

**RUTLAND HOUSING AUTHORITY**  
**Board of Commissioners**  
**Regular Meeting**  
**MINUTES**  
**January 8, 2018**

Chairman Markowski called the meeting to order at 8:04 AM on Monday, January 8, 2018 in the Community Room at Sheldon Towers, Rutland, VT.

**ROLL CALL/INTRODUCTIONS:**

Let the record show the following:

**Board of Commissioners Present:**

Chairman Kevin Markowski, Vice-Chairman Karl Anderson, Commissioner James Richards, Commissioner Tina Johnson, and Commissioner Rev. Andrew Carlson.

**Rutland Housing Authority Staff Present:**

Kevin Loso, Executive Director; Staci Buysse, Finance Manager; Carol Keefe, Resident Services Program Manager/SASH Supervisor; Becky Ladabouche, Section 8 Program Manager; Sheri McCloskey, Property Manager; and Barbara Richardson, Administrative Assistant.

**Tenants and Members of the Public Present:**

None.

**TENANT CONCERNS**

Holiday Lighting: We were able to call upon an electrician to repair the lighting just before Christmas.

**APPROVAL OF MINUTES**

- **Minutes of Public Hearing, June 5, 2017** (pages 1.3 – 1.5) – Ms. Richardson discovered that the Board had yet to approve the minutes of the June 5, 2017 Public Hearing re: changes to the Section 8 Housing Choice Voucher Administrative Plan. A motion was made by Vice-Chairman Anderson and seconded by Commissioner Johnson to approve the minutes of the Public Hearing. Upon a roll call the ayes were unanimous to approve. Said motion carried.
- **Minutes of the Regular Meeting of December 11, 2017.** A motion was made by Vice-Chairman Anderson and seconded by Commissioner Richards to approve the minutes of the Regular Meeting. Upon a roll call the ayes were unanimous to approve. Said motion carried.

**CONSENT AGENDA:** (pages 1.14 through 1.22):

Chairman Markowski asked if there were any questions regarding the items in the consent agenda for the month of December 2017. There being none, a motion was made by Vice-Chairman Anderson and seconded by Commissioner Richards to approve the Consent Agenda items, including:

**Manifests: Section 8 Checks #2315 and Direct Deposit #60882 through #60984 and Manifests: Public Housing #14375 through #14467**  
**Credit Card Report 11/25/17- 12/19/17**  
**Manifests: Payroll: 12/06/2017 and 12/20/17**

Upon a roll call, the ayes were unanimous to accept as submitted. Said motion carried.

**PRESS**

“SASH: Bringing Health Home” by Joanna Tebbs Young, Rutland Reader, December 20, 2017, (pages 1.23 – 1.24) – Chairman Murkowski suggested that other media outlets be contacted to secure additional coverage.

**EXECUTIVE DIRECTOR’S REPORT:**

- **Hickory Street Phase 3 Update** - We continue to make strong progress and are on schedule to show properties by the end of April and start leasing up June 1. Due to the delay in HUD's approval of the Demolition and Disposition application for Forest Park, we have less time to meet the deadline, meaning that 14 units have to be leased by the end of June. This will require a full staff effort, including evening and weekend open house events. We anticipate no major obstacles, and continue to generate incremental savings that has allowed us to add features, such as ceiling fans. Based on the issues with the heating and ventilating system in Phase 1, the Limited Partnership will hire a commissioning agent to oversee and test the system. This agent will work closely with RHA maintenance staff. Housing Vermont is beginning to develop a comprehensive Preventive Maintenance plan template. We will pilot use of the plan for Phase 3, and if successful we will develop similar plans for Phases 1 & 2 as well as our Public Housing properties.

Commissioner Richards had a few questions about the commissioning agent. Mr. Loso explained that the team believes having this expert overseeing the system will be a good investment, especially given the HVAC issues in Phase 1. The agent will remain on contract for a one-year period, doing follow up inspections of HVAC units.

- **Hickory Street Phase 1 HVAC** – Based on the assessment of the HVAC issues, we will be installing variable speed motors on rooftop ventilation units, and new diffusers in the apartments to redirect cold air flow. Efficiency Vermont will help with funding these retrofits.

- **Hickory Street 2 Community Center Status** – The Boys and Girls Club moved out at the end of December, though we have had to remind them that there is more clean up to be done. Mr. Loso has a site visit scheduled with the director of the Rutland Free Clinic (formerly Park St. Health Care). Their presence would fit in nicely with the service-delivery mission of that building.
- **Templewood Court Bathroom Project** (pages 1.25 – 1.35) – This section provides a cost estimate for bathroom upgrades and unit conversions. There are remaining efficiencies in buildings 7 & 8 that we plan to convert to 1 bedroom units. The bathroom upgrades cost estimate did come in higher than anticipated (the independent cost estimate is \$250K, far and above the \$150 - \$175K we were hoping for). We will meet with the architect to finalize the scope of services. We will attempt to do both. The decision will be made once we have carefully reviewed the current capital needs assessment and Five-Year Plan.
- **Rental Assistance Demonstration** – (Pages 1.36 – 1.43) – This program allows PHAs to convert Public Housing to the more stable funding model of Section 8 Project Based Vouchers (PBV). Properties would be administered and managed under Section 8 regulations instead of the more onerous Public Housing regulations. The funding stream would shift to a Section 8 subsidy instead of the operating subsidy and capital fund funding under Public Housing. A major component in the decision-making process is the condition of the sites. HUD requires Physical Needs Assessments (PNA) for Public Housing, prior to approving a RAD conversion. Our properties are in good shape. RAD also allows PHAs to pursue traditional financing for capital improvements.

Ms. McCloskey stated that the Housing Authority that she was recently employed with, went through this process. Their board ultimately decided not to approve it. She stated that before we can even apply, RHA must have two meetings with residents to explain RAD to get their input, and also hold a public hearing once we are selected by HUD to participate in the RAD conversion. The waitlist for the RAD conversions is about 3 to 5 years. The RHA can submit a letter of intent to reserve a spot on the wait list without committing to the conversion up front.

Locking into a certain, 20 year subsidy level allows for more effective planning, plus there's an annual increase of approximately 3% built into the contract. With Public Housing, we never know for sure how much HUD will provide year to year. HUD's motivation is to do away with PH as much as possible and allow the free market to take over. We need to be well prepared and make sure that 1) all our properties are in good enough condition that we don't need an immediate influx of capital dollars, and 2) that this transition will not negatively impact tenants. As with traditional Public Housing, rents are capped at 30% of adjusted income. Current tenants would not see any changes.

Commissioner Richards asked if RHA owes money on the Templewood Court property. Mr. Loso confirmed that the property has no mortgage, but from a capital needs standpoint, improvements need to be made. Another benefit to RAD is that we would not have to return surplus capital funds or reserves that we have at the time that we shift from Public Housing to RAD. We would need to obtain a RAD compliant PNA for both Public

Housing properties before we could pursue this, so we have solid information with which to make a decision. Given the gradual improvements we've made to energy efficiency, we should be in good shape in that category. Commissioner Richards asked about the status of the Sheldon Towers elevators. Mr. Loso reported that they're working fine, but the expense of our service contract with Otis is around \$7K per quarter, and that covers just the annual inspection – any service calls cost extra. There are pending, planned upgrades to both elevators which will cost us \$28K.

Chairman Markowski asked how RAD affects our Payment in Lieu of Taxes (PILOT) agreement with the city. (Our PILOT is a percentage of rents collected minus utility expenses, which is much more affordable than property taxes.) Mr. Loso said that we would need to negotiate to retain our agreement with the City. Both Burlington and Springfield have moved entirely to RAD and have managed to maintain their Cooperation Agreements with their municipalities, so there is precedent. Since converting Forest Park from Public Housing to the first two phases of Hickory Street Tax Credit properties, we pay considerably more property taxes than under the Public Housing Cooperation Agreement. If an influx of capital is needed to make significant repairs at conversion, this could be accomplished using funding sources such as tax credits. In this case the approval process is much more cumbersome. Our plan would be to pursue straight RAD conversion.

Mr. Loso clarified that after conversion we would still exist as a PHA for purposes of administering the voucher program.

RAD disposition is quite cumbersome and we would have a consultant assist. Chairman Markowski asked if it will affect the structure of our financial statement. Mr. Loso replied that we would no longer be subject to strict Public Housing HUD accounting. We would need to transfer ownership to Housing Initiatives, Inc. because owners can't administer their own program under Section 8. This is why the board needs to be absolutely confident that this is the correct direction.

Mr. Loso said that he would be happy to invite his Springfield or Burlington colleagues who have been through this process to make a presentation to the Board and answer more in-depth questions.

- **Legal Services RFP** – Our attorney, Chris Callahan, retired as of the end of December, but will remain on to assist with open issues until a replacement is found. We have an RFP out for a new firm. We have met with one firm and have reached out to others. The bulk of cases involve terminations of tenancy, landlord/tenant law, some employment law, collective bargaining, and any HUD or Human Rights Commission issues that might arise. Proposals are due 1/25/18. Vice-Chairman Anderson confirmed that he received the RFP via the Rutland County Bar Association, so it is being widely circulated.
- **2018 - 2019 Budget** - We have a good start on the budget and will present it at the February meeting.

- **Staff Training** - Mr. Loso and Ms. Buysse have met with HR Acquired to plan some training, including an in-person harassment training, and a more extensive blood-borne pathogens training for maintenance staff.

## **REPORTS AND DISCUSSION ITEMS:**

### **Finance/Administration Report (Pages 2.2 – 2.6)**

**Consolidated Budget Comparison and Variance Report for November 2017 Revenues and Expenses** - Ms. Buysse reviewed her report. Overall revenue was more than \$95K lower than budgeted due to reduced Section 8 funding. It has since increased to \$102K. It will increase to \$107K for January and February. Payroll is \$59K under budget, mostly due to the suspension of the Building & Maintenance Supervisor position. Legal expenses are under budget. Service Contracts/Consulting is up \$2800 due to the Leddy Group temp expense for the receptionist position. Maintenance expenses are \$15K under budget, and rubbish removal is under as well, both because Forest Park expenses had been budgeted, but no longer required. Supply expenses are down slightly. General expenses show about \$3600 over budget due to how our accountant handles insurance expenses on the financial statement – by year end they will level out. Non-routine maintenance is \$15K over, most of which is storm damage that has been reimbursed through insurance, but carpeting for unit turnovers is also up. We also installed a walk-in shower (\$3700) as a reasonable accommodation. The replacement of the trailer and sander put us over budget. The surplus on November 30 is \$56K but actual is \$30,401, which is in line with the annual budget. The General Fund bank balance stands at \$1,065,051.65.

**Cash Flow** – The cash flow line items remain consistent with the exception of \$75,000 received in November from Housing Initiatives. This was a payment on their Note Payable.

**2018-2019 Budget** - Ms. Buysse has submitted the draft budget to Mr. Loso and our accountant, and will present it at February meeting.

### **Property Management (page 2.7)**

Ms. McCloskey reviewed her report. She, along with Jon Jordan and Assistant Property Manager Julie Sanderson, took a training in Maintenance Records Management through Nelrod. It provided an overview: work order logs, maintenance logs, etc. One idea that we have implemented is tracking truck mileage in a logbook. This will help with compliance and cost accounting. We are also putting together a preventative maintenance plan and calendar. The recent snow events have kept the crew very busy. She put out a bid for cleaning services sending it to three candidates. Only our current contractor, Central Vermont Contract Cleaning, responded, and they were awarded the 3-year contract. We are

doing some resident education around bed bugs. Ms. Sanderson created the brochure included in the Board packet, which we will share with new residents at orientation. The recent infestation at Templewood Court has been treated and no spread has been reported. Treatments at this property are most expensive because the high heat used can set off heat sensors for the fire alarm, and Vermont Life Safety has to turn these on and off for us – a full-day commitment. Projects in the planning process include the Templewood Court bathrooms and updates to lobby and hallways at Sheldon Towers.

Commissioner Richards asked about putting carpet and painting jobs out to bid, since it looks like we're consistently using the same contractors. Mr. Loso explained that we are adhering to procurement guidelines by obtaining three bids, but that it is time to revisit this. Often times we must balance the needed speed of the turnover with the costs of the service. Ms. McCloskey agreed that we develop an RFP so that we can lock into an annual rate. Mr. Loso acknowledged that Commissioner Richards' concerns are valid, and that it is important that, if possible, we spread the work around. Ms. McCloskey suggested that we include Commissioner Richards in the bid review process. The results of the RFP exercise will be shared with the Board at an upcoming meeting. Our lawn care contract goes out to bid annually.

**Resident Success Story** – Right before Christmas we were able to lease up a family headed by a disabled, homeless veteran with two children. She was working with the agency Pathways Vermont. Ms. McCloskey spoke to her last week and the family is doing well, and the mom is now seeking new employment.

#### **Section 8 Program** (page 2.8)

Ms. Ladabouche reviewed her report. In December 3 families moved out. Two were over income and one just decided to give up their voucher. We still have one family at zero Housing Assistance Payment (HAP), meaning that they are making enough money to be ineligible for a rent subsidy. Families at zero HAP keep their vouchers for 6 months to help them maintain stability and continue their trend towards self-sufficiency. The Forest Park family who ported out to Virginia still is not receiving HAP, and if they don't find housing soon they will lose their voucher.

#### **Resident Services Report** (pages 2.9 – 2.22)

Ms. Keefe reviewed her report. Kathy Taylor, the SASH wellness nurse for the National Church Residences and Rutland Housing Trust panels, is leaving. She's training the new nurse Kathleen Poulin in the transition to her new role. She started January 1. SASH started a pre-diabetes pilot project with the Beauchamp & O'Rourke Pharmacy that includes 22 people. It's important involving a pharmacy as a program partner because of the medication reconciliation that is required. We are working with Cathedral Square to start a similar pilot to manage asthma.

Mr. Loso added that the statewide SASH organization has lost a key member of management to a Vermont State position. We will feel the loss and recognize the contributions that this individual has made to the program.

### **POLICY REVIEW** (Pages 3.2 – 3.5)

There are no substantive changes to any of the policies included in this month's packet, but it is important that the Board review them periodically. The Policy Prohibiting Solicitors from Obtaining Resident and Applicant Information overlaps with other RHA policies and procedures, but this provides a clear statement of guidelines. The review of the Risk Control Policy comes up as we are regrouping around the risk control program. We receive a premium refund annually for achieving certain risk standards. This financial incentive adds to the primary incentive of promoting safety throughout the organization. The Check Signing Authority Policy spells out that either the Executive Director or Finance manager and one board member (currently the Chairman or Vice-Chairman) sign all checks, or in the absence of a board member the Executive Director and Finance Manager managers will sign the checks and then submit a log of these checks to the board chair for review and approval.

### **Proposed Resolution 2018-01 to approve the Rutland Housing Authority Policy Prohibiting Solicitors from Obtaining Resident and Applicant Information, the Rutland Housing Authority Risk Control Policy and the Rutland Housing Authority Check Signing Authorization Policy effective January 8, 2018.**

Vice-Chairman Anderson moved to approve the resolution, which was seconded by Commissioner Johnson. Upon a roll call, the ayes were unanimous to approve. Said motion carried.

### **INFORMATIONAL ITEMS** (pages 3.6 – 3.16)

The following informational items were sent out prior to the meeting:

- A. Aged Delinquency Reports 12/2017
- B. Collections Report 12/2017
- C. Lease Violations/Evictions 12/2017
- D. Housing Occupancy Charts 12/2017
- E. 2018 RHA Board of Commissioners Meetings

### **OLD BUSINESS**

None.

### **NEW BUSINESS**

Mr. Loso asked the board if they were willing to move the February Board of Commissioners meeting date to Monday, February 19. This was unanimously agreed to.

### **EXECUTIVE SESSION**


Not needed.

**ADJOURNMENT OF MEETING:**

There being no additional business to bring before the Board the meeting adjourned at 9:07 a.m. on a motion made by Commissioner Richards seconded by Commissioner Johnson. Upon a roll call, the ayes were unanimous to approve, and the meeting was adjourned.

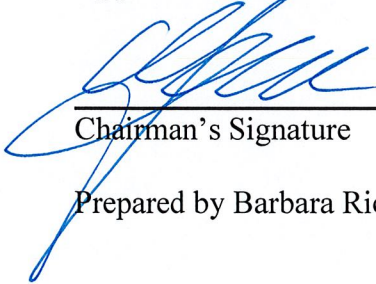
**Date of next meeting: Monday, February 19, 2018 @ the Templewood Court Board Room, 5 Tremont Street, Rutland, VT at 8 a.m.**

Respectfully submitted,



Kevin L. Loso  
Executive Director/Secretary

**Approved by the RHA Board of Commissioners**



Chairman's Signature

2/22/18

Date

Prepared by Barbara Richardson, Executive Administrative Assistant