

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF KANSAS CITY, KANSAS**

Thursday, September 20, 2018
12 noon

Administrative Bldg.
1124 N. 9th Street

On the 20th day of September 2018 at 12 noon the Board of Commissioners of the Housing Authority of Kansas City, Kansas met in regular session. The meeting was called to order by Chairman Watkins, and upon roll call, the following members of the body were present:

Matt Watkins, Chairman
Rev. Jimmie L. Banks, Vice-Chairman
Jacques Barber, Commissioner
Rachel Jefferson, Commissioner
Don Jolley, Commissioner
P. Anne McDonald, Commissioner
Timothy J. Rhodes, Commissioner
Alvin Sykes, Commissioner
Denise Tomasic, Commissioner
Linda Warner, Commissioner
Charles Wilson, Commissioner

ABSENT: Cardelia Walker, Commissioner

ALSO PRESENT: Milton Scott, Executive Director
Anwar Crockett, Asst. Director of Housing Management
Cherrie Escobar, Director of Section 8
Gerald Glavin, Asst. Director of Facilities Management
Melinda Linnell, Director of Housing Management
Julio Marino, Jr., User Support/Inventory Clerk
Sharron Davis-Mays, Self-Sufficiency Coordinator
Jacqueline D. Randle, Executive Services Manager
Veronica Sanders, Financial Analyst
Anthony J. Shomin, Director of Facilities Management

Chairman Watkins called the meeting to order and asked for roll call.

Chairman Watkins asked for a motion to approve the minutes. Commissioner Jolley asked for a correction to the minutes on page 2 where he is listed as present to be changed to absent. With that correction, Commissioner Rhodes

made a motion to approve the minutes of August 16, 2018. Commissioner McDonald seconded the motion and the following vote was recorded:

AYES: Banks, Jolley, McDonald, Rhodes, Sykes, Tomasic, Warner, Watkins, Wilson

NAYS: None

ABSENT: Walker

ABSTAIN: Barber, Jefferson

Motion carried.

Executive Director's Report

- The written Executive Director's report is on pages 10—28 of the September 20, 2018 board packet.
- Mr. Scott provided highlights from his report beginning with item 3 where he indicated the local U.S. Dept. of Housing and Urban Development (HUD) field office staff conducted an on-site risk assessment at the housing authority on August 8, 2018. Their report is in the handouts.
- August 20—23, 2018 the annual audit began. The auditors returned the first of September and they will be providing a written report.
- HUD indicated there was a finding in the Section 8 department where if there is a change in the contract terms and conditions, we have to re-do the HAP contract. This was the only finding.
- The Board was provided with literature showing who was selected for the Choice Neighborhoods Planning Grant. The housing authority was not selected for this grant opportunity. The City is requesting feedback on the denial.
- The public housing occupancy report is included in the handouts and we will focus on Juniper Gardens. Progress has been made with the other properties.
- The last three items in the handouts show 1) An update concerning the resident issues brought before the board last month and what staff did to resolve the issues. 2) The Learning Club provided its annual report. They will increase their presence at Juniper Gardens and St. Margarets by an additional day. Chalet Manor will be increased by one day in January 2019. We plan to have them provide an annual presentation. 3) Commissioner McDonald was featured in the Wyandotte Echo.

Vice-Chairman Banks expressed his appreciation to staff for resolving the resident complaints in a timely manner. He also asked how we would encourage resident feedback. He suggested providing an incentive, at the end of year, to increase feedback. Mr. Scott noted that staff would look at doing this.

Commissioner Tomasic requested an explanation of large banks overdrafts noted in the HUD letter. Mr. Scott explained that money is placed in accounts as needed and sometimes it appears that the money is not in the account. Ms. Meeks is working on how we can do this differently so it will not show as an overdraft. An overdraft affects our overall score and we are penalized. The auditor and HUD have a different way of looking at transfers. Mr. Scott noted that the money is there, it is the timing of the transfer that is in question. Ms. Sanders noted that we are not charged an overdraft fee.

Commissioner Tomasic noted that Mr. Maxwell had questions about the timing of the acquisition and she requested clarification on what this was all about. Mr. Scott explained that HUD regulations indicate that we have to receive HUD approval. Mr. Maxwell is considering there is a process, but we have discovered that things do not go in order. The request was put in and HUD toured the facility. Looking at the CFR 905, there is no process by which to go through the steps. We are in communication with HUD and the paperwork has been submitted. Chairman Watkins agreed that we have stayed in communication with HUD and they want a more formal process. Mr. Shomin noted it is contradictory as to what comes first. We protected ourselves by entering into a contract and HUD disagreed with this. Chairman Watkins noted this was put in our CFP and annual plan a couple of years ago. Mr. Scott noted we are asking HUD for the regulation to be clear about what we are suppose to be doing.

Commissioner McDonald noted there was good and bad news on the Housing Choice Voucher program. HUD was complimentary on a lot of the parts of the program. The not so good news is that Section 8 still loses money. She noted we must think outside the box to have a higher percentage of lease ups. Mr. Scott noted HUD has provided a two-year tool that has been beneficial to the housing authority. Chairman Watkins noted that we are trending in the right direction and lost less money this year than last year in the Section 8 program. Commissioner McDonald suggested that a glossary would be helpful the next time HUD sends a letter, as there were many acronyms.

Committee Reports

Chairman Watkins called for committee reports.

Bylaws

Commissioner Barber indicated that the Board has a copy of proposed changes to the policies and procedures, and descriptions for the committees. This is one last time to review the changes for final action. Commissioner Barber began the discussion with the election of the Chair. The recommendation of the Bylaws committee was that no election was necessary. However, staff has prepared a

ballot for the Board members to vote for the Chair. *At which time, the ballots were passed out and the votes were tabulated by Ms. Randle.* Commissioner Sykes agreed that an election was not necessary after checking it out very thoroughly. He commended the Chair for offering to have an election. He further believes it has been clarified in the committee regarding what would happen in the future. (Commissioner Sykes leaves.)

Vice-Chairman Banks noted that four and a half of the seven or eight pages deal with the election. He did not believe all of this was necessary for an election. He feels this is an over-reach. Commissioner Barber noted he would speak on this in detail when we get to the policies and procedures.

Chairman Watkins thanked the Bylaws committee for its work. He suggested setting a regular meeting time for the committees.

The results of the vote was 10—1 to retain Matt Watkins as the Chairman of the Board.

Commissioner Barber addressed the committee descriptions. There was an extensive discussion regarding the chairmanship of the Resident Participation Committee. This is the only committee that specifically states the Chair will be the resident commissioner. The other Chairs are appointed by the Chair of the Board. Commissioner Barber gave a history of how the Board began to write its committee descriptions. He then asked if the Board would want to discuss the Chairmanship of the Resident Participation Committee and Chairman Watkins suggested that Commissioner Barber complete his report and come back to this later, unless there were questions. Vice-Chairman Banks offered that the resident leader brings the foundation to chair the Resident Participation Committee. Commissioner Jefferson added this was discussed within the committee, and her concern was that if the resident commissioner always chairs the Resident Participation Committee, could they ever chair any other committee. She would like to see language stating the resident commissioner was free to chair other committees as well as chair the Resident Participation Committee. Commissioner Barber added that all the commissioners are expected to serve on more than one committee. The chairmanship is another matter. He further noted there could be issues if the resident commissioner, voted on by the residents, would not serve as chair of the Resident Participation Committee. Commissioner Jefferson questioned if it was the resident's expectation that the resident commissioner chaired the Resident Participation Committee or just serve as a resident on the Board. Vice-Chairman Banks asked what the established precedence was. He did not see that there were restrictions on the resident commissioner chairing another committee. Commissioner Jolley asked for an explanation of what a resident commissioner was. Chairman Watkins then explained the election process for becoming a resident commissioner. He suggested the elected resident commissioner would chair the Resident Participation Committee which allows us to hear the voice of the residents.

Discussion continued regarding the resident commissioner's role on the Board. Commissioner Barber suggested seeking feedback from the residents regarding if the resident commissioner would chair the Resident Participation Committee. Mr. Scott suggested changing the word *shall* to *may be* in the description for chair for the Resident Participation Committee. Commissioner Jefferson agreed with hearing from the residents in this matter. She did not believe the resident commissioner's affect would be lessened by not chairing the Resident Participation Committee. The Board agreed to seek feedback from the residents.

Commissioner Wilson added that since there are two residents on the Board, Commissioner Sykes believes he should be able to chair the Resident Participation Committee. Commissioner Rhodes noted is not often there are two residents on the Board, and various scenarios could play out with the composition of the Board. Commissioner McDonald noted that we should not make rules for individuals and not have a process. She suggested the focus be on the process and not the individuals.

Commissioner Barber pointed out the following: 1) Vacancies in office, subsection (e), removal from office (p. 41) effects the housing authority, changes need to be made in this area and a recommendation sent to the U.G. 2) The length of the election procedures was addressed early on and we are attempting to establish a formal process, but they could not find a way to get the process shortened less than two meetings for regular elections and three meetings for a special election. 3) There is language about how the meetings should be run. Parliamentary procedure would be followed, but not necessarily follow Robert's Rules of Order. Vice-Chairman Banks expressed that our business should not conform to the desires of one or two people. He suggested that the Board make a determination on what it wants to do and unless it's against the law, it would be up to the Board. Calling on the Attorney General is not value-added. Ninety days is also not value-added. He sees these things as becoming a problem. It will take a full blown presentation to the residents to explain the Resident Participation. Chairman Watkins noted that with more rules, there is more of an opportunity to run a foul of those rules. Vice-Chairman Banks suggested adding one more item under Policies and Procedures, Section A., Expectations of Commissioners; he requested that commissioners are not authorized to publicly state what the commission is going to do without the expression permission of the commission. He explained that it was communicated, at a past resident's funeral, that Juniper Gardens would be named after that individual. This conduct should be eliminated. This attributes to negative situations. The Board should not be represented without approval. Commissioner Jefferson concluded there must be a reason for creating procedures and it will take work to inform the residents. This work will make for more harmonious relationships.

Finance

Commissioner McDonald provided a written report of the Finance Committee meeting. She explained that the committee met with staff and the auditors to discuss their preliminary findings. The auditors told us that Kansas gets \$4 less per unit than other states. Also, included in the discussion was: Section 8, Public Housing, the Cost Center and the Environmental Review. Cap Funds accounts were found to be in good shape. Utilities were up considerably and rent income from public housing was up. Finance is working to decrease bad debt. The auditors suggested increasing maintenance charges. There will be a finding with the methods and accuracy of the financial reporting. This was the first year that Ms. Meeks did this alone and staff is confident this will be addressed going forward.

Inclusion and Public Information

Commissioner Warner noted that this group did not meet. *They meet quarterly.*

Personnel

Vice-Chairman Banks noted the deliverables for the Department of Justice are done. Clean up work will be done on Monday at 10 a.m. when the committee will meet.

Development

Commissioner Rhodes indicated the Development Committee would meet next week.

Resident Participation

Commissioner Wilson noted the Resident Participation would meet the 25th of this month.

Chairman Watkins indicated that the Executive and CHIG committees did not meet.

Public Comments

Chairman Watkins asked for comments from the public and there were none.

New Business Consent Items

Chairman Watkins called for a motion to approve New Business Consent Items. Commissioner Rhodes made a motion to approve Resolution Nos. 3378—3380. Commissioner McDonald seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Jolly, Jefferson, McDonald, Rhodes, Tomasic, Warner, Watkins, Wilson

NAYS: None

ABSENT: Sykes, Walker

ABSTAIN: None

Motion carried.

Resolution No. 3378, authorizing the Collection Loss—Write-Offs.

The resolution represents aged vacated tenants' account balances determined to be uncollectible and that require Board approval before being written off. The total amount to be written off as a collection loss is \$89, 240.44 as evidenced by the attached schedule.

Motion carried.

RESOLUTION NO. 3378—AUTHORIZING THE COLLECTION LOSS—WRITE-OFFS.

Resolution No. 3379, approving continuance of funding plan in support of Section 8 Housing Voucher Program using De-Federalized Central Office Cost Center Reserves for the Housing Authority of the City of Kansas City, Kansas.

The resolution approves the continuation of funding plan for the Section 8 Housing Choice Voucher Program with the use of De-federalized Central Office Cost Center (COCC) reserves for the Housing Authority of the City of Kansas City, Kansas. The administrative expenses of operating the Section 8 program for fiscal year ended March 31, 2018 exceed the amount of administrative fees earned from and provided by the U.S. Department of HUD. The Board has previously approved the use of COCC reserves to cover deficits and has sufficient reserves to cover the existing operating losses. This resolution

requests that \$24,290 be transferred from the COCC to cover the Section 8 operating loss for the period ending March 31, 2088.

Motion carried.

RESOLUTION NO. 3379—RESOLUTION APPROVING CONTINUANCE OF FUNDING PLAN IN SUPPORT OF SECTION 8 HOUSING VOUCHER PROGRAM USING DE-FEDERALIZED CENTRAL OFFICE COST CENTER RESERVES FOR THE HOUSING AUTHORITY OF THE CITY OF KANSAS CITY, KANSAS.

Resolution No. 3380, accepting the bid and authorizing a contract for the repair and modernization of elevator equipment at Plaza and Westgate Towers with Minnesota Elevator Inc.

This resolution authorizes a contract with Minnesota Elevator Incorporated (MEI) Total Elevator Solutions for the repair and modernization of elevator equipment at Plaza and Westgate Towers located at 1200 N. 75th Street and 6100 Leavenworth Road in Kansas City, Kansas. Since 2015, MEI has been the service and maintenance provider for seven housing authority high-rises. The architects have prepared plans to replace all elevator equipment with nonproprietary equipment. After all the preliminary work was done, the bid opening took place on August 29, 2018. One bid was received from MEI in the amount of \$866,147; alternates increased the bid up to \$1,060,970. There is funding in the 2016 and 2017 Capital Fund Programs for this work. A bid analysis determined this is a reasonable bid for the required work. HUD has also given its approval for this project. Staff is asking to enter into a contract with MEI for elevator repair and modernization at Plaza and Westgate Towers in the amount of \$962,322.

Motion carried.

RESOLUTION NO. 3380—AUTHORITY TO ACCEPT THE BID AND AUTHORIZE A CONTRACT FOR THE REPAIR AND MODERNIZATION OF ELEVATOR EQUIPMENT AT PLAZA TOWERS LOCATED AT 1200 NORTH 75TH PLACE AND WESTGATE TOWERS LOCATED AT 6100 LEAVENWORTH ROAD, IN KANSAS CITY, KANSAS, WITH MINNESOTA ELEVATOR INCORPORATED (MEI) TOTAL ELEVATOR SOLUTIONS.

New Business Discussion Items

Resolution No. 3381, Adopting of the Bylaws' Policies and Procedures, was introduced.

Chairman Watkins thanked Commissioner Barber and everyone else for their contribution toward this matter. He feels strongly that the resident commissioner is duly elected to serve in that role as Chair of the Resident Participation Committee. He would advocate for a shorter election process rather than a longer process. He opened the floor for discussion.

Vice-Chairman Banks suggested the committee consider the changes that were discussed and the Board vote on it at the next meeting. Commissioner Jefferson asked if residents could be surveyed between now and the next meeting to determine their expectations of the resident commissioner. Mr. Scott explained that this document provides a description of the committees and can be provided to the residents. This document can be approved and revised at the annual meeting in June. The residents will meet again in October. Commissioner Warner asked that the Board take its time with the residents and explain the historical significance of the bylaws, and gather their feedback for potential amendments to the bylaws, if the choose. The bylaws can then be amended at a future date. Commissioner McDonald was in agreement with Commissioner Warner. She would like it made clear that the resident commissioner can serve and chair another committee. Commissioner Jefferson suggested providing historical information to the residents and making it clear that the resident commissioner can also chair other committees. She asked that a plan be put together. Mr. Scott noted he would work with Commissioner Wilson and Ms. Davis-Mays to get this information before the residents. This information will be provided to Commissioner Barber.

Commissioner Warner made a motion to accept Resolution No. 3381 to be approved with an amendment to conform to the Kansas statues. Commissioner Barber seconded the motion and the following vote was recorded:

AYES: Banks, Barber, Jefferson, Jolley, McDonald, Rhodes, Tomasic, Warner, Watkins, Wilson

NAYS: None

ABSENT: Sykes, Walker

ABSTAIN: None

Motion carried.

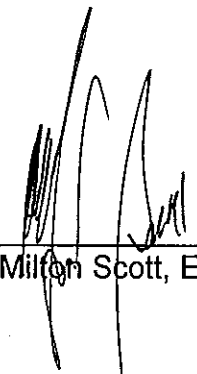
RESOLUTION NO. 3381—APPROVE ADOPTION OF THE BOARD BYLAWS' POLICIES AND PROCEDURES.

The Board agreed to approve Resolution No. 3381 and make amendments as deemed appropriate.

Receive

Chairman Watkins noted the ACOP was received with a 30-day comment period. Mr. Scott further explained that the Board would be asked to review this information and vote on it next month. He noted the areas of review are listed on page 55 of the September board packet. Ms. Linnell will gather the public comments and provide the comments next month. *The document is on the agency website and was provided to the Board.* The Board will be asked to adopt these changes next month.

Chairman Watkins called for the Board to adjourn. Commissioner Rhodes made the motion. Vice-Chairman Banks seconded the motion and it passed unanimously.



Milfon Scott, Executive Director



Matt Watkins, Chairman