

RUTLAND HOUSING AUTHORITY
Board of Commissioners
Regular Meeting
October 8, 2018

Chairman Kevin Markowski called the meeting to order at 8:05 AM on Monday, October 8, 2018 in the Sheldon Towers Community Room at 14 Sheldon Place, Rutland, VT.

ROLL CALL/INTRODUCTIONS:

Let the record show the following:

Board of Commissioners Present:

Chairman Kevin Markowski, Vice-Chairman Karl Anderson, and Commissioner Tina Johnson.

Rutland Housing Authority Staff Present:

Kevin Loso, Executive Director; Staci Buysse, Director of Finance & Human Resources; Sheri McCloskey, Property Manager; Carol Keefe, Resident Services Program Manager & SASH Supervisor; and Barbara Richardson, Administrative Assistant.

Tenants and Members of the Public Present:

Ron Hemenway.

TENANT CONCERNS

Mr. Hemenway asked for an update on the rats that were seen around the Sheldon Towers dumpster. Ms. McCloskey reported that the rats migrated from a neighboring house that the City of Rutland Health Officer had ordered treated for the infestation. They've also been seen around Walgreens. Our exterminating contractor applied rodent repellent last week and will set up traps this week. This is another reason why more tenants should make the walk to the dumpster to discard their trash rather than use the trash totes (which are intended for disabled tenants' use).

BOARD EDUCATION (pages 1.3 – 1.9)

RAD Information Sheets – To give the Board a sense of what we've been sharing with tenants around the proposed transition to the Rental Assistance Demonstration (RAD) program, the Board packet included the next 3 RAD information sheets provided by HUD.

APPROVAL OF MINUTES (pages 1.10 – 1.23)

A motion was made by Vice-Chairman Anderson and seconded by Commissioner Johnson to approve the Minutes of the Regular Meeting of September 10, 2018. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to accept as submitted. Said motion carried.

CONSENT AGENDA: (pages 1.18 - 1.26):

Chairman Markowski asked if there were any questions regarding the items in the Consent Agenda for the month of September 2018. There being none, a motion was made by Commissioner Johnson and seconded by Vice-Chairman Anderson to approve the Consent Agenda items, including:

Manifests: Section 8 Checks #2346 through #2351 and Direct Deposit #61812 through #61913

Manifests: Public Housing #15137 through #15207

Credit Card Report 08/21/2018 – 09/20/2018

Manifests: Payroll: 09/12/2018 and 09/26/2018

Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to accept as submitted. Said motion carried.

MEDIA

“Housing Authority receives annual grant to help growing need”, Rutland Herald, Kate Barcellos, Staff Writer, 09/19/2018 (pages 1.32-1.33) – A story on the 14 Section 8 Mainstream Vouchers received by the RHA.

“HUD Issues New Annual Contributions Contract (ACC) for FY 18 Funding, NAHRO News, 06/14/2018 (page 1.34) – This story covers NAHRO’s concern about HUD’s Annual Contributions Contract (ACC), which was not opened for public or industry comment, and despite HUD’s assurances to the contrary, some substantive changes were made and are worrisome. One that could affect RHA is that program receipts, which include developer fees from Hickory Street Phase 1, would be included in total Authority resources and HUD could consider them to offset operating subsidy funds. Fortunately, Housing Initiatives, Inc. acted as the development partner for phases 2 and 3, so the developer fees aren’t on RHA’s books. NAHRO has launched initiatives to encourage HUD to pull back on this, and to provide an opportunity for comment and congressional oversight. Essentially, this contract, if a PHA accepts it, means that HUD-issued notices and forms of agreement would become automatic instead of going through review, and this includes salary caps for PHA personnel, and if subcontractors hired for audits refuse access to HUD personnel HUD would consider this to be the PHA’s denial. Mr. Loso believes HUD’s motive is to push more PHAs to Rental Assistance Demonstration (RAD) conversion, because the ACC doesn’t apply to RAD.

EXECUTIVE DIRECTOR’S REPORT:

- **Forest Park Drive Discontinuance/Transfer** – We will sign ownership over to the City of Rutland next week. A condition of transfer was that we repair some sidewalks and roadways in Phases 1 and 2 first, so the investment was made using project operating funds.

- **2018 Audit – November Review** – The auditor will be present at our November Board meeting, wherein the Board will also meet in executive session exclusive of staff for the annual review of the audited financials.
- **2018 ROSS Grant** – We are awaiting a response to our application for the Resident Opportunities & Self-Sufficiency (ROSS) program for a 3-year extension of funds to support salaries for service coordination and program expenses.
- **Templewood Court Unit Conversions** – We are ready to launch the request for proposals, but work needs to wait for first-floor unit openings so that we can relocate the tenants from the units that are up for conversion. Relocated tenants have the option to stay in the temporary unit or to move back to their upgraded apartments.
- **VHCB Tour** – The board of directors of the Vermont Housing and Conservation Board enjoyed their tour of Hickory Street on October 20th, which was led by Ms. McCloskey and Chairman Markowski. They were very impressed with what RHA and Housing Vermont have accomplished at Hickory Street!
- **Hickory Street Grand Opening** – The celebration and ribbon cutting is scheduled for October 29th at 1 p.m. We have been working with Housing Vermont to plan the event. A save-the-date e-mail will be sent this week, followed by a postal invitation mailing. We've invited our congressional delegation and other dignitaries. Artist Peter Huntoon, whose art hangs in hallways at 6 Juneberry Lane, will be painting on-site as part of the event. We'll have prints made to present to funders.
- **HAI/HADA Report** – Mr. Loso recently attended the Housing Authority Insurance Group (HAI) Board Preparedness Workshop and the annual Housing Authority Defense Attorneys meeting. The latter is a review of actual liability cases brought against PHAs for things such as data breaches; risks exposed by Department of Homeland Security audits; Fair Housing complaints; workplace safety; and ADA considerations for telecommuters. It is a sobering and eye-opening check-in that serves as a call to keep our policies, processes, properties, and practices in good order.
- **RAD Update: e-CAN RFP Response Reward** (page 1.35) – We sent our RFP for a Physical Condition Assessment for Sheldon Towers and Templewood Court to 5 certified Physical Needs Assessment contractors. We received a single response, from Dominion Due Diligence Group. We suspect that because of the rush for RAD conversion that there is a huge demand for these services from a limited pool of contractors. We compared Dominion's bid with the prices they charged other Housing Authorities in the state (Burlington and Springfield used them for their conversions, and Dominion inspected Brattleboro's properties last week) and the bid was in line with what those organizations paid. Reference checks were all positive.

Proposed Resolution #2018-18 to ratify approval of the contract with Dominion Due Diligence Group in the amount of \$25,550 for the provision of a RAD Physical Conditions Assessment for VT003000001

Chairman Markowski asked for a motion to approve the resolution. Vice-Chairman Anderson moved to approve, which was seconded by Commissioner Johnson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve the resolution.

REPORTS AND DISCUSSION ITEMS:

Finance/Administration Report (Pages 2.3 – 2.8)

Consolidated Budget Comparison and Variance Report for August 2018:

Revenues and Expenses – Ms. Buysse reviewed the report. Revenue from rents is \$3,400 over budget because there are minimal vacancies. Other Revenue is about \$80K over budget due to many items, such as \$16,700 received from Housing Initiatives reimbursing RHA for payroll expenses related to Phase III development. Section 8 is about \$18K over budget due to additional funding in June. As mentioned in previous meetings, the Operating Subsidy HUD provided was higher than the conservative 80% proration we budgeted for in 2018-2019. Payroll & Benefits combined are running under by \$4,500, but with the year-end payroll accrual will level out. Utilities are under budget by about \$27K but this will start to shrink as heating season kicks in. We have locked in a price for propane for the heating season at \$1.79/gal. Electricity is under budget, but that is starting to shift due to AC usage during our August heat wave. Admin Expenses are slightly over due to legal fees (eviction), accrued auditing expenses, and lower than expected IT support needs. Maintenance Expenses are slightly over budget due to expenses for plumbing and heating, and Siemens HVAC service. General Expenses are under by \$9K and will continue to shrink due to year-end accrual. Hickok & Boardman's premiums will, by in large, stay level for the November 1st renewal. HAP Rent Subsidies are under budget by almost \$6K because we have 219 vouchers and only 216 are in use. Non-routine Expenses are nearly \$13K over budget due to extraordinary maintenance (Templewood Court catch basin replacement; the security glass for the front office; second installment payment on the Sheldon Towers elevator upgrade). Annual PILOT was paid in September, so this will also level out. The bottom line currently shows a surplus of \$149,078 and the General Fund balance is \$1,208,028.59.

Cash Flow – Cash flow is consistent. Items of note: there is no Life & Disability premium for August, but there will be two payments in September when the policy renews. There were three payrolls in August, and we received a \$10K SASH administrative fee payment.

Write-off of Collection Losses – Ms. Buysse and Ms. McCloskey have continued to work on collections. Due to an oversight, approval of write-offs was not requested of the Board in 2017. The procedure has been clarified. We have been fairly successful with collections. Two debts for write-off are for deceased tenants, and we are actively trying to collect the rest, but policy requires that we write off the delinquencies. We do keep security deposits to cover damages and uncollected rent, but sometimes charges exceed the deposit.

Each year we budget \$9K for write-offs, and it came in under \$7K – and that's for nearly 3 years, so we're doing well compared to budget. This reflects our residents' being aware of their responsibilities. About \$4K of the write-offs are

from former Forest Park residents, from whom it's hard to collect, because we can't attach their public assistance.

Proposed Resolution #2018-19 to approve the write-off of collection losses in the amount of \$6,234.85 for FYE 03/31/2019

Chairman Markowski asked for a motion to approve the resolution. Vice-Chairman Anderson moved to approve, which was seconded by Commissioner Johnson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve the resolution.

RHA Newsletter – The third issue has expanded to 4 pages – it's looking better with each issue!

Property Management (page 2.15 – 2.16)

Ms. McCloskey reported that bi-annual unit inspections are scheduled for Templewood Court at the end of the month. We are continuing to pursue eviction for a tenant who violated the smoking policy. Both Templewood Court and Sheldon Towers are at 100% occupancy. A fire drill is scheduled for Sheldon Towers on October 12. The occupancy rate at Hickory Street remains at 97.6%. Currently there are three vacancies. We've made a bit of progress in the ongoing eviction case. Vermont Housing Finance Agency and Housing Vermont will be here on November 7 for a Hickory Street file review and physical inspection.

2019 Fair Market Rents have been published (page 2.19).

Site News: The Capital Needs Assessment of Sheldon Towers and Templewood Court for the RAD conversion will occur on Wednesday and Thursday of this week. The generator at Templewood Court has been inspected. Maintenance has cleaned up four damp basements at Templewood Court and installed dehumidifiers. Vermont Life Safety and the RCFD inspected Hickory Street fire protection systems in late September. We've started office hours at Sheldon Towers. We are working on tenant account receivables, including a payment plan for a former Forest Park resident. File review for all sites is underway, and Templewood Court's are complete.

The Templewood Court bath renovation project is nearly complete. We are working on a solution for flooring in 4 units. Irving Energy was scheduled to re-pipe some oil tanks to prevent crossover, but have postponed the work until the spring. Asbestos abatement at the 9 Tremont Street garage was completed Friday, and the building will be demolished this week.

We have reissued RFPs for paving, sealing, and striping of drives and lots at Templewood Court, to be completed in Spring 2019. We asked the City of Rutland if we could block one of the Tremont Street entrances for Building 6 in

order to enlarge the spots that exist and add 1 or 2 more, but the City and Fire Department rejected the request due to safety concerns.

Section 8 Program (page 2.18 – 2.19)

Ms. Ladabouche reported that there is little change in the traditional Housing Choice Voucher realm, but we did receive 14 Mainstream vouchers for disabled, non-elderly adults. She has briefings scheduled for 10 Mainstream applicants already for November 1st lease-ups, with four others who have tentative offers.

As Ms. McCloskey pointed out, Fair Market Rents have been published for 2019 and Ms. Ladabouche shared proposed payment standards for Section 8 (page 2.19). We can set the standards within a range of between 90-120% of the FMRs. She recommended that we increase the 1-bedroom standard with no changes for other unit sizes. These will be effective December 1, 2018, and will be published as soon as we have the utility allowances from Vermont State Housing Authority.

Proposed Resolution #2018-20 to approve the Rutland Housing Authority Proposed Section 8 Housing Choice Voucher Payment Standards Effective December 1, 2018.

Chairman Markowski asked for a motion to approve the resolution. Vice-Chairman Anderson moved to approve, which was seconded by Commissioner Johnson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve the resolution.

Resident Services Report (pages 2.21 – 2.47)

Activities and Trainings – Ms. Keefe will attend the Aging in Vermont Healthy Living in Vermont Conference on October 26 in Killington.

Pilot Study Summary (pages 2.21) – This is the official report for the Diabetes Pilot Study Ms. Keefe reported on last month. Everyone involved with the effort is pleased with the results.

Report from Consumer Engagement in Health Innovation (pages 2.22-2.27) – This report “highlighting promising strategies for person-centered care for people with complex care needs” provides yet more glowing recognition of the SASH program’s efficacy.

Miscellaneous Items – We held flu clinics at both Public Housing sites. Only 9 residents showed up – numbers have been falling over the years.

Our SASH Coordinator for Templewood Court and Sheldon Towers, is on maternity leave, and is expected to return in December. Things have gone pretty smoothly during her absence.

POLICY REVIEW

Continuing our ongoing review and update of our policies, the board reviewed and approved the following:

RHA Community Room Use Policy (page 3.2 – 3.3) – Only update is to correct office hours.

Proposed Resolution #2018-21 to approve the Rutland Housing Authority Community Room Use Policy Effective October 8, 2018.

RHA Delinquent Tenant Accounts Collections & Write-off Policy (pages 3.5 -3.7) – Item 3 change – process of which staff member presents the write-off requests to the Executive Director; item 6 changed to give RHA the option to accept applications from former tenants who owe us a debt if they are in a repayment agreement.

Proposed Resolution #2018- 22 to approve the Rutland Housing Authority Delinquent Tenant Accounts Collections & Write-off Policy Effective October 8, 2018.

Chairman Markowski asked for a motion to approve both resolutions. Commissioner Johnson moved to approve, which was seconded by Vice-Chairman Anderson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve the two resolutions.

INFORMATIONAL ITEMS: (pages 4.2 – 3.14)

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

- A. Aged Delinquency Reports 9/2018
- B. Collections Report 09/2018
- C. Lease Violations/Evictions 09/2018
- D. Housing Occupancy Charts 09/2018

There were no questions about the Informational Items.

NEW/OLD BUSINESS

HAI Group Risk Control Site Visit – During this visit we learned that the Federal Pacific electrical boxes in the mechanical rooms at Sheldon Towers may be a problem because of the company’s fraudulent UL rating claims. Claus Bartenstein of VT Engineering Services will assess the scope of the project. There could be a need for replacement due to safety concerns as the breakers have been known to be faulty.

EXECUTIVE SESSION

On a motion by Vice-Chairman Anderson and seconded by Commissioner Johnson, the Board entered Executive Session at 9:01 a.m. to discuss contractual or human resource issues, the premature disclosure of which puts the RHA at a significant disadvantage.

On a motion by Commissioner Johnson, seconded by Vice-Chairman Anderson, the Board came out of the Executive Session at 9:10 a.m.

Proposed Resolution #2018-23 to approve the proposed terms of the RHA-AFSCME Collective Bargaining Agreement for 2019-2022 and to authorize the Chairman and Executive Director to execute the final document.

Chairman Markowski asked for a motion to approve both resolutions. Commissioner Johnson moved to approve, which was seconded by Vice-Chairman Anderson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve the resolution.

ADJOURNMENT OF MEETING:

There being no additional business to bring before the Board the meeting adjourned at 9:18 a.m. on a motion made by Vice-Chairman Anderson and seconded by Commissioner Johnson. Upon a roll call, the ayes, including that of Chairman Markowski, were unanimous to approve, and the meeting was adjourned.

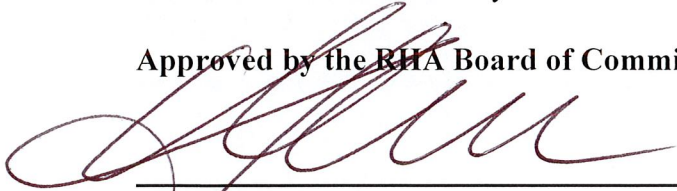
Date of next BOC meeting: Monday, November 12, 2018 @ the Rutland Housing Authority Board Room, 5 Tremont Street, Rutland, VT at 8 a.m.

Respectfully submitted,



Kevin L. Loso
Executive Director/Secretary

Approved by the RHA Board of Commissioners



Chairman's Signature

11/12/18

Date

Prepared by Barbara Richardson, Executive Administrative Assistant