

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, November 23, 2010

Marian Manor, 3:00 P.M.

COMMISSIONERS PRESENT: Mike Norton, Chairman
 Patty Maehl, Vice Chairman
 Richard Schallert
 Rebecca Hackett
 Karen Keller

STAFF PRESENT: Brad Masterson, Executive Director
 Su van Houwelingen, Deputy Director
 Kim Lynch, Executive Assistant

- 1.) Chairman Norton called the meeting to order at 3:09 p.m.
- 2.) Chairman Norton directed the commissioners to review the minutes of the regularly scheduled board meeting held on September 28, 2010. Due to the lack of a quorum, there was no meeting held in October. There being no questions or comments, Mr. Schallert moved, seconded by Ms. Keller, to approve the minutes of the September 28, 2010 meeting. Motion carried 5-0.
- 3.) **Finance –**
 - a.) **Accounts Payable**

Chairman Norton inquired if there were any questions pertaining to the September or October accounts payable reports. Mr. Masterson & Ms. van Houwelingen responded to various questions explaining that the payment to Dimension Development in the amount of \$162,961.50 in the September report was for Dimension's share of the developer fee for the River Cities redevelopment. The payment to Northern Escrow, also listed in the September report, is stimulus money that is going to Alliance Construction for work they are doing on the Menasha units. The payment to Gustave Larson listed in the October report is for rehab work being done at Mainview. Ms. van Houwelingen explained that many of the landlords in the Voucher program are paid electronically as well as a few of the vendors such as Menards. Payments to Pepsi-Cola are for the vending machines at Mainview, Court Tower and Marian Manor. Ms. van Houwelingen and Masterson responded to questions regarding vending and purchasing procedures.
 - b.) **Quarterly Financial and Occupancy Reports**

Ms. van Houwelingen reviewed the quarterly financial report noting that assets outweigh liabilities in public housing. This report is for the first quarter of the current fiscal year. The Cap Funds may show expenses before they were drawn down. Silvercrest is the only group home that had a loss before depreciation for 2010. Ms. van Houwelingen and Mr. Masterson responded to questions regarding the financial report and the relationship between Stratford Capitol Group and the Winnebago County Housing Authority. Because of changing the year end from June 30 to December 31, Su will be preparing new budgets to the different programs. Cumberland Court, which is a Multi-Family program, will have a December 31 audit and then a new 12 month budget. The Public Housing programs will have 18 month budgets and will not have another audit until December 31, 2011. Masterson informed the commissioners that county board supervisor Eisen came in to meet with Su and picked up some audits to review the Authority's assets, liabilities and stability. Masterson continued on with a review of the quarterly occupancy report. The 76.3% occupancy rate is low due to the current renovation projects impacting Menasha, Omro and Winneconne properties. Masterson responded to questions regarding occupancy issues.

4.)

Report of the Executive Director**a.) Old Business**

Mr. Masterson stated that he had no old business to discuss and asked the Commissioners if they had any questions. Chairman Norton inquired when the grand opening will take place for Riverside Apartments. Ms. van Houwelingen stated that the grand opening is tentatively scheduled for some time in early 2011 but, the exact date is unknown at this time. However, there will probably be more open houses in the next month or two. Chairman also inquired as to whether or not the HA will be working with the ADRC as a resource for filling Riverside Apartments. Ms. van Houwelingen will send over some brochures and Masterson stated he would also contact them.

b.) Public Housing**i. Menasha renovations Update**

Mr. Masterson reported that the three worst roofs that were damaged in the recent hail storm have been replaced. Gartman Mechanical is now done with all of the A/C installations and the air conditioner wall sleeves have been bricked in. The porch work is also done and looks very nice

- Alliance / FAST Team / Storm Doors / Low VOC Paint

Mr. Masterson reported that the FAST Team is done with the Phase 1 units and is currently working on the Phase 2 units. The biggest setback at this point has been Home Depot. They have been difficult to work with and have sent incorrect merchandise on several occasions. Most recently, low VOC paint had been ordered and set aside to be used in a unit with a disabled child with high sensitivities to volatile organic compounds. Home Depot was contacted and told that the HA was ready to use the paint and that it needed to be delivered. Once it was delivered and sprayed on the walls, a second person from Home Depot showed up with the low VOC paint. The paint that was originally sent was the wrong paint, not the low VOC paint. There have been several discussions with Home Depot and Behr Paint regarding what to do about the situation. The decision is that the paint has to sit for about a month during which time that paint should largely outgas almost all of the organic compounds. The walls can then be repainted with the low VOC paint. Consequently, the family cannot move back in for another month. Home Depot has admitted this was their mistake and vowed to correct the situation, but nothing has been put in writing to date.

Masterson also reported that he is currently shopping for new storm doors for the Menasha 40 units. There are two companies that have products that appear to be quite sturdy and would hold up well. These were not listed as items in the original materials contract, but need to be replaced.

ii. South Park CBRF Replacement

Mr. Masterson reported that the appraiser for the City of Oshkosh has delivered his proposal for buying out the property on South Park. The City is offering \$125,000 for the six bedroom house with a sunroom and another \$55,000 in business related expenses for a total of \$180,000 toward the purchase of a new property. Unfortunately, it will probably take approximately \$200,000 to replace the property and there was little to no leeway in the proposed offer. Tenants will not have to leave the unit on South Park until a solution is achieved. Masterson continued on with a discussion of some possible options for resolving the issue. Ms. van Houwelingen explained an ongoing issue regarding who is responsible for paying the utilities for the South Park Group Home. A meeting is being scheduled with Barb from Winnebago County to work out

who will pay the utility bills. The issue of Lakeland Care District and how it is affecting this issue was discussed.

c.) Assisted Housing

i. River Cities Redevelopment – Administration & Construction

Mr. Masterson reported that contracting is on schedule at Foxview and Riverside. Twelve residents were moved last Friday. A change order issue has arisen. An agreement has been reached with Stratford in which all change orders in the amount of \$20,000 or more and/or \$60,000 of aggregate change orders will be submitted to Stratford for their approval. The original contract was for just over \$4 million. Then there was an \$862,000 change order which took out all of the owner direct purchases such as roofing, appliances, bricks and mechanical systems. This saved the Winnebago County Housing Authority about \$45,000 to \$50,000 in sales taxes. There were also add-ons for the wider counter tops, decorative shelving near the bathroom door, flooring upgrades and sliding patio doors as opposed to the swinging doors. All of these add-ons and deducts resulted in about a \$90,000 add-on change that is waiting on Stratford's approval. The only real question at this time is regarding the delivery date of the refrigerators. The roofs on both Foxview and Riverside were replaced in 1999. Then, the storm in Omro in 2000 caused Foxview's roof to be replaced again. So, another \$28,000 deduct is being taken for not replacing the roof again at Foxview.

Ms. van Houwelingen went on to explain that when the Foxview and Riverside mortgage was paid off this past May, about \$200,000 in reserve funds was paid back to the Housing Authority. This money provides a little leeway to put in better materials and cover unforeseen costs. The River Cities project is continuing on budget and on time. McGann has given the Housing Authority a maximum price guarantee on the project.

d.) Housing Choice Voucher Program

Mr. Masterson stated that 100 applicants were pulled for processing and less than thirty showed up for the intake appointment. Another 200 applicants will probably be pulled for processing. Masterson and van Houwelingen responded to questions regarding VMS reporting, how the Voucher program works and how the HA gets its funding. Ms. van Houwelingen stated that one of the Voucher program staff members is currently struggling with a health issue and other staff members have been great about stepping up to help get the work done.

e.) Personnel Matters

Masterson stated the HA's maintenance staff that was in a motorcycle accident is expected to be out for at least another month or so. Some staff members have donated some of their vacation time, as well as monetary donations, to help this employee get through his lengthy medical leave.

Six interviews have taken place so far in attempts to fill a position that was advertised in August. At the December meeting management hopes to have a resolution addressing COLA and possibly merit pay recommendations.

- 5.) Mr. Masterson presented Resolution 587-10. This resolution approves revising the Procurement Policy to include mandated ARRA provisions. Masterson explained the need to revise the Procurement Policy and how the bid process works. Masterson explained that the revision expires after the ARRA funds have been expended. After some discussion, Ms. Hackett moved, seconded by Ms. Maehl to approve Resolution 587-10. Motion carried 5-0.

6.) Discussion**a.) PHADA Commissioners Conference and Nelrod Consortium Conference**

Mr. Masterson wanted to make the commissioners aware of the opportunities for commissioner training through PHADA and the Nelrod Consortium Conference. Copies of brochures were distributed. The NAHRO legislative conference will be held in March 2011 and will be conducted in more of a seminar format instead of a more structured conference.

b.) Leadership Transition in Affordable Housing in Wisconsin and Region

Mr. Masterson reported that Steve Falek, who has been the leader of the Milwaukee Housing Authority for decades, retired after 38 years at HACM. Mr. Falek and the Milwaukee Housing Authority had always set up the legislative conference for the Wisconsin delegation. WAHA does no lobbying at the state level. The state does little to fund affordable housing, with most everything coming from the federal level. The state doesn't build affordable housing because they can't due to the Constitutional provision prohibition against brick and mortar development. Del Reynolds who headed the Milwaukee HUD office has also retired. The Executive Director of WHEDA, Antonio Riley, has accepted an appointment in the Obama administration as the Region 5 Director of HUD and will soon be leaving WHEDA. The loss of so much experience at one time may hinder Wisconsin affordable housing efforts, but Riley's greater reach may ultimately benefit the state as well.

c.) Holiday Parties – Foxview Manor 12/14 @ 5p.m. and Riverside 12/17 @ 5p.m.

Mr. Masterson reviewed the schedule of holiday parties at the buildings and extended an invitation to the commissioners to attend any of the celebrations.

On a side note, Masterson informed the commissioners the HA is working on acquiring a pickup truck which will have a plow put on it.

Chairman Norton shared that he went to a meeting last week on Aging and Living in the Future. Norton encouraged the HA to investigate getting involved in creating assisted housing in a "community setting" where the elderly could do their shopping, etc. within walking distance to where they live. Masterson shared the potential in also providing workforce housing as conceived for redevelopment near downtown Neenah.

- 7.) There being no further business at the time, Chairman Norton called for a motion to adjourn. Ms. Maehl moved, seconded by Ms. Keller to adjourn the meeting. Motion carried 5-0. The meeting was adjourned at 5:10 p.m.

Respectfully submitted,

BRAD J. MASTERSON
Executive Director
Winnebago County Housing Authority

APPROVED