

Housing Authority of the City of Paso Robles

Board Meeting Minutes

November 10, 2015

Present:	Chairman:	Mr. Bob Fonarow
	Commissioners:	Mr. Wes Willhoit
		Ms. Beatriz Espinoza
		Ms. Eloisa Medina
		Mr. Harry Ovitt
		Mr. Jason Boonstra
	Secretary/ Director	David Cooke
	Recorder:	Ms. Dianne Hanlon
	Staff:	Ms. Liz Lopez Byrnes
		Ms. Betian Webb
	City Liaison	Councilman, Mr. Fred Strong
Absent:	Vice-Chair	Ms. Sherri Goforth

Meeting called to order by the Chairman, Mr. Fonarow at 5:30 p.m.

1. **Public Comment:** None.
2. **City Liaison Report:** Mr. Strong reported on the City's water rate increase. After City staff analysis they determined the water department would be broke by 2021 if water rates are not increased. A fixed component to pay for maintenance of \$5.00 per household will go into effect in 2017. This will be a gradually increase to \$10.00 per household over a 5 year period. The water rates will also increase .46 per unit, per year over a 5-year period with no change to sewer rates. The City expects to announce the new City Manager at next Tuesday's city council meeting.
3. **Director's Summary Report:** Old Oak Park is fully occupied except for the two units that are un-rentable. One of the un-rentable units is the fire-damaged unit. We received the insurance settlement check of \$37,718.00 for that unit up about \$7,000 when last reported.

Oak Park 1 has two vacancies, one of the vacancies is a USDA unit, and the other is a PBV unit. Staff is currently working on applications for the units. Hopefully, we will have units occupied by the end of November. We expect 2 additional units to become vacant in November and December. We still have a have a long waiting list and should be able to fill these units quickly. Ms. Webb pointed out we receive 7% as management fees. Ms. Espinoza asked if we still get our USDA funding since we have a vacant USDA unit. Mr. Cooke stated, yes, we have met our obligation to get all USDA units occupied. It is not required that the USDA units stay 100% occupied, however, we do have to refill a USDA unit with a USDA qualified tenant. Mr. Cooke shared that USDA did a three-month follow-up audit last week. We have not received the written

report however, the auditors verbally stated everything looks good, and commented the staff is doing a good job.

OP-2 is progressing well; however, we are experiencing a delay in getting on PG&E's schedule. We started accepting applications for OP-2 a week and a half ago, and have already received 50 applications. Post cards were sent to OP-1 applicants asking if they want to apply for OP-2. Mr. Ovitt asked if preference is given to those applicants. Mr. Cooke stated only those on relocation from OP-1 or OP-2 will be given preference. All other Oak Park Residents must apply for OP-2 directly. Ms. Lopez-Byrnes stated there are approximately 15 with preferences of those 15, not all will qualify for Phase 2. We are currently going through the process to determine priority. Mr. Willhoit asked; of the 15 on relocation, if they don't qualify, or don't want to move do we have any other obligation to them? Ms. Lopez-Byrnes stated, of the 15 residents, five stated they are interested in Phase 2, and some won't qualify. If they chose not to relocate, our obligation ceases. Mr. Fonarow shared his satisfaction with Ashwood Construction.

Regarding Phase 3 and 4: Mr. Cooke feels it is in our best interest to work through Phase 3 with HDC. Starla Warren of HDC has verbally agreed not to pursue Phase 4. Mr. Cooke is still working on the business points with the Monterey Housing Development Corporation (HDC). Mr. Cooke will meet with the architect next week regarding Phase 3. Mr. Cooke stated that we should look into the possibility of building another senior complex on phase four.

Ms. Webb stated Youth Works and Acorns are moving along, the rain and early darkness has made it a little challenging, however both programs are at capacity for space. There are a lot of children at OP1 that we are not serving who are trickling into Acorns. This is OK on weekends, but there is no room for them during the week. Ms. Webb is concerned these students may not be getting their homework done. When we move, we will re-evaluate how many students we can serve.

4. **Financials:** Revised financials were handed out, which indicated we basically broke even in September. Mr. Cooke stated we will lose money when people from phase 3 & 4 move to phase 2 and we have to fill those units as previously anticipated. Mr. Cooke stated HDC owes us approximately \$400,000-\$450,000 for developer fee monies for OP1 and OP2. Ms. Espinoza asked if we received a credit on our past sewer bills. Mr. Cooke stated we received three months of credit; however we should have gotten seven months. Mr. Cooke is working on additional credit for the sewer charges with the City.

Ms. Webb stated the audit went very well; overall, the auditors are very pleased with our books. Mr. Fonarow referred to an item on the balance sheet under current assets cash, and stated at the last meeting it was discussed that Mr. Cooke would look into moving money from Heritage Oaks to Coast Hills Credit Union, and convert the CD to a money market. Mr. Fonarow stated there was a motion at the October meeting to move the funds if the rate went up more than .25 and the funds should be moved. Mr. Cooke agreed to move \$100,000., but wants to look at other banking institutions, and options. Mr. Willhoit stated that there might be an advantage to moving to a 2-year CD, as rates are higher on 2-year CD's. Ms. Webb recommended that Mr. Cooke do further research on the topic and report at the next meeting. Mr. Cooke agreed, and stated he will at least

move \$100,000. A Motion was made by Mr. Willhoit to approve the financials of September 2015, Ms. Espinoza seconded, motion passed unanimously.

5. **Approval of October 13, 2015 Minutes:** Three corrections were noted; a correction to Ms. Medina's name, and the fact that she was absent vs. present. Mr. Cooke also made a change on the second page from her to HDC. Mr. Ovitt motioned to approve the minutes with the stated corrections, Ms. Medina seconded the motions, motion passed unanimously.

6. **Old Business:** We should have the Auditors report by the next meeting. We received the settlement check on the fire-damaged unit today. Mr. Ovitt asked where those funds will be deposited. Mr. Cooke stated PRLLC owns the property; PRLLC owes PRHA funds for property management. We will deposit the funds to PRLLC and invoice some out for PRHA property management fees.

Mr. Brent Weickert, has been hired as our New Finance Director, Mr. Weickert will start Thursday, November 12, 2015, and comes very highly recommended.

7. **New Business:** Conflict of Interest and Procurement Policies are being updated to assure we have signed, and approved policies on file. Copies of the Policies were given to the board members, and reviewed. A motion was made by Mr. Fonarow to approve the Conflict of Interest Policy; Mr. Boonstra seconded the motion, the motion passed unanimously.

The Procurement Policy was reviewed; Mr. Cooke stated he would like to see the Procurement Policy increased from \$5,000 dollars to \$7,500 dollars to help with the moving expense. Mr. Ovitt recommended keeping the procurement Policy at the stated \$5,000., and recommended making a motion to approve a onetime, not to exceed specified amount to cover the cost of the move. Mr. Cooke will supply a figure at the December meeting. Mr. Ovitt motioned to approve the Procurement Policy as presented; Ms. Espinoza seconded the motion, the motion passed unanimously.

Bios and photos were requested of each board member to be posted on our website.

Regarding the Christmas luncheon, Mr. Cooke recommended that we combine the board meeting with a Christmas luncheon. It was recommended the board meeting/luncheon be held at Hunter Ranch Golf Course, on Tuesday, December 8; at 11:00am, and adjourn to a Christmas luncheon at 12:00 PM with the remainder of the staff.

8. **Adjourn Meeting:** Next meeting is scheduled for Tuesday, December 8, 11:00am at Hunter Ranch Golf Course. The meeting adjourned at 6:30pm.

Secretary: _____

Chairman: _____

Date: _____