

**HOUSING AUTHORITY OF TRAVIS COUNTY
ANNUAL BOARD MEETING
502 East Highland Mall Blvd.
Suite 106-B
Austin, Texas 78752
September 12, 2009
9:00 a.m.**

MINUTES

The Housing Authority of Travis County, Texas held an Annual Board of Commissioners Meeting at 502 East Highland Mall Blvd., Suite 106-B, Austin, Texas 78752 on the above date. A quorum was established, and Chairman Tommy A. Nobles called the meeting to order at 9:17 a.m.

ROLL CALL

Roll Call of Directors: Chairman Tommy A. Nobles, Commissioner Richard Moya, Commissioner Melvin Wrenn. Absent: Commissioner Tracy Burkhalter. Staff in Attendance: Executive Director Craig Alter, Assistant Executive Director/CFO William Friday, Director of Planning and Development Keith Hoffpauir, PR/Marketing Manager Cindy Noland. Guests: Harvey Davis Travis County Housing Finance Corporation. Executive Director Craig Alter certified the quorum.

Oath to new member of the HATC Board of Commissioners. Chairman Tommy A. Nobles administered the oath to new Board Member, Philip Barnes.

Chairman Tommy A. Nobles said he had discussed with the Executive Director Items 12, 13, 15, 16, 18, 21, 22, 23 and 24 and the recommendation was to defer those Items.

Commissioner Melvin Wrenn made a **motion** to defer Items 12, 13, 15, 16, 18, 21, 22, 23 and 24 until a future scheduled Board meeting. Commissioner Richard Moya seconded the motion, which **passed** unanimously.

Item 1: Citizen Communications

There were none at that time.

Item 2: Approval of Minutes from the August 13, 2009 Board Meeting

Mr. Moya made a **motion** to approve the minutes as presented. Mr. Wrenn seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 3: Approval of Minutes from the August 15, 2009 Board Meeting

Mr. Wrenn made a **motion** to approve the minutes as presented. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 4: Approval of Minutes from the August 15, 2009 Election Board Meeting

Mr. Wrenn made a **motion** to approve the minutes as presented. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 5: Approval of Minutes from the August 27, 2009 Board Meeting

Mr. Wrenn made a **motion** to approve the minutes as presented. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 6: Presentation, deliberation and possible action regarding recommendations from the Combined Transition and Finance Committee including Personnel Matters

Mr. Wrenn said there was a joint Transition and Finance Committee meeting that was held on Thursday, September 10, 2009.

Mr. Wrenn made a **motion** to adjourn into Executive Session to discuss Item 6 that would include personnel matters as it relates to the operating deficit and potential lay-offs of staff.

The Board adjourned to Executive Session at 9:29 a.m.

Item 25: Executive Session – Pursuant to the Texas Government Code Annotated, the Commissioners may discuss the following subjects as appear on the current agenda. Additionally the Commissioners may also discuss and consider any other item posted on the current agenda if there are issues that require consideration in Executive Session and the Commissioners announce that the item will be considered during the Executive Session.

According to the Texas Government Code Annotated 551.071, Consulting with Attorney
According to the Texas Government Code Annotated 551.072, Real Property
According to the Texas Government Code Annotated 551.074, Personnel Matters

Item 26: Reconvene from Executive Session and take any action deemed necessary

The Board reconvened from Executive Session at 10:16 a.m. and took the following action regarding Item 6.

Mr. Wrenn made a **motion** that the Executive Director proceed with making any necessary personnel adjustments. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 7: Discussion, consideration and possible approval of the HUD required PHA annual and five-year plan

Assistant Executive Director/CFO William Friday presented the report.

Mr. Friday said there are two major items in the summary; the first one is the Housing Authority cannot use the funds from the American Recovery and Reinvestment Act (AARA) funds unless those items are on a five-year plan. Mr. Friday said the PHA annual and the five-year would need to have some changes applied. Mr. Friday said the Housing Authority would need to complete an evaluation of Eastern Oaks, Alexander Oaks and Summit Oaks so extra items could be added, which would allow the Authority to use the AARA funds. Mr. Friday said there is no action recommended on the form at this time. He said staff would be completing another form next week. Mr. Friday said staff is working with HUD in regards to timing. Mr. Alter said that there was an October 18th deadline.

Chairman Nobles said Item 7 could be deferred until the changes were completed. Chairman Nobles said after the changes are made, a special called meeting could be scheduled.

Mr. Friday said he would be working with, and training Tracy Rico the week of September 14, 2009

Item 8: Discussion, consideration and possible approval of HUD required procedures for reviewing the Memorandum of Agreement progress and reviewing and certifying the quarterly progress report

Mr. Alter handed out a Memorandum of Agreement and a HUD Memorandum of Agreement Progress Monitoring Procedures MOA Term July 1, 2009 through June 30, 2010 report to the Board of Commissioners. Mr. Alter said that the Housing & Urban Development Regional Office in San Antonio had entered into Memorandum of Agreement with the Housing Authority of Travis County and in it are certain targets that the Authority must meet by June 30th 2010. Discussion followed.

Mr. Wrenn made a **motion** to approve the HUD Memorandum of Agreement Progress Monitoring Procedures. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 9: Discussion, consideration and possible approval of HUD Memorandum of Agreement first quarterly progress report

Mr. Alter stated at the current time there is not a first quarterly progress report being presented for approval. He said he would like to call a meeting of the finance committee to discuss the progress in each of the items that is listed on the Memorandum of Agreement.

Mr. Wrenn said that the finance committee currently consists of one person since Ofelia Elizondo is no longer serving on the Housing Authority Board and on the finance committee; he recommended that the Board put Item 22 back on the agenda to appoint another Board member to the finance committee.

Mr. Alter said the Housing Authority had made progress in many areas of the Memorandum of Agreement.

Item 10: Presentation, deliberation and possible approval of the Travis County Housing Authority revised Section 8 Assisted Housing Administrative Plan and the HUD required Section 8 Management Assessment Program (SEMAP) forms for the year ended June 30, 2009

Mr. Friday presented the report. Mr. Friday said the Authority had a service called Nan McKay and on a quarterly basis they send the Authority changes for the Section 8 Administrative Plan, based upon the changes that HUD had made in the Federal Register and the PIH Notices. Mr. Friday said on page 11-3, the recommendation of changes is bad debt write-off's which had been discussed with Legal Aid Attorneys. Mr. Friday said that Legal Aid said that the Housing Authority cannot deny a person housing based upon that person owing the Housing Authority of Travis County or any other Housing Authority unless it is a court order.

Chairman Nobles recommended some changes in the Administrative Plan on page 11-6 in section 11-I.E. **Effective Dates** in the first paragraph under HATC Policy. He said the recommendations should define the actual dates that the rent increase becomes effective. Mr. Friday said he would ask staff to insert an example of rent increase effective dates and make changes to page 11-3 regarding bad debts.

Mr. Wrenn made a **motion** to approve the changes with the understanding that, if necessary, staff would insert an example of real dates that would apply to the rent increase. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Mr. Friday said the second part of the report is behind the yellow page, which is a resolution to approve the Section 8 Management Assessment Program.

Mr. Wrenn made a **motion** to approve the Resolution for the Section 8 Management Assessment Program filing for the year ended June 30, 2009. Mr. Moya seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 11: Presentation, deliberation and possible approval of the revised Travis County Housing Authority Admissions and Continued Occupancy Policy and the HUD required Management Assessment Sub System (MASS) forms for the year ended June 30, 2009

Mr. Friday said with all the changes that are occurring at HUD the Management Assessment Sub System has not been eliminated, but it has been waved for all Housing Authorities at this time, because HUD does not have the regulations put together for it. Mr. Friday said there is no action required at this time. Mr. Moya said it is the fault of HUD, not the Housing Authority. Mr. Friday said that is correct.

Mr. Alter asked if the Authority would be looking at this requirement as of June 30th 2010. Mr. Friday said that is correct.

Item 12: Presentation, deliberation and possible approval of the Travis County Housing Authority revised standard charges for maintenance of affordable housing developments, including Alexander Oaks, Eastern Oaks, Summit Oaks, Manor Town Apartments and Carson Creek Duplex's

The Item was deferred to a future HATC Board meeting.

Item 13: Presentation, deliberation and possible approval of the Travis County Housing Authority Personnel Policy, including employee “comp.” time

The Item was deferred to a future HATC Board meeting.

Item 14: Presentation, deliberation and possible approval of the Travis County Housing Authority Travel Policy

Mr. Wrenn said the Authority needed to set aside funds for Commissioners and Executive travel. Mr. Wrenn said his recommendation would be to set aside \$20,000.00 to cover any and all travel. Chairman Nobles asked if there was any money for travel. Mr. Wrenn said Commissioners have zero travel. Mr. Wrenn said there was a small amount of money for staff. Mr. Friday said the small amount of money for staff includes reimbursement for mileage. Mr. Moya asked what that figure was. Mr. Alter said the line item staff training and travel is budgeted for \$7,000.00. Mr. Friday said staff training and travel is reimbursement of mileage. Mr. Moya said that money is to reimburse employee that use their personal vehicles for agency use. Chairman Nobles said what Mr. Wrenn is saying, is that funds needed to be set aside for Commissioners. Chairman Nobles said for clarification, we are not talking about NAHRO travel. Mr. Moya asked where the money would come from. Mr. Wrenn said we would go back to the budget, which is going to go back to finance. Mr. Moya asked Mr. Wrenn if he wanted to refer Item 14 to the finance committee for a recommendation. Discussion followed. Mr. Wrenn said if the Executive Director would need to travel back and forth to San Antonio that would cut into the funds for staff reimbursement. Discussion followed

Chairman Nobles said the Board does not have the specifics where the money would come from so he suggested that the Finance Committee meet and then bring recommendations to the Board. Chairman Nobles asked if that would work for Mr. Wrenn. Mr. Wrenn said that would work for him, but he thought there needed to be the \$5,000.00 set aside quarterly.

Mr. Wrenn said the Committee of one just met and he said there needed to be \$5,000.00 set aside quarterly. Chairman Nobles said, so that is the recommendation of the Committee. Mr. Moya said he did not want to have anymore new expenditures.

Mr. Wrenn said, if Mr. Alter had to make trips back and forth to San Antonio, there are no funds for an overnight stay.

Mr. Wrenn made a **motion** to allow provisions for the Executive Director to travel outside of the budget until such time a budget amount for travel is approved.

Mr. Friday said the \$7,000.00 is a historic amount for staff mileage reimbursement. Discussion followed.

Mr. Alter asked what the vehicle expense covered. Mr. Friday said that is to cover the agencies five vehicles expenses, for example gas, tires.

Mr. Moya said an overnight stay would come out of the staff training and travel \$7,000.00. Mr. Wrenn said the \$7,000.00 was to cover mileage. Mr. Moya said the funds have been used for mileage, but can also be used for travel. Mr. Friday said the \$7,000.00 is listed on line item staff training and travel.

Mr. Wrenn said he would withdraw the motion.

Mr. Moya made a **motion** that the \$7,000.00 that is listed on line item staff training and travel could be used for travel. Mr. Wrenn seconded the motion.

Mr. Moya said when the \$7,000.00 is consumed, the Board should be notified.

Mr. Friday said if there is \$15,000.00 to \$20,000.00 put in Commissioners' travel, then the amount on the

bottom of the budget would be worse. Mr. Wrenn said it would not be that amount for Commissioners, it would be less.

Chairman Nobles said for clarification, the motion is stating what the travel budget is to be used for. He said the Board is not amending the policy.

Mr. Moya said he would withdraw the motion.

Mr. Moya made a **motion** to amend the Travel Policy as it pertains to the \$7,000.00 allocation for mileage reimbursement, to include the Executive Director to use the money for mileage reimbursement and hotel expenses.

Mr. Wrenn seconded the motion, which **passed** with 3 yea's and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Mr. Wrenn said the finance committee could discuss the issues regarding Commissioner's travel.

Item 15: Presentation, deliberation and possible approval of the Travis County Housing Authority Procurement Policy and annual approval of contracts for services

The Item was deferred to the next HATC Board meeting.

Item 16: Discussion regarding the status of the Family Self Sufficiency Program

The Item was deferred to a future HATC Board meeting.

Item 17: Issues for consideration, discussion and planning

Mr. Alter handed out to the Board members a report from the Southwest Housing Compliance Corporation (SHCC). Mr. Alter said on September 9th he had a meeting with Mr. Jim Hargrove and his staff at the City of Austin. Mr. Alter said the discussion at the meeting regarded the services SHCC could provide to the Housing Authority to help with operational management, financial control and property management.

Mr. Alter suggested that staff would need to confine the scope to exactly what would most benefit the agency and based on that, come up with a fee and then locate resources to help pay that fee. He said for example, he would check with the County and HUD to see if they could help pay the fees.

Mr. Alter said he had spoken to David Pohler, the Director of HUD, in regards to entering into an agreement with one entity without sending out RFP's. Mr. Pohler said given the short timeline that the Housing Authority had to respond to HUD, he said it could be secured under a sole provider. Mr. Alter said that Mr. Pohler had the authority to approve the relationship with a service provider. Mr. Alter said that he had prepared a resolution for the Board to sign. Discussion followed.

Mr. Wrenn suggested scheduling a Board meeting on the 22nd or 24th of September in order to allow Mr. Alter time to present a dollar amount to the Board for the scope of services that the Southwest Housing Compliance Corporation would perform. Mr. Wrenn suggested setting a date for a special called Board meeting.

Commissioner Philip Barnes suggested amending the resolution to state "Board of Commissioners authorizes the Executive Director to negotiate a contract with Southwest Housing Compliance

Corporation Consulting for financial reporting for property management systems and consulting services to be approved by the Board of Commissioners at a special called Board meeting on, and insert the date”. Discussion followed.

Chairman Nobles said the resolution needed to be amended to delete the fee amount and to add what Mr. Barnes stated above.

Chairman Nobles suggested that Mr. Alter proceed with negotiations with SHCC Consulting.

Item 18: Presentation of the current status of development initiatives

The Item was deferred to the next HATC Board meeting.

Item 19: Presentation of Properties Report

Mr. Alter presented the report.

Item 20: Presentation of the Authority financial reports

Mr. Alter said the audited financials for year ending June 30th, 2008 are almost complete. He said that Mr. Robert Carter needed some additional information, which had been presented to him. Mr. Alter said Mr. Carter had been waiting on the issuance of the Office Inspector General (OIG) report before the audit could be completed. Mr. Alter said at the next scheduled Board meeting the financials for year end June 30th, 2009 would be presented.

Item 21: Discussion regarding Commissioners’ period of service and attendance

The Item was deferred to a future HATC Board meeting.

Mr. Wrenn made a **motion** to remove Item 22 from the deferred list and place it back on the agenda for consideration to allow the Chairman to make appointments to committees. Mr. Moya seconded the motion, which **passed** with 3 yea’s and 1 abstained.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Item 22: Appointments to Committees

Chairman Nobles said that Commissioner Barnes had accepted the position of serving on the Finance Committee. Chairman Nobles said he would like to thank Mr. Barnes for accepting that position. Chairman Nobles said he appointed Commissioner Philip Barnes as Vice Chair to the HATC Finance Committee.

Item 23: Board Committee Reports

The Item was deferred to a future HATC Board meeting.

Item 24: Continued ownership or use of Authority vehicles

The Item was deferred to the next HATC Board meeting.

REPORTS

- Executive Director’s Report

Mr. Alter said staff had been working on drawing down funds that had previously been frozen from the Shelter Plus Care Program through HUD. He said now staff is processing the paperwork that it takes to make the draws, which is about \$250,000.00. Mr. Alter said Shelter Plus Care was paid for through the Voucher Program during the time HUD had frozen the account. Mr. Alter said with the balance in Shelter Plus Care and the current cash balance, plus the \$250,000.00, the Authority should be close to repaying the Voucher receivables.

Mr. Alter said regarding the vacant space here at 502 East Highland Mall, there are 2 parties interested one being the County. He said he spoke to Roger Elkhorey with Facilities Management at the County who had assigned an architect to the Health and Human Services Department to see if they had a need to rent the vacant space at 502 East Highland Mall.

Mr. Alter said the second interested party is a local Church. He said the Church would use the space for services as well as for offices so they would utilize the space Monday through Sunday. Mr. Alter said the Pastor is going to recommend to their Board that they rent the Housing Authority's vacant space.

Mr. Alter said he had a meeting with Judge Biscoe in order to bring him up to date on the OIG audit, and the article that was in the newspaper regarding the Authority.

Mr. Alter said the reporter that reported the story on the Authority had asked for some additional information, and she would like the Authority to discuss with her our response to HUD, prior to submitting to HUD. Mr. Alter said he was opposed to doing that. Mr. Alter said that the reporter also wanted a copy of the termination agreement between the Authority and Wiley Hopkins. He said he had consulted with counsel and was told that was public information. Mr. Alter said as a courtesy to Wiley he should be notified regarding the request from the reporter.

Mr. Alter said he was contacted by the Director of the Travis County Grand Jury and they requested to have access to the HUD auditors that preformed the audit for the Housing Authority. Mr. Alter said they requested the termination agreement with Wiley Hopkins and they also wanted to know when the Authority was going to hire an independent auditor.

- Issues and concerns of the Board

Chairman Nobles said Mr. Alter will be the person that would be addressing all the needs of the external sources.

Chairman Nobles asked Mr. Alter to make sure Mr. Barnes' name is added to all correspondence that goes out of the office.

ADJOURN

There being no further business, Mr. Moya made a **motion** to adjourn. Mr. Wrenn seconded the motion, which **passed** with 3 yea's and 1 abstained. The Board adjourned at 11:43 a.m.

Chairman Tommy A. Nobles – Yea
Commissioner Philip Barnes – Abstained
Commissioner Richard Moya – Yea
Commissioner Melvin Wrenn – Yea

Respectfully submitted,

Craig Alter, Executive Director