

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

**REGULAR BOARD MEETING MINUTES**

**April 25, 2018  
@ 4:30 p.m.**

The Housing Authority of South Bend, Indiana, convened for a Regular Board Meeting of the Board of Commissioners on April 25, 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 February 28, 2018.

Commissioner Calvin requested a motion to approve the Minutes of the Regular Board Meeting held on February 28, 2018. Commissioner Luecke made the motion to approve the Minutes pending a correction, and Commissioner Centellas seconded the motion to approve the Minutes. The Minutes of the Regular Board Meeting held on February 28, 2018 were approved.

**NEW BUSINESS:**

Commissioner Calvin stated at the February Board meeting a Nominating Committee was selected to appoint a Chairman and Vice-Chairman; the Nominating Committee is Commissioners Centellas, Luecke, and Chamblee.

Commissioner Chamblee moved and Commissioner Centellas seconded the motion that Commissioner Virginia Calvin becomes the Chairman, and Stephen Luecke, the Vice-Chairman.

Commissioner Calvin called for the vote with the following results:

**AYE**

Commissioner Virginia Calvin  
Commissioner Sam Centellas  
Commissioner Roland Chamblee  
Commissioner Stephen Luecke

**NAY**

**NEW BUSINESS:**

Commissioner Luecke asked if this Resolution complies with HUD regulations. Mrs. Robinson said yes. Commissioner Chamblee asked where does this fall in how people are prioritized on the List. Mrs. Johnson said people used to be pulled from the Waiting List in date/time order, now they will be pulled from the Waiting List based on a local preference.

After discussion, Commissioner Centellas moved and Commissioner Chamblee seconded the motion to approve Resolution No. 4268.

**RESOLUTION NO. 4268**

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SOUTH BEND, INDIANA, APPROVING A PREFERENCE IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM FOR LOCAL FAMILIES.

WHEREAS, The Housing Authority of the City of South Bend, Indiana (the Housing Authority”), is a compassionate Housing Authority interested in the welfare of its participating families, and;

WHEREAS, the Housing Authority would like to establish a preference for local families in the Housing Choice Voucher Program, and;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the City of South Bend, Indiana, hereby approves a preference for local families for the Housing Choice Voucher Program and authorizes such changes as are necessary in the Administrative Plan to reflect, 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:

<b><u>AYE</u></b>	<b><u>NAY</u></b>	<b><u>ABSTAIN</u></b>
Commissioner Calvin Commissioner Centellas Commissioner Chamblee Commissioner Luecke		

Commissioner Calvin declared said motion carried and Resolution No. 4268 was approved.

**EXECUTIVE DIRECTOR’S REPORT:**

Mrs. Robinson reported the following:

- Auditors from HUD's Quality Assurance Division (QAD) were here on March 20, 21, and 22, to review our finances as it relates to the HCV Program. They reviewed the 2013 through January 2018, financials. We were informed that the current Repayment Agreements approved by our local HUD Field Office are invalid. Any Agreement that exceeds 10 years must be approved by the local Field Office, forwarded to the Chicago Field Office, and then to the DC Field Office for final approval. Our Repayment Agreements which stretched over 40 years were only approved by the local Field Office in Indianapolis.

Commissioner Luecke asked if we will have to re-do the Repayment Agreements. Mrs. Robinson said possibly.

- QAD was unable to complete the audit onsite, due to our fee accountant (Allison from Hawkins and Ash Accounting) refusing to go over our financials with QAD, which is what they were contracted to do, responds to all audits.
- At the Exit Conference the auditors stated they were unable to determine our ability to repay the Agreements sooner than the original target date. Due to the limited financial information to review, QAD stated we look like we did in 2013, which is when QAD was here last.
- We have since issued an RFP for a new fee accountant, HUD is working to assist us in securing a new fee accountant. We have also reached out to some of our previous auditors and other Public Housing Authorities. We will continue working with our current fee accountant until we receive the official QAD Report, to use to end our current fee accountant contract and ask that a refund be given. We will continue to work to give QAD any outstanding information. We made further contact with the partner of Hawkins Ash the fee accountant and explained to them that we need their complete assistance.

Commissioner Luecke asked if HUD had recommended Hawkins and Ash, and if there is any recourse for us? Mrs. Robinson said Ron Urlaub of Econometrica (a HUD contractor) recommended them. He was shocked about this incident. We have not paid them since this incident. We also need a fee accountant company to be here more than once a month.

Commissioner Chamblee stated we need to consider legal action against Hawkins and Ash. He asked what reason was given for not responding to the QAD. Mrs. Robinson said when she asked, Allison said she was overwhelmed in November, because she was working with 3 troubled public housing authorities.

- The independent auditors were here the week of April 9 to start our audited financial submission, which is due to HUD by June 30, 2018. We are on schedule for a timely submission.

- At the Exit Conference, the auditors stated that the audit went very well, even though there were a few minor Findings; they were very pleased with the significant progress from the last several years.
- On March 20, 2018, we started the monthly HUD calls. We discussed the financial concerns and if the HASB was okay with the current Fee Accountant. I stated that we had ironed out our differences, until the fee accountant refused to answer HUD's questions and informed HUD that we would be charged \$250 per hour if any questions were answered. HUD representatives immediately ended the call. HUD was taken aback with the unprofessional way the fee accountant handled the call and stated they have never seen such behavior. Because of that call, we have issued an RFP for a fee accountant.

The Monthly Call with HUD discussed our losing a point due to a late submission. I explained that the fee accountant was unable to submit the Report by the deadline. We also discussed leasing units, tenant account receivables, and unpaid or slow pay Repayment Agreement. HUD plans to address these areas.

- On April 11, we had our Quarterly Meeting with the Mayor. Dr. Calvin attended the Meeting, as well.  
We discussed the NNRO (We have one qualified person. We will break ground soon); NIPSCO (Has finally agreed to take over the gas lines that are currently owned by the HASB), Public Housing Occupancy (is at 97%); and Section 8 Occupancy (is at 98%).

We told the Mayor we would support City with the Lead Grant application. The City does not want us to re-apply for the Lead Grant. We will meet with them to discuss this.

Commissioner Chamblee asked the impact of both entities applying for the Grant. Mrs. Robinson said it will be tough for the HASB if the City applies, because then the City and the County do not have to pledge anything to us.

Commissioner Luecke asked does the Mayor have to sign off on the HASB Grant application. Mrs. Robinson said yes.

Commissioner Chamblee asked does the City want the HASB to just administer the Grant. Mr. Peterson said at the meeting he attended, the City asked if they can apply for the Grant.

Commissioner Centellas said this is probably because we did not get the Grant the last time we applied. We should do whatever gives us the best opportunity to get the Grant. Both of us applying would be bad. The City could subcontract the HASB. We should call another meeting with the Mayor.

Commissioner Calvin said she is in full support of the HASB applying for the Grant.

Commissioner Luecke asked if we received a reason for not getting the Grant last year. Mr. Peterson said there were 2 areas of the Grant application that we did not score high in. We were 4 points from being funded. We had 72 points and the cut off was 76.

Commissioner Chamblee asked if it is to our advantage to apply for the Grant. Could we be more efficient in other areas, without working our butts off for this Grant. Can we use our time and energy in a better way.

Mrs. Robinson said an employee is already on staff to work on the Grant. Currently, Mr. McMannis is working part-time Lead and part-time as an HCV Inspector. Funds will run out within the next 8 months.

Commissioner Luecke asked does 10% cover our costs to administer the Grant. Mr. Peterson said yes.

Commissioner Calvin said last year, no one in the State of Indiana received the Grant. Mrs. Robinson said we will not write the Grant for the city.

Commissioner Centellas said we should have a follow-up Meeting. We want to make sure the Grant comes back to this community. Mrs. Robinson said we can schedule a Meeting with the Mayor.

Commissioner Centellas said we want to help/wants the Lead Program by any means necessary.

Mrs. Robinson said Valarie Calhoun, our HUD representative, would like the Board to start with the Lead the Way training. Mrs. Calhoun will be at the HASB on June 26 to contact Board Training. Mrs. Milton will send the Board the link for the Lead the Way training. Commissioners Centellas and Luecke said they are available on June 26. Commissioner Chamblee said he will know his availability about 2 to 3 weeks in advance.

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. The HCV is now using Ipads to do inspections.

**ASSET MANAGEMENT:**

Mr. Smith reported that the Public Housing Program is at 97% occupancy. Public Housing is preparing for REAC inspections that are scheduled for late August or mid-September. He is working with Mr. Peterson and Mr. Wright to ensure properties are ready for the inspections. Mr. Smith said he is working with Mrs. Johnson to issue debit cards to those who receive utility checks.

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 reported that the Department of Labor Wage Standard went up for the general laborer for construction went from \$36.16 to \$56.33 per hour. We filed an appeal 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.

Mr. Peterson reported we have one contractor who bids on snow removal and lawn care. There is a possibility we may not award him the contract, even though he is the low bidder. The reason is because last year, he over billed us for \$29,000 and this year, he has over billed us for over \$70,000. The contractor said it was a mistake done by his bookkeeper. A lot of staff time is used double checking his invoices. He over billed, but we did not over pay. We have sent him letters advising that we will not pay these invoices.

Commissioner Chamblee asked who the contractor is. Mrs. Robinson said Marcus Northern. We will now handle snow removal and lawn care in house. Last year we paid out approximately \$343,000 for snow removal and lawn care services.

**HUMAN RESOURCES:**

Mrs. Milon reported we are still working on getting evaluations caught up, and hiring

**SAFETY-SECURITY & QC:**

Commissioner Luecke asked Mr. Wright if he was still working on getting cameras installed. Mr. Wright reported all video surveillance cameras for both buildings have been installed. We have already taken action against a few residents who were caught on camera disturbing (drunk) the peace.

**PUBLIC COMMENTS:**

There were no public comments.

**COMMISSIONER COMMENTS:**

Commissioner Centellas asked for a timeline for the property on Olive Street.

**OTHER BUSINESS:**

Mrs. Robinson distributed the HASB Accomplishments List.

**ADJOURNMENT:**

Commissioner Luecke made the motion to adjourn the Meeting, Commissioner Centellas seconded the motion and the Meeting was adjourned. The Regular Board Meeting was adjourned at 5:37 p.m.