

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 9:06 A.M. ON **October 24, 2013**, AT THE MASON COUNTY COMMISSION CHAMBERS, 411 NORTH FIFTH STREET, SHELTON, WA 98584

1. **CALL TO ORDER AND ROLL CALL:** Chair Wallace called the meeting to order at 9:00 a.m. Roll call was as follows:

Present:

Chair Merrill Wallace
Commissioner Karen Monroe
Commissioner Tamra Ingwaldson
Commissioner Janet Thompson

Absent:

Commissioner Carolyn Malanowski

Also Present:

Gayle Weston, Key Bank (Arrived 9:45 am)
Katie Wilkie, Longview Housing Authority
Tom Drake, Longview Housing Authority
Morgan Brock-McKean, Guardian Portfolio Manager
Becky Rogers, Clerk of the Board

2. **MINUTES:** Approval of the September 26, 2013 regular meeting minutes.

Chair Wallace called for motion to approve the September 26, 2013 regular meeting minutes. Commissioner Monroe/Ingwaldson moved and seconded the motion. Chair Wallace called for question. None opposed. Motion carried.

3. **PUBLIC COMMENT:** None

4. **CHAIRMAN COMMENTS:** Carolyn Malanowski has chosen not to seek reapplication. Chair Wallace noted they will need a replacement to fill the vacancy.

5. **COMMISSIONER COMMENTS/REPORTS:** Tamra Ingwaldson forwarded information from Patti Sells, MC Housing Coalition, relative to HB2048. Recent legislation allows property managers of low-income housing within Washington State to use an online service (Housing SearchNW.org) to advertise properties.

6. **FINANCIAL:**

6.1 Approval of Claims Certification for September 2013

The Cove Apartments - \$27,267.21
Pine Garden Apartments - \$18,156.51
Kneeland Park Apartments - \$13,017.71

Chair Wallace called for motion to approve the Claims Certification for September 2013. Commissioner Thompson/Monroe moved and seconded the motion. Chair Wallace 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 September 2016

- 7.1.1 The Coves – There were 58 out of 59 units rented. This month there was one unit with an eviction. The whole bathroom needs repairs. The bathtub needs to be replaced. Katie W. indicated they can send staff to take care of that project. There is an issue with one unit where the occupant is not allowing access to the unit. They are asking a social worker to address this issue.
- 7.1.2 Kneeland Park – They have three units vacant. One of the vacant units had a bathroom needing repairs. There is an issue with the roof on the building. Bremerton Housing Authority (BHA) has asked administration to transfer one family, which they will be doing. Under tax credit, they can obtain a 60-day extension and keep the unit vacant.
- 7.1.3 Pine Garden - Three vacant units and two on notice. One unit had a leak in the dishwasher which was not reported right away and has turned into a mold issue. That occupant is being transferred to another unit which was vacant. The Insurance deductible is \$5,000 per occurrence. There is a question whether to turn this in to the insurance. There is a healthy reserve of \$52,000 held by HUD. The only depletion out of that replacement reserve is less than \$1,400 owed to the flooring company. They will be sending check to HUD to get that paid off. Also, the gutters need to be repaired. There is a box of documents from the “rehab” done for Pine Garden Relocation 2011-2012 which is being transferred to Longview Housing Authority staff. There are boxes in storage at Pine Garden of financial matters.

8. DEVELOPMENT - None

9. UNFINISHED BUSINESS

9.1 Longview Housing Authority/Mason County Housing Authority (LHA/MHA) Property Management Agreement. Discussion: Wilkie

Chair Wallace referred to comments submitted by the County's Risk Manager on Item 21. Insurance in the LHA Management Agreement for Property Management.

There was discussion on Item 26. Agent's Compensation. Chair Wallace was concerned that the maximum per door fee may not come up to 6%. Tom Drake, LHA, commented there is a published limit by HUD, the maximum they charge the HA is 6%. There is a management certification which was lost on the way to the meeting, so he will have to email it in the afternoon. There is a 6% calculation and a 95% occupancy that comes up with a unit per month rate and compares that to HUD's maximum.

Item 21. Insurance -- Tom Drake addressed the comment by the Risk Manager. He stated this would indicate the property manager is going to purchase insurance for the HA property. LHA does not purchase liability insurance. Normally properties buy their own liability insurance. If LHA is primary insurance, they will be buying the insurance and bill it back to the HA, but they will not insure all the buildings for 6%. The buildings need to pay for their own insurance (flood, fire, accident, etc). Mason County HA would be named insured under LHA's policy for all the risk that Longview Housing Authority brings to the property including fidelity, employment insurance, discrimination. They agreed to leave that revision out.

Chair Wallace called for motion to approve the Longview Housing Authority Management Agreement for Property Management for the term beginning 11/1/2013. The Owner's Address will remain as: 411 North 5th Street, Shelton, WA 98584.

Commissioner Monroe/Thompson moved and seconded to accept the management agreement. Motion carried. None opposed.

Mr. Drake noted the board has not hired an executive director. Tom D. stated they intend to begin by looking at recapitalizing projects and applying for grant funds.

Documents which need to be sent to HUD include: Previous Participation Agreement; Affirmative Fair Housing Marketing Plan, Management Entity Profile, Management Certification; Staffing to be charged, Resident Complaint Process, Management Agreement and banking information.

10. NEW BUSINESS

10.1 Memorandum of the Board/Establish MCHA Bank Accounts: Discussion

Chair Wallace stated with the change in administration from Guardian Management to Longview Housing Authority they need to designate who is authorized to sign on bank account. Each account will list the board chair, vice-chair, finance director as authorized to sign.

Motion to approve the memorandum to authorize Key Bank to open accounts.

Commissioner Ingwaldson/Thompson moved and seconded to authorize Key Bank to open three bank accounts for each of the following accounts: Kneeland Park apartments; Pine Garden apartments; and the Cove apartments. Each account will have the Board Chair, Vice-Chair and Finance Director as authorized signers. Motion carried.

Morgan B stated that once the bank accounts are established Guardian Management staff will need to deposit November rents to the accounts.

Discussion followed concerning transferring funds over to the new management and accounts being established.

Guardian Management will need to charge back to the Coves for approximately two years (2009-2011) for the 3560-A. The Audit conducted by the state was just an accountability audit. The financials were not audited.

Chair Wallace called for a motion to authorize the chair to negotiate with the Auditors for the compilation of 2 -3 years of financial returns for the Coves.

Commissioner Thompson/Monroe moved and seconded to authorize the chair to negotiate with the Auditors for the compilation of 2-3 years of financial returns for the Coves. Motion carried. None opposed.

11. FUTURE MEETINGS - November 27, 2013

12. ADJOURNMENT - Chair Wallace called for a motion to adjourn the meeting at 10:09 a.m. Commissioner Ingwaldson/Monroe moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

Becky Rogers

Executive Secretary

[Signature]

Chair

SEAL:

