

MINUTES

HOUSING AUTHORITY OF THE CITY OF ABILENE

Meeting of July 19, 2007, 9:30 a.m.

The Housing Authority of the City of Abilene, Texas, met in a scheduled session on July 19, 2007, at 9:30 a.m. in the Cypress Plaza Board Room, 534 Cypress Street. Chairman V.E. Brailsford was present and presided. Other Commissioners present were: Mary Jay Island and Dale Barthelemy.

Staff members present were: Ebony Bond, Program Coordinator/Interim Director; Paul Falade, Accountant; Genette Edmond, Tanya Johnson; Edward McRoy, Assistant Director Planning and Development; Megan Santee (Legal), and Mary Ann Martell, Secretary. Guests present were: Stephanie Baker, Larry Gill, Brett Reynolds.

CALL TO ORDER

Chairman Brailsford called the meeting to order at 9:49 a.m.

1.0

Routine Announcements, Recognitions and Presentations

There were no routine announcements, recognitions, or presentations.

DISPOSITION OF MINUTES

2.0

There being no corrections, additions, or deletions to the June 21, 2007, Board Meeting minutes, Commissioner Island made a motion to approve the minutes as printed. Commissioner Barthelemy seconded the motion.

AYES: Commissioners Barthelemy, Island, and Chairman Brailsford

NAYS: None

The motion carried.

OPEN DISCUSSION FOR CITIZEN GENERAL COMMENT AND RESIDENT/LANDLORD INPUT

3.0

There was not any discussion, since no other citizens, landlords or residents were present at the meeting.

CONSENT AGENDA

4.0

Chairman Brailsford asked the Board if they had any questions or wished to pull out any item under the Consent Agenda. Ebony Bond stated she would like to pull the Monthly Status Reports, Agenda Items #4.2a, #4.2b, and #4.2c.

4.1 Resolution Approving the Housing Authority's Membership With the Texas Building and Procurement Commission

Commissioner Island recommended 4.1, the resolution approving the Housing Authority City of Abilene's membership with the Texas Building and Procurement Commission. Commissioner Barthelemy seconded the motion. The Board voted.

AYES: Commissioners Barthelemy, Island, and Chairman Brailsford

NAYS: None

The motion carried.

Ebony Bond, Programs Coordinator/Interim Director, reported to the Board that she had received the audited reports and they were submitted to HUD for approval by David Boring. HUD has notified us that that our audited financials were not approved. The corrections need to be submitted by 8/01/07. Ms. Bond further elaborated that some financial information was not rightly classified. The financial data schedule does not match the audit report. Presently, our IPA, David Boring, is on vacation and has not had the opportunity to make the corrections. He will be attending next month's Board meeting to present and review the 2006 audit. Commissioner Island requested that once Ebony contacts Mr. Boring, to please call and inform the Board on the status since there is a deadline. Ebony said she would attempt to have a conference call and update everyone on the financials.

4.1b Update on CY 2007 Housing Assistance Payments (HAP) renewal and Administration Fee Funding allocations

Paul Falade, Accountant, confirmed that the Housing Authority received a letter from HUD regarding a decrease in funding for CY 2007. He informed the Board that there were two problems. One, we did not use all the funds from HUD and second, we have been struggling all year to increase lease-up. We do not have enough people in the program. Currently, we have 700 plus and we are approaching 800, therefore, we are making progress. Since we were not using all the money, HUD reduced funding based on utilization figures from 2006. Our 1,029 vouchers were reduced to approximately 850 vouchers which we need to expend by December.

Ebony Bond relayed to the Board that this was no surprise since it has been known for two years and anticipated that HUD could reduce funding due to low lease-up. She stated this was due to multiple reasons including a turnover in staff and the waiting list had been closed for awhile. At this same time, tenants were terminated and getting off the program before new applicants could be added. There was not enough manpower to get the 300+ people pulled and onto the program in such a short period. Currently, counselors are interviewing two new people daily which accounts for twenty new tenants monthly.

In March, the entire waiting list was pulled for an April briefing which exhausted the waiting list. This would have increased our lease-up close to a 1,000; however, now funding has been reduced. Typically, HUD looks at May and June figures to approve funding, but sometimes they review the quarterly figures. Based on the average HAP payment, we should now be able to house 850 to 890 tenants. Depending on the monthly

rent, we can add 50 to 75 new tenants on the program. Currently, we have 49 applicants at the top of the waiting list to see counselors. Either way we have to maximize our vouchers or our funding.

Chairman Brailsford voiced his concerns; however, he stated this is not something new. In the past, the Housing Authority has gone through many things. Many times we have been late on getting people into the program and we have had a shortage of staff with high turnover rate. We have gone back and forth. For about three years now, we have been predicting that HUD would cut our funding and now they have by approximately \$500,000. Chairman Brailsford acknowledged the staff for coming up with the idea to pull the entire waiting list to increase lease-up. Commissioner Island stressed that lease-up has always been a concern. She wanted to know what the plan is to prevent this decrease in funding in the future. There are so many people with needs. She acknowledged the staff for the Saturday Blitz to help increase lease-up. Losing staff can't be helped, however, when slots become available in the program we need to fill those slots.

Ebony Bond stated that as Programs Coordinator, she is developing a tracking system that will show the response rate and how many people to pull from the waiting list when necessary. She agreed when ten people are terminated, then ten people need to be put into the system to receive vouchers.

Commissioner Island wanted to be reassured that there will be a plan to prevent this from happening again. What is our current utilization? Ebony replied that our utilization was at 75%, but with the funding decrease we are now at 93% utilization. No doubt, we will get that figure up to 95% or preferably 98%. Ebony also stated that staff at Yardi was contacted regarding reports, etc. and it was discovered that Yardi is not able to track utilization.

4.1c Capital Fund Modernization Programs

John English, Housing Inspector, said three bids have been turned in for constructing a 1,120-foot rod iron fence around the northside of the Vogel site in Public Housing. The three bids include the following: Prime Construction with a base bid of \$64,800 which later decreased this amount by \$1,000 before bid opening; Prime Source with a base bid of \$62,800; and Construction Rent-a-Fence with a base bid of \$54,447. They all had HA bonds and acknowledged the addendum #1. Mr. English conveyed that Construction Rent-a-Fence had the low bid plus their references were good. He recommends Construction Rent-a-Fence for the project. Megan Santee, Legal, advised the Board that since the Agenda did not indicate an action taken on the Agenda Item that it could not be voted on at this time. Ebony Bond replied that a special called meeting would be needed since she would have to obligate the funds before the end of the month.

Commissioner Island expressed her concerns about the deadlines for drawdowns and obligations. Ebony said this money would have to be obligated by 8/12/07; however, she told the Board she has had trouble getting into ELLOCS for the electronic drawdown of funds. She has requested assistance in this matter. The contract has been in process since

7/11/07. Commissioner Island asked if she was on target for deadlines. Chairman Brailsford inquired about the three bids since he stated that he is always at the bid openings, however, he said he was not notified. Since this was not known, Ebony reassured him that for all future bids, etc., the Chairman would be notified. Commissioner Island suggested to have a Special Called Meeting after the Agenda is posted for 72 hours. It was decided to meet on Tuesday, July 24, 2007, at 9:30 a.m., to approve the fencing contract.

After this discussion, Commissioner Island made a motion to approve Agenda Items 4.2 a, b, c, and d. Commissioner Barthelemy seconded the motion. The Board voted.

AYES: Commissioners Barthelemy, Island, and Chairman Brailsford

NAYS: None

The motion carried.

5.0 REGULAR AGENDA

5.1

Discussion and possible action regarding the acquisition of professional consultant services by the Housing Authority for the following: 1) a feasibility/impact study evaluating the costs and benefits of the Housing Authority becoming a fully independent agency

Ed McRoy, Assistant Director of Planning and Development, said that during the last Board meeting, it was clarified that the RFQ would not include any E.D. interim services. Also, he has reviewed the Housing Authority's procurement policy and it is similar to the City's procurement policy. When negotiating with companies, the money is not a factor until after selecting a company. The RFQ was sent to Legal, however, apparently it was lost so he distributed RFQ draft #2 to the Board and stated it has not been approved by Legal. Section 4 did have some changes with the selection committee and selection criteria. Page three was modified in some of the actions that could be taken by the Housing Authority. Ed McRoy said he tried to clarify types of selections for responses. He is close to the final draft with one final review from legal and purchasing.

Chairman Brailsford stated that back in April he distributed some information and he believed staff with due diligence would evaluate the different areas necessary to consider for becoming independent. He identified services from the City and evaluated that some services can be outsourced while some areas such as procurement and equipment can be absorbed by staff. In April, it was recommended to authorize informal bids and then evaluate these areas such as payroll, personnel, HR and benefits, risk management, insurance, legal, fleet management, etc. It was concluded that such a strategy could be prudent. Chairman Brailsford said this handout listed what needed to be done before the Housing Authority could become independent and it was going to be done with the services of an attorney.

Ed McRoy replied that he remembers the information/handout especially one that showed medical benefits with comparative figures, etc. However, he recalled it was decided to go with a consultant to evaluate all areas instead of proceeding with separate projects.

Also, timing had to be considered since staff could not do all this in a particular time frame. Evaluating and researching all areas need to be done in a timely manner. Chairman Brailsford said it was going to be done with an attorney and all different aspects were going to be evaluated. Megan Santee, Legal, interjected that the Housing Authority can obtain legal counsel outside the City services. At a previous meeting, the Board voted to contact other legal sources preferably working with other Housing Authorities. Regarding the RFQ, Megan elaborated that Legal's concerns was the Housing Authority's Board cannot circumvent competitive bidding. In other words, the Board cannot prohibit other bids although they may be informal bids. The correct way is to obtain bids through a contract process. Ms. Santee did affirm that some services could be absorbed with current staff taking on extra duties, but currently staff is under City management and we can't operate this way. Also, estimates are only good for approximately 30 to 60 days so if staff were obtaining these rates for services, it would have to be done in a timely manner. The RFQ will address all the areas of the Housing Authority in order to become independent. Plus, it stays within the guidelines of the procurement policy for not only HUD, but also the State and the City of Abilene.

Ed McRoy said in the RFQ on page two regarding the goal of the feasibility study, he used broad terms; however, he could be more specific and actually add all services. He made it general so the consultant could add their own list of services, etc. The evaluator has a range of things to consider. They should be able to provide an implementation plan and also address all costs. The RFQ is very professional and provides a document which does address all these areas. After solicitation of services, we will negotiate on the specific services and costs.

Chairman Brailsford asked if the Housing Authority was going to procure an attorney who is familiar with feasibility studies since then we could turn it over to him. Commissioner Island said it appears we are looking at two items here. One is the possible retention of an outside attorney who has experience with housing. Megan Santee stated that local attorneys and management firms/consultants could perhaps be cheaper than those outside of Abilene and those around San Antonio. The Housing Authority Board can visit freely with any attorneys they want to and address any questions. Again, Commissioner Island said we are looking at two issues: 1) the needs of the Housing Authority to hire an attorney who is committed to the HA; 2) the needs of the Housing Authority to hire a consultant to perform the feasibility study on becoming an independent agency.

Ed McRoy answered that the Housing Authority could bring in an attorney to search on these services or a good proposal could secure a consultant with a law firm. Megan Santee also stated that the RFQ is directed to all and it could be a law firm. For example, Mark Zachary could be an attorney for the HA since he has done prior work for them. In other words, an attorney could very well respond and sometimes they have a consultant firm. Ed McRoy added that most often consultant firms have an attorney available.

Regarding the RFQ, Ed McRoy asked the Board if they felt comfortable with document #2 or are there changes to be made? Megan Santee, Legal, advised that since

we are working within a timeframe, the statement should be made “Attention: Chairman Brailsford, Abilene Housing Authority.” Mr. McRoy replied that he would make that change for the responses to go to Chairman Brailsford. In addition, he asked for a response regarding the timeline. Should the RFQ be placed for at least 30 days or longer? He suggested 60 days. Megan Santee said the submittals could be reviewed as they come in. Commissioner Island stated that she is comfortable with that, however, in the meantime, the Board should start calling attorneys for the Housing Authority.

Ed McRoy asked if the Board could authorize him to distribute the RFQ for 60 days. Commissioner Island made a motion to make a request for the RFQ to be distributed for 60 days with the one correction relating to “Attention: Chairman Brailsford” and there cannot be substantial changes in the final RFQ. Chairman Barthelemy seconded the motion. The Board voted.

AYES: Commissioners Barthelemy, Island, and Chairman Brailsford

NAYS: None

The motion carried.

5.2

Presentation and update on the hiring process for the Housing Administrator Position

Ed McRoy informed the Board that only four applications have been received from the Human Resources Department. These have been screened and passed on to the Committee members. He has received comments and the next step is to proceed with follow-up phone interviews. The Committee will discuss the interview questions and the process. Most likely, the Committee will narrow the candidates down to one or two. Since the E.D. position is equivalent to a division manager position, the City’s policy does not provide pay for travel expenses, therefore, some candidates may choose not to travel for the interview. Megan Santee, Legal, told the Board that the Housing Authority could offer to pay the selected candidates travel expenses. Ed McRoy said the Housing Authority could offer a set amount for travel and the applicant could pay the remaining expenses. Ebony Bond stated that in most cases, the candidate flies in and flies out; therefore, lodging would not be included. Also, Mr. McRoy conveyed to the Board that Dr. Smith-Brice is out of town until August 5, and the Committee will need her here for the in-person interviews.

5.3

Discussion and approval of new Vice-Chairman and Executive Secretary

Ed McRoy stated that presently the Board does not have a Vice-Chairman in case of the Chairman’s absence and we also need someone else who could sign documents in case of the chair’s absence. He also said there is no Executive Secretary. The By-laws do not clarify if this person is a Board member or employee. Ebony said this position is the holder of the Housing Authority seal and he/she must be from the Board. Commissioner Island said she had asked Roberta Thompson about the Executive Secretary position. She was told that HUD documents state that the E.D. can serve as the Secretary in the absence of one and has the authority to sign off. The Board needs to name two people, vote and put them in place.

Commissioner Island made a motion to nominate Dr. Smith-Brice as Vice-Chairman. Commissioner Barthelemy seconded the motion. The Board voted.

AYES: Commissioners Barthelemy, Island, and Chairman Brailsford

NAYS: None

The motion carried.

Commissioner Island told the Board that if Dr. Smith-Brice declines the position then she would step in.

Commissioner Island made a motion to nominate Dale Barthelme as Executive Secretary with the authorization to sign off on documents and hold the Housing Authority seal. Chairman Brailsford seconded the motion. The Board voted.

AYES: Commissioners Barthelemy, Island, and Chairman Brailsford

NAYS: None

The motion carried.

6.0

Executive Session

None

7.0

Adjournment

Commissioner Barthelemy made a motion to adjourn the meeting. Commissioner Island seconded the motion. The Board adjourned at 12:10 p.m.

These minutes of the Housing Authority City of Abilene Board of Commissioners meeting

7/19/07, respectfully submitted and approved on 8/16/07.

V.E. Brailsford
Board Chairman Board of Commissioners

8/16/07
Date

Dale Barthelemy
Executive Secretary Board of Commissioners

8/16/07
Date