

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, September 28, 2010

Marian Manor, 3:00 P.M.

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

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

OTHERS PRESENT: None

- 1.) Chairman Norton called the meeting to order at 3:06 p.m.
- 2.) Chairman Norton directed the commissioners to review the minutes of the regularly scheduled board meeting held on August 24, 2010. There being no questions or comments, Ms. Hackett moved, seconded by Ms. Maehl, to approve the minutes of the August 24, 2010 meeting. Motion carried 4-0.

3.) **Finance –**

a.) Accounts Payable

Chairman Norton inquired if there were any questions pertaining to the August accounts payable report. Mr. Masterson & Ms. van Houwelingen responded to various questions explaining that the payment to Red's Pizza was for catering a picnic at one of the buildings. The payment to State Farm is for the property & liability insurance for the WCHA family units. The payment to Continental Girbau was for new commercial washers and dryers at Court Tower and Mainview.

Before moving on to the year-end financials, Chairman Norton wanted to make the other commissioners aware of the outcome of the Dragonboat Races held this past weekend. The Housing Authority's Dragonboat Team took 1st place in Division C. The sponsor banner was pointed out and pictures from the event distributed. The team raised more than the required \$900 entry fee which will also be donated to the YMCA kids program and UW-O scholarships.

b.) Year End Financials 06/30/2010

Ms. van Houwelingen explained that the year-end financial reports that were sent to the commissioners are copies of the financial statements that went directly to HUD electronically. Printing these reports directly from the HUD website eliminates the possibility of human error when transferring the numbers to a different spreadsheet because the HUD system will not accept the financials if they do not balance. Due to the number of programs that the WCHA administers, pages 5-8 of the Balance Sheet Summary report has the subtotal column for all of the programs. Ms. van Houwelingen directed the commissioner's attention to line 513, Total Equity/Net Assets, on page 8 which is showing assets over liabilities of \$6,708,337.

The amount of revenue listed on the Revenue and Expense Summary report includes the NSP money and Capital Fund money. One thing to keep in mind is that there will not be an expense to offset Capital Fund money received. As money is spent on a capital item, the money used will be transferred to the balance sheet as an asset. The Subtotal for line 70600 on page 7 includes NSP and Home Funds money. The "1 Business Activities" column includes the CDBG

and HCRI administrative dollars, WC Local Funds and the group homes. Ms. van Houwelingen and Masterson responded to questions regarding the year-end financials. The information the commissioners were given is the unaudited financial submission. Kerber & Ross, the accountants, will come to present the final audit to the Board directly. On page 5 of the Balance Sheet Summary, line 100, shows the total cash on hand of \$463,422 and the total unrestricted investments for WCHA, line 131, shows \$1,701,371.

4.) **Report of the Executive Director**

Mr. Masterson reported that there has been no response from the New Parent Connection or Family Services regarding a program conceptualized for the available convent in Menasha. There doesn't appear to be interest at this time and the parish needs to be alerted.

a.) Old Business – Transition to New Server/Workstations

Mr. Masterson reported that the new server and work stations are on line. Several directories disappeared when they were transferred to the new server. Most have since been restored from backup tapes, but lesser used directories may also be missing that have yet to be identified. The biggest issue is that the terminal services, which allow the Menasha office and staff working out of Winneconne to get on the network, are still not available. Both the company who installed the new server and the person who installed the wireless network are denying responsibility for the issue. Microsoft technical support was frustrating during transfer of the terminal services licenses to the new server. About half a dozen upgraded work stations need to be deployed yet, before the oldest machines are set-up for maintenance staff. E-mail and a couple of other services have been sporadically dropped, but have been restored when discovered. Masterson stated the HA is open to working with outside IT people, but Authority issues would require someone with advanced knowledge in networks and Microsoft Office programs.

b.) Public Housing

i. Menasha renovations Update

▪ **Hail Damage Claim**

Mr. Masterson confirmed that there is a \$10,000 deductible per occurrence, not per building, on the insurance. The hail damage to the Neenah/Menasha units is well over this amount. A claim will be filed.

▪ **Roofing and Porches**

Mr. Masterson reported that the contractors have started pouring the porches using the stamped concrete method. There was an issue with the first porch. There were sharp edges on the concrete because the concrete was not smoothed out after it was stamped. The contractor came back to correct that problem and has also agreed not to charge the HA for the first two porches because of speckling in the concrete that the contractor cannot get out.

ii. South Park CBRF Replacement

Mr. Masterson reported that the HA hasn't heard much from HUD since our last conversation with the appraiser regarding replacement of the South Park Group Home. Greenfield and Pinel Group Homes now have signed leases. Winnebago County Human Services wants the HA to pay part of a fine that was assessed for a fire alarm inspection violation. At this point the HA has no knowledge of the issue in question. It is suspected that it may stem from Simplex Grinnell not performing the inspections that they were paid to do. There was also an issue at Silvercrest Group Home where Simplex failed 23 of the 24 alarms. The group home manager states there is no way

that many of them failed because he has been there when they have gone off for one reason or another. So, A&A Fire & Security went out to do a re-inspection. A&A found that only 7 were not working, five of which A&A simply fixed on the spot. Of the other two alarms that were not working, one was installed by Simplex Grinnell just last year. A&A spent half a day at the group home and only charged the HA for the inspection. When Simplex Grinnell did the inspection, they were only there for 45 minutes. Simplex Grinnell has been notified of the Housing Authority's dissatisfaction.

c.) Assisted Housing

i. River Cities Redevelopment

▪ Closing Completed

Mr. Masterson reported that the River Cities LLC closing has been completed. The documents have already been sent to the accountants. WHEDA got some tax credit money back that needs to be obligated by the end of the year. WHEDA may offer the money to projects that have already closed. Tom Landgraf from Dimension Development prepared an application for River Cities. Representatives from Travelers Insurance toured Marian Manor, Foxview and Riverside. They are looking at becoming investors through Stratford Capital. Masterson is also pleased to report that Focus on Energy is now on board. There has been a lot of interest from Focus on Energy on several of the properties and all of the applications have been submitted. Focus on Energy staff has visited several of the sites.

▪ Phase 1 Renovation Update

Mr. Masterson reported that there has been good progress on construction. Twelve units are being renovated in phase one. Nine of the units are well underway with the new cabinets, windows and patio doors installed, Mitsubishi units hung, drywall nearing completion, deck supports are up and in some cases, the deck flooring is also up. At their last meeting, the County Board approved the bonding part of the \$1.065 million loan that passes through the County from the State to the HA. Masterson responded to questions reporting that the River Cities Redevelopment renovation costs will be over \$4 million which doesn't include the soft costs such as the lawyers or developer fees. Mr. Masterson reported that one major construction issue was created when McGann's crew started tearing out the baseboard fine tube and covers. Instead of just tearing out the piece where the patio doors were installed, they tore out the entire baseboards and threw them in a pile. Several times prior to construction it was stated that there was no money in the budget for replacement of the baseboards and that they needed to be re-installed. When Gartman's got out to Riverside and saw what was happening, Gartman's didn't stop McGann Construction from tearing out the entire baseboards. When it was discovered what was happening, McGann and Gartman were informed that replacement wasn't in the specifications and if they wanted to continue with full removal, the new heating system would be at their expense. McGann has agreed to put in new baseboards in the first nine to twelve apartments. Ms. van Houwelingen reported that an Open House has been tentatively scheduled for Sunday, October 24, 2010. The October board meeting is scheduled to be held at Riverside Apartments as well. The Board would like the County Executive and County Board Supervisor specifically invited as well as the Winneconne Board. This is an Open House for marketing purposes only. This is not a ribbon cutting.

d.) Housing Choice Voucher Program – SEMAP Reporting Deadline Missed

Mr. Masterson explained that the deadline for submitting SEMAP, Section 8 Management Assessment Program, was missed which will result in an automatic score of zero. This will cause the WCHA to become a SEMAP troubled housing authority. The late submission was the result of a misunderstanding regarding the deadlines for the submissions of MASS and SEMAP. John Finger from HUD-Milwaukee is aware of the misunderstanding and is attempting to intervene.

e.) Homebuyer Programs (HBR/HCRI/NSP)

Mr. Masterson reported that one of the NSP properties still needs the asbestos removed so the flooring can be accessed and decide if the heating plans should be changed. Mary Bach continues to move the last of the HCRI & HOME money. A resolution will be presented later in the meeting to apply for new HOME & HCRI funds. The state now wants monthly reporting for the NSP program money.

f.) Personnel Matters

Masterson stated there are currently four issues. First, an employee whose previous injury was determined to be not work related has injured himself again. Second, the status of an employee who was out on an unpaid medical leave is being revised due to a new understanding of the facts. Third, the former Finance Director has retained an attorney and notified the Housing Authorities of her intent to challenge her termination. The HA's attorney is aware of the circumstances. Lastly, one of the HA's maintenance staff was in a motorcycle accident and expected to be out for several weeks. Masterson responded to questions regarding the personnel matters.

- 5.) Mr. Masterson presented Resolution 586-10. This resolution approves the HBR/HCRI application. Masterson explained this is an application for Homebuyer money in the amount of \$561,660 in HOME money and \$130,000 in HCRI money for a two year period. After some discussion, Ms. Hackett moved, seconded by Mr. Schallert to approve Resolution 586-10. Motion carried 4-0.

6.) Discussion – WAHA Annual Conference & Affordable Housing News

Mr. Masterson informed the commissioners about a commissioner training through PHADA that will be held in Phoenix in February 2011.

Mr. Masterson reported that six staff members attended the WAHA Conference, three attended the HQS training. Masterson served on a hearing/grievance process panel along with the WAHA President Donna Cook and staff from the Wisconsin HUD Office including Judy Tucker chief counsel, Caleb Kopczyk revitalization specialist and a legal intern. Legal Action of WI has been very active again in some areas including challenging hearing actions that were years old. One helpful clarification was that hearsay evidence can be used at an administrative hearing, but it can't be the sole determining factor. Several other good sessions were briefly mentioned.

Regarding affordable housing news, Masterson directed the commissioners to the PHADA Position papers and The State of Working Wisconsin handouts. Masterson responded to questions from the commissioners regarding the handouts and personnel matters.

Ms. van Houwelingen commended Justin Mitchell, scattered-sites manager, for the great job he has done getting and keeping the large 4 and 5-bedroom units rented. Historically, these units have been difficult to keep full.

Mr. Schallert initiated a conversation regarding the need of a warming house in Oshkosh. The HA is open to cooperating with the acquisition of space for a warming shelter, but does not support any location in or adjacent to its subsidized housing. As with development of the group homes the Authority can seek properties but doesn't have the resources of personnel to run a program.

- 7.) There being no further business at this time, Chairman Norton called for a motion to adjourn. Mr. Schallert moved, seconded by Ms. Hackett to adjourn the meeting. Motion carried 4-0. The meeting was adjourned at 4:43 p.m.

Respectfully submitted,

BRAD J. MASTERSON
Executive Director
Winnebago County Housing Authority

APPROVED