

**MANHATTAN HOUSING AUTHORITY BOARD OF COMMISSIONERS
REGULAR MEETING
APARTMENT TOWERS COMMUNITY ROOM
Manhattan, KS 66502
June 18, 2008
5:30 p.m.**

Members Present: Randy Stitt
Ida Jane Leupold
Gary Olds
Jim Sherow
Eileen Meyer

Members Absent: Torry Dickinson

City Commission Liaison: Jim Sherow

Staff Present: JoAnn Sutton, PHM, Executive Director
Mandy Thomas, Assistant Executive Director
Patrick O'Neil, Special Projects Manager/HR

I. CALL TO ORDER

Ida Jane called the meeting to order at 5:35 p.m.

II. OPEN FORUM

- a. New Comments or Concerns: There were no new comments or concerns.
- b. Adjournment Time: Adjournment time was set for when all Agenda business was completed.

III. MINUTES

Gary moved to approve the minutes of the May 21, 2008 Regular Meeting as presented. At this time there were not enough Board members present to vote on approval of minutes, as two Board members were not present for the May Regular Meeting and could not vote on the issue. Randy Stitt arrived at the meeting after the Executive Directors report, at which time Randy seconded the motion made previously by Gary and Ida Jane called for a roll call vote. Motion carried 3-0, with 2 abstentions.

IV. EXECUTIVE DIRECTORS REPORT

- a. JoAnn informed the Board that she and Henry Otto, legal counsel, had conducted a conference call with U.S. Cellular to discuss unresolved issues with the proposed contract for leasing of rooftop space for cellular equipment. JoAnn stated that most of the issues had been resolved. The only issue remaining is the right of termination being given to both parties.

JoAnn believes that there can be a resolution reached on this issue as well. Legal counsel is working on a revised contract which will be presented to U.S. Cellular for approval. JoAnn stated she is speaking with Alltel about the possibility of installing flush mounts on the side of the Apartment Towers building. AT&T is also still interested in leasing space, however they are interested in leasing unit space or installing a ground unit. JoAnn stated she is not in favor of any equipment being installed on the ground, but could see a possibility of using some space, possibly from computer lab, for equipment. Eileen asked about the effect on the computers in the lab. JoAnn said she is not sure how much space would be necessary for the equipment and was also not sure if this would affect the computers. Randy arrived at this time (5:45 p.m.) Randy asked if the potential purchase of Alltel by Verizon would affect the contract. JoAnn stated that it would not affect the current contract, but that a new contract with Verizon would have to be completed at the end of the current contract term.

- b. The Housing Authority has been conducting interviews for the position of Resident Services Coordinator, which was recently vacated by Kelly Reed-Harkness. JoAnn informed the Board that the position of Assistant Property Manager is also currently vacant. Matt Bobian, Contract Officer, has also submitted his letter of resignation. Matt will be relocating to be closer to family. Gary asked why there would be a need for two full time positions to manage The Gardens and FHI, when there is only one position for Public Housing. JoAnn explained that the Public Housing Manager is assisted by the Customer Service Representative, and that there are differences between the LIHTC units and Public Housing. The LIHTC application and recertification process is much more in depth than Public Housing, and that the Property Manager would have responsibility for resident services, work order dispatch, rent collection, etc. as well, whereas other staff perform these duties for the public housing units. JoAnn stated that it was also included in the developer's proposal that on-site management would be provided at The Gardens and FHI.
- c. JoAnn reported that the FYE 2006 audit has been completed with no findings or management recommendations. There were some misclassifications found in the reports submitted by the Fee Accountant which when corrected will raise the Housing Authority's REAC score, preventing the anticipated Financially Sub-standard designation. Staff will be submitting a request to HUD to invalidate the previous submission and accept the correct submission. The score may still be considered 'near troubled' and require an Improvement Plan, but not another Memorandum of Agreement with HUD.
- d. JoAnn updated the Board on some handouts regarding recent blog entries on the Manhattan Mercury interactive website.
- e. JoAnn updated the Board on the Housing Authority Insurance Group (HAIG) life insurance policy which is available at no cost to Board members. JoAnn asked Board members to provide needed information to JoAnn so that she can forward it to HAIG.
- f. JoAnn reported that the Housing Authority had received letters addressed to Board members with the Housing Authority's address. JoAnn asked Board

members if they would like Staff to open letters addressed to Board members or to forward to the Board member unopened. Randy and Gary stated that they would like any letters addressed to them to remain unopened until given to them. Jim, Eileen and Ida Jane stated that they did not mind Staff opening letters addressed to them.

V. COMMISSIONER'S COMMENTS

- a. Ida Jane called for a vote on the previous motion to accept the minutes of the May 21, 2008 Regular Meeting. After approval of minutes, Ida Jane handed the chairing of the meeting to Randy.
- b. Gary asked about graffiti on one of the buildings at Baehr Place. JoAnn stated that staff were aware of the situation and were addressing it.
- c. Jim commended staff for the positive management of a recent dog issue at Flint Hills Place.
- d. Randy asked if JoAnn thought that new staff felt overwhelmed at the beginning of employment and if this could be a cause for the recent departures of employees. JoAnn responded that in the case of the Resident Services Coordinator, the employee did not anticipate and did not enjoy the computer work involved in the position. JoAnn stated that the employee had found another job opportunity with higher pay that involved more interaction with clients and less computer focus. JoAnn stated that new employees did receive training from supervisors and other Staff.
- e. Gary asked if on-demand water heaters had been discussed for the HVAC replacement at Pottawatomie Court and Hudson Circle. Michael responded that these had been previously discussed and that the cost comparison indicated that it was not cost effective to replace the water heaters with electric rather than gas powered. Jim stated that it may be a good idea to get new comparisons before beginning the project, as prices may have changed since the last comparison was conducted. JoAnn stated that this can be included in Requests for Proposals after the resolution of the Capital Fund amount, which is currently being reviewed by HUD.
- f. JoAnn asked the Board to discuss and reach a consensus of what the Board would like to do with the Replacement Housing Funds (RHF) which were discussed in the Executive Director's report. JoAnn explained that \$111,000 has been allocated to be used only for replacement or acquisition of Public Housing units to offset the disposal of the units at Flint Hills Place. JoAnn said she did not believe the amount allocated was correct and that this was being reviewed by HUD. JoAnn stated that the Board would be required to decide between two options for usage of these funds. The first option available to the Board is to submit a Replacement Housing Plan (RHP), which is prepared by Staff, to HUD, which would allow the Housing Authority to save funds received each year for a period of five years before utilizing the funds to implement the submitted Replacement Housing Plan. Gary asked about the Right of First Refusal included in the agreement for FHI. JoAnn explained that the Housing Authority would be required to make debt service remaining for the project, but that the owner must offer the development to the Housing Authority for the debt that is owed at the

time. JoAnn stated at that time the Housing Authority will be able to refinance the loan and make monthly payments for the debt service. Randy asked if there was a time frame for the RHF usage. JoAnn explained that with an RHP the funds will be utilized at the end of the five year time frame or may be used sporadically throughout the five-year period, depending on our RHP. JoAnn stated that the second option available to the Board is to not complete an RHP, in which case the Housing Authority must obligate the funds received within two years and spend the funds within four years. After more discussion, it was the consensus of the Board that the Housing Authority should submit an RHP to HUD and accept the Replacement Housing Funds for the next five years. Gary asked if there was a formula used to calculate Capital Fund allotments. JoAnn replied that there was a formula used, which included the age of properties, amenities, number of units, improvements which have been made, staff capabilities, and other factors. Gary asked when it would be known what the amount will be. JoAnn stated that the Housing Authority's HUD representative was currently out of the office, but that she would inform the Board when an answer was received.

VI. OLD BUSINESS

- a. Amendment to Administrative Plan and Admissions and Continued Occupancy Policy—Resolution No. 061808-A and 061808-B: Gary moved to approve Resolution No. 061808-A and Resolution No. 061808-B, adopting the Amendment to the Administrative Plan and Admissions and Continued Occupancy Policy. Eileen seconded. JoAnn explained that the resolutions contained the more specific language requested by the Board at the May Regular Board Meeting, specifying that “local government action” be defined as action by city and county governments within the Housing Authority's jurisdiction. Randy asked if there was any further discussion. There were no further comments or discussion. Randy called for a roll call vote. Roll call vote carried 5-0.
- b. Goal Setting for 2008: Jim moved to approve the 2008 Goals, adopting the 2008 Goals as presented. Ida Jane seconded. Randy asked if JoAnn felt more comfortable with this version of the Goals. JoAnn stated that this format was more precise and useful for Staff. JoAnn explained to Board members not present at the May Regular Meeting that the Board had requested the Goals be presented in a more measurable form and that some items that were ongoing duties of the Housing Authority be removed. Jim stated he was pleased with the format provided. Randy asked if there was any further discussion. There were no further comments or discussion. Randy called for a roll call vote. Roll call vote carried 5-0.

VII. NEW BUSINESS

- a. Personnel Policy Revisions-Discussion Only: JoAnn explained that the auditor had advised that some language be changed in the Personnel Policy.

The auditor recommended that the Travel Policy be revised to include language that the Housing Authority will compensate meal expenses at the rate established by the IRS, rather than having a set amount as currently included in the Travel Policy. JoAnn stated that the major issue which will need to be revised is the accrual of sick and vacation time. Most agencies do not pay any amount of sick time at end of employment. The Housing Authority pays up to ½ of sick time, depending on years of service, and vacation time must be paid by law, but the Housing Authority can revise the maximum amount of time which can be carried. JoAnn stated that in order to correct the problem, the Housing Authority must revise the Personnel Policy and may have to pay out some sick and vacation time to employees to reduce the amount which is shown as a liability on the books. JoAnn said she would like to have a plan in place by the end of the year, and that she would like the Board to be thinking of possible changes which they could bring to future Board meetings. Options will be presented to the Board at future meetings for their consideration.

- b. Randy asked that all packet information be received by e-mail. The Board agreed to try this method, with hard copies being available for review if needed. The Housing Authority will need to purchase a scanner to accommodate this request.

VIII. ADJOURNMENT

It was moved and seconded to adjourn the meeting at 6:55 p.m.

Respectfully Submitted,

Randy Stitt, Board Chair