

**LOWELL HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING HELD ON
WEDNESDAY, SEPTEMBER 11, 2019 AT 5:00 P.M.
MERCIER CENTER, 21 SALEM STREET, LOWELL, MA**

The meeting was called to order at **5:00 p.m.** by Chairperson Howard. Upon direction of the Chairperson, the Secretary called the roll of membership which resulted as follows:

Present: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon
Absent: Commissioner Marr

MINUTES FROM THE REGULAR MEETING HELD ON AUGUST 14, 2019

A moment of silence was held for victims of 911 and Donald Beauchesne, a former employee of the Lowell Housing Authority who recently passed away.

A motion was made by Commissioner McMahon and seconded by Commissioner Bernes

A roll call vote was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon

RESIDENT CORRESPONDENCE

None

RESIDENT ORGANIZATION

None

SUB-COMMITTEE REPORTS

There was a finance sub-committee meeting held on September 10th to review budgets with the Board. Chairperson Vanna Howard and Vice Chairperson Philip L. Shea were present. Chief Financial Officer, Sherry Giblin, was recognized to provide a summary of the meeting along with a more detailed financial status report.

FINANCE REPORT

Sherry Giblin, Chief Financial Officer, provided highlights of the FY 2020 budgets, including the operating, central office, and housing choice voucher program budgets.

Ms. Giblin explained that the budget process begins in late June, and the finance department evaluates the history of the Authority for the past 3-4 years. The information is then compiled. In July, the finance department meets with the department heads to determine needs and begins formulating a budget with revenue. The agency also does a trend analysis to supplement the needs assessment. Ms. Giblin thanked the property heads and managers for their assistance in formulating the budgets.

Ms. Giblin provided an overview of the budgets. All programs are revenue producing. DHCD has not released guidelines, so the Board did not vote on State budgets. There were 4 budgets presented to the Board for a vote. There was a \$2M increase due to HAP payments, which makes the agency budget neutral. This year the agency is anticipating an increase in reserve levels. The Housing Choice Voucher Program is projected to make \$50K.

This year's budget heavily emphasizes IT and property improvements. The agency procured an IT third party vendor this past year, and the transition to a managed IT system has been going well. Additional IT projects include a My Housing application system for online applications, and a new workorder system to allow maintenance staff to be more mobile, efficient, and the system is anticipated to offer the agency better reporting.

Site and building improvements are slated for Centralville Gardens, South Common Village, and Belvidere Heights. This will compliment the agencies capital budget which has addressed landscaping improvements.

At North Common Village, the agency budgeted \$100k for doors and windows and an intercom system at AMP'S 3 and 4 for another \$100k.

The budget factors in 2 new trucks at AMP 1 and AMP 4, and a new van for the agency's electrician, which will be more efficient than the current use of a bucket truck. Lastly, the agency budgeted for a new compactor truck to eliminate costly repairs.

Ms. Giblin explained that there is a Request for Proposals (RFP) out for banking services. The agency's current banking system will continue to maintain its business relationship with Enterprise Bank. The RFP is for rent collections and security deposits. The agency received 7 proposals from different banks. The goal was to determine if there was a more efficient system for property managers to deposit rents. After considering the proposals, 7 proposals were reduced to the 3 proposals, which offered an online portal. The evaluation committee felt that the online portal option was very convenient. The committee awarded the contract to TD Bank. The motion does not include a dollar amount because the contract is subject to 2 components--bank fees, and interest credits earned for retaining a certain balance in the bank. In consideration, the balances will end up net revenue producing, and the agency does not expect to have a cash outlay. The committee did not select the bank with the highest earnings because the bank's location was in Andover, MA only, and the bank was disqualified due to location. Chairperson Howard asked how many TD banks are in the Lowell area. There are 3 banks in Lowell.

The Chairperson recognized Vice Chairperson Shea. Vice Chairperson Shea expressed his approval for the recommendation of the banking RFP. Vice Chairperson Shea explained that the budget preparation was well done. Vice Chairperson Shea asked what would happen if a motion should be approved by the Board, but the agency cannot fulfill its obligation under the contract. Ms. Giblin explained that the Board will be apprised of any changes affecting the contract. Vice Chairperson Shea expressed his appreciation for the ability of staff to maintain such a large volume of units with so few property managers. Vice Chairperson Shea expressed that the property managers are key to the success of the Housing Authority. Vice Chairperson Shea also commended Brian Moriarty and Brian Dean.

Commissioner McMahon congratulated the staff on finalizing the banking RFP.

Chairperson Howard explained that she met with Ms. Giblin and Dr. Wallace and asked for an update of those residents utilizing flat rents. A copy of the residents under a flat rent agreement was provided to the Board.

REPORT OF THE CHAIR

None

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Wallace updated the Board on the disposition of scattered sites. The agency went through round one of the private sector sale of 12 units for \$1.4M and seeking final approval from the Department of Housing and Urban Development (HUD) on the sale. There was a technical issue at the Special Applications Center (SAC) at HUD, but the agency is anticipating the approval. The director of the SAC office indicated that there was a backlog of applications, but the purchase and sale will be executed. The residents have been briefed by Mr. Garvey and Ms. Maciejewski to let them know of the options that are available. Mr. Wallace reported that the agency is in the process of a second round of private and nonprofit sales, which an additional building is being sold. The proposer met the threshold for 100% of the appraised value and can house Section 8 residents. The second round of nonprofit sales resulted in 1 group bidding for 2 buildings consisting of 12 units total. In all, the agency is anticipating a profit of \$2.6million for 28 of the 57 units.

Mr. Wallace thanked the Board for being present at the Centralville Gardens celebration.

Mr. Wallace explained that at the beginning the year the agency expressed a vigor in pursuing grants. The agency is current pursuing 9 grants. The agency was not an award recipient on the 1st grant, but the agency will be scheduling a debriefing to learn more about the denial. Grants focus areas include the agency's pursuit for additional revenue for capital improvements, social services, and vouchers.

The Housing Authority will be interviewing next week for an Electrician to fill a current vacancy.

Mr. Wallace apprised the Board of two travel dates Monday of Tuesday of next week for an Executive Director Conference, and another conference October 8th-10th in San Antonio Texas. This conference will conflict with the regularly schedule Board meeting. Mr. Wallace asked the Board for permission to reschedule the October meeting. The agency will be in contact with the Board with some available dates and times for a reschedule date.

EXECUTIVE DEPARTMENT

Vice Chairperson Shea asked for clarification on the contract. Vice Chairperson Shea asked for a clarification on making the decision-making process. Ms. Nichols explained that under the Request for Quotes (RFQ) process pricing is not disclosed to the evaluating committee. The agency reviews qualifications first and then consider the lowest bidder after meeting the initial criteria. Ms. Watts explained that the agency then negotiates for the best price following the selection of an award winner

Commissioner McMahon asked for the timeframe from approval to the execution of the contract. The specifications in this contract provide for 60 days to turn around the bid document.

7.1.1 MOTION TO APPROVE CONTRACT RECOMMENDATION, RFQ 2019-3, FOR DESIGN AND ENGINEERING SERVICES TO REPLACE THE ELEVATOR AT CENTRALVILLE GARDENS, AND AWARD CONTRACT IN THE AMOUNT OF \$57,915.00 TO, GARCIA, GALUSKA & DESOUSA, INC., 375 FAUNCE CORNER RD., SUITE D, DARTMOUTH, MA 02747

A motion to approve was made by Commissioner McMahon and seconded by Commissioner Bernes

A roll call vote was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.2 MOTION TO ACCEPT CONTRACT RECOMMENDATION, RFQ 2019-2, DESIGN AND ENGINEERING SERVICES FOR EXTERIOR SITE IMPROVEMENTS AT NORTH COMMON AND SOUTH COMMON VILLAGE, AND AWARD CONTRACT IN THE AMOUNT OF \$114,138.00 TO, ALLEN & MAJOR ASSOCIATES, INC., 100 COMMERCE WAY, WOBURN, MA 01801

A motion to approve was made by Commissioner Bernes and seconded by Vice Chairperson Shea

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.3 MOTION TO ACCEPT CONTRACT RECOMMENDATION, RFP 2019-4, FOR BANKING SERVICES, AND AWARD CONTRACT TO, TD BANK, N.A., 51 STATE STREET, NEWBURYPORT, MA 01950

A motion to approve was made by Commissioner McMahon and seconded by Vice Chairperson Shea

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.4 MOTION TO ACCEPT THE FIVE-YEAR CAPITAL FUND PROGRAM BUDGET FOR FFY2019-FFY2023

Vice Chairperson Shea requested a staff member provide brief comments on the budget. The Chairperson recognized Capital Asset Manager, Jonathan Goldfield. Mr. Goldfield explained that the process for the Capital Fund Program Budget is similar to the budget process for the operating budget. There are 5 years built into the 5-year plan. The agency polls staff and residents for their capital needs. Mr. Goldfield explained that at resident meetings, residents contributed several ideas and the conversations are very helpful. Mr. Goldfield explained that elevator repairs are a primary component of the plan. Mr. Goldfield explained that site work is also part of the Capital Fund Budget. The Budget for fiscal year will kickoff as

soon as HUD approves the budget, pending Board approval. Mr. Goldfield explained that it is ongoing process, and modifications to the budget are made yearly. Mr. Goldfield explained that the budget process is a team effort. Vice Chairperson Shea asked if there is flexibility to move funding between years. Mr. Goldfield reported that the agency can shift funds from year-to-year, but the dollar value on the budget will not change. Once the budget is approximately 90% completed, the budget is then presented to other departments. The agency also takes into consideration any improvements that need to be addressed for REAC inspections. Vice Chairperson Shea discussed his desire for the agency to try to secure funds for air conditioning assistance for the elderly. Mr. Goldfield explained that central air would hypothetically be a capital project. Mr. Wallace commented that the agency does provide AC in common areas at the developments, but not in individual units. Vice Chairperson Shea commended Mr. Goldfield on formulating the 5-year Capital Fund Budget.

A motion to approve was made by Commissioner Bernes and seconded by Commissioner McMahon

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.5 MOTION TO ACCEPT CONTRACT RECOMMENDATION, RFQ 2019-4, FOR CITYVIEW TOWERS BUILDING ENVELOPE AND BALCONY ASSESSMENT, AND AWARD CONTRACT IN A NOT TO EXCEED AMOUNT OF \$60,000 TO, DIGIORGIO ASSOCIATES, INC., 592 MAIN ST., SUITE 3303, BOSTON, MA 02129

Mr. Wallace asked that the motion be deferred to a future agenda. After further review, the ED was not satisfied with the level of competition or the endorsement from the staff involved in the evaluation. The agency will remove the recommendation and staff will put the bid back out for more competition.

7.1.6 MOTION TO APPROVE THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PUBLIC HOUSING (AMP) OPERATING BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2020

A motion to approve was made by Commissioner Bernes and seconded by Vice Chairperson Shea

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.7 MOTION TO APPROVE THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT HOUSING CHOICE VOUCHER PROGRAM (HCVP) OPERATING BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2020

Tha Chhan, Director of Leased Housing Programs is recognized to explain the programs under the Housing Choice Voucher Program. Mr. Chhan explained that the agency has Section 8 project-based units, housing choice vouchers, and Section 8 project-based, home ownership, the Massachusetts Rental

Voucher Program (MRVP), MRVP project based with supportive housing services, and Lowell Rental Assistance Program (LRAP). Lastly, the agency also has vouchers for Housing Opportunities for Persons with Aids (HOPWA), Emergency Solutions Grant (ESG) funding, and will have Tenant Protection Vouchers (TPV) when the Housing Authority disposes of scattered site assets. HUD will provide rental assistance for residents to stay in place.

Mr. Chhan explained the rationale for Fair Market Rents (FMR) and Payment Standards. The rates increased due to the FMR increase in the City of Lowell, but the vouchers have remained the same. This year, the FMR's increased \$20-\$30 for each bedroom size. The agency will be below market rent for each bedroom size. HUD provides discretion from 100 to 110% of FMR. Mr. Chhan reports that the agency is increasing the FMR to 110%. 110% is below market rent but allows the agency to compete with a private landlord. The agency may go up to 120% of FMR will the approval from the Executive Director in cases with extenuating circumstances.

Vice Chairperson Shea asked about the number of vouchers issued. Mr. Chhan reported that the agency manages 1176 vouchers. 1168 are currently utilized. Vice Chairperson Shea asked about the number of applicants on the waiting list. We accepted approximately 2000 application last November. Currently, 60 people are being screened for eligibility. Mr. Chhan explained that applicants must be at 50% of the median income, a U.S. citizen, and must clear a background check for to be determined eligible. Vice Chairperson Shea asked if there will be any additional vouchers. Mr. Wallace explained that the agency is trying to obtain additional vouchers, but to get a large sum of vouchers is not possible. Mr. Chhan explained that the last time the agency opened the waiting list prior to this past November was in 2006. Vice Chairperson Shea thanked Mr. Chhan for his report.

A motion to approve was made by Commissioner Bernes and seconded by Vice Chairperson Shea

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahan

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.8 MOTION TO APPROVE THE CENTRAL OFFICE OPERATING BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020

A motion to approve was made by Commissioner McMahan and seconded by Commissioner Bernes

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahan

Nays: None

The Chairperson declared the motion carried and the vote adopted.

7.1.9 MOTION TO APPROVE THE SECTION 8 PROGRAM FAIR MARKET RENT AND PAYMENT STANDARDS FOR 2019-2020

A motion to approve was made by Commissioner Bernes and seconded by Commissioner McMahan

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon
Nays: None
The Chairperson declared the motion carried and the vote adopted.

7.1.10 MOTION TO APPROVE THE SECTION 8 PROGRAM UTILITY SCHEDULE FOR 2019-2020

A motion to approve was made by Commissioner Bernes and seconded by Commissioner McMahon

A roll call was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon
Nays: None

The Chairperson declared the motion carried and the vote adopted.

8. OLD BUSINESS

None

9. NEW BUSINESS

Mr. Wallace reported that the staff is working on revisions to the personnel policy for review by the Board. Mr. Wallace indicated that the staff will be reaching out to the Board to schedule a meeting for the week of September 21st.

ADJOURNMENT

A motion to adjourn was made by Commissioner Bernes and seconded by Vice Chairperson Shea

A roll call vote was taken with the following results:

Yeas: Vice Chairperson Shea, Commissioner Bernes, Chairperson Howard, Commissioner McMahon
Nays: None

The Chairperson declared the motion carried and the vote adopted

Meeting adjourned: 5:48pm

Secretary