

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

**MINUTES OF September 20, 2012**

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: Patricia Besser, Christine Boyle, Sharon Chambers, 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

None.

3. CONSENT CALENDAR

Commissioner Boyle had one question and one comment regarding the Vacancy Report. She asked ‘Of the 18 vacancies at Farm Labor Housing (FLH), how many of those units are inhabitable?’ She also noted the drop in the vacancy rate and corresponding increase in income at Kathy Court. Housing Director Guanzon replied that ‘four (4) units were inhabitable at FLH’. Executive Director Mayer noted that the Kathy Court project seems to have stabilized.

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

4. CORRESPONDENCE

HACB received the first piece of correspondence regarding the litigation over HUD’s recapture of Public Housing Operating Reserves. There are over 200 housing authorities nationwide participating in the lawsuit. The benchmark for “serious damage” to an agency is if the loss was more than 17% of funding. HACB qualifies easily.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Standard Maintenance Charges – The Standard Maintenance Charges to Residents for Cleaning, Repair, Replacement and Miscellaneous Charges are revised and adopted annually. Last year we conducted a major revision. This year, there were no significant changes. The Standard Maintenance Charges, once adopted,

will become effective October 1, 2012 and are for tenant caused damages beyond normal wear and tear to HACB-owned properties.

**\*RESOLUTION NO. 4470\***

Commissioner Hamman moved that Resolution No. 4470 be adopted by reading of title only: “ADOPT STANDARD CHARGES TO RESIDENTS FOR CLEANING, REPAIR, REPLACEMENT AND MISCELLANEOUS CHARGES”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.2 Public Housing – HACB solicited bids for the Gridley landscape improvement project. Three (3) bids were received. Modern Building, Inc. was the apparent low bidder. \$1M in Public Housing operating reserve funds need to be obligated by the end of the month to protect from HUD “offset”. Plans and specifications have been available to Public Housing residents for comment. No negative feedback has been received.

**\*RESOLUTION NO. 4471\***

Commissioner McFarren moved that Resolution No. 4471 be adopted by reading of title only: “AUTHORIZATION TO CONTRACT WITH MODERN BUILDING, INC. FOR CONSTRUCTION SERVICES TO COMPLETE “GRIDLEY LANDSCAPE IMPROVEMENT PROJECT”, IFB12-007, FOR HUD LOW INCOME PUBLIC HOUSING”. Commissioner Lobo seconded. The vote in favor was unanimous.

- 5.3 Budgets – The Budget Review Committee consisted of management staff, union representatives and Commissioners Boyle, Moravec and Besser. There were two meetings in May and June. The proposed budget was used as the basis for Union Memorandum of Understanding (MOU) negotiations. Assumptions were based upon projected income and expenses using 2012 actuals and projected funding. Federal funding is uncertain, therefore management has put in place “flexibility”. Finance Officer Kemp went over some of the highlights of the proposed budget: Assume close of the USDA-RD grant and loan for FLH rehab; 3.5% CalPERS Member Contribution paid by employees, bringing the total to 7%; 4% salary increase; Mr. DeSoto continuing to fill two positions, thereby saving Section 8 salary; Housing Director salary being distributed across all programs; vacant full-time maintenance personnel converted into two part-time positions thereby significant savings on benefits; implementing the pre-funding of the OPEB retirement account; \$50,000 budgeted for new phone system; and a projected negative cash flow due to spending of reserves. USDA-RD has approved the Farm Labor Housing budget (for last two years the budget was carried over from previous years). Due to HUD funding uncertainty and potential for federal sequestration, there may be a mid-year budget revision.

**\*RESOLUTION NO. 4472\***

Commissioner Boyle moved that Resolution No. 4472 be adopted by reading of title only: “APPROVAL OF AGENCY FISCAL YEAR 2013 OPERATING BUDGET FOR THE HUD

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM, HUD CONVENTIONAL LOW RENT PUBLIC HOUSING PROGRAM, USDA FARM LABOR HOUSING PROGRAM, AUTHORITY OWNED PROJECTS, AND OTHER AUTHORITY ADMINISTERED PROGRAMS AND CONTRACTS”. Commissioner Chambers seconded. The vote in favor was unanimous.

- 5.4 Personnel Policy – The Personnel Policy underwent a major review last year. This year Policy was reviewed by two attorneys. There were no substantive changes. Policy has been approved by Union.

**\*RESOLUTION NO. 4473\***

Commissioner Hamman moved that Resolution No. 4473 be adopted by reading of title only: “RESOLUTION TO ADOPT PERSONNEL POLICY FOR THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE”. Commissioner Besser seconded. The vote in favor was unanimous.

- 5.5 Personnel – Union Memorandum of Understanding (MOU) – Proposed MOU is a result of the meet and confer process. Process went smoother than last year; Staff better understands budget considerations. Proposed MOU reflects 3.5% employee payment of Member Contribution to CalPERS with corresponding 4% salary increase (reflecting a 3.5% offset for payment of CalPERS premium and 0.5% COLA increase). It is anticipated that the Health-Dental-Vision Plan will be renewed status quo; but it is unknown at this time due to January renewal. Maximum FSA contributions have been reduced to \$2,500/year by the Patient Protection and Affordable Care Act (PPACA). The MOU has been reviewed by Agency attorney and Union representative. Executive Assistant Young will correct the “to/from dates” in the Resolution before execution by Chair and Secretary.

**\*RESOLUTION NO. 4474\***

Commissioner Hamman moved that Resolution No. 4474 be adopted by reading of title only: “MEMORANDUM OF UNDERSTANDING BETWEEN OPERATING ENGINEERS LOCAL UNION NO. 3 AND HOUSING AUTHORITY OF THE COUNTY OF BUTTE”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.6 Personnel – CalPERS – The proposed Resolution is required by CalPERS to amend the contract changing payment from Employer to Employee for full Member Contribution portion of the premium (remaining 3.5%).

**\*RESOLUTION NO. 4475\***

Commissioner Boyle moved that Resolution No. 4475 be adopted by reading of title only: “CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM EMPLOYER PAID MEMBER CONTRIBUTIONS”. Commissioner Hamman seconded. The vote in favor was unanimous.

5.7 Section 8 Program – Glenn County HRA has elected to relinquish administration of the 87-unit Glenn County Section 8 Housing Choice Voucher (HCV) program. The small program size does not provide the economies of scale to justify Glenn County administrative capacity and expertise necessary to operate the program. HACB has agreed to assume principal program administration, but will continue to utilize Glenn County HRA staff to expedite program coordination with participants and have access to facilities in Willows and Orland to better assist clients. A new contract will be developed for implementation after the first of the new year. The new contract will invert the split in HUD program administration fees, with HACB to take roughly 80%, with Glenn County taking the balance, beginning January 1, 2013.

5.8 Strategic Planning – Executive Director Mayer reviewed the progress of the Work Task List originally provided to the Board at its June 17, 2010 Meeting. The Work Task List was updated to September 20, 2012, showing completed tasks, priority objectives, and tasks added, since June 2010. Some of the highlights of completed tasks were: progress made toward completion of the FLH rehab, capital improvements and file auditing at LIHTC projects, capital improvements at bond projects, utilization of consultants to increase staff and project management capacity, utilization of CAA Weatherization program for improvements at various properties, ESCo procurement, Staff training and major Policy revisions (Personnel, Admin Plan, ACOP). Some of the highlights of priority objectives are: FLH rehab, exits from Limited Partnerships by Aegon/PG&E and WNC, CNA and bond portfolio refinancing, ESCo work, Gridley Landscape improvement project, Wage and Salary Study in support of Agency re-organization and new development projects: Harvest Park, Gridley Springs I & II and Orange Tree Apartments.

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

Commissioner Chambers raised occupancy and habitability issues related to the La Lieta Court Public Housing neighborhood, and a physical condition issue at the Walker Commons Apartments property. She requested Management response. Housing Director Guanzon will investigate and respond.

11. EXECUTIVE SESSION

11.1 Government Code 54957: Public Employee Performance Evaluation – Executive Director (cont).

Chair Moravec collected evaluations from Commissioners. There was no Executive Session. The item will be carried forward to the next Meeting.

12. COMMISSIONERS' CALENDAR

- **Next meeting – October 11, 2012.**

13. ADJOURNMENT

The meeting was adjourned at 4:12 p.m.

Dated: September 20, 2012.

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Laura Moravec, Board Chair

ATTEST:

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Edward S. Mayer, Secretary