

**MANHATTAN HOUSING AUTHORITY BOARD OF COMMISSIONERS  
REGULAR MEETING  
APARTMENT TOWERS COMMUNITY ROOM  
Manhattan, KS 66502  
June 27, 2007  
5:30 p.m.**

**Members Present:** Ida Jane Leupold  
Gary Olds  
Eileen Meyer  
Torry Dickinson  
Bruce Snead

**Members Absent:** Randy Stitt  
Carol Gould

**City Commission Liaison:** Bruce Snead

**Staff Present:** JoAnn Sutton, PHM, Executive Director  
Mandy Thomas, Assistant Executive Director  
Patrick O'Neil, Special Projects Manager  
Michael Wilhoite, Facilities Supervisor

- I. **CALL TO ORDER**  
Randy 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-7:30 p.m.: Adjournment time was set for 7:30 p.m.
  
- III. **MINUTES**  
Gary moved and Eileen seconded to approve the May 23, 2007 Regular Meeting minutes as presented. Motion carried with 3 ayes and 1 abstention.
  
- IV. **EXECUTIVE DIRECTORS REPORT**
  - a. JoAnn gave an overview of a draft report sent to HUD from the independent contractor, the Rosenberg Group, which conducted the Confirmatory Review. HUD field office returned the report to the consultant with comments and concerns regarding content of the report, in particular with the need for hiring new staff and the procurement policy. Gary asked who covered the cost of the contractors; JoAnn stated that HUD was responsible for hiring and covering the cost of the review. Some items that will need addressed are records retention policy, energy performance contracting and preparing for replacement of heating systems at Apartment Towers and Carlson Plaza.

- b. The Independent Auditors will return on July 9<sup>th</sup> and 10<sup>th</sup> to complete the independent audit for Fiscal Year Ending 12/31/2006.
- c. Jim Moore, The Gardens developer, approached JoAnn about consulting work to assist him with a development project in Clinton, MO. JoAnn expressed to Jim she would need to have more information to base a decision on. Henry Otto, Housing Authority attorney, was consulted. He believed this would not be a conflict of interest, as personnel policy does allow for employment outside of Housing Authority and it is not a local project. Another option would be for the consulting to be done through the Housing Authority. Gary asked what JoAnn's opinion was. JoAnn stated she would prefer to complete the work through the Housing Authority as opposed to private consulting if possible. JoAnn stated she would also have to request the opinion of HUD. Bruce commented that it was a positive that staff would be asked to work on this project and that it would be a different circumstance than working with Junction City Housing Authority as it was an out of state project. Torry asked if other staff could assist with work. JoAnn stated other staff could help as needed. Gary asked what the fee would be. JoAnn stated between \$10,000-15,000. Bruce commented that this fee would be for a significant amount of time. JoAnn anticipated approximately 80 hours of staff time. Eileen asked if there would be any liability to the Housing Authority. JoAnn stated that she did not foresee any liability issues. After further discussion, it was the consensus of the Board that they would be most comfortable with consulting being completed by the Housing Authority, not as individual, if approved by HUD. If the consulting could not be done by Housing Authority, Board may approve to be done as individual if a time log was completed to track work time spent on the project. More information will be obtained regarding legal implications that may be involved and position of HUD and will be presented to the Board.
- d. The City of Manhattan Special Alcohol Funds grant application was received and reviewed by the SAF Advisory Board. The Advisory Board did not recommend funding be provided for the 2008 grant application. JoAnn attended the City Commission work session and spoke with Brian London, Advisory Board chair, about the application. Mr. London agreed to meet with staff and provide more information for the basis of the decision. Other sources of funding will be sought for some of the activities previously included in Special Alcohol Funds grant.
- e. The evidentiary binder submitted to HUD for the Flint Hills Place is under review, with some minor corrections and clarifications received by staff. The required changes have been made. The only outstanding issue is the PILOT status of the tax credit units. A final meeting will take place between the city and Housing Authority to complete a PILOT Agreement.
- f. Gary asked about the small purchase threshold. JoAnn stated this would be discussed in New Business.

- g. Gary asked about the Section 8 Administrative Fee report. JoAnn explained that an administrative fee is earned from HUD for each unit leased up, each month.
- h. A question was asked regarding background checks being completed at time of recertification. JoAnn stated that the Personal Declaration form would be revised to ask if a participant had been involved in any illegal activity in the past year.
- i. Gary asked how the administrative fee earned for Section 8 vouchers compared to the administrative fees earned for CHDO units. JoAnn explained that these agreements were based on a percentage rate of net cash flow, plus a percentage of rent received. Gary asked that a comparison of fees earned be included in Annual Report.
- j. Gary asked about Savings Account on Cash Balance sheet. JoAnn stated that cash balance is low at this time of year due to waiting on Capital Fund funds to arrive.
- k. Gary asked about Special Reserve Account. JoAnn explained that these are funds from outside revenue, such as cellular towers and the disposition of land. These funds can be spent on eligible Public Housing activities.
- l. Torry asked about possibly conducting random background checks at time of recertification. JoAnn stated that if background checks were done at recertification time they would have to be done on all participants. Also, the minimum charge on the background check is \$15; this would become very costly to the Housing Authority.

**V. COMMISSIONERS COMMENTS**

- a. Gary stated he would like to discuss utilizing a portion of the interest earned on the Special Reserve Account for donation to the Kansas NAHRO Dru Thomas Scholarship fund. It was agreed this would be added to New Business items.

**VI. OLD BUSINESS**

- a. An update on The Gardens was given. Some maintenance issues are ongoing. The developer has been contacted, who in turn has contacted the contractor to address concerns. July 31<sup>st</sup> is the deadline date for 100% occupancy. While two units have been vacated, all units have been 'qualified' but one; this unit will be filled prior to the July 31 deadline. Two evictions for non-payment are currently in process.
- b. An update of the Flint Hills Place redevelopment was given under Executive Director's report.

**VII. NEW BUSINESS**

- a. Revised Procurement Policy-Resolution No. 062707-A: JoAnn gave a brief explanation of the need to revise the Housing Authority's Procurement Policy. Some changes were a micro-purchase threshold and

some mandatory clauses for contracts. The small purchase threshold will remain at \$50,000. There was discussion and questions regarding examples of micro-purchases. Michael stated that items such as replacement refrigerators or other items that are purchased regularly would qualify. JoAnn stated that HUD had recommended the small purchase threshold remain at \$50,000, in contrast to the confirmatory review recommendation. Bruce moved to approve Resolution No. 062707-A, adopting the Revised Procurement Policy. Gary seconded. Torry asked about the micro-purchase threshold. JoAnn explained that the threshold generally applies to equipment and not to services or supplies for the equipment. These are procured separately. There were no further comments or discussion. Ida called for a roll call vote. Roll call vote carried 5-0.

- b. Disposal of Equipment-Resolution No. 062707-B: Bruce moved to approve Resolution No. 062707-B, adopting the Disposal of Equipment. Gary seconded. Michael stated that the majority of future items for disposal will be appliances from Flint Hills Place. The Board discussed donating some of the items to Habitat for Humanity's Restore program. It was agreed that a limited number of appliances could be donated. JoAnn stated she would discuss with Restore staff what items they would be able to accept. Other items will be sold if possible. There were no further comments or discussion. Ida called for roll call vote. Roll call vote carried 5-0.
- c. Donation to NAHRO scholarship fund: Gary suggested that a portion of interest from Special Reserve account be donated to the Kansas NAHRO Dru Thomas Scholarship fund. Gary moved and Torry seconded to make donation. JoAnn explained that she did not believe HUD would approve of such a donation. JoAnn will inquire as to what can be done to make a donation. Gary suggested that if a donation cannot be made a separate Housing Authority Scholarship fund be established. Gary withdrew motion until further information can be obtained.
- d. Executive Director's Report: JoAnn gave a further update on Executive Director's Report. The contract with Selective Site Consultants has been returned and sent to counsel for review. A new fire door has been installed at Carlson Plaza. Work is completed except for painting. Oneok Energy presented a report stating a savings of 23% could be received through bulk purchase of natural gas for Apartment Towers.

## **VIII. ADJOURNMENT**

It was moved and seconded to adjourn the meeting at 7:07 p.m.

Respectfully Submitted,

Randy Stitt, Board Chair