

**HOUSING AUTHORITY OF THE COUNTY OF BUTTE
BOARD OF COMMISSIONERS MEETING**

MEETING MINUTES OF August 20, 2015

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:00 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Patricia Besser, Larry Hamman, Roger Hart, Clarence Lobo, and Laura Moravec.

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

Others Present: Sharon Chambers, former Tenant Commissioner (5.1).

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

4.1 “Census: 1,127 reported homeless individuals in Butte County,” Chico Enterprise-Record, August 10, 2015. –

4.2 Editorial: Positive trends in fight against homelessness,” Chico Enterprise-Record, August 11, 2015 –

Executive Director Mayer reported the Butte County Homeless Point in Time (PIT) survey was released. He inquired if the Board would like a copy of the PIT report or for him to schedule a presentation from the Butte County-wide Continuum of Care Coordinator at the next meeting. The Board felt an emailed copy of the PIT survey would be sufficient.

5. REPORTS FROM EXECUTIVE DIRECTOR

5.1 Recognition of Former Commissioner Chambers – Chair Moravec said she appreciated the time and service from Ms. Chambers on the Board. Former Commissioner Chambers said it was an honor and a privilege to serve. Executive

Director Mayer said that it was a great joy to have Tenant Commissioners sit on the Board; he felt that Ms. Chambers had provided an excellent “truth meter” in her service to the agency. He expressed appreciation for what she has done.

RESOLUTION NO. 4588

Commissioner Hamman moved that Resolution No. 4588 be adopted by reading of title only: “RECOGNITION OF COMMISSIONER SHARON CHAMBERS”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.2 Family Self-Sufficiency (FSS) Program – The Board recognized the successful completion of the program by Family Self Sufficiency Graduate Amber Jackson. She was unable to attend the meeting due to work obligations.

RESOLUTION NO. 4589

Commissioner Anderson moved that Resolution No. 4589 be adopted by reading of title only: “RECOGNITION OF FAMILY SELF-SUFFICIENCY GRADUATE AMBER JACKSON”. Commissioner Besser seconded. The vote in favor was unanimous.

- 5.3 Personnel – The proposed modification allows the Housing Authority of the County of Butte’s Employees Flex 125 Plan to be amended to allow up to \$500 of unused amounts remaining at the end of a plan year in a participant’s health FSA account to be reimbursed to the plan participant for qualified medical expenses incurred the following plan year. Participants’ health FSA’s are funded by the participants. The proposed Resolution has no fiscal impact to the HACB.

RESOLUTION NO. 4590

Commissioner Hamman moved that Resolution No. 4590 be adopted by reading of title only: “CORPORATE RESOLUTION AMENDING HOUSING AUTHORITY OF THE COUNTY OF BUTTE SECTION 125 CAFETERIA PLAN”. Commissioner Hart seconded. The vote in favor was unanimous.

- 5.4 Gridley Farm Labor Housing rehab project – HACB received two (2) bids for the Gridley Farm Labor Housing unit rehab project. Although the bids were 25% higher than expected, both bids were very similar in pricing; analysis concluded that construction costs have increased 35-40% since January 20015, when the bid estimates were made. Completion of this phase of the construction contract would deliver a complete rehab of 12 buildings (yielding 19 dwelling units); improved office facilities and community room; and address site accessibility needs and emergency access. Management recommended approval of the contract because the bid was reasonable and responsive. The Board expressed concerns regarding the per unit cost, status of HACB’s working relationship with USDA-RD, amount of staff time involved in this project, the projected multi-year budget shortfall and apparent decreasing need for housing serving low-income farmworkers in the area. The Board requested additional information regarding the feasibility of moving forward, and an analysis of what happens should the regulated property be “unwound”.

RESOLUTION NO. 4591

The Board postponed approval of Resolution No. 4591 pending further information; matter to be continued at the regular meeting in September, or at a special meeting following.

- 5.5 Capital Fund Contract – Winston Gardens (43-10), Oroville – There is an issue with moisture penetration/mold caused by failing window flashing at Project 43-10, Winston Gardens, Oroville. The problem is caused by the faulty window assembly installation by one of the original sub-contractors from 1982. In February 2014, the Board approved a contract for HACB to replace sixteen (16) of the affected windows and surrounding walls. The current proposed contract will replace the remainder of the affected windows and surrounding walls. This is an expensive but necessary remediation, as it addresses water penetration, mold, and associated liabilities. Belz Construction was the successful lowest responsive bidder; Belz was also the contractor who completed the 2014 replacement work, and they did a good job.

RESOLUTION NO. 4592

Commissioner Hamman moved that Resolution No. 4592 be adopted by reading of title only: “AUTHORIZATION TO ENTER INTO CONTRACT WITH BELZ CONSTRUCTION FOR WINDOW REPLACEMENT AND REMEDIATION AT WINSTON GARDENS PROPERTY”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.6 Gridley Springs II Apartments rehab – A loan from BCAHDC to the HACB in the amount of \$150,000 was approved at the last meeting. In placing the loan, we ran into structural issues with the loan terms at the State, relating to subordination and restricted cash flows. The three options to remedy this situation are (1) continue with a fully secured note, which would require full State underwriting and postpone construction, (2) change the loan terms so that it is secured simply by the good faith and credit of the Housing Authority, or (3) have HACB come up with the \$150,000 in cash to complete the rehab work. While the Board agreed it was a good idea to loan funds between BCAHDC and HACB and would like to look for future opportunities to better invest our money, this particular deal has become too complicated.

MOTION

Commissioner Anderson moved that the Board authorize expenditure of \$150,000 from the General Fund for exterior improvement project contract at Gridley Springs II Apartments, Gridley. Commissioner Hamman seconded. The vote in favor was unanimous.

- 5.7 Utility Allowances – The HACB has completed its review of Utility Allowances, used for administration of its owned and managed properties and programs. Utility Allowances must be reviewed annually and adjusted if there is an increase of more than 10%. This year water and sewer rates increased. Utility Allowances also affect other properties in Butte and Glenn Counties through the Section 8

Housing Choice Voucher Program. The Utility Allowance review was conducted by Management Resource Group, Inc. (MRG) using a blended engineering- and consumption-based methodology. The revised Utility Allowances will be effective for Public Housing and Section 8 projects on January 1st and for all other properties in 90 days. Per regulations, only Public Housing residents must be provided a 60-day written notice of the proposed Allowances. We do not anticipate receiving any comment on the Utility Allowances, but in the unlikely event that we do, there is still adequate time to adjust them before the January 1st effective date. Also HACB has water and energy conservation improvements scheduled for Public Housing next year.

MOTION

Commissioner Hamman moved to implement Utility Allowances as proposed for the upcoming 2015/16 year, effective January 1, 2016. Commissioner Hart seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

- 7.1 Family Self-Sufficiency Program – As per discussion last month, Section 8 Program Manager DeSoto performed an analysis and determined that the HACB FSS program can support an increase in the number of participants from its current voluntary program size of 50, to 115. It will probably take about a year to build the program and add another staff member. The Board expressed excitement over increasing the program size.

RESOLUTION NO. 4593

Commissioner Anderson moved that Resolution No. 4593 be adopted by reading of title only: “AUTHORIZE EXPANSION OF THE HUD SECTION 8 HOUSING CHOICE VOUCHER FAMILY SELF SUFFICIENCY PROGRAM”. Commissioner Lobo seconded. The vote in favor was unanimous.

8. SPECIAL REPORTS

- 8.1 NAHRO Summer Conference, Austin TX, July 29-31, 2015 – Executive Director Mayer reported that NAHRO is focused on several items: (1) legislative advocacy - NAHRO is working with alliances and nurturing relationships to advocate low income housing interests to Congress; (2) regulatory relief for small housing authorities; (3) expand the number of moving to work agencies and (4) tax credit extenders - promote permanent authorization of the tax credit program.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

Staff provided the Board a report entitled “Housing Authority of the County of Butte takes steps to address the drought”. It outlined steps we are taking to monitor and address water conservation measures and included an analysis of realized and projected water savings. Also, Management staff has met with Cal Water to discuss special programs that might be available to the HACB. The Public Housing water conservation bids were received and deemed “unreasonable”; we have rejected all bids and will fine-tune and go out to bid again.

11. EXECUTIVE SESSION

11.1 Government Code Section 54957.6: Conference with Labor Negotiators
(Operating Engineer’s Local No. 3)

Adjourn: 3:46 p.m.

Reconvene: 4:43 p.m.

Chair Moravec reported that the Board provided Executive Director Mayer with direction on a first offer to the Union for the 2015-16 year.

12. COMMISSIONERS’ CALENDAR

- NAHRO National Conference, Los Angeles CA, October 14-17, 2015
- Next Meeting – October 22, 2015

13. ADJOURNMENT

Commissioner Hamman moved that the meeting be adjourned. Commissioner Hart seconded. The meeting was adjourned at 4:45 p.m.

Dated: August 20, 2015.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary