



Peninsula Housing Authority
Serving Clallam and Jefferson Counties

Board of Commissioners
REGULAR BOARD MEETING MINUTES
Wednesday, June 19, 2013 at 12:00 p.m.

The Public is invited to attend the meeting of the Board of Commissioners at:
Jamestown S'Klallam Tribal Center
1033 Old Blyn Highway
Sequim WA 98382

CALL TO ORDER

The meeting was called to order at 12:00 p.m. by Commissioner Turner.

Present were: Commissioners Flodstrom, Teal, Rymph, Turner, Shusterman and Hancock. Commissioner Fleck was excused. Also present were staff members Executive Director Pam Tietz, Director of Rental Assistance Debbi Tesch, Comptroller Annette Dotlich, Director of Asset Management Sarah Martinez, Director of Acquisition and Development Kay Kassinger and Executive Assistant Teresa Rodocker. Legal Counsel Josh Fox was also in attendance.

ADDITIONS TO THE AGENDA

Commissioner Turner asked that we add sub-agenda as related to the Strategic Planning Session as follows:

- History of PHA
- Video Vignettes
- Vision, Mission Statement, Core Values
- 5 Goals

Commissioner Teal moved that the amended agenda be adopted. Commissioner Flodstrom seconded. Voice Vote. Approved.

REQUEST FOR COMMENTS OR QUESTIONS FROM THE PUBLIC ON AGENDA

No Public in attendance.

CONSENT AGENDA

Approval of consent agenda: May Regular Meeting Minutes, Director Tietz's May Time Card and Leave Slip and May Check Registers. Moved by Commissioner Shusterman, Fleck, seconded by Commissioner Teal. Commissioner Teal asked for a correction to the minutes removing the first sentence under Report from Commissioners. Commissioner Flodstrom asked why the Oath of Office was removed. Commissioner Turner explained that while Ms. Sanders was very interested in serving, the meetings were a conflict with work issues for her; therefore, she was not going to be able to serve. Voice Vote. Approved.

EXECUTIVE DIRECTOR'S REPORT

Director Tietz presented a written report to the Board and provided a verbal report as follows:

MAV Redevelopment:

Funds for Phase 1A of the Mount Angeles View Redevelopment have been received. Funds will be used for the rebuild of the first 6 units, in addition to providing the infrastructure for the redevelopment. Director Tietz congratulated Director of Acquisition and Development Kassinger and thanked her for a great job in obtaining funding.

Annual Housing Forum:

Director Tietz attended this and informed the board that attendees received information in regards to the different veterans programs that are being worked on in the community. In addition, information was given by the state on the Homeless Management Information System (HMIS) and from the VISTA organization as to the efforts being made to extend the reach of assistance in the west end of the county past the Forks area. The 2nd half of the forum including reviewing and rewriting the last 3 years of the 10 Year Plan to End Homelessness. This included brainstorming and a copy of the report provided to the county commissioners. The Regional Forum will be held in Jamestown on November 20th and everyone is encouraged to attend. Commissioner Teal stated that she had heard that approximately 30 youth in attendance at Port Townsend High School were currently homeless and wondered if this was accurate. Director Tietz stated that it probably was, although it is hard to get accurate numbers. It is difficult to provide services to them, due to their age.

Head Start Programming:

Director Tietz met with Peninsula College in regards to Early Head Start and Head Start. It has been determined that Peninsula College will no longer be involved with the Head Start Program and they would like to extend the lease one month through August 2013. Olycap may request to keep the property, but no contact has been made as of this time. Determination as to whether or not a new lease is signed will be made based upon what they wish to utilize the facilities for. Director Tietz feels that the loss of the Head Start will be detrimental to our community and is hoping to hear from Olycap soon.

Board Resignation:

As mentioned earlier in the meeting, Sarah Sanders has determined that she will not be able to serve as a commissioner. Director Tietz is asking for board members to assist in trying to locate a new board member, as she does not believe that there is a pool of applicants.

Executive Compensation Survey:

The HUD requires that only the Executive Survey be done on an annual basis. Currently we do the top 5 at a cost of \$850 per year. Doing just the Executive one will be \$350 per year. Commissioner Flodstrom asked if we used the information for the top 5. Director Tietz stated that the information we received from them was not really useful to us and that she still had to do a local review of salaries when reviewing the salaries of the directors on staff. Commissioner Shusterman asked if we were hiring this organization only to meet the HUD requirements and Director Tietz responded in the affirmative.

Union Negotiations:

The first meeting is scheduled for this Friday. Director Tietz does not feel like there are going to be any large issues to deal with, but will keep the board informed. The goal is to negotiate a 3 year contract and opening the wage portion of the agreement on an annual basis, due to budgetary concerns.

Director Leave:

Director Tietz stated that she will be gone for the first 2 weeks of July. Generally board packets are sent out during that time and she will not be back to complete her ED report for the board packets. Director Tietz suggested that Director of Acquisition and Development Kassinger and Executive Assistant Rodocker can prepare the board packets for mailing on the usual day, with the ED report being emailed out upon Director Tietz's return. The board felt that this was acceptable.

Commissioner Turner asked for more information on the Jefferson County Housing Group Meeting. It will be held on June 26th at 4 pm. If you wish to attend, carpooling from Port Angeles at 3 pm is an option. Director Tietz stated that she has asked Kathy Wahto to attend the meeting in order to provide information as to challenges that may be faced in regards to the purchase of the Port Hadlock Inn by a private group.

Commissioner Flodstrom asked about the meeting Director Tietz attended for the Sail River Project. Director Tietz explained that it was a meeting regarding development for the Makah tribe. PHA is not involved, but Director Tietz was asked to provide input at the meeting.

REPORTS FROM COMMISSIONERS

Commissioner Shusterman reported that during his recent travels he had the opportunity to visit Detroit and he took a tour of communities that have formed development programs that include using tax credit funds to purchase empty property and re-selling to moderate and middle income families. It has become a positive way to strengthen the various communities and they have also been able to help with the blighted storefronts. He handed around a book with more information regarding this.

Commissioner Teal reported that the need for affordable housing in Jefferson County is becoming more and more important. All of the affordable housing units are full, with long waitlists and anything that can be done needs to be done.

Commissioner Turner reiterated that there is a need to fill the vacant slot on the board and encouraged other board members to assist in the recruitment process.

OLD BUSINESS

Budget Review and Work Session:

Comptroller Dotlich asked if there were any questions related to the summary which was sent in the board packet. Director Tietz reiterated that more details were available and that this summary was provided based on board request at the last meeting.

Commissioner Hancock asked why the Rental Income was dropping. Comptroller Dotlich replied that both the Peninsula Apartments and the Wildwood Terrace Apartments had been categorized differently in previous years. Additionally, Olympic Vista has been sold, so there is no rental income from there. Director Tietz also explained that previously both the rental income and the subsidy income had been intermingled and the new software allowed us to break that out.

Budget Review and Work Session (Cont):

Commissioner Flodstrom asked if the expenses included depreciation and Comptroller Dotlich responded affirmatively.

Commissioner Hancock asked why Housing Assistance Payments were increasing by such a large amount. Comptroller Dotlich explained that the payments for the upcoming fiscal year also include the payments for the Project-Based units, which includes approximately 23 units in both counties. This helps stabilize income for those properties. Commissioner Hancock stated that she did not understand this and Director Tietz provided a fuller description of how Project-Based units are now being reflected in the budget as expenses for Housing Assistance Payments. Comptroller Dotlich explained that the outline given in May show more in-depth specifics and explained that when our budget was dropped to 93%, an across the board cut cannot be made, as some of the budgets are not involved in the cut, while others are taking a larger cut. Director Tietz explained that we will need to reduce expenses. Commissioner Hancock asked if we were going to be expecting a drop in funding, how can the increase showing on the summary happen and Director Tietz explained that there may be an overall drop in HCV, but that there may be increases in the smaller programs, such as PB, SHP, VASH, Portability, etc. Additionally, the Payment Standards have increased, which costs us more and the Fair Market Rent from HUD has changed as well, so an increase in our expenses will occur during the next recertification cycle for most of our Section 8 participants.

Commissioner Hancock asked about the increase in legal expenses. Director Tietz explained that there is a focus on terminating assistance for those clients who do not wish to abide by the policies and procedures and a large effort was being made to address those specific issues. Legal Counsel Fox explained that there is more of a legal presence in regards to terminations and the appropriate notices, as it is important to have everything when appearing before the judges. Commissioner Turner asked how many evictions were in calendar year 2013 and Director of Asset Management Martinez stated that it was approximately 12 – 15. Commissioner Hancock asked how a determination was made as to when legal involvement was needed. Director Tietz replied that it was a case by case scenario, with legal involvement needed for evictions, regardless of the possibility of collecting funds. The current collection process is being reviewed by Executive Assistant Rodocker and there may be some changes to this policy in the future. Changes may include doing some of our collections, utilizing legal counsel to assist with judgments and garnishments.

Commissioner Teal asked if the depreciation costs would make it easier to hang onto the existing reserves. Director Tietz replied that it would not.

Director Flodstrom likes the new format and asked if Comptroller Dotlich had any further notes for distribution. She did not, but reiterated that the packet handed out in May has full details and if anyone needed a copy, to let her know.

Director Tietz asked if there could be a discussion on the Section 8 issues.

Comptroller Dotlich explained that while PHA has reserves and HCV headed into the year with reserves for administrative costs and NRA for Housing Assistance Payments, along with HUD-held funds of a little over \$100,000, all reserves for assistance payments will be gone by the end of the year if changes are not made.

Budget Review and Work Session (Cont.):

Commissioner Teal asked what was happening with the TBRA Assistance program. Rental Assistance Director Tesch reported that our funding will be renewed and that we have approval to extend existing TBRA assistance and that PHA is currently going with extensions of no more than 6 months being issued at this time.

Commissioner Turner asked about reserves and Director Tietz stated that she could email this information.

Commissioner Turner asked if we knew when HUD was going to take the funding and Comptroller Dotlich stated that it would be the year 2013. Director Tietz responded that we are spending as needed at this time. Comptroller Dotlich stated that she would have balance sheets showing the reserves at the next meeting.

Commissioner Hancock asked why expenses in FY14 are greater than the previous year in such a large amount. Comptroller Dotlich explained that the non-operating income was now included and Director Tietz stated that if the depreciating figures were removed, we would have a positive net budget.

Comptroller Dotlich stated that the budget was tight, but that expenses would be reviewed throughout the year in order to stay within budget.

Commissioner Teal asked where the money came from for repairs and Director Tietz stated that funds were put aside for that on a regular basis.

Commissioner Teal asked if Representative Kilmer was able to be of assistance. Director Tietz explained that she had met with individuals from his office and presented a summary and she felt that he was aware of the situation.

NEW BUSINESS

Resolution #PHA-2013-18 – Approve FY2014 Budget. Moved by Commissioner Flodstrom, seconded by Commissioner Shusterman. Voice Vote. Approved.

Resolution #PHA-2013-19 - Approve Revision to Capitalization Policy. Moved by Commissioner Shusterman, seconded by Commissioner Rymph. Explanation of reason for increase given by Director Tietz. Voice Vote. Approved.

Resolution #PHA-2013-20 – Approve Cell Phone and Smart Phone Usage and Reimbursement Policy. Moved by Commissioner Teal, seconded by Commissioner Shusterman. Explanation by Director Tietz was given as to the fact that we have done both reimbursement for personal phone use and provision of PHA phones, but there has not been a written policy in place, which is needed. Commissioner Hancock inquired as to whether or not we would be paying out more, by paying for smart phones. Director Tietz explained that the reimbursement was a set amount and that the employees who wished to utilize their own phones, regardless of the type of phone, would only receive that amount. Commissioner Shusterman asked if an IRS notice would be provided to staff and Commissioner Teal asked how many employees needed phones after hours. Director Tietz stated that anyone receiving cell phone reimbursement would be signing an IRS notification and explained that currently many of the maintenance staff carry two phones (business and personal) and that having this policy available to them would benefit them. Voice Vote. Approved.

Resolution #PHA-2013-21 – Approve New Procurement Policy. Moved by Commissioner Teal, seconded by Commissioner Shusterman. Director Tietz explained that the existing policy is 10 pages and that this new policy was more comprehensive and provided better guidelines for staff. Legal Counsel reviewed the document and felt that it was well thought out and comprehensive. Commissioner Rymph asked if there was somewhere to obtain this policy without having to have this done by us. Director Tietz explained that each HA was different in regards to amounts being referred to, funding being received, etc.

Director Tietz then explained that she would like clarification on a few items from the board prior to the approval of the policy. Those items are:

- Page 38, Section C5: This states that bids cannot be split, but the state rules show that you can split, especially if doing so allows minority/women business to participate in the process. Legal Counsel stated that if it was Non-HUD funding, then the state rules applied, but if it was HUD-funded, then the federal rules applied.
- Page 40: Small Purchase amount is currently \$2,000, recommendation is being made to allow this to be increased to \$10,000. Also, Director Tietz’s authority is currently \$35,000 and recommendation is being made to increase this to \$50,000. A change to these amounts would be made by adopting this policy.
- Page 94: Adopt the recommended language from legal counsel, omitting the words “the governing body or the Executive Director”

Commissioner Shusterman asked for the following clarifications/changes:

- Page 58: Is the Statement of Prevailing Wage required? Yes.
- Page 88: Under the dollar thresholds, is \$300 per transaction acceptable? What about travel, etc? All training, hotel and travel reservations are made by the HR desk. The majority of the employees do not travel for extended periods. Senior Managers are the ones most likely to carry and use the company credit card during travel times. Maintenance staff utilizes the Home Depot card on a consistent basis. Decision was made to increase the transaction limit to \$500.00. This change would be made by adopting the policy.

Voice Vote. Approved as amended.

Resolution #PHA-2013-22 – Approve Tonkin Hoyne PS Contract. Moved by Commissioner Shusterman, seconded by Commissioner Flodstrom. Voice Vote. Approved.

Resolution #PHA-2013-23 – Approve Obsolete Equipment Write-Off. Moved by Commissioner Flodstrom, seconded by Commissioner Shusterman. Voice Vote. Approved.

Resolution #PHA-2013-24 – Approve AR Write Offs. Moved by Commissioner Rymph, seconded by Commissioner Shusterman. Voice Vote. Approved.

At 2:50 pm, Commissioner Turner adjourned the board for a short break.

At 3:10 pm, the meeting was reconvened by Commissioner Turner.

STRATEGIC PLANNING SESSION:

History of PHA:

1941 Established as war time housing
1941 MAV - singles to the right of Francis were built
1942 MAV – townhouses and homes to the left of Francis were built
1970 MAV – 4 Plex units were built, bringing total to 100 units.
Current unit breakdown is: Housing Units 93
Family Center 2
Boys & Girls Club 4
Head Start 1
Total Units 100
1970 Manor – 70 Units
1972 Villa – 72 Units
1980 Terrace – 80 Units
1994 Director Tietz hired
(10 Employees, 2.5M budget, HA did not have a good reputation and needed cleaning up)
1995 Sunbelt – 17 Units
(Originally designed for chronically mentally ill tenants – 1st Development for Pam)
1997 Homestead Purchase/Rehab
(Originally 33 units, 5 of them removed for a new total of 28)
1997 Began Lee Plaza Process (Purchase and Full Rehab through Tax Credits)
1999 Director Tietz left
2000 Lee Plaza placed in service with 48 studio and/or 1 bedroom units
2001 Director Tietz re-hired.
2003 Self-Help Program started
(62 homes since then, with expansion into Jefferson County beginning)

Video Vignettes:

Projector not working, will try to have these at next meeting.

Vision, Mission Statement, Core Values and 5 Goals:

All of these items were reviewed and updated with input from the board and senior staff.

Next Steps:

- Email updated draft plan to board for further comments and/or corrections
- Present to staff for feedback (Board would like to know if staff feels like we can do this and if there are challenges in this for the staff)
- Summarize staff feedback for the board
- Present updated draft plan to stakeholders
- Summarize stakeholder feedback for the board
- Finalize and adopt Plan

Next Meeting:
Wednesday, July 17, 2013 at 1:00 p.m.
Clallam County Courthouse
Clallam County Commissioner's Room
Port Angeles WA 98362

Adjournment: The meeting adjourned at 4:00 p.m.

Secretary

Board Chair

Seal: