



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, July 24, 2013

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 401 North G Street, Tacoma, WA at 4:45 PM on Wednesday, July 24, 2013.

1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:45 PM.

2. ROLL CALL

Upon roll call, those present and absent were as follows:

PRESENT	ABSENT
Commissioners Janis Flauding, Chair Greg Mowat, Vice Chair	Arthur C. Banks, Commissioner
Stanley Rumbaugh, Commissioner (arrived at 5:15 PM) Rose Lincoln Hamilton, Commissioner	
Staff Michael Mirra, Executive Director Christine Wilson, Executive Administrator Ken Shalik, Finance and Administration Director April Davis, REMHS Director Barbara Tanbara, Human Resources Director Nancy Vignec, Community Services Director Tina Hansen, Interim RED Director Todd Craven, Administration Director	

Chair Flauding declared there was a quorum present @ 4:46 and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Flauding asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, June 26, 2013. Commissioner Lincoln Hamilton moved to adopt the minutes, Commissioner Mowat seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion approved.

Chair Flauding asked for any corrections to or discussion of minutes for the Special Session of the Board of Commissioners for Friday, July 12, 2013. Commissioner Mowat moved to adopt the minutes, Commissioner Rumbaugh seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: 1 (Commissioner Lincoln Hamilton)
Absent: 1

Motion approved.

4. GUEST COMMENT

Sheila Bass addressed the board. She announced that she is moving out of G Street Apartments for safety reasons.

Karen Scott addressed the board. She reminded the board that she provided additional information at the last board meeting and added that five residents have been in the hospital due to the bedbugs. Ms. Scott stated she respects the maintenance staff. She praised their efforts and offered her view that THA was responding to the bed bugs in a responsible way. She thanked the board for convening its meeting at G Street. She noted that she will continue to monitor the situation. She requested that last month's minutes be corrected, she did not refer to units being "infested". She stated they needed to be treated.

Sally Dugan addressed the board introducing herself as the G Street building representative and the building keyholder. She stated a local group Bikers Against Statewide Hunger comes the first of every month to G Street and reports on its activities. Ms. Dugan stated this group does great work.

Hope Rehn addressed the board and invited everyone to the SAFE picnic scheduled on July 26 from noon-3 PM in People's Park.

Chair Flauding thanked residents for coming to the meeting and let the residents know the Board of Commissioners take the issues they bring forward seriously. She also

thanked the residents for their kind words this evening about THA staff. She added that staff works hard to address the concerns of our tenants.

5. COMMITTEE REPORTS

Real Estate Development Committee – ED Mirra reported that the committee met. It reviewed the Hillside Terrace Phase One and Two projects, the Brown Star Grill proposal with the city, and other properties. The committee is recommending THA not purchase the Colonial Apartments.

Finance Committee – Commissioner Mowat reported attending the entrance conference with THA finance staff, ED Mirra, and the Washington State Auditor’s Office. The auditors indicated that its submissions to HUD will take place on time. The June financials were reviewed and all looks good.

Citizen Oversight Committee – No report

6. ADMINISTRATIVE REPORTS

Executive Director

ED Mirra referred the board to his report and welcomed questions. He mentioned two topics. The House and Senate budget committees have passed their respective proposals for HUD’s budget. The Senate proposal is preferable for what we do and hope to do. He also announced that this is Nancy Vignec’s last board meeting. She is retiring after 22 years of service. He said that THA is grateful for her dedicated service. ED Mirra stated we are looking for an interim Community Services Director to lead the department. He hopes to have an announcement of the selection of the interim director at the August BOC meeting.

Finance

Director Shalik directed the board to the finance report. He referred the board to the agency financials stating that the proposed mid-year budget revision should reduce the anomalies between the budgeted and actual numbers. He added that, considering all of the budgetary challenges, we continue to be in good financial shape. He announced that HUD and THA have signed the settlement resolving the “benchmarking” dispute. He anticipates the \$1.2M arriving soon. The funds will be put into the MTW account. ED Mirra stated the mid-year budget revision does not include the \$1.2 M funds. Director Shalik discussed the RAD project. MTW flexibility will be used with conversion and tenants rents will be adjusted. Commissioner Mowat requested staff to provide some material to explain RAD. ED Mirra stated a RAD Study Session will be scheduled along with the MTW discussion in September.

Commissioner Mowat moved to ratify the payment of cash disbursements totaling \$4,645,597 for the month of June, 2013. Commissioner Lincoln Hamilton seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion Approved

Real Estate Management and Housing Services

Director Black directed the board to her report. She reviewed units turned and units identified as meth units. There has been a reduction in the number of identified meth units. There are currently 70 contaminated units and 30 clean units. Chair Flauding asked about the meth inspection process. She asked if Rainbow take care of cleaning and remediating? Director Black stated yes. Chair Flauding asked why it is taking so long to turn a clean unit. Director Black explained that the clean units may have been delayed due to schedule of testing that determined they were clean. April also addressed concerns from residents at G Street related to the cleanliness of the building and the bedbug issues. She noted that representatives from Sprague are in attendance tonight to address any questions the board would like to pose. She reviewed the efforts and the encouraging progress. Chair Flauding said that she continues to read materials on the treatment of bedbugs. She stated she has learned from her research that bedbugs are going to be difficult to eradicate. She appreciates THA's approach and appreciates the residents bringing forward their concerns. Commissioner Rumbaugh asked if there is a proactive approach to lessen the level of contamination. Director Black stated there is. Scheduling inspections to include the use of dogs and reinspecting units 30 days after treatment will reduce the level of contamination. THA will also begin an annual inspection of units. Chair Flauding thanked April for her leadership.

Real Estate Development

Interim Director Hansen directed the board to her report. She provided an update on several RED projects. The LASA project is on track for construction to begin November, 2013. DR Horton began building their model homes in Salishan. The model homes should be ready in September or October, 2013. Hillside Terrace Phase 1 construction is moving right along on schedule. Commissioner Mowat asked staff to arrange a visit to the board from DR Horton and request them to provide their plan and update for the Salishan lots.

Community Services

Director Vignec directed the board to her report. She noted that this is her last board report prior to her retirement. She directed the board to her report highlights. To date, 36 clients have been placed into jobs. CS and PM staff held the construction academy at the

sites. Director Vignec recently met with Workforce Central. She reports it was a very good meeting, and she was able to describe client needs for the special McCarver family employment needs. She reviewed the HOP Program and the supportive services THA is providing. Director Vignec thanked everyone for their kind words on the occasion of her retirement. She has enjoyed her service to THA. The work is so important for our clients.

Human Resources

Director Barbara Tanbara directed the board to her report. She discussed the very good employee survey results. Although the results are positive, she sees this as an opportunity and a challenge, and wants to improve. THA staff provided good ideas during the employee focus groups. Career development was high on this list. THA received a large public records disclosure request related to a former employee. Barbara will coordinate with the Public Records Officer to respond to the request. She reported that THA hired Waldron and Company for the RED Director search. She is happy to report the employee turnover is trending at 8.4%. There is room for improvement but is pleased to be trending under 10%. Director Tanbara announced the August 9th retirement party for Nancy.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 RESOLUTION 2013-7-24 (1), FOSTER PEPPER PLLC - LEGAL SERVICES

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma

Whereas, The Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of long-term housing for low income persons residing within the City of Tacoma, Washington;

Whereas, RCW 35.82.070(2) provides that a housing authority may “prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof...”;

Whereas, The Authority has procured and entered into a contract with Foster Pepper, PLLC for legal services on January 30, 2012. The contract stipulates that each engagement will require a Letter of Engagement (LOE) and the contract shall not exceed \$100,000 unless approved by THA’s board of commissioners;

Whereas, on February 22, 2012 the Board of Commissioners authorized the increase of

the LOE with Foster Pepper, PLLC to provide legal counsel for Hillside Terrace Phase I in the amount not to exceed \$250,000,

Whereas, due to delays in closing due to the Value Engineering effort, the extensive HUD legal review due to THA's MTW designation, the community center grant and the related complexities in the deal structure the legal fees exceeded the LOE amount by \$75,000;

Whereas, The Foster Pepper, PLLC, January 30, 2012 contract requires amendment and shall not exceed \$325,000 for Hillside Terrace Phase I;

Whereas, THA will need legal services for several additional projects in the amount not to exceed of \$237,000;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

1. The Executive Director or his designee is authorized to amend the January 30, 2012 contact with Foster Pepper, PLLC, to increase its not to exceed amount from \$250,000 to \$562,000.

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Lincoln Hamilton seconded the motion.

AYES: 4
NAYS: X
Abstain: None
Absent: 1

Motion Approved: July 24, 2013 _____
Janis Flauding, Chair

8.2 RESOLUTION 2013-7-24 (2), FISCAL YEAR 2013 ANNUAL BUDGET REVISION

Whereas, The Board of Commissioners of the Housing Authority of the City of Tacoma ("Authority) approved the FY 2013 Budget on December 19, 2012.

Whereas, Authority staff determined that the FY 2013 Budget should be revised on updated information on funding and expenditure needs.

Whereas, Authority staff has prepared and the Board of Commissioners of the Housing Authority of the City of Tacoma as reviewed and provided input to the proposed Revised Fiscal Year 2013 annual budget:

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that:

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the Revised FY 2013 Budget and authorizes the Executive Director to implement and execute said document. Revised operating expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	\$ 551,934
Human Resources	402,247
Finance	995,517
Administration	1,318,583
Development	2,116,067
Community Services	2,045,891
Real Estate Management Overhead	1,816,350
Rental Assistance	33,200,877
Property Management	<u>6,194,049</u>
Subtotal	\$ 48,641,515

<u>Additional Cash Outflows</u>	
Capital Expenditures	\$ 12,472,064
Debt Service	<u>558,753</u>
Subtotal	5,273,491

TOTAL APPROVED BUDGET \$ 61,672,332

2. The Board of Commissioners authorizes the payoff of the Salishan 7 WCRA loan of approximately \$2.8 million in principal payments with MTW funds.

Commissioner Mowat motioned to approve the resolution. Commissioner Rumbaugh seconded the motion.

AYES: 4
NAYS: X
Abstain: None
Absent: 1

Motion Approved: July 24, 2013

Janis Flauding, Chair

8.3 RESOLUTION 2013-7-24 (3), SECOND INCREASE IN CONTRACT AMOUNT FOR EMERGENCY MITIGATION SERVICES

Whereas, Tacoma Housing Authority (THA) signed a contract with Rainbow International for Emergency Mitigation Services to provide Emergency Mitigation services that included Hazardous Materials (lead based paint, mold and asbestos), Bio-Hazardous Materials cleanup (unattended death and trauma), Drugs (meth) and Smoke Water and Fire cleanup (from fire, damage, water leaks and breaks).

Whereas, the contract amount needs to be increased from \$1,200,000 to \$2,500,000 to account for the additional work of this sort THA requires;

Whereas, the contract amount exceeds the \$100,000 spending limit for the Executive Director.

Resolved by the Board of Commissioners of the Housing Authority of the City Of Tacoma, Washington, that:

The executive director is authorized and directed to execute a contract with Rainbow International in the amount of \$2,500,000 for the purpose of providing emergency mitigation services to all of THA properties.

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Lincoln Hamilton seconded the motion.

AYES: 4
NAYS: X
Abstain: None
Absent: 1

Motion Approved: July 24, 2013 _____
Janis Flauding, Chair

9. COMMENTS FROM COMMISSIONERS

Vice Chair Mowat stated his unwavering faith in our staff. He thanked them for their dedication. He especially expressed thanks to Nancy Vignec for her forward thinking attitude and her service to THA.

10. EXECUTIVE SESSION

None

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 5:58 PM.

APPROVED AS CORRECT

Adopted: August 28, 2013


Greg Mowat, Chair