

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

MINUTES OF July 24, 2014

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 3:09 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Patricia Besser, Sharon Chambers, Clarence Lobo, Gene McFarren 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.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

- 4.1 Letter from Congressman La Malfa, July 14, 2014 – HACB received a generic response letter from Congressman La Malfa’s office in reply to Executive Director Mayer’s request to Congress for a budget to be passed timely and in a manner that will allow HACB to run the HUD-funded Public Housing and Section 8 Housing Choice Voucher programs effectively and continue to serve the public. The request specifically spoke to the deep S8 HCV Admin Fee pro-ration.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Capital Fund – All of the windows at Rhodes Terrace and Shelton Oaks, Chico (43-13) need to be replaced. There were installed in 1998 when the apartment complexes were built. As inexpensive windows were originally installed, all of the window seals have since broken. The recommended replacement windows are high quality and “should last a lifetime”. Jackson Glass was the lowest responsive bidder; HACB has worked successful with them in the past.

RESOLUTION NO. 4548

Commissioner Besser moved that Resolution No. 4548 be adopted by reading of title only: “AUTHORIZATION TO ENTER INTO CONTRACT WITH JACKSON’S GLASS, INC. FOR WINDOW REPLACEMENT AT RHODES TERRACE AND SHELTON OAKS APARTMENTS, CHICO (HUD PROJECT NO. 43-13).” Commissioner Chambers seconded. The vote in favor was unanimous.

- 5.2 Gridley Farm Labor Housing (FLH) Budget – The proposed annual Farm Labor Housing operating budget was presented for adoption. Budget is required to be submitted to USDA-RD by August 1st. USDA-RD will make comments and return for final adoption. The proposed budget is consistent with past years, but essentially serves as a place holder. Some of the minor differences proposed reflect increases in utility costs, higher employee benefit costs (one of the employees on staff at FLH joined the HDV-insurance plan during open enrollment), and additional funds for capital improvements for units scheduled further out on the rehab list. Budget revision may be necessary once HACB-wide budget is finalized. Also of note, levee work by the Sutter-Butte Flood Control Agency (SBFCA) has started. The new well will be tested by SBFCA to get baseline performance data for comparison; if water levels/qualities change due because of levee work, SBFCA will resolve.

RESOLUTION NO. 4549

Commissioner Anderson moved that Resolution No. 4549 be adopted by reading of title only: “APPROVAL OF FISCAL YEAR 2015 BUDGET FOR THE USDA-RD FARM LABOR HOUSING PROGRAM”. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.3 Gridley Springs II Apartments Budget – The proposed annual Gridley Springs II Apartments operating budget was presented for adoption. Budget is required to be submitted to USDA-RD by August 1st. USDA-RD will make comments and return for final adoption. The proposed budget is consistent with past years, but essentially serves as a place holder. Some of the differences proposed are changing the budget year from a calendar year to HACB-fiscal year, a rent increase from \$500 to \$535 for three-bedroom units, and increased maintenance costs. There is a positive cash flow budgeted of \$28,070. Last year HCD agreed to allow HACB to use the positive cash flow for capital improvements. Budget revision may be necessary once HACB-wide budget is finalized.

RESOLUTION NO. 4550

Commissioner Chambers moved that Resolution No. 4550 be adopted by reading of title only: “APPROVAL OF THE F/Y 2015 OPERATING BUDGET FOR GRIDLEY SPRINGS II APARTMENTS, 200 FORD AVENUE, GRIDLEY.” Commissioner Lobo seconded. The vote in favor was unanimous.

5.4 Gridley Springs II Apartments – HACB is working with two financial institutions on funding options for necessary physical improvements to the property. The cost of the improvements is estimated at \$250,000 - \$350,000. Any debt on the property could be serviced from excess cash flow, deferring payment of interest to the State. Other options to fund improvements are: paying for them from General Fund; or HACB receipt of a loan from its subsidiary Butte County Affordable Housing Development Corporation.

5.5 Investment Report/Reserves Analysis – Finance Officer Kemp reclassified a “due to/due from” in the amount of \$484,000 for Lincoln Apartments, which changes the cash picture of the Bond portfolio in a positive way. The original transaction, made at the time of the property purchase, was an HACB equity transfer. The transaction was misclassified and is now corrected. The additional cash for the Bond properties could be used for capital improvements, including HVAC unit replacement at Park Place Apartments. Gridley Springs I and Harvest Park were also added to the Investment Report. The investments are low risk with low return, made in accordance with regulatory and program requirements.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

Tenant Commissioners Besser and Chambers shared concerns about excess water usage in their neighborhoods, such as tenants washing cars, resulting in waste at the Public Housing properties. Management will address.

10. MATTERS INITIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

11.1 Section 54957.6: Conference with Labor Negotiators

11.2 Section 54957: Public Employee Performance Evaluation

Adjourn: 3:59 p.m.

Reconvene: 4:01 p.m.

Chair Moravec reported that Executive Director Mayer gave the Board a short report on the status of Union negotiations. The Employee Performance Evaluation was postponed to the August meeting.

12. COMMISSIONERS' CALENDAR

- **Next meeting – August 21, 2014.**

13. ADJOURNMENT

Commissioner McFarren moved that the meeting be adjourned. Commissioner Chambers seconded. The vote in favor was unanimous. The meeting was adjourned at 4:02 p.m.

Dated: July 24, 2014.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary