

**WILMINGTON HOUSING AUTHORITY
REGULAR MEETING OF THE
BOARD OF COMMISSIONERS**

January 28, 2019

**400 N. Walnut Street
6:00 p.m.**

MINUTES OF MEETING

Present Representing the Board of Commissioners

James Spadola, Vice Chairman (chaired meeting)
Steven Washington, Secretary
Ben Cohen, Treasurer (arrived @ 6:11)
Vincent White
Betty Pinkett
Matthew Heckles
Timothy Crawl-Bey (via conference call)

Absent: Steven Martin, Chairman
Earl Jeter

Barry Willoughby, General Counsel

Present Representing WHA:

John Hill, Executive Director
Karen Spellman, Deputy Executive Director
Rosemarie Bizune, Finance Director
Roger Turk, Development Director
Sandi Rosmini, Housing Management Chief
Kathi Sulsky, HR Chief
Christine Arnold, Special Assistant/Scribe

Donna Starkey-Ford, Section 8 Chief
Laverne Hanson, Procurement Chief
Vibhuti Talwar, Finance
Denise Miller, Manager
Yolanda Durant, Security
Pam Clark, Manager

The Chairman called for the roll. A quorum was established to proceed with the Public Session.

PUBLIC SESSION:

Senior Residents:

Mr. Ricky Thompson, Crestview Resident Council President, has been requesting a meeting with Mr. Hill and would like to have it scheduled.

Ms. Susan Flowers, Crestview Resident, met with Ms. Rosmini and shared the following concerns:

- Toilet is breaking
- Stove and refrigerator need gaskets replaced
- Stove light issue
- Landlord is harassing her with inspection letters
- Doesn't feel safe because people are using other's key cards and people live there who not supposed to
- Security issues: claims tires slashed in parking lot, mirror broken and kids playing in parking lot.

Family Residents:

Ms. Toya Johnson, Southbridge Resident, shared the following concerns and later met with Ms. Rosmini to discuss.

- Mold in the unit
- Snow removal and parking are safety issues for her
- Landlord is rude and disrespectful and she “can’t talk to her”

Commissioner Washington asked that the managers receive training on how to deal with the public.

Commissioner Crawl-Bey shared his concerns about the security issues regarding unauthorized access to the building. He would like a report on how these issues are being addressed at the next Board meeting.

Scattered Sites Resident: None

Public Officials: None

Community-at- Large: None

1. MINUTES OF MEETING

The Chairman called for a motion to approve the Minutes of the December 10, 2018 Board meeting. Commissioner White made the motion and Commissioner Cohen seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Minutes of the December 10, 2018 Regular Meeting adopted unanimously.

2. EXECUTIVE DIRECTOR’S REPORT

Mr. Hill provided highlights from his report which is included in the Board Book.

The Chairman called for a motion to accept the Executive Director’s Report. Commissioner White made the motion and Commissioner Cohen seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Executive Director’s Report accepted unanimously.

Mr. Ken Becker of Ecology Energy made a presentation on extending the Southbridge Solar Park (included in Board Book).

Commissioner Cohen asked how much energy savings has WHA saved from the current solar project. Mr. Becker replied \$1,200,000 over the term which translates to \$80,000 in this first year. That money is flexible and can be used as needed. It is not held in the energy area.

The Chairman asked for a motion to amend the agenda and discuss Resolution 19-09. Commissioner White made the motion and Commissioner Cohen seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Resolution 19-09 Authorizing the Executive Director to Implement the Park View Apartments Sustainability Plan

Mr. Hill made the presentation (included in Board Book). During the presentation Mr. Hill mentioned that a real estate broker will be obtained to help market the commercial space at Park View. Commissioner White asked that it be stated in the record that he is not the broker. Mr. Hill confirmed.

Nathan Schuss and Steven Juskowicz, Harper Capital, presented the details on the loan to refinance Park View (included in Board Book).

Commissioner Crawl-Bey asked if the loan requires a debt service or operating reserve. Mr. Juskowicz replied that the HUD loan does not require debt service reserve or an operating reserve. It does require reserve for replacements. An engineer surveyed the site and looked at all of the components and constructed a schedule for the next 20 years of which components may need to be replaced. Based on that schedule there is an escrow that will receive a \$200,000 initial deposit on day one and annual deposits of \$400 per unit which is part of the projection that was already made. During the term of the project that money belongs to the Housing Authority. The lender will hold it and any components that have been replaced will be reimbursed for that expense.

Commissioner White asked what the default position is if we do not close. Mr. Juskowicz replied then there is no closing. At this point there is no issue; as we get closer to the date a good faith deposit will be required. Mr. Schuss added that when the rate is locked security is promised to the investor and they require the good faith deposit.

Commissioner White asked if this is 30 days after the scheduled closing. Mr. Schuss replied that once a firm commitment is received from HUD it should be 30-60 days from closing depending on HUD's timeframe. Commissioner White asked how many extensions can be granted. Mr. Schuss replied up to 6 months. Mr. Juskowicz added that there will be a rate lock before closing. The question is when to do that. The riskiest choice would be to rate lock today and he does not advise to do that. He recommends that the rate lock occur after HUD has issued their firm commitment to close, WHA's legal counsel has given the approval to close and everyone is very confident that closing will occur.

Commissioner Cohen asked what the estimated timeline to closing is. Mr. Schuss replied we are within a week or two of being able to submit to HUD. HUD is supposed to review these loans within 45-60 days; because of the government shutdown we are expecting a backlog which could be about a month's delay. After HUD offers a firm commitment, it should be another 30-60 days to closing. Assume 4-5 months from today.

Commissioner Cohen is concerned that the government will shut down again which may cause more delays. Mr. Schuss replied that once we receive a firm commitment from HUD we have the commitment; however, HUD is involved in the closing as well. This would cause delays but it would not change the commitment.

Commissioner Cohen asked where the sourcing of funds would be used to make the deposit. Mr. Schuss replied that the good faith deposit is ½% and if WHA did not have the funds there are two (2) options. Either someone could lend it Harper Capital would wait until it is time to close the loan and the rate lock would occur a few days prior to closing. Ms. Bizune added that the amount needed is about \$50,000 which could be taken out of operating expense.

Commissioner Heckles was concerned that the rent increase will be absorbed by subsidy and will reduce the amount of Section 8 monies to house other families. This is an opportunity cost that he wanted to bring up.

Commissioner Crawl-Bey added that we need to make sure all of the costs to the Park View and other programs are realized and shared.

Commissioner White added what is the cost per square foot in the common area spaces in Park View. He asked for this in the Development Committee meeting and Mr. Hill assured him that he would receive it. If we refinance and do not look at all of our costs then we are going to miss something and possibly shift that voucher subsidy in a direction that we may or may not think about.

Ms. Spellman responded that according to HUD we are more responsible to tenants in possession than those on the waiting list. No building can operate if the rents are not raised at some point.

Commissioner White responded that he is for the proposal but is for a “deeper dig” on the analysis. At some point this has a global affect on operations and wants to make certain that everyone knows what that affect to the best of their abilities will be.

Commissioner White called for a motion to adopt Resolution 19-09 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion.

Commissioner Crawl-Bey asked for an amendment that the conversion of market rate units to project-based units be analyzed before conversion and be presented to the Board for approval.

Commissioner White accepted the amendment to the motion and Commissioner Cohen seconded the motion. With no further questions from the Board, the Chairman called for the vote.

Resolution 19-09 adopted as amended unanimously.

3. RIVERSIDE REDEVELOPMENT REPORT

Ryan Bailey, Pennrose Properties, provided an update on the Riverside Redevelopment Project. Since the last Board meeting, the Master Planning Kickoff meeting was held at Kingswood Community Center. It was very well attended and started off the 7-month master planning process for the entire development. We have had weekly calls with REACH Riverside, WHA and Pennrose. We met recently with the City to talk about Home Funds and submitting an application which is due February 15, 2019. There is an information session tomorrow that he will be attending.

There was a walk through the property with the WHA team. There was a call about tax credit scoring. Since the last call we responded back to DSHA about what the final QAP should look like. Subsequently they finalized the QAP and the scoring. We have been reviewing the scoring to ensure that we maximize points. Many of the responses to the QAP were actually put into the final QAP which is helpful.

In the next month we will be working on the master developer agreement for this property. We will be working on the design/massing of the building. In February we will host a tour of some of our properties with residents and anyone interested on the project side to look at some other examples that could be used. Hopefully the County is getting closer to their awards. If you recall back in December we applied for \$700,000 in Home Funds from the County.

We are hosting a community meeting on Wednesday, January 30, 2019 at Kingswood at 6:00 p.m. We are expecting to have 80-100 people from the Riverside community. We will go through a “listening process” where there will be a lot of open ended questions. We will break people up into groups so they can sit down and have 1 on 5 interactions with a professional who will ask questions and take a lot of feedback from the residents of Riverside and the community at large. Discussion points will include what amenities are desired in the neighborhood, what type of housing is wanted, etc. It is a time to take a lot of notes. A housing survey will be given out. Kingswood will provide childcare and the Housing Authority will provide shuttle service to pick and drop off people up in the community.

Chairman Spadola asked how the event was publicized to the residents. Mr. Bailey responded that flyers were sent out last week and another batch will be sent out tomorrow. Ms. Spellman added that the flyers were placed under every resident’s door on Friday before last and a reminder flyer is going out in the morning with the route for the shuttle indicating where the stops are to encourage resident participation.

Mr. Bailey continued. Next month we will focus on how the Housing Authority will participate in the management and asset management of the development moving forward. That is something that is contemplated in the MDA term sheet that was signed a couple months ago. If you recall, there is language in there about cash flow and a percentage of the developer fee that is automatically coming back. We have been discussing asset management fees for services the Authority can do for a fee at Riverside. This information will be brought to the Board at the next meeting.

The overview of the budget, Phase 1 is currently contemplated to be 74 units, a small management office and maintenance office. We are looking at about \$19 million dollars based on the construction costs and what we are seeing now. It is about \$250,000 per unit. The largest chunk is Low-Income Tax Credit equity. Unfortunately the State only has a maximum allocation of \$1,000,000 per year. If you multiply that by the 10 years, we are getting about \$9,300,000; therefore, leaving a gap of \$9,700,000 that needs to go out into the local community to get.

That would comprise of \$1,200,000 in hard debt (amortizing debt) 30 year money that would be paid down by the development. The State is supporting our application for \$2,900,000 in soft sources when we apply for tax credits at the end of April. I have already mentioned the \$700,000 from the County. It is a competitive award. He is logging it as an “in” but we are awaiting the decision. We discussed with the City and are applying for \$1,000,000 in Home Funds on February 15, 2019. Also, the City has given REACH \$1,000,000 for the overall project. REACH will dedicate \$500,000 to the development. The Housing Authority will contribute \$1,500,000 in Capital Funds and Replacement Housing Factor Funds which leaves us with a gap of \$1,000,000.

We are going to push the groups that we have already spoken with and talk to REACH about what other financial resources they can bring to the project. They have indicated that they would like to lobby for other funds for the project.

Mr. Hill added that he has asked Mr. Bailey to work on providing a proforma. His concern is that the Board understands why the proforma and assumptions from the sources and uses and what it is that we are proposing. What are the sizes of the units, what are the types, we don’t have elevations or floor plans yet. This information should be provided within the next 30 days so the Board will have empirical data to make informed decisions as we go forward.

Mr. Bailey replied that over the weekend we did provide Mr. Hill and his staff with the first proforma in the State's format. This shows the assumptions for all the different sources and uses, operating expenses, etc. The proforma is a "working document" that will be updated constantly, all the way up to the closing of Phase 1. We will take a lot of feedback at Wednesday night's meeting as to the size of units, how many units the community needs. That will help drive what those decisions are; we have made certain assumptions to determine this based on previous experience. That will be brought into the fold. We are looking at a number of different building types and will show the community those and get their reaction.

Commissioner Heckles asked what does DSHA require in terms of commitment letter, application, and do they require full financing identified or is a gap of \$1,000,000 acceptable to close after award but before closing. Mr. Bailey replied that a page and a half commitment letter from the Housing Authority saying that the funds are being set aside. It would identify the funds, the loan on the Housing Authority letterhead. The same thing with the capital dollars as it would be for the project-based vouchers. We are going to have to figure out what that money is for the application. We are already going to submit \$2,900,000 to them to solve which they have indicated is solvable but that is what they would consider is the gap. We would have to have a commitment letter for that other money.

Commissioner Crawl-Bey asked if there has been any effort to include homeownership units in the first phase. Mr. Bailey replied that it would generally be part of the master planning discussion. The application to the State can only be for rental. We could look at doing some homeownership concurrently with Phase 1 and it will be incorporated in the master plan.

Resolution 19-08 Authorizing the Executive Director to Create and Implement a Contingency Plan to Manage Wilmington Housing Authority Operations Due to the Shutdown of the Federal Government

Commissioner White called for a motion to waive the reading of the Resolution 19-08 and just provide a synopsis, Commissioner Pinkett seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Kathi Sulsky provided the overview. The contingency plan was presented to the Finance Committee via conference call last week with current numbers as of December 31, 2018.

Commissioner Cohen shared that it was presented to him and Commissioner Spadola. The plan was very well articulated. This is the plan that has been circulated and is in draft mode, it is not final. This is under consideration and we should continue the conversation.

Mr. Hill clarified that this is the final version of the plan, it is not a draft. During the conference call Commissioner Cohen asked that other sources of funding be looked at. We have not had a chance to do this yet but will be reaching out. This plan was made if we ran out of funds within the next 30 days. This will not happen now that the government has been opened back up.

Since the government has opened up, we can make an assumption that we will receive funding for March. We would not have to dip into our reserves as we originally thought.

Commissioner Cohen made a motion to approve Resolution 19-08 and the triggering event would be non-receipt of federal funds prior to the next Board meeting. Commissioner White seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Resolution 19-08 adopted unanimously.

4. SPECIAL PROJECT REPORTS

Richard Sissick presented Public Housing Energy Performance Contract Self-Managed Phase 3 (in Board Book).

Commissioner Cohen asked if the 25 houses that were selected are long-term vacant. Were they analyzed to ensure that it was best to revitalize them in lieu of selling them or razing them? Mr. Turk responded that we studied each property and looked at the cost of demolishing them. Demolishing scattered site unit costs about \$40,000. We have also looked at disposition and the value of these properties in their current state is very small. It is a lot of work for no return. As we look at increasing the subsidy coming into WHA and also the possibility of selling these units as homeownership units, we think it is an overall positive and improves the community. A lot of these units are in West Center City where the City is making a concerted effort to revitalize the entire area. We are working in conjunction with the City to do block-by-block rehabilitation.

Mr. Sissick added that he has worked in conjunction with Group 14 Engineering who looked at these sites and computed what the value of the energy savings would be. We have scoped out the work, we have pricing from contractors. A lot of effort went into that area.

Commissioner Cohen stated that the idea is that this pays for itself, correct? It generates \$1,500,000 in decrease in expenditures while the repayment of the loan service is close to \$1,200,000 and should generate \$300,000 in difference. Have we seen that historically? Mr. Sissick replied we have seen a lot more than that. He has been coming to WHA for about 10 years and when he first arrived they were juggling the checkbook to keep the lights on in the high-rise buildings. WHA was in very bad shape; particularly at the Central Office (COCC) as we moved into project-based accounting.

The problem with the COCC is that if it ever goes in the red, you have something called "inter funds". Bills get paid, there is a central checking account, there's "due to" and "due from". If you have a "due from" the COCC that it cannot pay, you are effectively loaning money to a non-federal activity business fund from federal programs. That is something that the Office of the Inspector General hates.

A couple of years ago we had a multiple six figure deficit at the COCC and the only reason we were able to cover it was that 50% of excess savings that we drew out of the Energy Performance Contract. It is not only there, it has been critical to the Housing Authority's success.

5. FINANCE REPORTS

Chris Lehman, SB & Company, presented the audit report for FYE 2018 (located in Board Book).

Commissioner Cohen asked that Mr. Lehman share some specific test of controls. Mr. Lehman replied the income statement is a major area for controls. On the areas that have high volumes of transactions (tenant rents, disbursements to vendors, payroll, etc.) we typically want to rely on the internal control environment because that would give us audit comfort that the controls are getting to the proper numbers on the financial statements. From an application of how much someone needs to pay for their tenant rent, we would look at that and follow it through the cycle and the year to see if that person paid the proper amount that they were supposed to pay, was it posted properly to revenue, did it get posted

to the proper account. If you look at payroll, we would look at time sheets to make sure the employee worked the hours, worked at their authorized salary when they were hired or any updates to that salary. Adjustments throughout the year to make sure they were paid accurately. We look at that in relation to the expense that hits the financial statement.

Commissioner Cohen asked the test of controls is a sample. What percentage is being sampled? Mr. Lehman responded that is correct. The sampling is based on statistics which are generally based on 25, 40 or 60 depending on the level of comfort. We are typically in the 40 range whether it is revenue, payroll or disbursements.

Commissioner Cohen asked if there are any concerns. Mr. Lehman replied it was a clean audit. It is a well controlled environment. It is fairly rare to get this clean of an audit. It speaks to management.

Rosemarie Bizune provided the overview of the Financial Statement (located in Board Book).

Commissioner Cohen mentioned that for LIPH revenues 7% below budget, 8% below on other, and 7% up on the HUD operating subsidy. What should we be doing to deal with that because if the operating subsidy was not over then we would be in a "bit of a pickle"? Ms. Bizune replied that we have no control over dwelling rental income because it is based on resident income. When the budget was composed, the current rent roll of that month was used and multiplied by 12. It is very difficult to determine because it is not fixed.

Commissioner Cohen asked if the 7% decline is based on decrease in resident income, not receipt of rent. Ms. Bizune clarified that this is what is being charged, not collected.

Commissioner White asked what does historical data show? Ms. Spellman replied that it is anticipated from the previous year and the variance cannot be controlled throughout the year because it depends on the income earned by the residents.

Commissioner Cohen asked for an update on the issuance of Section 8 vouchers. Ms. Starkey-Ford replied that 104 vouchers were issued to Luther Towers, 102 inspections were completed and are ready to be leased. The Luther Towers management is waiting for the government shutdown to end because they had questions for HUD pertaining to resident rent increase. She is in the process of receiving the leases for those under contract. 20-22 are in limbo because they do not know how to handle those that are over income. There are other HCV voucher holders out on the street. There are three (3) sessions scheduled to interview 60 applicants per night.

Commissioner Cohen made the motion to accept the Finance Report as written and Commissioner White seconded the motion. With no further questions from the Board, the Chairman called for the vote. Motion carried.

The Finance Report accepted unanimously.

6. RESOLUTIONS

Resolution 19-01 Amending the Personnel Policy to Include a Confidentiality and Non-Disclosure Agreement for the Wilmington Housing Authority

Commissioner Cohen called for a motion to waive the reading of the Resolution 19-01 and just provide a synopsis, Commissioner White seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Ms. Sulsky provided the overview. WHA currently does not have a confidentiality and non-disclosure agreement and WHA is loaded with confidential information. We are going to have each employee sign the agreement; however, before they do they will be trained. Training dates will be February 13, 2019 and February 20th for every employee. After the training the employees will sign the agreement.

Commissioner White asked if this will be part of the hiring policy. Ms. Sulsky replied correct. It is not only in affect while they are working here, it also affects when they leave. This was reviewed by our legal counsel and consists of all proprietary information.

Commissioner Washington questioned how many trainers and how long is the session. Ms. Sulsky replied it is one trainer who is an outside consultant. It consists of four sessions where employees will be broken down into four small groups.

Commissioner White asked if this applies to the members of the Board of Commissioners. Ms. Sulsky replied no, it is part of the personnel policy which is for employees.

Commissioner Cohen called for a motion to adopt Resolution 19-01 and Commissioner Washington seconded the motion. The Chairman asked for questions on the motion. With no further questions from the Board, the Chairman called for the vote.

Amendment to Resolution 19-01 adopted unanimously.

Resolution 19-02 Authorizing the Wilmington Housing Authority to Finance a Self-Directed Phase Three Energy Performance Contract with TD Equipment Finance, Inc

Commissioner White called for a motion to waive the reading of Resolution 19-02 and just provide a synopsis, Commissioner Heckles seconded the motion. With no questions from the Board, the Chairman called for the vote. Motion carried.

Mr. Turk provided the summary. This is a resolution to finance a self-directed phase three Energy Performance Contract with TD Bank not to exceed \$4,500,000. Mr. Richard Sissick provided the details in his earlier presentation.

Commissioner Cohen asked if finance is confident that we can make these payments and that it will continue to pay for itself. Ms. Bizune replied yes. It is all about savings which is not realized until the following year in the operating subsidy calculation. The funds will be provided at the AMP level, not the COCC.

Commissioner Heckles called for a motion to adopt Resolution 19-02 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion. With no questions from the Board, the Chairman called for the vote.

Resolution 19-02 adopted unanimously.

Resolution 19-03 Awarding a Contract to TN Ward for the Implementation of the Baynard Apartments and High-Rises Retro-Fit Program under the Approved Self-Directed Phase Three Energy Performance Contract.

Mr. Turk presented the resolution. This project will help with the weatherization problem and replace the heating system at Baynard; it will address some other HVAC issues and reduce the water costs because the water flow will be reduced. We are converting all of the high-rises and mid-rises to LED lighting in the common areas, thus reducing our utility costs. The windows are the most expensive part of the project.

Commissioner White stated that we should receive the scope of work and it should be a practice that we can expect in the future. Mr. Hill confirmed that they will receive the scope of work.

Mr. Turk added that the scope of work, the specifications, the costs, etc are included in Group 14's submission.

Chairman Spadola asked if Mr. Turk has every confidence in TN Ward. Mr. Turk replied yes. They have a good track record, they have worked for the Philadelphia Housing Authority and as Richard Sissick said they have held their prices for the term while we are going through the approval process.

Commissioner White asked if TN Ward is part of Group 14 Engineering. Mr. Turk replied no, they are a separate entity. We solicited them in-house through the RFP process. Commissioner White asked if anyone else applied. Mr. Turk replied that we had a tough time finding people to apply and they were the sole applicant. Their prices were consistent with estimates created by Group 14. We are unsure why no other company bid.

Commissioner White asked if this was unusual. Mr. Turk replied that recently we have had several solicitations where we only received one or two responses even though Procurement called people on the phone, put ads in the paper, it is online. It does take a special group to accomplish this work because they are going into a high-rise and doing a lot of mechanical and electrical work.

Commissioner White suggested that this be referred to the Development Committee about the pre-bidding process.

Mr. Hill asked that Ms. Hanson, Procurement Chief, provide how the process works. Ms. Hanson explained the RFP process by stating the solicitation consists of advertisement in the paper and we solicit on E-Procurement Marketplace, whereas anyone that is registered across the country has the opportunity to submit their proposal. We evaluate them via a committee of three (3) people review the proposals. Once the evaluations are done they are rated.

If there is only one solicitation the best practice is to review the internal cost estimate, look at other sources to determine if the response is reasonable, and does other analysis to determine if it is a good number. She does have documentation of that analysis in case it needs to be reviewed.

Ms. Hanson added that when we are getting close to a response date, if we do not have any potential responses we will extend the bid date and try to call people, do other things to stimulate interest. In this case we extended it at least two times.

Commissioner Crawl-Bey is concerned that only one bid was received for such a large project. We should look into why people are not bidding.

Commissioner White replied that he agrees with his concerns and is going to address this issue in a future Development Committee meeting.

Commissioner Cohen asked what the funding flow is and the payment terms for TN Ward. Mr. Turk replied it is "work in place". They will submit an invoice, we approve the invoice, it is submitted to TD Bank and TD Bank will then cut a check for the contract. TD Bank is holding the funds for \$10,500,000 and is earning interest.

Commissioner Cohen asked have we seen cost overruns with TN Ward in the past, do we see them under their budget? Mr. Turk replied that we have not used TN Ward previously; however, we do have a built in contingency with the EPC program and also in TN Ward's contract we have a contingency fund. This is a guaranteed maximum price so the only way the price increases is if the scope of work changes.

Commissioner White called for a motion to adopt Resolution 19-03 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion. With no further questions from the Board, the Chairman called for the vote. Commissioner Crawl-Bey abstained.

Resolution 19-03 adopted.

Resolution 19-04 Awarding a Contract to Moorway Management, Parker Construction, and Pearson Contracting, LLC for the Implementation of the Scattered Site Retro-Fit Program Under the Approved Self-Directed Phase Three Energy Performance Contract

Mr. Turk presented the resolution. This resolution is part of the EPC Program for the 25 scattered sites. We selected three (3) contractors; we had four (4) submissions and the evaluation committee determined that the fourth contractor was non-responsive and not responsible.

Commissioner White called for a motion to adopt Resolution 19-04 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion.

Commissioner Crawl-Bey mentioned that the bids were received in August 2017. Have there been any updates or what is the certainty that those numbers are still good. Mr. Turk replied that Procurement has spoken with the contractors and the prices are being held up to April 30, 2019 and it is in writing.

Commissioner Crawl-Bey continued. His other concern is that he is personally dealing with Parker Construction and they have not been on time with the contract. He does not believe that they have the capacity to complete the work timely.

Commissioner White asked if there is a scope of work. Mr. Turk replied yes and the scope of work was created by Group 14 Engineering. Parker Construction has worked for WHA previously. They replaced bathrooms and kitchens in 149 units at the Crestview high-rise. They were very responsive and completed that in a timely manner. We have used them on other small projects recently and they have been able to respond. We have a strong construction management crew to ensure that the jobs are completed timely.

Commissioner Heckles shared that this is more concerning to him than the previous resolution because this is to some extent rehabilitation of vacant buildings. We should have received more than three (3) qualified responses. Root cause should be determined.

Mr. Turk replied that we have used all of these contractors previously and they have all performed.

Members of the Board shared their concerns about the lack of responses and the costs of the rehabilitation work. They did not want to hold up the work and decided to refer the process to the Development Committee but vote on the resolution.

With no further questions from the Board, the Chairman called for the vote. Commissioner Crawl-Bey abstained.

Resolution 19-04 adopted.

Resolution 19-05 Authorizing the Wilmington Housing Authority to Set Aside \$100,000 for 25% of Riverside Pre-Development Costs and Set Aside Up to \$1,500,000 for Development Gap Funding

Commissioner White called for a motion to adopt Resolution 19-05 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion.

Mr. Turk presented the resolution.

Commissioner Crawl-Bey commented that the Board approved term sheet states that the Housing Authority's pre-commitment for pre-development costs for the lesser of 25% or \$71,000. He is not clear why this resolution is asking for \$100,000. This was already voted on and approved.

Also, the request for the set aside of \$1,500,000 should be in a separate resolution.

After discussion, it was decided that the resolution will be pulled and will be discussed and reviewed in the next development meeting.

With no further questions from the Board, the Chairman called for the vote.

Resolution 19-05 pulled unanimously.

Resolution 19-06 Authorizing the Wilmington Housing Authority to Allocate Up to Twenty-Five (25) Housing Choice Vouchers for Project Based Assisted Units in Phase 1 of the Riverside Redevelopment Project

Commissioner Crawl-Bey called for a motion to adopt Resolution 19-06 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion.

Mr. Turk presented the resolution.

Commissioner Heckles commented that if we are not comfortable with the \$1,500,000 gap, are we comfortable with 25 project-based vouchers? We need to understand the entire project and not “piece meal” the project.

After discussion, it was decided that the resolution will be pulled and will be discussed and reviewed in the next development meeting.

With no further questions from the Board, the Chairman called for the vote.

Resolution 19-06 pulled unanimously.

Resolution 19-07 Authorizing the Executive Director to Write-Off All Vacated Public Housing Arrears

Mr. Hill presented the resolution. The Housing Authority should be writing-off vacated tenant accounts every couple of months, not just once annually.

Commissioner White called for a motion to adopt Resolution 19-07 and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion. With no questions from the Board, the Chairman called for the vote.

Resolution 19-07 adopted unanimously.

7. BOARD COMMITTEE REPORTS

Finance - No Report

Development

Commissioner White shared that issues at hand were the allocation of dollars to the Riverside Redevelopment Project including the 25%. We also discussed getting more background which includes what was discussed at this meeting with Mr. Turk in terms of scope work. We will work on our issue with Procurement.

8. OLD BUSINESS

Resolution 18-19, Rental Demonstration Program (RAD) application for Lincoln Towers

Commissioner Heckles asked that it remain on the agenda until HUD approves the application.

9. NEW BUSINESS

The Chairman asked that “Response to Inquiries from the Board of Commissioners” be added to the monthly agenda.

10. EXECUTIVE SESSION

Commissioner White called for a motion to go into Executive Session and Commissioner Cohen seconded the motion. The Chairman asked for questions on the motion. With no further questions from the Board, the Chairman called for the vote.

The Board went into Executive Session at 10:03 p.m.

11. ADJOURNMENT

With no further business to come before the Board, the Chairman called for a motion to adjourn the meeting. Commissioner White made the motion and Commissioner Cohen seconded the motion.

The meeting was adjourned at 10:10 p.m.

ADOPTED:

Respectfully submitted,


Steven Washington, Secretary