the process and then we will schedule training. Ms. Ruelaz further stated her staff is also working on developing the process for the set-aside homeless preference in which 100 vouchers are designated for that purpose. She stated I Heart Radio is doing Public Service Announcements and we have announcements out for owners who are interested in leasing their units to call us. Ms. Ruelaz further stated that her department is getting ready to do SEMAP. To query on how many landlords came out of the summit, Ms. Ruelaz replied at this time we do not know, but she hopes to have that information in her July report.

F. Retreat Goals:

Ms. Goebel reminded that Commissioner Zenk had previously reported about the 75th Anniversary for the Ad Hoc Marketing Committee. Commissioner Healy questioned the June 2015 dates and whether these goals were completed. To query on Board Self-Evaluation Tool, Commissioner Zenk requested that issue be placed on the Personnel Committee agenda.

The Board convened to Closed Session at 6:14 p.m.

CLOSED SESSION

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

A. Government Code Section 54956.9 (b)(2): LIABILITY CLAIMS CLAIMANT: Las Palmas Ranch Partnership

AGENCY CLAIMED AGAINST: Housing Authority of the County of Monterey

ACTION: Legal Counsel, Tom Griffin, reported there was a motion made by Commissioner Ballesteros and seconded by Commissioner Zenk, that the Board authorized Board Counsel to deny the Las Palmas Ranch Partnership’s claim against the Housing Authority of the County of Monterey arising out of the lease for the property at Lakeview Towers. Motion carried with the following roll-call vote:

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

The Board reconvened to Open Session at 7:01 p.m.

COMMISSIONER COMMENTS

Commissioner Ballesteros commended Ms. Cervantes for her story and how she succeeded; she didn’t focus on what she went through, but on becoming a better person and learning from her past and doing something about it. She agrees with whoever nominated her for the Graduate of the Year award for PSWRC; Ms. Cervantes deserved it. It was a very touching story. Commissioner Ballesteros further thanked the employees who received service awards this month. She also thanked Staff for their expertise in their field and the information they provide to the Board, it is a reward to work with each of you. Commissioner Ballesteros announced that she has a new son-in-law; her daughter was married on Saturday. The Board congratulates Commissioner Ballesteros and wishes the newlyweds the very best.

Commissioner Healy stated he reiterates what Commissioner Ballesteros stated and thanked Ms. Santos and her Staff for their hard word on the budget.
Commissioner Gama congratulated Ms. Cervantes on her very inspiring story and stated one day she hopes to be there also. She stated, good job everybody for your hard work!

Commissioner Zenk echoed what the other Commissioners have said about Ms. Cervantes and thanked the employees for their years of service. She thanked Staff for all their hard work and particularly the Finance department for doing the budget every year; she knows it is a lot of work.

Commissioner Williams thanked Staff and noted that the Board says this repeatedly, but they truly mean it. She thanked Ms. Santos and her Staff for all the hard work on the budget. Commissioner Williams congratulated the employees who received service awards and also to Ms. Cervantes for her award and story of success. She apologized for being late to the meeting and thanked Commissioner Healy for chairing the meeting before her arrival.

The Board wished Commissioner Ballesteros a Happy Birthday.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:07 p.m.

[Signature]
Chairman

ATTEST:

[Signature]
Secretary

7-27-2015

Date