

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 9:00 A.M. ON **FEBRUARY 23, 2012**, AT THE MASON COUNTY COMMISSIONER CHAMBERS, 411 NORTH FIFTH STREET, SHELTON, WA 98584

1. **CALL TO ORDER AND ROLL CALL:** Chair Wallace called the meeting to order at 9:01 a.m. Roll call was as follows:

Present:

Chair Merrill Wallace
Commissioner Gayle Weston
Commissioner Karen Monroe

Absent: Commissioner Carolyn Malanowski

Also Present:

Tom Drake, Longview Finance Director
Wendy Pearsall, Legacy Regional Manager
Elaine Hoglen, Legacy Site Manager
Britta Creed, Clerk of the Board

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

Chair Wallace called for motion to approve the January regular meeting minutes. Commissioner Weston/Monroe moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

3. **PUBLIC COMMENT:** None

4. **CHAIRMAN COMMENTS:** Cmmr. Wallace mentioned that Commissioner Malanowski had sent an email to the Board stating that she had an illness and would not be attending the meeting.

5. **COMMISSIONER COMMENTS/REPORTS:** None

6. **FINANCIAL:**

- 6.1 **Approval of Claims Certification for January**
The Cove Apartments - \$19,006.00
Pine Garden Apartments - \$21,426.67
Kneeland Park Apartments - \$13,638.80

Chair Wallace called for motion to approve the Claims Certification for January. Commissioner Monroe/Weston moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

- 6.2 **Income Statement Review**

Tom Drake, Longview Finance Director, reported that Kneeland Park's tax credit was transferred on December 30, 2011. Pine Gardens and Kneeland Park were still cash deprived. The Coves were doing fine. He stated that the agency fund was out of money. Mr. Drake reminded the Board that last year the Housing Authority applied for and received a grant for \$18,240 from the County. It was intended for rent subsidy and could be used for any of the three properties. He mentioned that he received a call from the County asking to return the grant funds awarded because it was not used. He stated that he will return the funds next week.

Chair Wallace called for motion to approve returning the unused County grant funds of \$18,240 back to the County. Commissioner Monroe/Weston moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

7. MANAGEMENT:

- 7.1 **Routine Occupancy and Property Inspection Reports** for The Coves, Kneeland Park, and Pine Garden for the month of January.

The Coves

Wendy Pearsall, Legacy Regional Manager, stated that the Coves were doing well. The management had been trying to get someone out of a two bedroom unit and into a one bedroom unit. The tenant did not qualify for a two bedroom any longer due to her family downsizing. She was refusing to move. An attorney was contacted and was in the process of helping with that issue. Otherwise, there was one vacancy and no other issues.

Kneeland Park

Ms. Pearsall reported that Kneeland Park was at one hundred percent. Kneeland Park was under budget, but she was hoping to see more cash flow since there were no vacancies. She stated that Julie Guantatato, Legacy Site Manager, was continuing to do a great job with making sure that Kneeland Park had no vacancies. She also commented that the Auditor had been paid.

Mr. Drake reminded the Board that Kneeland Park was now using a nine-month budget on the financial report.

Pine Gardens

Ms. Pearsall stated that Pine Gardens was at one hundred percent, with the exception of the two units left open for the rehabilitation project. One issue was Pine Gardens still had low cash flow, but she was hoping to see that change. She reported that she had received a check from HUD in the amount of \$15,500. She planned to use the money to pay future audit payments and a late fee. The current audit was approved and will be submitted. She also mentioned that she had a couple of payment issues with paying for the roof and flooring.

8. DEVELOPMENT: None

9. UNFINISHED BUSINESS:

- 9.1 Pine Garden Rehab: Update/Legacy/Drake

Ms. Pearsall reported that Purdue Construction was in the final stage of completing the rehabilitation project. It should be completely finished by March 1st. Legacy had people ready to move in to the two empty units that had been left open for the rehabilitation project. Ms. Pearsall planned on paying Purdue Construction. CW Capital stated they were going to hold a retainage fee, which could be held for up to fifteen months. Scott Purdue, Purdue Construction, was very angry and didn't know this detail going into the project. Legacy stated there was nothing they could do.

Mr. Drake reminded the Board that they had hired Mr. Purdue as an employee, so there was no prevailing wage on this particular job. Therefore, the State was not in the picture. He didn't understand why CW Capital would hold a retainage fee with payroll, but legally they could. He also reported that they should be able to cover the retainage fee out of the agency fund with the \$57,000 that could be advanced.

Elaine Hoglen, Legacy Site Manager, stated that one unit at Pine Gardens had a problem

with the flooring in one of the bathrooms. She explained that a persons foot could go through the floor easily because the floor was caving in by the toilet. It was extremely dangerous. She advised the tenant to avoid using that bathroom and to use their other bathroom until it was fixed. She was very concerned with the liability issues.

Ms. Pearsall responded that she had understood that Scott Purdue, Purdue Construction, had already fixed the flooring in that unit. Mr. Purdue stated he had to fix the floor before he would continue the rehabilitation work.

Ms. Hoglen stated that she was not aware that Mr. Purdue had fixed the flooring in that particular unit.

Ms. Pearsall commented that she would follow-up with Mr. Purdue to make sure it was the unit that Ms. Hoglen mentioned.

Mr. Drake requested making a final draw of the funds that were available to pay Purdue Construction.

Ms. Pearsall responded that she already had.

9.2 MCHA Future Accounting Services: Update/Drake/Wallace

Cmmr. Wallace reminded the Board that Mr. Drake would need to step away as the Housing Authority's accounting services representative. Commissioner Wallace stated that he had contacted various people to see if they would be interested in the position. So far the answer had been no they weren't interested or they would think about it and let him know. He stated he would continue to look for somebody to take over the accounting services. Commissioner Wallace also suggested that Mr. Drake could attend the Housing Authority meetings through a conference call instead of making the drive if that would help until they found a replacement. He could still continue to email the reports.

Mr. Drake replied that the drive wasn't an issue. It was the managerial services that consumed his time.

9.3 Agency's Interested in MCHA Properties: Update/Drake/Wallace

Cmmr. Wallace proposed selling to CHC. The Board would still like to refinance and sell Pine Gardens. CHC had showed interest along with Peninsula Housing Authority.

Ms. Pearsall had someone she thought would be interested. She let them know but never heard back.

Mr. Drake noted that he had put off researching refinancing possibilities for Kneeland Park.

9.4 MCHA Commissioner Vacancy: Update/Creed

Britta Creed, Clerk of the Board, stated that Marlene Taylor had called last month interested in the vacant Commissioner position and was emailed an application. Ms. Creed had sent a follow-up email to see if she had any questions regarding the application or questions in general but didn't get a response back. The application had not been returned. There had been no other inquiries.

9.5 Annual Owner Certification for Kneeland Park

Mr. Drake stated that he submitted an annual report for Kneeland Park. He forgot to bring a copy for the Board and mentioned that he will email it to them.

10. NEW BUSINESS: None

11. FUTURE MEETINGS: March 22, 2012

12. ADJOURNMENT:

There being no further business, Chair Wallace called for motion to adjourn meeting at 9:43 a.m. Commissioner Monroe/Weston moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

Executive Secretary

Chair

SEAL: