

## MASON COUNTY HOUSING AUTHORITY MINUTES

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF MASON COUNTY (MCHA) HELD AT 8:31 A.M. ON **March 25, 2010**, AT THE MASON COUNTY COMMISSIONER CHAMBERS, 411 NORTH FIFTH STREET, SHELTON, WA 98584

1. **CALL TO ORDER AND ROLL CALL:** Commissioner Weston called the meeting to order at 8:31 a.m. Roll call was as follows:

**Present:**

Commissioner Gayle Weston  
Commissioner Jeannie Gruber  
Commissioner Michael Neher

**Absent:**

Chair Merrill Wallace  
Commissioner Carolyn Malanowski

**Also Present:**

Dan Mahoney, Mahoney & Sons Construction (Guest)  
Carl Raven, Community Action Council (Guest)  
Tom Drake, Longview Finance Director  
Wendy Pearsall, Legacy Regional Manager  
Marie Seymour, Central Operations

2. **MINUTES:** Approval of the February regular meeting minutes.

**Commissioner Weston called for motion to approve the February 25, 2010 regular meeting minutes. Commissioner Gruber/Neher moved and seconded motion. Commissioner Weston called for question. None opposed. Motion carried.**

3. **PUBLIC COMMENT:**

4. **CHAIRMAN COMMENTS:** None

5. **COMMISSIONER COMMENTS/REPORTS:**

6. **FINANCIAL:**

- 6.1 **Approval of Claims Certification for 02/2010**

The Cove Apartments - \$25,039.62  
Pine Garden Apartments - \$20,982.78  
Kneeland Park Apartments - \$17,333.05

Mr. Drake explained what a claims certification and balance sheets are and stated that revenues are extremely close to budget.

Mr. Drake explained that Pine Gardens is doing fine even without depreciation, and he added that Kneeland Park is in a similar situation, with a positive cash flow of \$4,200.00.

Ms. Pearsall explained the reimbursed \$25,000.00 of expenditures they have paid out for the rehab expense. She just received the cash statement and it was around \$1,400.00.

Commissioner Neher questioned if there was any way the bank can advance the funds that are needed, so that they wouldn't have to be taken out of the general fund.

Ms. Pearsall responded that she has posed that question to the bank but the contact was still out of the office and to return next week. Ms. Pearsall explained that she would look into that with the bank and find out.

**Commissioner Weston called for motion to approve the Claims Certification for February 2010. Commissioner Neher/Gruber moved and seconded motion. Commissioner Weston called for question. None opposed. Motion carried.**

## 6.2 Income Statement Review

## 7. MANAGEMENT:

### 7.1 Routine Occupancy and Property Inspection Reports for The Coves, Kneeland Park, and Pine Garden for the month of February.

Ms. Pearsall reported that The Coves is doing well. A domestic violence situation in March was the only issue. She reported capacity is 100% even with a move out, but the vacancy was filled immediately. There are currently 122 people on the waiting list. The Coves are operating at a positive NOI.

Ms. Pearsall explained that Kneeland Park is still operating at 100%, and that the delinquencies are expected to be down to zero soon. Kneeland Park is operating at a positive NOI as well.

Commissioner Neher inquired as to what would happen if someone could not come up with the full rent.

Ms. Pearsall explained that the delinquencies that Kneeland Park shows were inherited from previous management. The delinquencies have been carrying forward starting last Summer when the properties were taken over.

Commissioner Gruber inquired about how Ms. Pearsall thought the managers were doing in terms of productivity.

Pearsall stated they are doing well, however some issues still remain at Pine Gardens.

Weston thanked Ms. Pearsall for good management and for her support to the managers.

Ms. Pearsall explained that there is not much to report about Pine Gardens.

## 8. DEVELOPMENT: None

## 9. UNFINISHED BUSINESS:

### 9.1 MCHA State Audit-Status

Mr. Drake explained that the State auditors showed up at his office about 3 weeks ago to audit Mason County but decided to do a three year audit. There is an expense involved. Mr. Drake got a notice last week from REAC to get an account set up and submitted because the loan is Federally cured and then becomes a grant. He went over all of the possible options for the audits of the buildings and explained each one.

Mr. Drake posed the question to the Board of how they would like the audits to be handled. He added that the easiest way would be to get the annual audit of Pine Gardens at the same time

Kneeland Park is done. He added that it's all late this year so there would be fines associated and it needs to be done shortly before they hold up the half payments.

Mr. Drake summed up that a State audit has to be done on Pine Gardens and Kneeland Park every year, then after that they will come every 3 years.

Mr. Drake explained that the CPA's report would be an acceptable audit. He spoke with the firm that is doing the Kneeland Park audit and they said they could start either this week or next week on the other audits as well if need be.

The board agreed that to have the CPA do all of the audits would be the course of action.

## 9.2 Pine Garden Renovation-Status-

Dan Mahoney of Mahoney & Sons gave a report of how Pine Gardens renovation is coming along. He reported that he has pricing coming in on all of the needed supplies. He relayed his concerns to the Board about the fact that the units were built in 1978 and asked if there had been a risk assessment done on the lead in the units. He explained that this being a HUD funded project, they need to be lead free.

Mr. Drake responded that documentation would probably be in the refinance package.

Mr. Mahoney stated he will prepare a spreadsheet within the next few days that will be available with the break down of all the costs of supplies.

Mr. Drake inquired whether or not Mr. Mahoney got a schedule of the prevailing wage.

Mr. Mahoney responded that they are working on it and as an example wage for a basic laborer in Mason County is \$27.00 an hour.

Mr. Mahoney explained that he needed to meet with Ms. Pearsall to have some items picked out for the units.

Mr. Mahoney explained that it will cost \$150.00 for a complete cleaning of each unit when all of the work is completed.

Carl Raven who is the Assistant Director of housing at the Community Action Council of Lewis, Mason and Thurston Counties spoke. He said he had the ability through Community Action Council to help with some of the funding. He went over how housing qualifies for the funds the Community Action Council might provide. He explained that some things the Council can help with are weatherization under the Obama plan, lights, fans, insulation and refrigerators. He added that the amount of money he could save would be about \$2,500.00-\$3,000.00 per unit. He also explained they would bring the buildings up to code as well.

Commissioner Gruber interjected that with the Community Action Council's funding will help mitigate the cost that was not projected for moving people during the renovation process.

Mr. Raven requested a rent roll, owner's name and the background of the properties and any other documentation needed for his records to qualify the property. He stated he also needs each client's monthly or annual income verified. 66% of the family members over the age of 18 must qualify and each one's income must be counted.

Commissioner Weston inquired whether or not Mr. Raven's rehab would coincide with Mr.

Mahoney's rehab.

Mr. Raven responded that he could complete lights and fans in about three weeks after Mr. Mahoney was through with the kitchen rehabs.

**10. NEW BUSINESS: None**

**11. FUTURE MEETINGS: April 22<sup>nd</sup>, 2010 at 9:00.**

**12. ADJOURNMENT:**

**There being no further business, Commissioner Weston called for motion to adjourn meeting at 9:36 a.m. Commissioner Neher/Gruber moved and seconded to approve motion. Commissioner Weston called for question. None opposed. Motion carried.**

*Maria Kemm for*  
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Executive Secretary

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Chair

SEAL:

