

# **HOUSING AUTHORITY OF THE COUNTY OF BUTTE**

## **BOARD OF COMMISSIONERS MEETING**

### **MINUTES OF April 19, 2012**

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Chair Lobo called the meeting of the Housing Authority of the County of Butte to order at 2:54 p.m.

#### **1. ROLL CALL**

Present for the Commissioners: Patricia Besser, Christine Boyle, Rebecca Graham, Larry Hamman, Clarence Lobo, Gene McFarren, and Laura Moravec.

Present for the Staff: Ed Mayer, Executive Director; Roy Peters, Deputy Executive Director; Sue Kemp, Finance Officer; Larry Guanzon, Housing Director; and Tamra Young, Executive Assistant.

#### **2. AGENDA AMENDMENTS**

Executive Director Mayer asked the Board if they would like to select Budget Review Committee members this month, or at the May Board meeting. Several Budget Review Committee meetings will be held sometime between mid-May and mid-June. The Board elected to select members at the current meeting and asked for volunteers. Commissioners Boyle, Moravec and Besser elected to serve on the Committee.

#### **3. CONSENT CALENDAR**

Commissioner Moravec moved that the Consent Calendar be accepted as presented. Commissioner McFarren seconded. The vote in favor was unanimous.

#### **4. CORRESPONDENCE**

- 4.1 Discussion on article "PHAs Scrapping Section 8 Programs". Note: HACB breakeven point for Section 8 HCV Admin Fees seems to be about 75%, which works because the HACB is operating the program with fewer personnel, and has achieved significant administrative efficiencies.
- 4.2 Eighteen (18) housing authorities went out of business because of 2012's 75% pro-ration of HUD Section 8 HCV Admin Fees. This includes the State of California, who could no longer afford to run the program. In order to continue to run its Section 8 Housing Choice Voucher program effectively, per HUD direction HACB had, amongst other things, elected to reduce program occupancy standards, which has negatively impacted assistance to families with children.

- 4.3/4.4 Congratulations to Commissioner Besser and Graham for reappointment. Commissioner Graham will no longer be qualified as a Tenant Commissioner as she anticipates moving out of HACB property in the near future.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Election of Officers – Chair Lobo turned the meeting over to Executive Director Mayer to conduct the annual election of Board Officers in accordance with HACB’s Bylaws. Executive Director Mayer asked for nominations for the positions of Chair and Vice Chair for the year April 2012 - March 2013. Commissioner McFarren nominated Commissioner Moravec for Chair. No other nominations were put forth and Commissioner Hamman moved that nominations be closed for Chair. Commissioner Boyle nominated Commissioner Lobo for Vice Chair and Commissioner McFarren seconded. No other nominations were put forth. Commissioner McFarren moved that all nominations be closed and Commissioner Graham seconded. The vote was unanimous for closing of the nominations, and for election of Commissioner Moravec as the Board Chair and Commissioner Lobo as the Vice Chair. Executive Director Mayer congratulated Commissioners Moravec and Lobo, thanked Commissioners Lobo and McFarren for their service as officers, then turned the meeting over to newly elected Board Chair Moravec.
- 5.2 FSS Graduate – The Board recognized the successful completion of the program by FSS Graduate Ketina Fleming. Ms. Fleming was unable to attend the meeting. She is receiving an FSS escrow check for \$3,233.21.

**\*RESOLUTION NO. 4446\***

Commissioner Hamman moved that Resolution No. 4446 be adopted by reading of title only: “RECOGNITION OF FSS GRADUATE KETINA FLEMING”. Commissioner Boyle seconded. The vote in favor was unanimous.

- 5.3 Receive and File Proposed Agency Annual Plan (2012-13) –
- 5.4 Receive and File Proposed Public Housing Admissions and Continued Occupancy Policy (ACOP) and Section 8 Administrative Plan (AP) – HUD requires the Housing Authority to submit annually a One-Year “Agency Plan”, Public Housing “Capital Fund Plan(s)”, Public Housing “Admissions and Continued Occupancy Policy” (ACOP), and a Section 8 HCV “Administrative Plan” (AP). The plan documents must be submitted to HUD for review at least 75 days prior to the end of the Agency’s fiscal year (September 30 for HACB). Thus, the plans must be approved at the June meeting of the Board of Commissioners. Drafts of the plans must be available for public review and comment for 45 days prior to consideration for approval by the Board. The draft plans have already been reviewed by the Resident Advisory Board (RAB). The single principal change this year adds a “Local Admissions Preference” for Displacement by government action, for admission to the Section 8 HCV

program. This Admissions Preference will provide for relocation-related rental assistance to households that are displaced from the HACB's Gridley Farm Labor Housing property. Displacement of households is necessitated by rehab work that will reduce the number of USDA-RD regulated housing at the site from 130 to 110 units. It is anticipated between 20-30 households will be displaced over a two- to three-year period. The RAB was very supportive of this policy. The remainder of the changes to the documents address mandatory direct deposit for landlords and program participants, documentation of progress achieved toward previously set goals, updating of tables, and general administrative revisions.

**\*MOTION\***

Commissioner Hamman moved that the Board receive and file the HACB Annual Plan, the Public Housing Admissions and Continued Occupancy Policy and the Section 8 HCV Administrative Plan, making them available for Public Comment. Commissioner Graham seconded. The vote in favor was unanimous.

- 5.5     Public Housing – Management requested Board authorization to enter into two (2) Indefinite Quantity contracts, with Warren Asbestos Abatement Contractors, Inc., and Consolidated Western Contractors. The contracts are to provide capacity for abatement of asbestos-containing flooring material and adhesives in Public Housing units. HACB would like to replace asbestos flooring in all of the Public Housing units upon turnover, thus relying upon an abatement contractor and a separate flooring contractor to complete this work. It is anticipated that the entire flooring abatement and replacement process will take three working days. The proposed Indefinite Quantity contracts would be subject to compensation limits of \$50K per year, for a one-year term, renewable up to a three-year total term.

**\*RESOLUTION NO. 4447\***

Commissioner Hamman moved that Resolution No. 4447 be adopted by reading of title only: "AUTHORIZATION TO ENTER INTO SEPARATE INDEFINITE QUANTITY CONTRACTS WITH WARREN ASBESTOS ABATEMENT CONTRACTORS, INC. AND CONSOLIDATED WESTERN CONTRACTORS FOR PROVISION OF ASBESTOS FLOORING ABATEMENT SERVICES IN PUBLIC HOUSING". Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.6     Mid-Year Budget Review – HACB received Section 8 and Public Housing funding allocations from HUD on March 31, 2012 for the fiscal year beginning October 1, 2011 (six months into the budget year). Section 8 HCV Admin Fee pro-rations increased from 72% to an 80%, and Public Housing subsidies increased from an 82% to a 95% proration (paid from HACB reserves). Therefore, HACB now has an anticipated \$115,000 budget surplus, which experience and precedent shows will be swept by HUD if remaining unspent after year-end. Also during Union negotiations, Management agreed to re-evaluate the employee pay and compensation package after six months. Since the budget variation is large, Management recommended that a budget revision be adopted. Commissioner Boyle said that she supports a budget revision because it will make

the monthly budget reports more meaningful. The Board went into closed session to discuss a revised budget-associated pay and compensation adjustment.

## 11. EXECUTIVE SESSION

### 11.1 Section 54957.6: Conference with Labor Negotiators -

Adjourn: 4:03 p.m.

Reconvene: 4:36 p.m.

Board Chair Moravec reported out that the Board agreed to offer a 3.5% salary increase to all employees, excepting the Executive Director, and authorized the Executive Director to make such proposal to the Union and adjustment to the Union MOU.

#### **\*MOTION\***

Commissioner Boyle moved that the Board adopt mid-year Budget Plan B including an employee compensation adjustment. Commissioner Graham seconded. The vote in favor was unanimous.

- 5.7 Evanswood Estates – Executive Director Mayer asked the Board whether they would like to consider purchasing one or both of two available units at Evanswood Estates. We have been approached by the owner of unit #53 to see if we would be interested in purchasing the unit (we already own the other ½ of the duplex). Also there is another unit where the owner is upside down and looking for a short sale. The initial cost to pursue possible purchase of either or both of the units would be to hire an appraiser. As a public entity, the HACB will be restricted to purchase of the property at or below appraised value.

#### **\*MOTION\***

Commissioner Hamman moved that the Board approve Management pursue possible purchase of two (2) available units at Evanswood Estates. Commissioner Boyle seconded. The vote in favor was unanimous.

- 5.8 Investment Report and Reserves Analysis – Finance Officer Kemp led a discussion of the HACB investment strategy. There is \$2M in CD's maturing shortly, leaving cash available for housing opportunities. HACB is reaching out to local banks to investigate and evaluate opportunities for location of HACB funds. Due to declining investment interest rates, HACB is, alternatively, seeking housing-related investments.

## 6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

None.

12. COMMISSIONERS' CALENDAR

- **Next meeting – May 17, 2012.**
- PSWRC-NAHRO Annual Spring Conference, Monterey CA, May 20-22, 2012.

13. ADJOURNMENT

Commissioner McFarren moved that the meeting be adjourned. Commissioner Hamman seconded. The vote in favor was unanimous. The meeting was adjourned at 4:47 p.m.

Dated: April 19, 2012.

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Laura Moravec, Chair

ATTEST:

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Edward S. Mayer, Secretary