

## 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 **October 24, 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 Carolyn Malanowski  
Commissioner Karen Monroe  
Commissioner Tamra Ingwaldson

**Absent:**

**Also Present:**

Wendy Pearsall, Guardian Portfolio Manager  
Elaine Hoglen, Cove Community Manager  
Julie Gumataotao, Pine Garden & Kneeland Park Community Manager  
Bill Rhoten, Guardian Regional Vice President of Operations  
Morgan Brock, Guardian Portfolio Manager  
Britta Creed, Clerk of the Board

2. **MINUTES:** Approval of the September special meeting minutes.

**Chair Wallace called for motion to approve the September special meeting minutes. Commissioner Weston/Ingwaldson moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

3. **PUBLIC COMMENT:** None

4. **CHAIRMAN COMMENTS:** Cmmr. Wallace thanked the Board for allowing him to be the Chair. Commissioner Wallace also reported that he had recent contact with Coast Property Management and he stated that they still had interest.

5. **COMMISSIONER COMMENTS/REPORTS:** Cmmr. Weston stated that she had the paperwork to sign for her Commissioner position. She noted that there might be a conflict with her security license at work. Her place of employment was still going through the process of approving it.

Cmmr. Ingwaldson commented that Patty Sells from the Housing Collision was interested in attending a future Housing Authority meeting. She may also be interested in filling the vacant Housing Authority Commissioner position or may know someone to recommend.

Cmmr. Monroe reported that she received her approved paperwork for her expired Commissioner position.

6. **FINANCIAL:**

- 6.1 **Approval of Claims Certification for September**  
The Cove Apartments - \$23,513.93  
Pine Garden Apartments - \$18,013.88  
Kneeland Park Apartments - \$7,977.87

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

## 6.2 Income Statement Review

Bill Rhoten, Guardian Regional Vice President of Operations, discussed the reports that were emailed to the Board to see which reports worked well. He stated that the agency report would be taken over by Guardian's CFO, Teresa Stempel.

## 7. MANAGEMENT:

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

#### The Coves

Mr. Rhoten stated that there were six vacant units. He reported that the payables were all current and the Coves were doing well with cash. He had been onsite and stated that everything was doing well. The only problem that he spotted was mold found in one unit. He's announced that he was going to go back today to re-inspect the unit with the mold to see if it had gotten worse with the rain. Mr. Rhoten also introduced the new Portfolio Manager, Morgan Brock. He stated that she would be coming to all of the Mason County Housing Authority meetings.

#### Kneeland Park

Mr. Rhoten reported that Kneeland Park was 100% occupied. He stated that the reports for the payables were a little misleading. He noted that Kneeland Park had two large bills that were \$5,000 each. He reported that one bill was for an attorney and the other was for a carpet company. He had been trying to pay a little at a time so all the money wasn't depleted at once. He stated that all utilities were current. He reported that recently there was one unit that had a roofing repair. He was aware that if the Housing Authority was considering refinancing Kneeland Park, the roof would need to be replaced.

Cmmr. Wallace reminded the Board and Mr. Rhoten that the agency fund would have more money deposited in a year or so due to the 10% withheld during the rehabilitation project. He also stated that October 1st would be the beginning of a fiscal year.

Mr. Rhoten stated that he couldn't find anything showing when the beginning of the fiscal year started and thought it was to start January 1st. He will modify the 2013 budget information to reflect the correct fiscal year starting date.

Cmmr. Ingwaldson asked if they could get local businesses to participate first for bids.

Mr. Rhoten responded that they did start locally, but Kneeland Park has a reputation on paying late.

#### Pine Gardens

Mr. Rhoten stated that Pine Gardens had one vacant unit. He also shared that all payables were current. Mr. Rhoten had permission to start the process to get rid of three troublesome tenants. They will start writing up those tenants for everything that they can along with documenting everything and taking pictures.

Cmmr. Malanowski questioned why they didn't use the twenty-day notice. She stated that they are non-contestable.

Elaine Hoglen, Cove Community Manager, responded that HUD required a thirty-day notice. She thought that the lease needed to be fine-tuned so if it did get taken to court, it would be obvious why. They would still have the grievance procedure to make it last longer.

Mr. Rhoten also updated the Board that the laundry room had been redone but the sidewalk would still need to be fixed. He had two proposals.

#### Agency Account

Mr. Rhoten stated that the agency account had approximately \$18,000 in the MCHA name. There was a payable that the Auditors would have to set up. Mr. Rhoten asked the Board if they would like to set-up a payable to go from Pine Gardens back to the agency fund. He thought that it would be great if Pine Gardens could start paying back so they have more money for the refinancing if needed.

Cmmr. Wallace explained that Tom Drake, Longview's Financial Director, would be the person to speak to about the agency account. He said that he would get Mr. Drake in contact with Mr. Rhoten.

#### 7.2 Pine Garden HUD Management & Occupancy Review (MOR) Reply Letter dated 10/12/2012:

Cmmr. Wallace stated that the Board received a copy of the letters that had gone back and forth and asked the Board if they had any questions.

The Board did not have questions regarding the letter.

Cmmr. Wallace stated that USDA had sent a letter regarding the Cove property for a late tenant certification penalty.

Mr. Rhoten stated that he was aware of those penalties and would make the payment.

#### **8. DEVELOPMENT: None**

#### **9. UNFINISHED BUSINESS:**

##### 9.1 Pine Garden Apartments Refinance

Cmmr. Wallace stated that the refinance company would like \$24,000 in advance over six weeks. He let the refinance company know that he was worried about not meeting the number of requirements and also losing the money if it didn't go through. The refinance company said that if the loan modification didn't go through, that they would be able to keep \$20,000 out of the \$24,000.

Mr. Rhoten reported that there was \$5,200 in reserves and \$18,000 in the agency account. He stated that he would check to see if the \$18,000 could be used for refinancing.

The decision was tabled until the next meeting in November.

##### 9.2 Kneeland Park Apartments Refinance

Cmmr. Wallace reported that there were two options for refinancing Kneeland Park. The first option was to modify the rate at a cost. He also stated that with equity out already, there would be additional costs. The second option for refinancing would be a loan modification with a second. He stated with the loan modification, the MCHA would have some additional cash to pay down debt and also do some needed improvements.

##### 9.3 Election of Officers:

###### 9.3.1 Chairperson

Cmmr. Weston stated that she would like to re-elect Commissioner Wallace to continue to be Chairperson.

**Chair Wallace called for motion to re-elect Merrill Wallace as Chairperson. Commissioner Monroe/Weston moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

9.3.2 Vice-Chairperson

Cmmr. Monroe suggested electing Commissioner Malanowski as Vice-Chairperson.

Cmmr. Malanowski stated that she would have to decline.

Cmmr. Ingwaldson then suggested electing Commissioner Monroe as Vice-Chairperson.

**Chair Wallace called for motion to elect Karen Monroe as Vice-Chairperson. Commissioner Ingwaldson/Weston moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

9.4 Expired Commissioner Term of Karen Monroe and Gayle Weston:

Cmmr. Wallace said that this was already discussed in the Commissioner Reports earlier in the meeting and recapped the terms.

**10. NEW BUSINESS:**

10.1 Commissioner Vacancy

Cmmr. Ingwaldson mentioned that the Housing Coalition might have someone interested in becoming a Commissioner for the MCHA.

Cmmr. Malaonowski asked Commissioner Ingwaldson if anyone at the United Way would be interested in joining the MCHA Board.

Cmmr. Ingwaldson replied that she would try and see if there was anyone interested at the United Way.

**11. FUTURE MEETINGS:** Special meeting November 27 at 8:30 a.m. - 9:45 a.m.

**12. ADJOURNMENT:**

**There being no further business, Chair Wallace called for motion to adjourn the meeting at 10:22 a.m. Commissioner Malanowski/Ingwaldson moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.**

Executive Secretary

Chair

SEAL:

