

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF MASON COUNTY (MCHA) HELD AT 2:30 P.M. ON **March 15th, 2023**, IN PERSON AT MASON COUNTY PUBLIC HEALTH DEPARTMENT CONFERENCE ROOM AND ONLINE VIA ZOOM

1. **CALL TO ORDER AND ROLL CALL:** George Blush called the meeting to order at 2:32 pm. Roll call was as follows:

Present: Frank Pinter via Zoom, Dale Elmlund, George Blush, April Pooler via Zoom, Randy Neatherlin

Others present: Dan Armstrong, Seth Davick – Ad-West

Public Comment: None

Chairman comments: None

2. **Adoption of Agenda:** George Blush motioned to adopt agenda, seconded by April Pooler. Unanimously accepted.
3. **Approval of Minutes:** Approval of minutes motioned by Dale Elmlund, seconded by April Pooler. Approved, unanimously.
4. **New business** – Frank Pinter
 - a. **Status of SAO (State Attorneys Office) audit** – As stated by Frank Pinter. I have a phone conference with the auditor on Monday at 12 and they will give us the audit results. What I will do upon receipt is send them off individually to each of the board members. They do not need to have a meeting in front of the board, but they would like a response back. I will put together a response for that, and each member will review the response and add any amendments if needed, then I will send the response to the SAO. Look for it Tuesday morning.
 - b. **Status on Lack of Subsidy Payments and resultant Cash-flow issues** – Frank stated that things have been slightly improving, but he and Dan Armstrong recommend that we move to Ad-West to do the property management. One of the difficulties that Frank and Dan face is keeping track of, understanding, and following USDA, HUD, WCRA, and other associations for housing authority reporting requirements, which they have had difficulty managing and responding to. Frank stated, with my termination at the end of the month, there will be enough cash flow to bring on Ad-West to manage. Our recommendation is that we move to approve the management contract with Ad-West for the other properties.

Seth Davick, regional property manager from Ad-West spoke to this topic. He said this situation is not new at all for us (Ad-West) and I have been managing properties for various agencies for 35+ years. Randy asked if the fees were set. Seth explained that HUD and RD have a flat fee per unit. HUD, right now just varies, but HUD is at

\$54 per unit with a few add-ons that may come into play, RD is at \$77 per unit. We can definitely help out with various reporting for all agencies. Seth further explained that he is already getting up to speed with quite a few expired certs at Pine Garden Apartments. Randy asked if they (Ad-West) need a Real Estate License, and Seth said yes. Frank said, I'm under the understanding that you can go back and collect on some certs that have expired from previous month. Seth said yes, for HUD for sure. For RD, we have to make the case for it and I think that we probably can. Dan said that he has it set up in conversation with USDA for drafting a letter and seeing about the waiving of back fees and allowing MCHA to process those.

Randy asked if there was a contract, and for how long. Randy suggested a motion for chair ability to sign a contract for up to 3 years, and April suggested a 1 year trial. With the 1-year trial suggestion, Dan explained that even though there's a 3-year contract on the table, each party can dissolve the contract with 30 days' notice. Seth explained that he does not have authority to agree to a 1 year but will take that to Alex, the difficulty with that is that the RD standard is 3 years. April replied, maybe 1 year, and if there's no issues then yes, 3. Frank added that the 30 day notice was easier, and the termination itself was just a letter, but the circumstances leading up to the termination was difficult in prior events, not the actual termination itself.

A motion was made to give the chair, George Blush, authority to sign on behalf of the Mason County Housing Authority on the 3-year contract with Ad-West. Dale Elmlund made a motion to give the chair authority to be the signer to authorize the contract with Ad-West for a period of 3 years, using standardized rates on all 3 parcels. The motion was seconded by April Pooler. Motion approved, unanimously.

Following up after the motion, Randy asked that Seth keep everyone in the loop so that things can be solved in real time as we progress through the contract. It was stated to retain ARPA contracting. MCHA can bill Ad-West for landscaping, pest control, etc. It will get done with ARPA and then invoiced to Ad-West. The office on Fairmount will stay the same. For the first 60 days of the contract, it is suggested by Dale that Dan Armstrong mediate between the board and Ad-West. Seth added that he plans to attend the MCHA meetings at least quarterly in person, and intends to attend monthly via Zoom.

Dale Elmlund motioned that Dan Armstrong be added to the signature list to Umpqua Bank, previously Columbia Bank, as 1 of 3 signers. The motion was seconded by April Pooler. Approved, unanimously.

George Blush made a motion to remove Frank Pinter as a signer for Mason County Housing Authority. The motion was seconded by Dale Elmlund. Approved, unanimously.

- c. **Review Termination letter from Frank Pinter regarding Professional Services** – The end of this month will be the last for the executive director term for Frank Pinter. He explained, I will still be a part of the process, I will be in board meetings and available to follow up and assist, I just need to move away from all of the activities. I am not going anywhere and will be glad to help.
- d. **New potential MCHA Board Member** – Mason County Commissioners will be interviewing Becky Cronquist on March 20th, 2023. Once they have that interview done, they will vote on her approval status on March 28th, 2023. If approved, the board can accept her appointment at the next board meeting.
- e. **2022 Financials** – The CPA's finalized last week. In the last 6 months, we've caught up on financial statements ranging from 2017-2021 and now we have finally caught up to 2022. For the State Auditor, they just finished 2018-2021 audit which will be the review they are giving us on Monday. So, now, all financial statements in arrears have been caught up.

5. **Old business** – Frank Pinter

- f. **Discuss the status of building maintenance and project by project update** – Dan spoke to the project updates. He stated we are moving forward with the burn units, almost done with the electrical rewire and getting ready to move forward with contracting and putting those together. The burn unit is done as well, and we are getting closer to occupancy at Fairmount. For Kneeland, we haven't gone much further, just being able to move people in has been a pain. Once Ad-West takes on, we should be able to fill those units and finish processing. With me moving to the contracting side, I should be able to help coordinate and move that faster as well. This year, we are set up to address all exterior issues, all the way down from mailboxes to beauty bark. Dale asked if this included dropping trees at Fairmount, and Dan said that's a project to be assessed and looked at. There will be a focus on curb appeal, cleaning, paint and striping, and a lot of neglective repairs outside. When these terms vacant right now are being done and rented we will then start the ARPA project going from front to back brand new everything. Carpet tiles have been going great, I'm checking moisture in all units and it seems yanking out the carpet pad and carpet itself dropped humidity in those units immediately. I am happy to report there is no moisture soaking into the new carpet.

2. **Questions** – None

Meeting closed @ 2:57 pm, opening an executive session.

Executive session closed @ 3:06 pm.

3. **Action, if any, from the executive session** – *A motion was made to enter a contract with First Western Properties marketing facilities and to give the chair the ability to sign his approval on the document. The motion was seconded by Dale Elmlund. Approved, unanimously.*
4. **Future meeting is April 19th, 2023**
5. **Adjournment of meeting**, motioned by George Blush, seconded by Dale Elmlund @ 3:07 pm. Meeting adjourned.

DRAFT