

**THE HOUSING AUTHORITY OF
THE CITY OF SOUTH BEND, INDIANA**

REGULAR BOARD MEETING MINUTES

**February 28, 2018
@ 4:30 p.m.**

The Housing Authority of South Bend, Indiana, convened for a Regular Board Meeting of the Board of Commissioners on February 28, 2018, at 4:30 p.m. in the Multi-Purpose Room at the Housing Authority, 501 Alonzo Watson Drive, South Bend, Indiana.

ROLL CALL

The following Commissioners answered present at Roll Call:

Commissioner Virginia Calvin
Commissioner Sam Centellas

Commissioner Roland Chamblee
Commissioner Stephen Luecke

HASB STAFF: Tonya Robinson, Executive Director; Eula Milon, Administrative Services Manager; Steve Peterson, Procurement Manager; Connie Johnson, HCV Director; Charles Williamson, Lead HCV Specialist; Albert Smith, Asset Management Director; and Marcus Wright, Safety, Security & QC Manager

CALL TO ORDER

Commissioner Calvin called the Meeting to order.

OLD BUSINESS:

Approval of the Minutes from the Special Board Meeting held on December 27, 2017.

Commissioner Calvin requested a motion to approve the Minutes of the Special Board Meeting held on December 27, 2017. Commissioner Chamblee made the motion to approve the Minutes and Commissioner McKinney seconded the motion to approve the Minutes. The Minutes of the Special Board Meeting held on December 27, 2017 were approved.

NEW BUSINESS:

Commissioner Chamblee asked what is the difference in the Policies. Mr. Peterson said we are adding language which concerns options when dealing with resident owned businesses. Mr. Peterson said this is the actual language from HUD's Procurement Guidebook. Commissioner Centellas asked if there are any concerns. Mr. Peterson said no, this is a best practice for Section 3 procurement.

After discussion, Commissioner Centellas moved and Commissioner Chamblee seconded the motion to approve Resolution No. 4265.

RESOLUTION NO. 4265

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SOUTH BEND, INDIANA, APPROVING AN UPDATE TO THE PROCUREMENT POLICY.

WHEREAS, the Housing Authority of the City of South (HASB) adheres to its Procurement Policy in all HASB procurements, and;

WHEREAS, the HASB is entering a phase not fully covered by the current Procurement Policy, and;

WHEREAS, the HASB will add Chapter 15 of the HUD Procurement Guidebook, which concerns options when dealing with resident owned businesses, and;

WHEREAS, the HASB seeks to ensure that its Procurement Policy offers flexibility and guidance all areas of procurement, and;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of South Bend, Indiana approving an update to the Procurement Policy, and;

BE IT FURTHER RESOLVED, that this Resolution shall be in full force and in effect from the date of its adoption, and shall be filed in the permanent records of The Housing Authority of the City of South Bend, Indiana.

Commissioner Calvin called for the vote with the following results:

AYE
Commissioner Calvin
Commissioner Centellas
Commissioner Chamblee
Commissioner Luecke

NAY

ABSTAIN

Commissioner Calvin declared said motion carried and Resolution No. 4265 was approved.

Commissioner Chamblee asked if the same person can serve as the Chair. Mrs. Milon said yes, we have done that in the past. You can name the three Nominating Committee members now or meet after this Meeting.

Commissioner Centellas asked if we have heard from the Mayor on other Board appointments. Mrs. Robinson stated no. Dr. Calvin said the Mayor said he would start a second round of picks. Commissioner Chamblee said he would be happy to participate on the Nominating Committee. Commissioners Centellas and Luecke will also be on the Committee.

Commissioner Centellas asked if there is a timeline for naming a new Chairman and Vice Chairman. Mrs. Milon said we need to do this right away since each term expired in December 2017. It was stated that many Boards have the Chairman stay in place until a new one is voted in.

After discussion, Commissioner Chamblee moved and Commissioner Luecke seconded the motion to approve Resolution No. 4266.

RESOLUTION NO. 4266

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SOUTH BEND, INDIANA, APPROVING THE SELECTION OF A THREE-MEMBER NOMINATING COMMITTEE, FOR THE PURPOSE OF ELECTING A NEW CHAIRMAN AND VICE CHAIRMAN, IN ACCORDANCE WITH SECTION 8 OF ARTICLE II, OF THE BY-LAWS.

WHEREAS, in accordance with the By-Laws, the Commissioners of the Housing Authority shall elect a new Chairman and Vice Chairman, and;

WHEREAS, in accordance with the By-Laws, the Chairman and Vice Chairman shall hold office for two years or until their successors are elected and qualified; and, the Commissioners of the Housing Authority shall elect a new Chairman and Vice Chairman in accordance with the By-Laws, and;

WHEREAS, the Chairman of the Housing Authority shall select a three (3) member Nominating Committee and shall appoint a Chair and Vice Chair from its members, and;

WHEREAS, the Nominating Committee shall prepare a Report for submission at the next Meeting of the Housing Authority, and;

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of South Bend, Indiana, in accordance with the By-Laws, approves the selection of a three (3) member Nominating Committee for the purpose of selecting a new Chairman and Vice Chairman, and;

BE IT FURTHER RESOLVED, that this Resolution shall be in full force and effect from the date of its adoption, and shall be filed in the permanent records of the Housing Authority of South Bend, Indiana.

Commissioner Calvin called for the vote with the following results:

AYE
Commissioner Calvin
Commissioner Centellas
Commissioner Chamblee
Commissioner Luecke

NAY

ABSTAIN

Commissioner Calvin declared said motion carried and Resolution No. 4266 was approved.

Commissioner Centellas asked if we got multiple quotes. Mr. Wright said no. Mr. Williamson said we have a waiver from HUD, so we do not have to get multiple quotes. We are a member of the Housing Authority Insurance Group and we are insured by them. We pay \$160 per unit, per year. Commissioner Centellas asked if the price is higher or lower. Mr. Williamson said the premium is up approximately

20%, due to the increase in claims. We had over \$300,000 in claims last year. Mrs. Robinson said we also had a fire in the Quads last year.

Commissioner Luecke asked if we will submit a claim for the flood damage. Mr. Williamson said no, we there is a \$5,000 deductible per unit. Mrs. Robinson said the units will be rehabbed by contractors. HUD will help us with covering the cost.

Commissioner Chamblee asked if the deductible will cover the cost of the repairs. Mrs. Robinson said yes. Of the 8 units damaged by the flood, we had to relocate two of the families, and pump water out of the basement. Mr. Wright said there was over a foot of water in the unit on Emerson Street, which does not have basement, and is on a slab. The property on Emerson Street has not been released by the insurance company. The residents can file claims with FEMA if they don't have renters' insurance.

Commissioner Luecke asked if there is Board Liability insurance. Mr. Williamson said yes. There is insurance coverage for the Board, and staff.

After discussion, Commissioner Luecke moved and Commissioner Centellas seconded the motion to approve Resolution No. 4267.

RESOLUTION NO. 4267

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SOUTH BEND, INDIANA, AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO THE HOUSING AUTHORITY INSURANCE GROUP, IN THE AMOUNT OF \$469,504 FOR COMMERCIAL LIABILITY & PROPERTY INSURANCE COVERAGE FOR THE 2018-2019 PLAN YEAR.

WHEREAS, The Housing Authority of the City of South Bend, Indiana, (HASB) is in need of commercial liability & property insurance services and;

WHEREAS, The Housing Authority received waiver approval from HUD for the period of the time that the Housing Authority remains a member of the HAIG, and;

WHEREAS, the Housing Authority Insurance Group has provided commercial liability and property insurance services to the Housing Authority at a reasonable rate over the years, and;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of The Housing Authority of South Bend, Indiana, authorizes the Executive Director to award a Contract to the Housing Authority Insurance Group, for commercial liability & property insurance coverage for the 2018-2019 plan year, and;

BE IT FURTHER RESOLVED, that this Resolution shall be in full force and in effect from the date of its adoption, and shall be filed in the permanent records of The Housing Authority of the City of South Bend, Indiana.

Commissioner Calvin called for the vote with the following results:

AYE

Commissioner Calvin
Commissioner Centellas
Commissioner Chamblee
Commissioner Luecke

NAY

ABSTAIN

Commissioner Calvin declared said motion carried and Resolution No. 4267 was approved.

EXECUTIVE DIRECTOR'S REPORT:

Mrs. Robinson reported the following:

- There will be Board Training. HUD has asked us to coordinate a Regional Board Training. This is the first time HUD has asked us to coordinate this training. Also, at future Board Meetings, each Manager will do a brief presentation highlighting their department.
- Effective April 1, 2018, we will no longer have Thursdays as a walk-in day. This worked well when we were fully staffed. We will return to scheduled appointments only. We believe that we will be able to better serve our customers, with scheduled appointments. Scheduled appointments will greatly reduce the wait time of our customers. Also, the staff will be better prepared for the scheduled visit. Our customers have become irritated when they show up unannounced and they must wait for a long period of time to be seen. We will improve customer service by going to scheduled appointments.

Commissioner Chamblee asked what does a typical walk-in involve. Mrs. Johnson said a walk-in appointment could be someone just wanting a copy of their Lease, or some other piece of information from their file, bringing in updated information, or wanting to talk about a change in their family. They may want to discuss an issue with their unit or landlord, etc. He asked how long does it take to get an appointment. Mrs. Johnson said it depends on the Housing Specialist's Schedule. It could be that afternoon, a little longer. We will see participants when they walk in. We also have an awesome Receptionist who can assist clients with small matters. We will see someone if they walk in. Mrs. Johnson said we have an awesome receptionist. He will make a copy of documents, and can give walk-ins information off the computer, so they will not have to come back for an appointment.

- We are hiring our temporary finance person as a full-time employee. His name is Matthew Jun and he will fill the vacant Bookkeeper position. He has proven to be an asset and works well with the Team. We look forward to him joining us. He is working to bring everything current with the Fee Accountant by March 30, 2018. The goal is that by the April Board Meeting, he will be able to draft a finance Board Report.

Commissioner Chamblee asked how long has he been here. Mrs. Robinson said since October. He is currently submitting the November financial information and is in the process of submitting December and January financial information by March 30, 2018. We always run one month behind. The State Board of Accounts must now approve our auditor who

does the audited financial submission. We are fortunate that our auditors have been approved by the State Board of Accounts. Mr. Jun is assisting our fee accountant with preparing the information for the Indiana State Board of Accounts.

HUD had recommended that we share Gary Housing Authority's Finance Manager; however, Gary was not willing to share the person. Gary can pay the \$91,000 salary. We cannot afford to pay \$91,000, and are not able to raise the current salary.

- We received an email from Granger Community Church stating that they have lost the funding for the eastside After School Program. This partnership had been in existence over 10 years. The Program started changing about five years ago, as the funding started running out.

733 Eddy Street is no longer part of our inventory. We sold it to INDOT and they gave the property back to us. INDOT took a large portion of the front yard when they widen the streets in that area. Therefore, because HUD wanted staff at each AMP, and since we are no longer able to lease this 5-bedroom unit, we moved Granger from Edison Gardens to Eddy Street. Now that Granger is moving out, we will rehab the unit to rent it out for Notre Dame games. The remodeling will include painting and new flooring, update kitchen and bathroom, new lighting, furnishings, etc.

Commissioner Luecke asked if the funding received will be considered unrestricted. Mrs. Robinson said yes. Mrs. Robinson said we can use the AW Foundation money for anything to further housing, etc.

Commissioner Luecke asked if there is a Board to the Foundation, who makes funding decisions. Mrs. Robinson said yes. Where will the funds come from to rehab the house? Mrs. Robinson said the A.W. Foundation. He asked does our liability insurance cover 733 Eddy. Mrs. Robinson said yes.

The funds generated from the rental of this property will be split between the 100% AW Foundation and the Central Office Cost Center (COCC). At the end of the fiscal year, staff time will be billed monthly to the 100% AW Foundation.

We may also convert the unit to a Section 8 rental property. We have about five other units that will become Section 8 rental properties, with HUD approval.

As an Agency, we must secure other revenue streams. If the government cuts funding to Public Housing Authorities as currently laid out, it is very unlikely that the proposed budget cuts will be approved with a contingency plan for PHAs. Representatives at the HUD Field Office are already asking PHAs for a plan of action to secure other revenue streams.

Commissioner Chamblee asked what is the money used for now. Mrs. Robinson said various things. He asked if HASB maintenance staff maintain 733 Eddy Street. Mrs. Robinson said yes.

Commissioner Calvin asked when we will come off the substandard list. Mrs. Robinson said once our numbers improve. The goal is to be standard by the end of this fiscal year.

Commissioner Chamblee asked if each manager can just give a brief update regarding their area of responsibility.

HOUSING CHOICE VOUCHER:

Mrs. Johnson reported the HCV Program is at 98% utilization. We are no longer pulling applicants from the Waiting List. Did about 170 inspections last month. We are billing other PHAs, so we do not exceed our baseline. The HCV Program has been graded as a High Performer by HUD.

Commissioner Luecke asked how long is the Waiting List. Mrs. Johnson said there are approximately 2,200 people on the Waiting List. In 2017 we pulled about 300 people from the Waiting List. We now pull about 10 people from the Waiting List each month. He asked is there open enrollment. Mrs. Johnson said no, the Waiting List is closed. Last year it was opened from 3 days and people could apply. He asked if someone must be a South Bend resident to apply. Mrs. Johnson said a person does not have to be a South Bend resident to get on the Waiting List, however, we give a preference to South Bend residents.

ASSET MANAGEMENT:

Mr. Smith reported that the Public Housing Program is at 95% occupancy. Re-certifications are current, and approximately 298 work orders were completed. We are getting ready for pre-REAC inspections, which will help with our HUD score. During tax time, we have a lot of move-ins and move-outs.

Commissioner Luecke asked if there is a Waiting List for the Public Housing Program, and how many families are on the Waiting Lists. Mr. Smith said there are approximately 600 on the 1 bedroom Waiting List, approximately 300 on the 2 and 3 bedroom Waiting Lists, on the 4 and 5 bedroom Waiting Lists, the number averages about 15 to 30. He asked if you can be on both Lists at the same time. Mrs. Johnson said yes. Mr. Smith said the Public Housing Program lost a lot of residents when the Section 8 Waiting List opened last year. Public Housing Occupancy went to approximately 90 to 91%, at that time. This was the lowest occupancy rate we have had.

PROCUREMENT:

Mr. Peterson stated we are at the end of our 5-year period for contractors. HUD allows us to go 5 years using the same contractors, without issuing a new RFP. So, it is time to put out RFPs for Lawn care, and the Cooling Tower. HUD has a new system called EPIC, which we must use to submit our 5-year Plan. We will help Michigan City get their Plan submitted via EPIC. I worked with the Elkhart PHA to learn this new system.

Our biggest procurement is the cameras, which cost approximately \$82,000.

Commissioner Chamblee asked if we can stagger the RFPs. Mr. Peterson said yes, we can. It is to our benefit to keep good contractors. We look at/review our contractors on a regular basis. If there is a problem we will do a new RFP.

Mr. Peterson reported that the Department of Labor Wage Standard went up for the general laborer for construction wen from \$36.16 to \$56.33 per hour. We filed an appealed with HUD, and are waiting for a response. Mr. Peterson said he will follow up with HUD. Mrs. Robinson said we would only be able to turn half of our units at this higher cost.

HUMAN RESOURCES:

Mrs. Milon reported we are working on getting evaluations caught up. We secured a new medical insurance provider. We still need about 3 maintenance techs. It is difficult to get them...because they may not be able to pass the drug test, or the written test, or they do not have the skills.

Commissioner Chamblee asked if we could reach out to any unions or schools that train maintenance techs. Mrs. Milon said that is a good idea. But people are not attracted to the low pay, which is \$16.25 for a senior maintenance tech. We try not to just hire someone who only is skilled in electrician or a plumber. We are always looking for qualified senior maintenance techs. We have posted the maintenance tech position at least 3 times within the last year. We have used Temporary Agencies and have hired those employees, after 90 days.

If needed, we will see which AMP is moving slow and then we will share the Maintenance Tech with other AMPs and charge them.

SAFETY-SECURITY & QC:

Mr. Wright reported we are continuing to work on getting video surveillance cameras for both buildings. There is a camera in the Multi-Purpose Room. We can zoom in and read names. This same technology will be in the high-rise buildings now. When there are issues, we will be able to see who is involved and what is going on in the buildings. The new cameras and the new inter-com system has helped lower cost.

We had unarmed security sitting at the doors around the clock. If something was going on, they still had to call the City police. We went from paying approximately \$180,000 for security and have now cut that cost in half. We have 4 Police Officers, and their hours have been cut from about 200 hours per month, to about 130 to 175 hours per month.

Mrs. Robinson said we will not cut the hours of the Police Officer that does all our background checks. It is more cost effective that way. Because for one month, we paid about \$1,800 for Section 8 and \$1,300 for public housing, using a different process. Neither program can afford this cost.

Commissioner Luecke asked if the cameras are monitored live. Mr. Wright said yes, all managers can pull up the cameras on their phones to monitor activity. We want cameras on all properties, inside and outside. We will be able to see the fights and disputes and now know who must be evicted.

Commissioner Calvin said she is proud of what staff is doing with security and said this technology is needed. This will stop a lot of he said, she said.

PUBLIC COMMENTS:

There were no public comments.

COMMISSIONER COMMENTS:

The Commissioners welcomed Stephen Luecke to the Board. Commissioner Luecke said he is pleased to be on the Board and looks forward to working with the Board and staff. He would like to be current with all financials. Mrs. Robinson said there will be Board Training. Mrs. Milon will coordinate the Training with other housing authorities and HUD, who will facilitate the Training.

OTHER BUSINESS:

Commissioner asked where the money will come from for the Repayment Agreements. Mrs. Robinson said most of the funds will come from the COCC or the Programs. Some of the Repayment Agreement go out 120 years.

Commissioner Calvin asked Mrs. Robinson to share some of the accomplishments. Mrs. Robinson said we have had a lot of accomplishments. We went from over spending \$500,000 a year for attorney fees, to about \$50,000. Contractor costs, and security and lawn care costs went down. Snow cost went down for a brief minute.

The Board had a lot of firsts. We have been diligently working with the NNRO to build in the Triangle. Current with all financial submissions and performance evaluations.

Section 8 went from being labeled as troubled to high performing. We are turning the corner. We have a partnership with the Mishawaka Housing Authority and the Michigan City to do their inspections. We will visit Michigan City tomorrow to help them. HUD asked us to go and assist them with anything we could. Many employees were cut. They have the same amount of work, but half the employees.

Mrs. Robinson stated that there have been a lot of accomplishments in 2017 and there will be many more in 2018. Mrs. Robinson said she will send the List of Accomplishments to the Board.

ADJOURNMENT:

Commissioner Luecke made the motion to adjourn the Meeting, Commissioner Chamblee seconded the motion and the Meeting was adjourned. The Regular Board Meeting was adjourned at 5:35 p.m.