

MINUTES
GREEN BAY HOUSING AUTHORITY
Thursday, August 15, 2013, 10:30 a.m.
1424 Admiral Court, Second Floor Reading Room
Green Bay, WI 54303

MEMBERS PRESENT: D. Dolan-Wallace-Chair, W. VandeCastle, S. Popp

MEMBERS EXCUSED: H. Genunzio, B. Goodlet

OTHERS PRESENT: Robyn Hallet, Rob Strong, Nikki Aderholdt, Stephanie Schmutzer, Ka Vang

APPROVAL OF MINUTES:

1. Approval of the June 20, 2013 minutes of the Green Bay Housing Authority

A motion was made by W. VandeCastle and seconded by S. Popp to approve of the June 20, 2013, minutes of the Green Bay Housing Authority. Motion carried.

COMMUNICATIONS:

2. Pre-Audit Communication Letter from Hawkins Ash CPA dated July 8, 2013

S. Schmutzer stated that the pre-audit communication letter from Hawkins Ash CPA is a letter from the auditors detailing the planned scope and timing of the audit process. They will be focusing on areas that are vulnerable to errors and fraud.

A motion was made by W. VandeCastle and seconded by S. Popp to receive and place on file. Motion carried.

R. Hallet handed out a late communication. It is from the Housing Authority Insurance Group and is documentation of another dividend check that was received for membership with them. We received a total of \$4,886.80 in dividends.

A motion was made by S. Popp and seconded by W. VandeCastle to receive and place on file. Motion carried.

OLD BUSINESS:

3. Update and possible action on the award of GBHA Scattered Site Landscaping Project

R. Hallet stated that she realized after the agenda was finalized that the Authority had to address not only Scattered Sites but also Mason Manor in this agenda item. However she explained that at the last meeting, the Authority did agree to award this project to the lowest responsive and responsible bidder assuming there wasn't anything unusual, so if after discussion today they determine no further action is need, the action of the previous meeting will suffice.

R. Hallet stated that the bids were received for both the Scattered Sites and Mason Manor landscaping projects. Professional Landscape Management came in as the low bidder for the Scattered Sites project at \$68,447. GBHA approved up to \$75,000 and the low bid came in below that.

R. Hallet explained that for Mason Manor there were three vendors. Professional Landscape Management offered an alternative using cedar mulch instead of gold-colored mulch. They stated cedar is a better price and listed other reasons why cedar would be a better option. Staff reviewed and decided cedar was the better option for us. However, the Purchasing Department thought ethically the bid should be awarded to the lowest bidder that followed the required specifications. Therefore, Lizer Lawn Care should be awarded the project as the lowest bidder, and staff will work with them to see if they would offer discounts if staff chose to change the mulch from gold-colored to cedar.

R. Strong stated that it was important to discuss this issue with the Authority because we could be challenged on the decision to award the bid to Lizer when actually Professional Landscape Management's bid technically comes in lower with the change in specification of mulch. He was looking for some input from the Authority on this item but realizes Mason Manor's landscaping project was not listed on the agenda appropriately.

R. Hallet stated that if the Authority feels Lizer Lawn Care is the appropriate choice, the action taken at the previous meeting covers this because Lizer truly is the low bid. If the Authority would like to award the bid to someone other than Lizer, a special meeting would need to be called in which the item would be posted appropriately for discussion and action or the item could wait until the next GBHA meeting.

S. Popp inquired about what each numbered site pertained to.

R. Hallet explained that staff had divided the Mason Manor property into 21 different sites so that if the budget did not allow all sites to be landscaped at one time, there would be some way to identify those sites that would be taken care of at this time.

S. Popp noted the difference in pricing between Vendor 1 and Vendor 2 on Sites 6, 7, and 8. R. Strong suggested that Vendor 2 may have included some of the general pruning costs within the various site numbers, which could account for the differences in the pruning line item as well as some of the site items.

W. VandeCastle suggested the two projects be separated in the motions:

A motion was made by W. VandeCastle and seconded by S. Popp to confirm the award to Vendor 1 (Professional Landscape Management) for the Scattered Sites landscaping project as the lowest responsible bidder. Motion carried.

A motion was made by W. VandeCastle and seconded by S. Popp to confirm that Vendor 1 (Lizer Lawn Care) is the lowest responsible bidder. Motion carried.

R. Hallet wanted to make a note that Lizer's bid amount of \$17,500 is less than the amount the Authority had previously approved to spend, which was a total of \$25,000 for both landscaping and exterior benches. The exterior benches were approved at a previous meeting for \$4,810. The \$17,500 bid amount plus the \$4,810 for the benches still leaves us under the approved amount of \$25,000.

R. Hallet also let the Authority know that what was listed as the weight capacity of the benches, discussed at an earlier meeting, was found to be the weight of the bench itself at 194 pounds; the manufacturer places no weight capacity for sitting on the bench.

NEW BUSINESS:

4. Discussion and approval to transfer Operating Reserves from Mason Manor to Scattered Sites

R. Hallet stated that she would like to discuss Item #4 later in the meeting, along with the financial report.

A motion was made by W. VandeCastle and seconded by S. Popp to move Item #4 under the Financial Report and Bills portion of the agenda. Motion carried.

5. Approval to purchase new truck plow not to exceed \$7,000

R. Hallet and maintenance staff determined the current truck plow is in need of replacement. Bids were necessary; therefore, bid requests were made and have come back in; she distrusted the quote summary. The staff had preliminarily budgeted \$7,000 of the 2013 CFP for truck equipment. The low bid came in at \$5,956, and even with the addition of an estimated \$500 for mounting equipment, the bid is under the estimated amount budgeted for truck equipment.

A motion was made by W. VandeCastle and seconded by S. Popp to award the project to the lowest responsible bidder (Caspers Truck Equipment). Motion carried.

6. Approval for purchase of TVs for Mason Manor lobby directories not to exceed \$5,000

R. Hallet reminded the Authority of a past discussion about possibly purchasing an electronic sign board and replacing the old-fashioned directory in the lobby at Mason Manor. The decision was made to go with large-screen TVs. There will be one 55-inch screen TV on the second floor lobby and two 47-inch TVs outside each of the first floor and second floor entrances. The IT Department has acquired the cabling necessary for the work and has already purchased two of the TVs so far. The price is below the estimated \$5,000, coming in at around \$4,500.

S. Popp asked how the TVs would function as a sign board. R. Hallet said information would scroll on the screen; only staff can display information on it. The format would be a PowerPoint presentation. N. Aderholdt said the information displayed would be resident name, apartment number, etc. and would scroll slowly.

A motion was made by S. Popp and seconded by W. VandeCastle to approve the purchase of TVs for Mason Manor lobby directories not to exceed \$5,000. Motion carried.

INFORMATIONAL:

7. Results of Mason Manor REAC inspection

R. Hallet reminded the Commissioners that at the time of the last meeting the inspection had been completed, but the results had not yet been released. The results are now available, revealing Mason Manor's score of 94c, the "c" meaning there were two exigent health and safety items. There are a few areas staff would like to appeal, and that will be submitted soon.

A motion was made by W. VandeCastle and seconded by S. Popp to receive and place on file. Motion carried.

8. Preliminary results of Scattered Sites REAC inspection

R. Hallet said the results of the Scattered Site inspection have already been posted. During the course of the inspection, staff felt it was going well. However, the results showed a much lower score than expected at 79. Last year's score was 73, but was appealed and increased to 81. This year staff wishes to appeal the score again and is hoping to get an even higher score. Some consistent problems include peeling and cracking paint in the basement, which is being addressed in the foundation repairs, and trip hazards on sidewalks that the City had marked for repair. N. Aderholdt added that another consistent problem was holes in the siding at the base, probably caused by lawn mowing at various properties. R. Hallet also noted an issue at a few properties was GFI outlets not resetting automatically. As long as the outlet is working, tenants would not know anything was wrong to report it. She said staff needs to make it a point to check that when in properties.

A motion was made by S. Popp and seconded by W. VandeCastle to receive and place on file. Motion carried.

9. WAHA Fall Conference

R. Hallet commented that S. Popp was attending, and there was nothing else to report at this time.

FINANCIAL REPORT AND BILLS:

S. Schmutzer reported there are two months of bills to review due to the Authority not meeting last month.

S. Popp questioned the payment for neighborhood guides. R. Hallet replied that last winter GBHA approved the donation of money to reprint the updated Neighborhood Guides. R. Strong suggested that the Commissioners are provided with a copy of the Neighborhood Guide at the next meeting so they can view them. He also added that the dollar amount donated was \$10,000.

S. Popp inquired about what the YP abbreviation meant on the financial report. R. Hallet responded that YP is Yellow Pages. She also explained that there are many companies with the word Yellow in their names, so it is difficult to distinguish them from one another. A request has been made to the Yellow Pages that GBHA should be taken off the renewal list for advertisement.

S. Schmutzer then handed out the year-to-date profit and loss statement.

D. Dolan-Wallace asked if GBHA budgeted for the HUD contribution. S. Schmutzer responded that she entered it on the wrong line. It is currently on the line for operating subsidy, but she will move it.

D. Dolan-Wallace questioned if we are at 20% of our budget to date for this fiscal year. S. Schmutzer explained this is because of the lease payments from the cell towers – one of them pays monthly and one pays annually.

S. Popp inquired what information on this report is most relevant. S. Schmutzer replied that the back of the first page shows the net income; for July through August, Mason Manor is at \$65,000 and for Scattered Sites we are overspent \$6,000 as of right now.

S. Popp questioned the -\$212,000 for Scattered Sites. S. Schmutzer responded that is because we budgeted more expenditures than we did revenue due to the spend-down. But she suggested that instead of looking at the budgeted column, we look at the actual column. She explained that the negative numbers meant that GBHA spent more on expenditures than on their revenues for that period of July 1 through August 14, but we are not over-budget because GBHA has only spent 3% of the Scattered Site budget.

D. Dolan-Wallace commented that this report reflects a moment-in-time, and thus some of the information is irrelevant. What caught his eye is that we are at 20% of budget after a month and a half, so this means there is more income coming in right now than would be the average for a month and a half, which would be 8.5-9%.

S. Popp requested if S. Schmutzer could provide a simpler summary of the financial report.

A motion was made by W. VandeCastle and seconded by S. Popp to accept and place the financial report and bills on file. Motion carried.

S. Schmutzer suggested we now address Agenda Item #4.

4. Discussion and approval to transfer Operating Reserves from Mason Manor to Scattered Sites

S. Schmutzer passed out a reserves spreadsheet showing that 6 months' worth of expenses for Mason Manor is \$442,000. Mason Manor has a projected reserve balance of \$886,000. S. Schmutzer proposed to transfer some funds from Mason Manor to Scattered Sites, which has a negative reserve balance, and there are still projects coming up. She explained that last year Mason Manor reserves were transferred to Scattered Sites. She is inquiring if the Authority would like to do this again this year, which would keep the Mason Manor reserve to the HUD-recommended amount and help Scattered Sites – which do have further foundation repairs to be done – doing so would help spend down those funds.

D. Dolan-Wallace asked if this is allowed and why does this happen. S. Schmutzer responded that the cell tower leases on Mason Manor results in Mason Manor having a larger reserve than Scattered Sites. In addition, Scattered Sites have more maintenance costs than Mason Manor.

W. VandeCastle inquired if transferring the reserves funds meant taking money from one program to another. S. Schmutzer explained that it's just moving between AMPS (developments), not programs.

R. Strong stated that GBHA did anticipate and budget to spend more of the reserves funds on Scattered Sites this year.

S. Schmutzer reported that last year \$350,000 was transferred from Mason Manor's reserves funds to Scattered Sites. She inquired if GBHA would like to transfer the same amount or propose a different dollar amount.

D. Dolan-Wallace questioned if there were any advantages in transferring the reserves funds. S. Schmutzer responded that Mason Manor's reserves funds are too high, and we didn't get operating funds in 2012 for this reason, so transferring the money to be utilized by Scattered Sites would be beneficial. R. Strong reiterated that Mason Manor's reserves are double the HUD-recommended amount, so it makes sense to do this. S. Schmutzer suggested transferring \$350,000 would help Scattered Sites reserves funds to be where they are supposed to be and still being over \$50,000-\$100,000 probably won't raise any concerns by HUD.

A motion was made by S. Popp and seconded by W. VandeCastle to approve of moving \$350,000 out of Mason Manor's reserves funds to Scattered Sites as of June 30, 2013. Motion carried.

CONTINUING FINANCIAL REPORT AND BILLS:

S. Schmutzer stated that by the end of this month she is required to upload to HUD GBHA's unaudited financials, of which she passed out hard copies to the Commissioners. Approval to upload these numbers is needed by the Authority.

R. Strong inquired if there were any areas of concern. S. Schmutzer replied that the 2008 and 2009 Capital Fund Programs should be rolled into their respective areas for Mason Manor and Scattered Sites so they can be closed out.

S. Schmutzer clarified that these are what she believes are the most accurate numbers to upload to HUD, then the auditors will come in to audit these numbers.

A motion was made by S. Popp and seconded by W. VandeCastle to approve of submitting the unaudited financial to HUD. Motion carried.

S. Schmutzer stated that she met with R. Hallet and N. Aderholdt to discuss the 2013 Capital Funds. They discussed the various projects that capital funds can and should be used on – using benchmark of \$150,000 – since at the time we didn't yet know what the awarded amount would be. Last year, GBHA received over \$200,000 in Capital Funds; this year, GBHA has been awarded \$183,075. Staff will be meeting again to redo the numbers now that we know the awarded amount, and we will then bring it to the Authority for approval.

R. Hallet added that projects were planned at a conservative level, and GBHA was awarded more than what the benchmark dollar amount was. The money will be adjusted, and more money will be put into property improvement projects, and those projects will come back to the Commissioners for approval. She explained that the amount of capital funds has been decreasing over the years, and we had anticipated a more significant drop this year due to sequestration.

STAFF REPORT:

10. Langan Investigations report for the month of June

R. Hallet reported that Langan ran 16 background checks, 4 additional applications, and 1 fraud report that is inactive for the month of June.

W. VandeCastle inquired if an applicant has an outstanding fraud judgment from BCHA, would it affect their opportunity for housing assistance with GBHA. N. Aderholdt replied

that this would carry over and impact the applicant. R. Hallet explained that HUD has an electronic system where housing authorities can search an applicant's name and find if that person owes money to another housing authority. N. Aderholdt added that within the application for low-income housing, there is a document that requires the applicant to sign stating that he or she has never committed fraud or owes money to any housing authority.

11. Occupancy Report

N. Aderholdt reported that there are currently 4 vacancies: 3 at Scattered Sites and 1 at Mason Manor. For the 3 at Scattered Sites, 1 is leasing up tomorrow and the other 2 will be ready within a month. The vacancy at Mason Manor will also be ready within the end of the month. For upcoming vacancies, there are 2 at Scattered Sites, and there is another one today that is receiving a 5-day notice. The 5-day notice gives the tenant a chance to fix the issue; if no action is taken, then the eviction process will begin. For Mason Manor, there are quite a few vacancies coming up due to tenants moving out because they are in need of assisted living. The occupancy rate for Mason Manor is 98%, and the occupancy rate for Scattered Sites is 96%. Scattered Sites' waiting list period is about 11 months, and Mason Manor has a 10-month waiting period.

A motion was made by W. VandeCastle and seconded by S. Popp to receive and place the occupancy report on file. Motion carried.

12. Update on GBHA reorganization

R. Strong stated that N. Aderholdt has taken over the role of Senior Property Manager at Mason Manor since Anne Monday retired. N. Aderholdt has been working two positions as Property Manager for both Scattered Sites and Mason Manor with the assistance of an intern. The Human Resources Department was contacted, and GBHA called for a reclassification of the Senior Property Manager position. In addition, another position was created as a Resident Services Coordinator to assist the Senior Property Manager. These two positions were brought to City Council, but Alderman Andy Nicholson asked for the two positions to be sent back to the Personnel Committee. N. Aderholdt will soon be on maternity leave, and there will be no one who will be able to oversee both the Mason Manor and Scattered Sites program. He explained that due to this urgency he contacted the HR Department and requested to bring in a full-time temporary employee. K. Vang, our intern, has taken the full-time temporary employee position, and she will start working full-time next week. She will utilize this time to be trained and prepared for N. Aderholdt's maternity leave. The Personnel Committee and Andy Nicholson are concerned with the increase in the pay rate for the reclassified Senior Property Manager position. City Council voted 3 to 1 for the Resident Coordinator position, but the increase in pay for the Senior Property Manager did not pass. The Resident Coordinator position will only go through if the reclassification of the Senior Property Manager position is voted for as well. He explained that he asked D. Dolan-Wallace to generate a letter to the City Council members explaining why these positions should not be held back any longer. It was agreed upon that the Senior Property Manager position will be posted in-house only, and the Resident Coordinator position will be listed as open to the public. The City Council meeting will take place next Tuesday, and anyone is welcome to attend to support this matter.

A motion was made by W. VandeCastle and seconded by S. Popp to approve of the reclassification position. Motion carried.

R. Hallet stated that she would like to send the letter to City Council as soon as possible so they can have a few days to think about this situation before the meeting on Tuesday.

R. Strong stated that this situation has been going on since January 2013, and N. Aderholdt has been paid out of class at the rate of the Senior Property Manager.

D. Dolan-Wallace stated that GBHA will need the number of how much money is actually being saved from the reorganization. He recommended having Human Resources provide a report.

A motion was made by W. VandeCastle and seconded by S. Popp to adjourn the GBHA meeting. Motion carried.

Meeting adjourned at 11:45 a.m.

Kv:rah:ejns