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LOWELL HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEETING
SEPTEMBER 20, 2023

Mercier House
21 Salem Street
Lowell, Massachusetts

--- Reported by Jacqueline P. Travis ---

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Board of Commissioners:

- Philip L. Shea, Chairman
- Joanie L. Bernes, Commissioner
- Mony Var, Commissioner
- Matt Marr, Commissioner (absent)
- Rodney Elliott, Commissioner

Lowell Housing Committee:

- Tha Chhan, Executive Director
- Sherry Giblin, Chief Financial Officer
- Brian Akashian, General Counsel

Presentations by:

- Laura Watts, Capital Asset Manager
- Alisen Purtell, Chief Admissions Officer

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P-R-O-C-E-E-D-I-N-G-S

1
2 Mr. Shea: Okay. Thank you very much for
3 coming to the meeting of the Lowell Housing Authority
4 Board of Commissioners and today, lots on the agenda,
5 so we'll try to move it along as quickly and as
6 reasonably as we can. And with that being the case,
7 I'll ask the clerk to call the roll.

8 Mr. Chhan: Chairman Shea.

9 Mr. Shea: Present.

10 Mr. Chhan: Vice Chair Mony Var.

11 Mr. Var: Present.

12 Mr. Chhan: Commissioner Bernes.

13 Ms. Bernes: Here.

14 Mr. Chhan: Commissioner Elliott.

15 Mr. Elliott: Present.

16 Mr. Chhan: Commissioner Marr.

17 One absent, four here.

18 Mr. Shea: Thank you. The first item on the
19 agenda is the approval of the minutes of the meeting
20 which were held -- actually, two meetings, and we'll
21 take them together, August 9, 2023, which is the
22 special meeting, and the regular meeting, which is
23 August 30th, 2023. And if there's no question with
24 respect to those minutes, seeing none, there's a

1 motion by Commissioner Rodney Elliott, seconded by
2 Commissioner Joanie Bernes to accept Item Number 1,
3 the approval of those two meeting minutes, and the
4 clerk will call the roll.

5 Mr. Chhan: Chairman Shea.

6 Mr. Shea: Yes.

7 Mr. Chhan: Vice Chair Mony Var.

8 Mr. Var: Yes.

9 Mr. Chhan: Commissioner Bernes.

10 Ms. Bernes: Yes.

11 Mr. Chhan: Commissioner Elliott.

12 Mr. Elliott: Yes.

13 Mr. Chhan: Commissioner Marr.

14 Four yeas, one absent.

15 Mr. Shea: Thank you. The next item is Item
16 Number 2, resident correspondence. Do we have any?

17 Mr. Chhan: We do not have any resident
18 correspondence.

19 Mr. Shea: Thank you. The next item is
20 resident organization.

21 Mr. Chhan: We do not have resident
22 organization.

23 Mr. Shea: Okay. Thank you. Item Number 4
24 is the subcommittee report, but before we get into

1 Item Number 4, I'm sorry, the Chair meant to
2 recognize and introduce Attorney Brian Akashian, who
3 is here tonight replacing his law associate, Attorney
4 Kevin Murphy, who is on a well-deserved vacation, and
5 the chair wanted the record to indicate Attorney
6 Akashian is here to answer any questions that we may
7 have pertaining to the agenda. And so with that
8 being the case, back to Item Number 4, the
9 subcommittee reports. I'm not aware of any
10 subcommittee reports. The Chief Financial Officer's
11 saying no, so I think that's the case.

12 So Item Number 4, we'll move on. And the
13 next item is, of course, the finance and audit
14 report. And with that being the case our chief
15 financial officer, Sherry Giblin, is here to give us
16 her thoughts pertaining to the operating statement,
17 which we have in front of us. It's obviously
18 extended, from on July 31st, 2023, and with that
19 being the case I'll have our chief financial officer
20 give us a summary of your thoughts. Thank you.

21 Ms. Giblin: Thank you, Mr. Chairman.

22 The Authority's operating statements for the
23 period ending July 31st, 2023 were provided to the
24 Board for their review. Our federal portfolio saw an

1 increase in operating gains of 631,000 in July.
2 Overall our federal portfolio is recognizing an
3 operating gain through July. All federal AMPs are
4 now revenue producing. While this is a positive
5 sign, this is not indicative of the year-end results.
6 We anticipate these gains will decrease due to year-
7 end accruals.

8 Rent and subsidy estimates across all four
9 AMPs continue to exceed budget expectations.
10 Proration remained at 92 percent for July. Solar net
11 meter credit revenue continues to exceed budget
12 estimates. Credit rates remain at 23 cents per
13 kilowatt hour. This exceeds budgeted estimates of 19
14 cents.

15 Expenses in AMPs 1 and 2 remain within
16 budget tolerance through July. AMP 3 continues to
17 see budget overruns in admin expenses due to
18 relocation costs and wages for temporary resident
19 aides incurred to relocate and support tenants due to
20 the elevator outages.

21 In addition, AMP 3 is seeing budget overruns
22 in maintenance expenses as well. Maintenance labor
23 is over budget due to overtime for vacancies and
24 resident aides needed to assist during elevator

1 outages.

2 Materials are also significantly over
3 budget, specifically cabinets and flooring due to the
4 high number of vacancies at AMP 3.

5 AMP 4 continues to realize budget overruns
6 as well in admin and maintenance expenses. Admin
7 expenses are over budget due to tenant stipends and
8 relocation costs incurred during the flood.
9 Maintenance labor is over budget due to overtime
10 required during the flood emergency.

11 Utilities remain under budget in all AMPs
12 through July. Insurance and benefits are within
13 budget tolerance. And our other general expense
14 category is also under budget across all AMPs due to
15 collection loss deferral.

16 The state consolidated program continues to
17 perform below budget expectations. The program is
18 now realizing an operating loss of 121,000 through
19 July. High vacancy rates and pest infestations
20 requiring tenant relocations are contributing to this
21 operating loss.

22 At this time I open it up to any questions
23 from the Board.

24 Mr. Shea: Thank you very much for those

1 comments. Is there any question from any member of
2 the Board of Commissioners? Seeing or hearing none,
3 with that being the case, there's a motion made by
4 Rodney Elliott, Commissioner Elliott to accept the
5 report of the Chief Financial Officer, seconded by
6 Commissioner Joanie Bernes. The clerk will call the
7 roll.

8 Mr. Chhan: Chairman Shea.

9 Mr. Shea: Yes.

10 Mr. Chhan: Vice Chair Mony Var.

11 Mr. Var: Yes.

12 Mr. Chhan: Commissioner Bernes.

13 Ms. Bernes: Yes.

14 Mr. Chhan: Commissioner Elliott.

15 Mr. Elliott: Yes.

16 Mr. Chhan: Commissioner Marr.

17 Absent. Four yeas. Motion carried.

18 Mr. Shea: Thank you. Next item on the
19 agenda is Item Number 6, the report of the chair. I
20 will just move that to the back of the agenda, I may
21 have some things to say towards the end, but I'm
22 going to just move past 6, put that on hold.

23 And Item Number 6.1.1 is the update from
24 general counsel dealing with River Edge. And I have

1 a feeling that Attorney Akashian may have some things
2 to say with respect to Item 6.1.1.

3 Mr. Akashian: So Mr. Chair, relative to the
4 Rivers Edge development, as you are aware, the Lowell
5 Housing Authority is seeking to meet from the
6 enabling statute to complete the project. The Lowell
7 Housing Authority is proposing to amend the current
8 plan from 25 units to 32 units. That will increase
9 the total units from 180 to 187, increased the
10 percentage of low income units from 45 percent to
11 40 percent.

12 The initial plan was to have the City of
13 Lowell submit a home rule petition, but because the
14 RFDC is a private entity and owns the property, new
15 legislation needs to be filed. And it was filed
16 yesterday by Senator Kennedy's office.

17 Attorney Murphy has been in contact with the
18 Lowell delegation, and I know that they will work
19 diligently, and promise to have worked diligently to
20 expedite the approval of the legislation.

21 And the docket number for the legislation on
22 file is SE2761.

23 Mr. Shea: With that being the case -- thank
24 you for those comments. I'm going to ask the -- I'm

1 not too sure which direction to go, so I'll ask the
2 Director if he wants to make a comment pertaining to
3 what has transpired.

4 Mr. Chhan: Well, we work closely with
5 Attorney Murphy, our general counsel. At the same
6 time we've been in contact with the delegation, and
7 we get the confirmation from State Representative
8 Vanna Howard, that they would be coming to meet with
9 the -- come to the Lowell Housing Authority, come to
10 my office to meet. And also with the confirmation
11 from state representative and Commissioner Rodney
12 Elliott, waiting for the confirmation from Senator
13 Kennedy, and Representative Rady Mom indicated that
14 he would not be able to make it to that meeting.

15 So I will make a personal phone call one
16 more time to check with Senator Kennedy to see if he
17 can -- to make the decision whether to join our
18 meeting or not.

19 Mr. Shea: Did you -- you've scheduled a
20 meeting with the delegation?

21 Mr. Chhan: On October 2nd at 10 o'clock.

22 Mr. Shea: What time and what date?

23 Mr. Chhan: October 2nd at 10 o'clock.

24 Mr. Shea: Right.

1 Mr. Chhan: At 350 Moody Street.

2 Mr. Shea: And Representative Elliott and
3 Representative --

4 Mr. Chhan: Howard.

5 Mr. Shea: They have --

6 Mr. Chhan: Confirmed. Yes.

7 Mr. Shea: And have you heard back from the
8 state senator yet?

9 Mr. Chhan: Not yet. We have sent an
10 official invitation to him, pending his response.

11 Mr. Shea: Okay. So that being said, when
12 will the legislation be drafted?

13 Mr. Akashian: The legislation has been
14 drafted and filed.

15 Mr. Shea: Okay. It was filed by?

16 Mr. Akashian: Senator Kennedy. Yesterday.

17 Mr. Shea: Is he coming to the meeting?

18 Mr. Chhan: We have not got the confirmation
19 from him yet.

20 Mr. Shea: Okay. So from the legal point of
21 view, is it fair to say that this was a twist?

22 Mr. Akashian: It was a twist, yes. But it
23 was dealt with pretty expeditiously, because the
24 letter to the city council was on August 31st and

1 it's September 20th and the legislation has been
2 drafted and filed.

3 Mr. Shea: This is a -- it doesn't move
4 quickly it will probably just get carried over to
5 next year, and that being the case it will set back
6 the project --

7 Mr. Akashian: Right.

8 Mr. Shea: -- dramatically. I mean it's --
9 okay. I don't know, Commissioner Elliott, who is
10 going to be a leading player in trying to advance
11 this legislation, I don't know if you want to say
12 anything at all.

13 Mr. Elliott: Thank you, Mr. Chair. That's
14 correct. We have access to what's called Laws
15 database, the bill has been filed and there are three
16 cosponsors on that, including myself, Representative
17 Mom and Representative Howard.

18 Mr. Shea: It has to go through the legal
19 process, which is long.

20 Mr. Elliott: So this will eventually be
21 referred to the senate rules committee, and then once
22 submitted from the rules committee will go to the
23 joint committee on housing, and where a public
24 hearing will be held.

1 My question to both Attorney Murphy and
2 former state Senator Panagiotakis was -- is active in
3 house rules, again, I don't believe once it is sent
4 to a joint housing subcommittee, but that's something
5 that has to be worked on because as you know, Mr.
6 Chair knows anything submitted after the deadline of
7 the third week of January has to go through the rules
8 committee, unless it's a home rule petition. But I
9 think that considering the language came from the
10 department of -- department of the community
11 development, the language that is then recommended
12 and filed accordingly by the administration and
13 members of the house -- both the house and senate
14 both concur.

15 So I'll be happy to keep this commission
16 abreast of the progress as it moves forward through
17 the legislative process.

18 Mr. Shea: Thank you, Rodney, that's
19 helpful.

20 And did you want to remind Attorney Murphy
21 about the meeting on Monday?

22 Mr. Chhan: Yes. We sent him an email.

23 Mr. Shea: Well, God willing, I'll
24 participate, just as a listener. Plus, there's free

1 coffee and donuts, right?

2 Mr. Chhan: That's correct. We'll have
3 coffee and pastry.

4 Mr. Shea: I'll make that up. I'll take my
5 donuts home with me.

6 I know Mony will show up if I tell him free
7 coffee and donuts.

8 Okay. Well, thank you very much. Once
9 again, it's good to hear. You know, you're lucky, a
10 commissioner who is also a state representative
11 sitting here who incidentally has followed this issue
12 for, I think I said six or eight years. I think it's
13 probably closer to eight years. It's not like he's a
14 neophyte when it comes to what's going on up there in
15 the legislation. Except I think everyone was
16 surprised with the determination of the house and
17 senate council saying you've got to file a regular
18 piece of legislation, rather than a home rule, but,
19 you know, we're not in the driver's seat here.

20 So with that being the case, I thank you
21 very much, to Attorney Akashian, for his comments, if
22 there's no other question. So with respect to a
23 motion, there's a motion by Commissioner Rodney
24 Elliott, seconded by Commissioner Mony Var to accept

1 the report of the general counsel pertaining to Item
2 Number 6.1.1. The clerk will call the roll.

3 Mr. Chhan: Chairman Shea.

4 Mr. Shea: Yes.

5 Mr. Chhan: Vice Chair Mony Var.

6 Mr. Var: Yes.

7 Mr. Chhan: Commissioner Bernes.

8 Ms. Bernes: Yes.

9 Mr. Chhan: Commissioner Elliott.

10 Mr. Elliott: Yes.

11 Mr. Chhan: Commissioner Marr.

12 Four yeas, one absent. Motion carried.

13 Mr. Shea: Next item on the agenda is Item
14 Number 7.1.1. I take it you have a copy of this,
15 right.

16 Mr. Var: You skipped the Director's report.
17 You skipped 7, director report.

18 Mr. Shea: Right. They brought to my
19 attention that the report of the Executive Director
20 is Item Number 7. Do you have a report?

21 Mr. Chhan: I do not have any report today,
22 that I want to report to 7.1.1.

23 Mr. Shea: Okay. Thank you. So as we just
24 indicated, 7.1.1, motion to approve the Executive

1 Director execute the annual contribution contract
2 form HUD-53012-A, which is a general depository
3 agreement of HUD in conjunction with the
4 federalization application of 40-58 Dublin Street.

5 So Mr. Director, can you explain to us what
6 this is about. Thank you.

7 Mr. Chhan: Thank you, Mr. Chairman.

8 Mr. Shea: 7.1.1.

9 Mr. Chhan: As you are aware, all along the
10 Housing Authority was preparing the application to
11 submit to HUD to federalize one of our state housing
12 property that's located at 40-58 Dublin Street, which
13 consists of ten units.

14 Now, the reason that we want to do that is
15 because there's quite a few benefits. First of all,
16 by converting from state to federal we gain operating
17 subsidiary. That's the first thing. Second thing,
18 we also gain capital fund for our property. At the
19 same time it allows our residents, give our residents
20 in state housing after conversion the opportunity to
21 participate in a few more programs. Have access to
22 other programs that are available under HUD public
23 housing, federal public housing including family
24 subsidiary and homeownership program.

1 So today I'm submitting this in front of the
2 Board seeking your approval of authorizing me to
3 execute the contractor on behalf of the Housing
4 Authority with HUD to increase our ACC to another 10
5 unit. Thank you.

6 Mr. Shea: Thank you. Any question by any
7 member of the Board of Commissioners pertaining to
8 Item Number 7.1.1? Hearing none, motion by
9 Commissioner Joanie Bernes, seconded by Commissioner
10 Mony Var to accept Item 7.1.1. The clerk will call
11 the roll.

12 Mr. Chhan: Chairman Shea.

13 Mr. Shea: Yes.

14 Mr. Chhan: Vice Chair Mony Var.

15 Mr. Var: Yes.

16 Mr. Chhan: Commissioner Bernes.

17 Ms. Bernes: Yes.

18 Mr. Chhan: Commissioner Elliott.

19 Mr. Elliott: Yes.

20 Mr. Chhan: Commissioner Marr.

21 Four yeas, one absent. Motion carried.

22 Mr. Shea: Okay. This is where it gets a
23 little tricky. Item Number 7.1.2, Item Number 7.1.3,
24 Item Number 7.1.4, Item Number 7.1.5, Item

1 Number 7.1.6, and Item Number 7.1.7 and finally, Item
2 Number 7.1.8, we are basically going to pick up all
3 those motions in this one conversation. When we're
4 all done taking up all these motions, it's long and
5 it's -- well, it's just long. I don't want to say
6 it's long and boring.

7 Ms. Giblin: It's okay. I'm used to it.

8 Mr. Shea: However, when it's all over we
9 will have an individual vote on each item. So we're
10 going to take all the motions collectively and then
11 when we hear all the motions collectively, then the
12 Board will have questions pertaining to any and all
13 these motions. And then from there we're going to
14 have an individual vote on each of those items. And
15 I think that's the way the -- I'm noticing the Chief
16 Financial Officer shaking her head, I think that's
17 the correct way to handle this matter.

18 Ms. Giblin: Yes.

19 Mr. Shea: I think we tried it in the past
20 and didn't do so well.

21 So with that being the case, let's just go
22 to -- let's just go to the Chief Financial Officer to
23 start the conversation pertaining to these eight
24 different motions. And it's all budgetary stuff and

1 it's -- you know, don't fall asleep because it's --
2 but the bottom line is -- Sherry, why don't you start
3 the conversation off and we'll take it from there.
4 Thank you.

5 Ms. Giblin: Sure. Thank you, Mr. Chairman.

6 So the budgets for our fiscal year end
7 September 30th, 2024 were submitted to the Board for
8 their review. I offer this overview of this fiscal
9 year '24 budgets.

10 Fiscal year 2023 was a challenging year for
11 the Authority. The flood that occurred in November
12 of 2022 displaced tenants located in our City View
13 Towers building for nearly a month. The flood caused
14 catastrophic damage to the electrical infrastructure
15 of the building. To date City View Towers is still
16 operating on temporary equipment to provide
17 electricity and heat to the building. In addition,
18 the ongoing elevator modernization projects at South
19 Common Village are resulting in an increase in
20 vacancy rates. Most of these units now require
21 extensive rehabilitation before they can be
22 reoccupied. This, coupled with the ongoing supply
23 chain issues and a high rate of inflation has proven
24 to be costly for the Authority. We anticipate these

1 issues will continue into fiscal year '24.

2 Our four federal AMPs are budgeted to
3 realize operating deficits totaling 52,000 in fiscal
4 year '24. It is important to note the budgets for
5 the AMPs include \$1.2 million from our 2023 capital
6 fund operations. HUD allows agencies to use up to
7 25 percent of its capital funds for operating
8 expenditures. Without this 1.2 million the AMPs
9 would be realizing a net loss of \$1.3 million.

10 The revenue budget for our federal programs
11 has increased to a projected 54 million in fiscal
12 year '24. This is up from 49 million budgeted in
13 fiscal year '23. The major drivers of the increases
14 are HUD operating fund subsidy, Housing Choice
15 Voucher Program HAP assistance payments, solar net
16 meter credit revenue.

17 Our major sources of revenue in public
18 housing are resident rent and operating subsidy.
19 Resident rental income is projected to increase for
20 fiscal year '24 by approximately \$300,000. The
21 amount of HUD operating fund subsidy received is
22 based on eligibility and proration levels. We have
23 conservatively budgeted operating funds based on
24 current eligibility and proration level. Final

1 operating fund subsidy is never known in many cases
2 until after our fiscal year ends. This is because
3 HUD calculates subsidy on a calendar year basis and
4 we as an authority are a fiscal year end of
5 September 30th. The uncertainty of funding levels
6 make it imperative for the agency to prepare
7 conservative funding to guard against potential
8 subsidy and proration level decreases.

9 Housing Choice Voucher Program HAP payments
10 increased by 800,000. However, this is entirely
11 offset by Housing Assistance Payments to landlords
12 and does not yield any additional income to the
13 Authority.

14 In addition to our major funding sources,
15 the Authority has a solar net meter credit contract
16 which is projected to generate approximately
17 1.9 million in revenue in the coming year. This
18 revenue is offset by solar operator cost of
19 approximately 696,000. Total savings from this
20 contract for fiscal year '24 are estimated at
21 \$1.2 million. The Authority has been approved for a
22 rate reduction incentive which allows the Authority
23 to retain 50 percent of these utility savings.

24 The operating budgets for our federal

1 programs have an overall increase of 2.5 million in
2 operating expenses. Admin expenses have increased
3 554,000. Salaries have increased due to COLA
4 increases for employees. The agency is seeing rising
5 employee benefit costs, most notably in health
6 insurance, OPEB, and pension expenses.

7 The fiscal year '24 budget reflects a
8 decrease to resident services of \$68,000. This
9 decrease is mainly attributable to a vacancy of a
10 licensed nurse position. This position will be
11 replaced by additional ROSS grant funding that was
12 awarded to the Authority. This grant provides
13 funding for an additional resident service
14 coordinator. The Authority is seeking to hire a
15 licensed social worker to fill this position and
16 provide much needed services to our federal public
17 housing residents.

18 Budgeted utility expenses have increased by
19 245,000. The Authority has been successful in
20 pursuing third-party rate lock agreements that have
21 generated substantial savings for the supply portion
22 of our electricity and natural gas bills. While we
23 have control over the supply portion of our bills, we
24 are not able to control the distribution portion.

1 The distribution rates have increased causing an
2 increase in overall utility expenses. The Authority
3 continually seeks out opportunities to lower its
4 consumption and overall utility costs.

5 Maintenance expenses have also increased for
6 the budget year by \$1.8 million, most notably in
7 supplies and contracts. Major contributing factors
8 include vacancies requiring substantial
9 rehabilitation including asbestos remediation,
10 flooring, cabinets, and countertops. In addition,
11 the Authority is realizing a significant increase in
12 extermination services. Salaries have risen due to
13 COLA increases. In addition, salaries have increased
14 due to the addition of a plumber position.

15 Extraordinary maintenance budgeted for
16 fiscal year '24 includes larger scale projects such
17 as AC unit repairs and underground utility pipeline
18 replacement at AMP 1, new trash compactors for AMP 3,
19 as well as storm door replacements, mailboxes and
20 decking for AMP 2, and a mailroom renovation and
21 elevator key card system for AMP 4. Our HUD multi-
22 family project has budgeted for new AC system, key
23 card access system, and generator.

24 The Authority is realizing significant

1 budget savings in protective services. The budget
2 decreased by 166,000 for fiscal year '24. This is
3 mainly due to the elimination of a contracted third-
4 party security firm that proved to be ineffective and
5 very costly to the Authority. Currently the
6 Authority has contracted with the City of Lowell to
7 provide one dedicated police officer to the Authority
8 during the day. In addition, the Authority has
9 partnered with the Lowell police to provide a police
10 precinct in our South Common Village development.
11 This partnership has proven to be extremely effective
12 for the Authority.

13 In closing, budget preparation is one of the
14 most significant roles of the finance department.
15 However, in order to put a meaningful budget, the
16 finance department relies on all of the departments
17 within the Authority for vital information to ensure
18 all the Authority's needs are addressed and it's
19 resources are used as efficiently as possible.

20 I would like to take this opportunity to
21 thank all of our loyal and dedicated property
22 management staff and supervisors for their valuable
23 input into the fiscal year '24 budget preparation. I
24 believe the budget put forth for Board approval is a

1 very conservative budget that addresses the imminent
2 needs of the Authority. I appreciate your review of
3 the enclosed budgets and welcome any questions you
4 may have.

5 Mr. Shea: Okay. Thank you very much for
6 those remarks. I open the question up to members of
7 the Board of Commissioners of any of the items that
8 the Chief Financial Officer just talked about.

9 I can start off by asking a couple of
10 questions. First of all, thank you very much once
11 again for your effort, which is so great. And I also
12 want to thank Commissioner Mony Var for the input
13 that he's had and dialogues that he's had with you
14 guys pertaining to the next fiscal year.

15 But, again, just in general terms, rather
16 than get into the particular account, but just in
17 general terms we have in this budget a form of the
18 organization that will be implemented. When will be
19 the day of the implementation of that?

20 Mr. Chhan: The implementation beginning
21 with the restructuring will be October 1st.

22 Mr. Shea: October 1st.

23 Mr. Chhan: October 1st.

24 Mr. Shea: So the implementation only takes

1 place the very first day that you can -- you can
2 actually -- okay. So the implementation will take
3 place, and that we also have included pay raises for
4 our nonunion employees.

5 Ms. Giblin: Correct.

6 Mr. Shea: And when were the employees
7 informed of their pay raises?

8 Ms. Giblin: A memo will be drafted to each
9 employee to inform them of their pay raises, and that
10 should be included with the last paycheck of fiscal
11 year '23.

12 Mr. Shea: What's the date of that?

13 Ms. Giblin: The actual check date -- so it
14 will go with the check -- the check date -- the check
15 pay date of September 27th. So they will be informed
16 before October 1st what they should expect on October
17 1.

18 Mr. Shea: And as part of the
19 reorganization, it's my understanding that there'll
20 be some changing of the guard with respect to some of
21 the employees. And because of the degree of
22 responsibilities, some employees will be asked to do
23 more and by doing so they their pay will be adjusted
24 accordingly. And that pay scale basically has been

1 agreed to by the Director and the Chief Financial
2 Officer, as well as I guess you could say the finance
3 committee. Is that correct?

4 Mr. Chhan: That is correct.

5 Mr. Shea: Okay. And once we have the table
6 organization, that may not be perfect, but it's going
7 to be a good way to get started with respect to, if
8 nothing else, our employees know who their boss is.
9 And then we can evaluate the situation in the future,
10 because nothing is perfect coming out -- you know,
11 coming out of the shoot.

12 And so aside from the pay raises for the
13 employees, there's adjustments made for several
14 employees with respect to their added
15 responsibilities and the reorganization that the
16 Director has proposed to us. And so that's a little
17 bit about what's going to be happening in the next
18 eight or ten days. Ten days, is that about right?

19 Okay. So with respect to that, would you
20 just tell me again -- I know we had this
21 conversation, would you just briefly -- you had a
22 conversation with the unions with respect to the
23 adjustment, and is that still pending or will that be
24 in a separate vote? Or I think Attorney Murphy

1 indicated to us last year that we really didn't need
2 a separate vote. We needed them to have a separate
3 vote. Because we're voting tonight to include the
4 motion to give our union employees a pay raise even
5 though they haven't officially signed off on it. Is
6 that a nice way of putting it?

7 Okay. I would think -- I would only guess
8 that they will be pleased with -- I would think the
9 union membership will be pleased with the effort of
10 the Board. But maybe -- we'll find that out.

11 So they're going to be notified of their pay
12 raise at that time, right? And then we have a
13 situation -- I'll just get off for someone else to
14 speak.

15 We also have a situation where we have
16 employees that are funded by the federal government,
17 and that funding is going to evaporate, particularly
18 in March of 2024. I think one account evaporates
19 then. And you may want to talk about -- a little bit
20 about making sure that we're bringing on our -- you
21 know, bringing forward our valuable employees, and I
22 see one of them is sitting here tonight. We just
23 want to make sure that we keep her services, and in
24 this budget that adjustment's been made. So could

1 you just speak little bit about that?

2 Ms. Giblin: Yeah, so I believe the program
3 you're referring to is our jobsPLUS program.

4 Mr. Shea: Yes, that's right.

5 Ms. Giblin: So the director of the jobPLUS
6 program, Katie Sadlier, is here with us tonight. Her
7 and I have been in constant communication with HUD
8 regarding the timing of that grant. It's a little
9 complex because HUD keeps changing the calculation.
10 So we don't have a definitive time frame on when that
11 grant is going to officially end at this point.

12 What I will say is provisions have been made
13 in this budget to assume that that program is going
14 to end during the fiscal year.

15 Mr. Shea: Okay. I thought -- I thought it
16 was evaporating on April 2024.

17 Ms. Giblin: Those were our original
18 estimates. So within the last two weeks we were
19 informed by HUD that they changed their calculation
20 on one budget line item, which costs the program --
21 could potentially cost the program an additional
22 \$100,000. They then came back a day later and said
23 we don't know if that's correct or not. Give us time
24 to figure it out and we'll get back to you.

1 So again, the director of the program and
2 myself are in constant contact with HUD. As a matter
3 of fact, we have a call with them next Tuesday. We
4 are pushing them hard for a conclusion, if you will,
5 so that we can plan properly. But I will tell you
6 that the director has been very proactive in her
7 approach to winding this program down.

8 In order to wind the program down we
9 actually have to have HUD approval to do so. So it's
10 a delicate situation. And like I said, the director
11 is very well aware of it. Very proactive with HUD on
12 the subject.

13 Mr. Shea: Thank you. That brings me up to
14 date. Last week when we had this brief conversation
15 it was another line of thought, but I noticed that
16 Katie was shaking her head when were talking, so
17 that's just good to know because we've just seen a
18 lot of good things come from her and her ability to
19 resonate with some of our residents and their
20 children particularly.

21 Okay. So with that being the case, I'll
22 just back off and see if there's any other
23 commissioner wanted to bring forth any questions
24 pertaining to anything.

1 Commissioner Rodney Elliott.

2 Mr. Elliott: Thank you, Mr. Chairman. Just
3 on that last subject matter, have we engaged, the
4 Authority engaged the support of Congresswoman
5 Trahan, Senator Markey, Senator Warren relative to
6 communicating with HUD, stressing the importance?
7 Would that make a difference or does the...

8 Ms. Giblin: I don't know that it will at
9 this point. So the program was slated to run for
10 four and a half years. Six months was a startup for
11 the program. The biggest line item in the budget for
12 this program is what they call the JP EID, which is
13 an earned income disregard. So for the individuals
14 on the program, the incentive for them to be part of
15 the program was if they earned more income, it could
16 potentially be disregard. The earned income.

17 Mr. Elliott: Right. I remember that from
18 an explanation, it was kind of counterintuitive but
19 -- okay.

20 Ms. Giblin: So what happened is that in
21 order to calculate that figure -- it's a very complex
22 calculation that HUD controls. So HUD sends us a
23 form and says input this information for us and we'll
24 calculate that number for you. So in their original

1 calculations that they sent, that's what we've been
2 going off of to gauge how much funding we have and
3 how long this program will last.

4 Mr. Elliott: I see.

5 Ms. Giblin: So earlier in the week, like I
6 said, we got informed that that number has changed
7 over \$100,000.

8 Mr. Elliott: Okay. Thanks for your work on
9 it. When the numbers -- if there's something we can
10 do we're happy to see it. There are program
11 guidelines and there are calculations which you have
12 to go through. Okay. Thank you for that
13 clarification.

14 If I could, Mr. Chairman, I'd like to talk
15 about the vacancy rate, if we can, for a moment. And
16 I thank you for keeping this Board abreast of the
17 vacancies that we have had within the agency. But
18 there's been a number of stories in the last couple
19 of days, with a number of project authorities, again,
20 across the Commonwealth and a number of vacancies.
21 And why we're in the middle of a housing crisis when
22 we have vacancies across the Commonwealth that in the
23 range of between 2- and 2,300. How many do we have
24 here and how long have they been vacant? And this

1 sort of coincides with my concern of using
2 \$1.2 million of capital funds. I understand you have
3 a gap to close, but when we have vacancies, we have
4 housing vacancies and we need capital funding to put
5 them in a particular condition so they're habitable.
6 And I'm not suggesting that there's any other way to
7 close that operating gap. My concern is I don't want
8 Lowell to be looked at as we have vacancies, and in
9 some cases throughout the Commonwealth some of these
10 units have been vacant for years. That's not the
11 case with the Lowell Housing Authority. I understand
12 there are circumstances, but I would like you to just
13 describe how many and what our plan is to, you know,
14 to keep these -- put these vacancies back into
15 operation. And, again, I know that you brought this
16 forward, I'm just looking for an update so when I get
17 calls why does the Lowell Housing Authority have --
18 you know, how many units that are vacant, I have an
19 answer. I'm certain I know the answer, but I'd like
20 to just get up to date information.

21 Mr. Chhan: Thank you, Commissioner. In
22 response to that I'd like to separate into two
23 segments. One is the federal project and the other
24 one is the state.

1 With regard to the federal project, it used
2 to be roughly around 55 months vacancy. Now it
3 dropped down -- the last time I checked was last
4 week, it dropped down to 19.

5 Now, that number fluctuates almost every
6 single day, based on resident moving in, moving out.
7 And also it could reflect on the process of waiting
8 list too. And it depends on how long it will take to
9 screen each individual client or family. But the
10 number dropped drastically from 55 to 20 roughly.
11 What do we have in place? We put a plan in place to
12 continue to bring it down. HUD requires us to reach
13 95.5 by September 30th, which is a week from now.
14 And we are working towards that direction.

15 Now, with regard to the state property, the
16 first time we ever have vacancies that high, which is
17 next step. Now we have seven vacancies. But none of
18 our vacancies have gone to over more than a couple
19 months. There's certain unit that requires
20 substantial renovation that was put under the capital
21 plan, that is not included in that vacancy at all.
22 But anything that is not a normal vacancy and that we
23 need to work on, we usually have been able to turn it
24 around quickly.

1 Mr. Elliott: That's helpful. We go back to
2 the HUD, federal HUD --

3 Mr. Chhan: Federal.

4 Mr. Elliott: HUD subsidizes units. Why
5 were they at 55? Why are they at 19? And outside of
6 screening, is the problem similar to the state uses
7 where when somebody vacates we have to go through
8 substantial -- presumably substantial rehabilitation
9 that costs money. But that doesn't prevent us from
10 moving forward, but I am concerned that we're at 19
11 and knowing we're shooting at 95.5, is that a
12 construction issue?

13 Mr. Chhan: That is typical vacancy, that
14 people move in and out. Because of the aging of the
15 structure, some of our buildings that become vacant
16 require substantial renovation that requires to take
17 a little bit longer than normal time to prepare the
18 unit for reoccupancy.

19 Now, the other part that I brought up is
20 capital plan. When we take the building down for
21 capital project, for example, an elevator, we take it
22 down. We have to keep that unit empty and at the
23 same time continue working on substantial renovation
24 of any unit that we can work on so that we can

1 prepare when the elevator come back up, lease people
2 up right away. But that is not part of the vacancy
3 that HUD count.

4 Mr. Elliott: The elevator was part of the
5 increase in vacancy?

6 Mr. Chhan: That's correct.

7 Mr. Elliott: That's a good reminder. Thank
8 you, I appreciate that. I just have one more
9 question.

10 I have gone through the budgets, can you
11 just explain to me sometimes the variance between
12 AMPs, where some AMPs have a high number of units and
13 consequently additional costs associated with it, but
14 there are some AMPs that have a somewhat smaller
15 number of units, and I'll say one to three, for
16 instance. 546 and then 225, I understand they're
17 scattered sites. But why would the cost be -- kind
18 of significant in my opinion on AMPs that have a
19 lower number of units versus other AMPs that have
20 clearly -- I think it's 8.6 versus the 3.6 in those
21 two AMPs.

22 Ms. Giblin: So what I will say is our two
23 biggest costs across our federal portfolio is always
24 salaries and utilities. That being said, the utility

1 types and the building types are different between
2 the AMPs. Right? So AMP 1, for example, has
3 524 units. They're brick buildings. AMP 3 have 426
4 units. For the most part, 399 of those are the
5 concrete building. And AMP 2, for example, are all
6 townhouse-style homes.

7 So the building type, the unit composition,
8 whether they're family, some of the families have,
9 you know, three, four, five bedrooms. Versus an
10 elderly building that has just efficiencies and one
11 bedroom. The utilities are very different between
12 the AMPs because of that.

13 So the utilities, again, are our second
14 highest cost. Our first highest cost are salaries.
15 Each AMP is staffed according to the number of units.
16 That's how we try to staff them. That being said,
17 although, for instance, our maintenance staff, you
18 know, the mechanics are all at one rate. The
19 composition of how many -- of one AMP having two
20 mechanics and another AMP only has one mechanic, that
21 plays a huge roll in the salary cost per AMP.

22 Also what plays a huge roll is employee
23 benefit cost. Our employee benefits are allocated by
24 employee. So if you have an AMP that has a lot of

1 legacy employees, for example, their health insurance
2 costs are higher because the Authority pays a higher
3 percentage of their benefits.

4 So I would say those are the three main
5 drivers of what causes the big variance between them.

6 Mr. Elliott: Thank you. You know that I
7 struggled with this method of budgeting AMPs versus,
8 you know, gap accounting, that's why I ask these
9 questions. But it makes sense and I understand, you
10 know, at each individual AMP there are measures and
11 controls in place.

12 Lastly, on this 1.2 million, HUD says it's
13 okay, I understand. What does that do to our capital
14 plan?

15 Ms. Giblin: So I just want you to know the
16 1.2, HUD says we can do 25 percent. We don't. We do
17 20. Again, we try to be very conservative.

18 Mr. Elliott: For admin cost.

19 Ms. Giblin: For admin cost. And that goes
20 along with administering the capital fund. What does
21 it do to our capital fund? In essence it's not brick
22 and mortar anymore. It's putting money for the admin
23 to run the capital fund.

24 So in years where we don't need it, we won't

1 take the 25 percent unless we need it. So we need --
2 for example, if there were -- if I ran the budgets
3 and I saw surpluses without that amount of money,
4 which in my nine years has never happened, but if for
5 some reason it did, we will pull that money.

6 Mr. Elliott: Okay. Okay. And last, let me
7 -- accolades I think are in order when you're looking
8 at -- and I would say these budgets are looking at
9 being creative and trying to save money, i.e., the
10 security wasn't effective, let's get rid of it. And
11 instead get, I think, better relationships with the
12 Lowell Police Department and consequently the
13 tenants.

14 You know, the solar net metering, to get a
15 steady rate, it's an unpredictable climate in utility
16 costs. And so I appreciate you're -- you know, we're
17 kind of cutting -- we're funding a tight year. We
18 had some unexplainable crisis that has to be paid for
19 somehow, as well as inflationary costs.

20 So those are my comments. Thank you,
21 Mr. Chairman, for each of you and your staff,
22 Mr. Director and CFO, it's a challenging year, you
23 presented a budget that is going to continue to keep
24 operations and services to the people that live in

1 the Housing Authority. Thank you.

2 Mr. Shea: Thank you very much,
3 Commissioner. Any other question? As I was saying,
4 any other question any other commissioner would like
5 to present? If not, I just have a couple of
6 comments.

7 Ms. Giblin: Sure.

8 Mr. Shea: First of all, I think when I
9 noticed that -- I do want to amplify something that
10 was attributed as accomplishment by our staff, and
11 that was filing the application to HUD for the
12 incident that happened at 350 Moody Street last
13 November 30th. I think that is really going under
14 the radar. Thanks to the efforts of our director,
15 our chief financial officer, Sherry Giblin, also
16 Jonathan, and there was another person who was
17 involved, who escapes my mind. We get notification
18 from the federal government that HUD, that they're
19 going to reimburse us \$1.9 million, which was part of
20 our damages when November 30th hit last year. And I
21 think that's probably gone under the radar screen,
22 but at least it will be a fact to the matter, it will
23 be in our record tonight. And there was one other
24 person that worked with you and Jonathan which...

1 Ms. Giblin: The facilities team, Brian
2 Moriarty and Brian Dean worked very closely with me
3 to get all of the estimates to be able to finalize
4 the application.

5 Mr. Shea: Through the efforts of Brian and
6 -- Brian Moriarty and Brian Dean, and that was just a
7 tremendous accomplishment that you were able to, you
8 know, go through all of the weaves to get that
9 application filled, and get it filed, and get
10 notification that it has been accepted and we'll be
11 reimbursed \$1.9 million. And I think we signed some
12 forms tonight which will expedite those receipts
13 coming into our account. And I think that's probably
14 going to notice -- that is just a -- that's a lot of
15 money. And we've been taking capital fund money,
16 spending it, hoping that would happen and guess what,
17 it did happen. And so I just wanted that to be in
18 the record. I don't want to talk too much about, you
19 know, we may have some good news next month with
20 respect to some other efforts by the Director and
21 Attorney Murphy, as well and Sherry with respect to
22 other things that they're exploring.

23 So I guess we'll just leave it like that.
24 But the -- you know, all those little things go

1 unnoticed. And like Commissioner Elliott was just
2 talking about, I mean, that's a lot of money for our
3 residents. And things are tight, we recognize that.
4 So I just wanted to put that on the record. And once
5 again, we signed the forms tonight to get the money
6 that goes in the bank. But -- okay. So I'm not
7 going to belabor the point. I just wanted to put
8 that in the record.

9 Is there any other question that any members
10 of the Board of Commissioners have for our chief
11 financial officer pertaining to these items? If not,
12 there's so much you can talk about, but I think we
13 have the fielding of quick work.

14 Okay. With that being the case, there's a
15 motion by Commissioner Mony Var, seconded by
16 Commissioner Rodney Elliott to accept the report of
17 the Chief Financial Officer pertaining to Item
18 Number 7.1.2, 7.1.3, 7.1.4, 7.1.5, 7.1.6, 7.1.7, and
19 7.1.8. And as we indicated, there has to be a roll
20 call for each of them. So with that being the case,
21 as I indicated, Commissioner Mony Var makes a motion
22 to accept Item 7.1.2, seconded by Commissioner Rodney
23 Elliott, and the clerk will call the roll.

24 Mr. Chhan: Chairman Shea.

1 Mr. Shea: Yes.

2 Mr. Chhan: Vice Chair Mony Var.

3 Mr. Var: Yes.

4 Mr. Chhan: Commissioner Bernes.

5 Ms. Bernes: Yes.

6 Mr. Chhan: Commissioner Elliott.

7 Mr. Elliott: Yes.

8 Mr. Chhan: Commissioner Marr.

9 Four yeas, one absent.

10 Mr. Shea: 7.1.3, a motion made by

11 Commissioner Joanie Bernes, seconded by Commissioner

12 Mony Var, and the clerk will call the roll.

13 Mr. Chhan: Chairman Shea.

14 Mr. Shea: Yes.

15 Mr. Chhan: Vice Chair Mony Var.

16 Mr. Var: Yes.

17 Mr. Chhan: Commissioner Bernes.

18 Ms. Bernes: Yes.

19 Mr. Chhan: Commissioner Elliott.

20 Mr. Elliott: Yes.

21 Mr. Chhan: Commissioner Marr.

22 Four yeas.

23 Mr. Shea: Thank you. Next item is 7.1.4,

24 Commissioner Joanie Bernes seconded by -- makes a

1 motion to accept 7.1.4, seconded by Commissioner
2 Rodney Elliott, and the clerk will call the roll.

3 Mr. Chhan: Chairman Shea.

4 Mr. Shea: Yes.

5 Mr. Chhan: Vice Chair Var.

6 Mr. Var: Yes.

7 Mr. Chhan: Commissioner Bernes.

8 Ms. Bernes: Yes.

9 Mr. Chhan: Commissioner Elliott.

10 Mr. Elliott: Yes.

11 Mr. Chhan: Commissioner Marr.

12 One absent, four yeas.

13 Mr. Shea: Next item, 7.1.5, Commissioner
14 Rodney Elliott, seconded by Commissioner Joanie
15 Bernes move to accept 7.1.5. The clerk will call the
16 roll.

17 Mr. Chhan: Chairman Shea.

18 Mr. Shea: Yes.

19 Mr. Chhan: Vice Chair Mony Var.

20 Mr. Var: Yes.

21 Mr. Chhan: Commissioner Bernes.

22 Ms. Bernes: Yes.

23 Mr. Chhan: Commissioner Elliott.

24 Mr. Elliott: Yes.

1 Mr. Chhan: Commissioner Marr.

2 Four yeas, one absent.

3 Mr. Shea: Thank you. The next item on the
4 agenda is 7.1.6, Commissioner Rodney Elliott,
5 seconded by Commissioner Joanie Bernes moves to
6 accept 7.1.6. The clerk will call the roll.

7 Mr. Chhan: Chairman Shea.

8 Mr. Shea: Yes.

9 Mr. Chhan: Vice Chair Mony Var.

10 Mr. Var: Yes.

11 Mr. Chhan: Commissioner Bernes.

12 Ms. Bernes: Yes.

13 Mr. Chhan: Commissioner Elliott.

14 Mr. Elliott: Yes.

15 Mr. Chhan: Commissioner Marr.

16 Four yeas, one absent.

17 Mr. Shea: Thank you. Next item is 7.1.7,
18 Commissioner Rodney Elliott, seconded by Commissioner
19 Mony Var move to accept 7.1.7. The clerk will call
20 the roll.

21 Mr. Chhan: Chairman Shea.

22 Mr. Shea: Yes.

23 Mr. Chhan: Vice Chair Mony Var.

24 Mr. Var: Yes.

1 Mr. Chhan: Commissioner Bernes.

2 Ms. Bernes: Yes.

3 Mr. Chhan: Commissioner Elliott.

4 Mr. Elliott: Yes.

5 Mr. Chhan: Commissioner Marr.

6 Four yeas, one absent.

7 Mr. Shea: The next item is 7.1.8,
8 Commissioner Rodney Elliott, seconded by Commissioner
9 Mony Var moves to accept Item 7.1.8. The clerk will
10 call the roll.

11 Mr. Chhan: Chairman Shea.

12 Mr. Shea: Yes.

13 Mr. Chhan: Vice Chair Mony Var.

14 Mr. Var: Yes.

15 Mr. Chhan: Commissioner Bernes.

16 Ms. Bernes: Yes.

17 Mr. Chhan: Commissioner Elliott.

18 Mr. Elliott: Yes.

19 Mr. Chhan: Commissioner Marr.

20 Four yeas, one absent.

21 Mr. Shea: Plenty of hard work over the last
22 several weeks, getting accepted in six seconds. Six
23 minutes I should say.

24 Ms. Giblin: Thank you.

1 Mr. Shea: Thank you very much.

2 The next item is 7.1.9, motion to approve
3 the electricity supply contract with First Point,
4 36-month term beginning December 1st, 2024.
5 Estimated contract value of \$1,438,892 per year.

6 And we have a report from our chief
7 financial officer in regards to this item. And the
8 Chair recognizes Sherry Giblin. Thank you.

9 Ms. Giblin: Thank you, Mr. Chairman.

10 So as I alluded to in my budget report, the
11 finance department watches our utility rates very
12 closely, as it's the second highest expense for the
13 Authority. As such, we work with an energy advisor
14 to lock in our supply rates for both electricity and
15 natural gas. What this does is it allows for a fixed
16 rate for the supplied portion of our bills. So when
17 supply cost for our -- from our carrier, National
18 Grid, increase, that increase is not passed through
19 to us. We are locked into a fixed rate.

20 So for reference, for the period July 22 to
21 June 23, our electricity contract by itself yielded
22 over \$1 million in savings. When we looked at -- HUD
23 requires us to look at what we would have paid with
24 National Grid versus what we did pay with the

1 supplier, whatever those savings are we're entitled
2 to either 100 percent or 50 percent, depending on our
3 rate reduction with HUD. So for electricity we're
4 able to keep 100 percent of our savings. Natural
5 gas, last year we saved about 200,000 for that same
6 time period. So that's over \$1 million in additional
7 subsidy that the Authority retains as a result of
8 these contracts.

9 So they're significant contracts that we
10 look at pretty closely. The wording in the motion, I
11 will say, is worded such that it's a fixed rate at or
12 below because in talking with our energy advisor,
13 what happens is if they go out to the market and they
14 get us rates -- so they got us multiple rates. What
15 will happen is tomorrow upon Board approval I will
16 call him back and say okay, I have Board approval to
17 move forward. They will go back to the supplier and
18 say okay, they're ready to move forward with this 13
19 cents, what's your bottom line offer? And they may
20 reduce them. So -- and in the past they have. So
21 that could be lower, but it will not go above that
22 amount.

23 Mr. Shea: It's a three-year contract?

24 Ms. Giblin: Yes.

1 Mr. Shea: And the annual -- the estimated
2 value is a million four plus per year roughly, or
3 \$5 million over three years?

4 Ms. Giblin: Yes. Correct.

5 Mr. Shea: And that's a pretty good rate.

6 Ms. Giblin: With today's rates, and I think
7 I included in the packet the estimates, there was
8 like -- electricity, I believe there were three of
9 them. Based on today's rates, yes. So -- and for
10 reference, right now we're paying a little over 10
11 cents a kilowatt hour. So we're going from 10 cents
12 to 13 cents. Which, you know, we have over 11
13 million kilowatts that we go through in a year. So
14 it's a significant amount.

15 But based on the market, and this is
16 ongoing, you know, I touch base with them every three
17 to six months to say okay, go out and get me pricing.
18 So we've been looking at this for the past six
19 months. Rates have been steadily increasing.
20 There's no indication that rates are going down any
21 time soon.

22 So the 36 months I feel like is a good lock
23 in, because they're not going to go down in that time
24 period. And should they go down, we have a clause in

1 the contract that says we can split that difference
2 with the supplier.

3 Mr. Shea: Mr. Elliott has a question.

4 Mr. Elliott: Just quickly. What percentage
5 of the 11 million kilowatt hours is renewable energy?
6 Do you know that?

7 Ms. Giblin: I don't believe any of that is
8 renewable.

9 Mr. Elliott: Well, who is the supplier?
10 The supplier must be getting some renewable. I know
11 when I was on the council of the City of Lowell a
12 certain percentage of the kilowatt hours that we
13 would contract with would be required to come from
14 renewable energy sources, so.

15 Ms. Giblin: So we don't have that
16 requirement in our supply contract.

17 Mr. Elliott: Okay.

18 Ms. Giblin: What -- they do cap us at a
19 certain kilowatt. So we -- they estimate based on
20 our prior usage what our kilowatt hours are going to
21 be.

22 Mr. Elliott: Okay.

23 Ms. Giblin: And basically if we go
24 significantly over that, which I believe they can

1 fine us ten percent, which we never have in the nine
2 years that I've been doing this, then they have the
3 right to come back to us and say whoa, wait a minute.
4 We're not going to guarantee this rate for that many
5 kilowatt hours. So that's the way our contract is --
6 our contracts have been structured.

7 Mr. Elliott: Okay. Thank you.

8 Mr. Shea: Okay. Any other question by any
9 member of the Board of Commissioners? If not there's
10 a motion by Commissioner Joanie Bernes, seconded by
11 Commissioner Rodney Elliott to accept Item 7.1.9, and
12 the clerk will call the roll.

13 Mr. Chhan: Chairman Shea.

14 Mr. Shea: Yes.

15 Mr. Chhan: Vice Chair Mony Var.

16 Mr. Var: Yes.

17 Mr. Chhan: Commissioner Bernes.

18 Ms. Bernes: Yes.

19 Mr. Chhan: Commissioner Elliott.

20 Mr. Elliott: Yes.

21 Mr. Chhan: Commissioner Marr.

22 Four yeas, one absent. Motion carried.

23 Mr. Shea: Thank you. Next item on the
24 agenda is Item 7.1.10, motion to approve natural gas

1 supply contract with Sprague Energy, 36-month term
2 beginning December 1st, 2024, with an estimated
3 contract value of \$630,153. And with that being the
4 case, we look forward to the -- well I guess Sherry,
5 why don't you give us the information.

6 Ms. Giblin: Yeah, so, you know, similar to
7 the electricity that we just voted on, this is just
8 the natural gas counterpart. So, again, we lock in
9 rates for both electricity and natural gas. It's
10 proved to be very beneficial for the Authority over
11 the last six years. I feel it's imperative to do
12 this. The National Grid rates are so unpredictable.
13 The electricity changes every quarter, National Grid
14 changes their rates. Natural gas, they change every
15 month. And in the peak months there's a huge
16 difference between what we were paying. We were
17 paying -- currently we're paying right now for our
18 supply 4.4 per dekatherm. This contract pushes us up
19 to \$7.05, which is a significant increase. However,
20 when you look at where the natural gas rates are
21 right now, we'd still be saving money on this
22 contract.

23 So, again, you know, rates are not going
24 down, they're only going up at this point.

1 Specifically -- I mean you turn on the news, that's
2 all they talk about, how gas is rising. So, you
3 know, I just stress the importance that these
4 contracts save the Authority a significant amount of
5 money.

6 Mr. Shea: Any questions pertaining to Item
7 Number 7.1.10? I just want the record to indicate --
8 tell me the prices of anything that's gone down
9 recently.

10 Ms. Giblin: I know.

11 Mr. Shea: I'm sure -- I see some of the
12 ladies chuckling. Okay. With that being the case,
13 Commissioner Rodney Elliott makes a motion to accept
14 Item 7.1.10, seconded by Commissioner Joanie Bernes,
15 and the clerk will call the roll.

16 Mr. Chhan: Chairman Shea.

17 Mr. Shea: Yes.

18 Mr. Chhan: Vice Chair Mony Var.

19 Mr. Var: Yes.

20 Mr. Chhan: Commissioner Bernes.

21 Ms. Bernes: Yes.

22 Mr. Chhan: Commissioner Elliott.

23 Mr. Elliott: Yes.

24 Mr. Chhan: Commissioner Marr.

1 Four yeas, one absent. Motion carried.

2 Mr. Shea: The next item on the agenda is
3 7.1.11, motion to accept the closeout documents, City
4 View Towers, pertaining to Moody Street garage entry,
5 to approve final payment in the amount of \$16,995.30
6 to Belko Landscaping, 242 Lawrence Road, Salem, New
7 Hampshire. And we have here a letter pertaining to
8 this by our capital asset manager, Laura Watts. I
9 don't know if Laura wanted to give us a brief
10 explanation on this for the record. Thank you.

11 Ms. Watts: Yes, good evening. This is, as
12 it states, to close out the contract with Belko
13 Landscaping for the redesign at the garage entry, 350
14 Moody Street.

15 This project was driven to create safe
16 accessibility to the garage and provide three
17 different means of accessing the garage. We have --
18 which include a mechanical lift, a switchback ramp,
19 and a set of stairs. I'm happy to answer any
20 specific questions the Board may have.

21 Mr. Shea: The only thing I would say for
22 the record, I watched this project go for the last
23 couple of years, and you may remember last time we
24 were here, eight or ten months ago, there was a very

1 small change order. Once again, if you look at this
2 change order, it's one percent of the contract. They
3 usually run 10 to 12 percent. And this, to me, just
4 being a bookkeeper, this speaks volumes. And a
5 336,000 contract and you have a change order less
6 than one percent of the contract.

7 Ms. Watts: Yes. To clarify, the 16,995 is
8 the payout. We hold back five percent.

9 Mr. Shea: Right.

10 Ms. Watts: So there was one change order on
11 this job, I think it was in the neighborhood of 3,000
12 and change.

13 Mr. Shea: I saw that right here and it
14 caught my eye. I just want -- sometimes we don't
15 agree, with respect to some things, and other times
16 we get surprises and it's good work. So we'll just
17 put it in the record. So to me I -- as one
18 commissioner, I'm pretty satisfied with this.

19 Ms. Watts: It's particularly impressive, if
20 you consider that at one moment it turned into a
21 swimming pool. We were under construction during the
22 flood and, thankfully, it didn't set us back too far
23 in schedule, and no nominal cost, so.

24 Mr. Shea: So thank you very much for your

1 remarks. Commissioner Mony Var makes a motion to
2 accept Item 7.1.11, seconded by Commissioner Joanie
3 Bernes. The clerk will call the roll.

4 Mr. Chhan: Chairman Shea.

5 Mr. Shea: Yes.

6 Mr. Chhan: Vice Chair Mony Var.

7 Mr. Var: Yes.

8 Mr. Chhan: Commissioner Bernes.

9 Ms. Bernes: Yes.

10 Mr. Chhan: Commissioner Elliott.

11 Mr. Elliott: Yes.

12 Mr. Chhan: Commissioner Marr.

13 Four yeas, one absent. Motion carried.

14 Mr. Shea: Next item is Item 7.1.12, motion
15 to approve the change order, modernization of
16 Lakeview Avenue in the amount of \$37,894.34 to New
17 England Builders & Contractor, Inc. of Methuen,
18 Massachusetts. And once again, we have an item
19 that's given to us by Rita, and I see Laura moving up
20 to help us out with respect to this item. Thank you
21 very much.

22 Ms. Watts: Yes, so we are nearing the end
23 of our \$3.2 million project on Lakeview Ave. When we
24 first conceived of this project we were going to keep

1 all of the residents' possessions in the living room.
2 Our scope of work ended at the kitchen threshold and
3 at the back end threshold. And what the contractors
4 found out while trying to perform this work in the
5 first group, was that it really was just impossible
6 to perform the work with all of the possessions in
7 the unit. So at that point we brought in POD units
8 for temporary storage and capitalized on doing any
9 repairs outside of the kitchen and bathroom, such as
10 flooring that was peeling up. So we were able to do
11 a full cosmetic transformation on these units, in
12 terms of much needed floor repair.

13 Some other amounts that are included in this
14 change order is an antenna to boost the cellular
15 signal for the fire monitoring alarm, which was
16 required once building number 3 went from four units
17 to five units.

18 Also included in this change order is some
19 increasing the sprinkler heads in the basement. So
20 this change order is a bit of a mix bag, but it comes
21 at the end of the project where we're just tying up
22 any loose ends we can find because who knows when
23 this development will have the opportunity to have
24 these needs met in the future.

1 Mr. Shea: Okay. Any questions to our
2 capital asset manager? Therefore, thank you for your
3 comments.

4 Ms. Watts: Thank you.

5 Mr. Shea: There's a motion by Commissioner
6 Rodney Elliott, seconded by Commissioner Joanie
7 Bernes to accept item 7.1.12. The clerk will call
8 the roll.

9 Mr. Chhan: Chairman Shea.

10 Mr. Shea: Yes.

11 Mr. Chhan: Vice Chair Mony Var.

12 Mr. Var: Yes.

13 Mr. Chhan: Commissioner Bernes.

14 Ms. Bernes: Yes.

15 Mr. Chhan: Commissioner Elliott.

16 Mr. Elliott: Yes.

17 Mr. Chhan: Commissioner Marr.

18 Four yeas, one absent. Motion carried.

19 Mr. Shea: Next item is 7.1.13, motion to
20 approve Lowell Housing Authority Division of Leased
21 Housing Program Section 8 fair market rent/payment
22 standards payments of 2023/2024, and we have with us
23 the Chief Admission Officer, Mrs. Purtell, who will
24 be here to guide us through that information.

1 Ms. Purtell: Thank you, Mr. Chairman.

2 So HUD had published our fair market rents
3 for 2023/2024 for the City of Lowell. Based on those
4 numbers the fair market rents have increased by one
5 percent this last year. With this increase the LHA
6 decided to put forth for approval the payment
7 standards of the rents. This higher payment standard
8 allows the residents a reasonable selection of
9 decent, safe and sanitary housing in the range -- in
10 a range of neighborhoods throughout the City of
11 Lowell.

12 I'll open it up for any questions.

13 Mr. Shea: Any question by any member of the
14 Board of Commissioners?

15 Commissioner Elliott.

16 Mr. Elliott: Thank you Mr. Chair.

17 Can you give us an example the range,
18 that --

19 Ms. Purtell: Yes. So what we're looking at
20 right now for a one bedroom, anywhere between 15- to
21 1,800. Two bedrooms are between 19- to 22-. And
22 three bedrooms, 23- to 27-. Those are most popular
23 that we're providing at the time.

24 Mr. Elliott: And are eligible holders of

1 the vouchers able to find vacant property with this?

2 Ms. Purtell: They can. A one bedroom, very
3 hard to find at this point.

4 Mr. Elliott: What was a one bed again?

5 Ms. Purtell: One bedroom, anywhere between
6 15- to 18-. And that's being conservative. We could
7 find higher ones at \$2,000.

8 Mr. Elliott: Staggering. Thank you very
9 much.

10 Thank you, Mr. Chair.

11 Mr. Shea: Thank you, Alisen. I'd like you
12 to just give us a little lecture on something for the
13 record. Would you please explain to the Board of
14 Commissioners how a Section 8 certificate is awarded?

15 Ms. Purtell: How?

16 Mr. Shea: Just give us in general. For
17 instance, there are hundreds of people looking for
18 Section 8 certificates, and could you just tell us a
19 little bit about how many do you get a year? And it
20 must be painful, who to give it to. Can you just,
21 for the record, tell us a little bit about that?

22 Ms. Purtell: Absolutely. Of course.

23 Mr. Shea: And speak into the mic.

24 Ms. Purtell: Before we issue a Section 8

1 voucher you have to be deemed income eligible and
2 Board cleared. So they have to be below 50 percent
3 the median income. Median income and, obviously,
4 CORI cleared.

5 So once those are met -- and every voucher
6 is different. But for Housing Choice, that is --
7 those are the two main criteria for that.

8 Mr. Shea: How do you select someone to get
9 a voucher? Which is a lifetime --

10 Ms. Purtell: It is. It is.

11 Mr. Shea: -- residency. How is that done?

12 Ms. Purtell: We have a wait list. Our
13 current Housing Choice wait list is closed. We
14 are --

15 Mr. Shea: It's closed?

16 Ms. Purtell: It is closed. We do not take
17 applications for the Housing Choice vouchers. So at
18 this time we have to exhaust that list before we can
19 move forward opening it again. And that was, you
20 know, has thousands of participants on it.

21 Mr. Shea: Thousands of people. So if you
22 get -- if you get ten certificates, how do you
23 choose, I guess?

24 Ms. Purtell: It's based on income. They

1 have to meet that eligibility.

2 Mr. Shea: And one on the list, I mean, goes
3 first. I mean, it has to be difficult for you and
4 your staff to determine who gets these lifetime
5 awards.

6 Ms. Purtell: Right. I mean, we'd like to
7 help everybody eventually. But they have to meet the
8 income criteria. They have to be CORI cleared. Once
9 that's the case, you know, along with preferences,
10 whether it be -- you know, we have a working
11 preference. The resident preference, stuff like
12 that, that all takes into play for it.

13 Mr. Shea: So -- okay. Well, I'll get --
14 you know, so it's -- it has to be difficult for you
15 and your staff to --

16 Ms. Purtell: It is.

17 Mr. Shea: -- even make that determination.
18 I see Tha shaking his head and Kevin, of course.
19 It's difficult because --

20 Ms. Purtell: You want to help as many --

21 Mr. Shea: -- there's only so many that go
22 around. And it's nice to say yes, it's heartbreaking
23 when you have to tell somebody --

24 Ms. Purtell: Right.

1 Mr. Shea: I can remember one night telling
2 a person who was on the wait list to get into public
3 housing, she was adamant that she was -- in fact, she
4 was adamant that was she up, and when I found out she
5 was like 700 on the list, I had to call her up and
6 tell her, you know, forget about it.

7 Ms. Purtell: Devastating.

8 Mr. Shea: It's going to be another three
9 years. That was not a nice call. But that's all. I
10 just think that -- I just listened to a city council
11 last night and they talked about housing and
12 everything and -- I don't know. I don't know if they
13 realize how tough the situation is for people that
14 are in the lower income area.

15 Ms. Purtell: Yeah.

16 Mr. Shea: And maybe I'm wrong, but I'm not
17 too sure -- well, I won't even say that. I care
18 about them, but I'm not too sure there's a lot we can
19 do. But whatever it may be -- that's basically it.

20 Ms. Purtell: Thank you.

21 Mr. Shea: Thank you for your comments and,
22 once again, everything you do for the Housing
23 Authority. So Item 7.1.13, Commissioner Rodney
24 Elliott moves to accept, seconded by Commissioner

1 Joanie Bernes, and the clerk will call the roll.

2 Mr. Chhan: Chairman Shea.

3 Mr. Shea: Yes.

4 Mr. Chhan: Vice Chair Mony Var.

5 Mr. Var: Yes.

6 Mr. Chhan: Commissioner Bernes.

7 Ms. Bernes: Yes.

8 Mr. Chhan: Commissioner Elliott.

9 Mr. Elliott: Yes.

10 Mr. Chhan: Commissioner Marr.

11 Four yeas, one absent. Motion carried.

12 Mr. Shea: Thank you. Next item is 7.1.14,
13 motion to approve Lowell Housing Authority's Division
14 of Leased Housing programs Section 8 utility
15 allowance for 2023-2024. And once again, the chief
16 admission officer Alisen Purtell is here to explain
17 this.

18 Ms. Purtell: Thank you. I didn't go very
19 far.

20 So we requested HAPPY Software to provide a
21 yearly allowance schedule for our Choice Housing
22 Program. The LHA provided HAPPY Software with three
23 samples of residents' utility bills from households
24 that live within the City of Lowell. In return they

1 provided us with their utility allowance for every
2 structure type. Based on the utility allowance, as
3 we heard earlier from Sherry, electric rate did
4 increase by 1.5 percent, and as well as the natural
5 gas actually decreased, which I was shocked about.

6 Mr. Shea: Any question to our chief
7 admission officer? If not, Commissioner Rodney
8 Elliott, seconded by Commissioner Mony Var moves to
9 accept Item 7.1.14. The clerk will call the roll.

10 Mr. Chhan: Chairman Shea.

11 Mr. Shea: Yes.

12 Mr. Chhan: Vice Chair Mony Var.

13 Mr. Var: Yes.

14 Mr. Chhan: Commissioner Bernes.

15 Ms. Bernes: Yes.

16 Mr. Chhan: Commissioner Elliott.

17 Mr. Elliott: Yes.

18 Mr. Chhan: Commissioner Marr.

19 Four yeas, one absent. Motion carried.

20 Mr. Shea: Next item on the agenda is Item
21 Number 8. For the record, do we have any old
22 business?

23 Mr. Chhan: We do not have any old business.

24 Mr. Shea: None. Next number, 9, 9(a)

1 motion of Board members. Do we have any motions of
2 Board members?

3 Mr. Chhan: We do not have any.

4 Mr. Shea: Great. And Item Number 9(b),
5 Executive Director announcements. Do you have
6 anything you'd like to...

7 Mr. Chhan: I have no announcement, no.

8 Mr. Shea: Okay. Thank you. Next item is
9 Item 10, to adjourn. I would like to indicate the
10 next Board of Commissioners meeting will be held here
11 at the Mercier Center on Wednesday, October 11th at
12 5:00 p.m. With that being the case, Commissioner
13 Rodney Elliott, seconded by Commissioner Joanie
14 Bernes move to adjourn. The clerk will call the
15 roll.

16 Mr. Chhan: Chairman Shea.

17 Mr. Shea: Yes.

18 Mr. Chhan: Vice Chair Mony Var.

19 Mr. Var: Yes.

20 Mr. Chhan: Commissioner Bernes.

21 Ms. Bernes: Yes.

22 Mr. Chhan: Commissioner Elliott.

23 Mr. Elliott: Yes.

24 Mr. Chhan: Commissioner Marr.

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Four yeas.

Mr. Shea: Thank you.

(Whereupon the Board of Commissioner's
meeting concluded at 6:27 p.m.)