

ACTION
MINUTES OF THE REGULAR BOARD MEETING
OF THE
HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
HELD NOVEMBER 29, 2004

Commissioners met at the Central Office. The meeting was called to order by Vice Chair Michael Nichols at 6:05 p.m. Present: Vice Chair Michael Nichols, and Commissioners: York Gin, Josh Stewart, Timothy Escamilla, and Carol Schneider. Absent: Chair Alan Styles and Commissioner John Dalessio. Also Present: Jim Nakashima, Executive Director; Mary Jo Zenk, Deputy Executive Director/Chief Financial Officer; Barry Phillips, Chief Administrative Officer; Tony Caldwell, Chief Information Technology; Rosie Anderson, Director of Housing Assistance Programs; Jean Goebel, Director of Housing Management; Starla Warren, Director of Housing Development; Lynn Santos, Director of Finance; and Cheryl Ontiveros, Attorney. Recorder: Sandy Tebbs.

COMMENTS FROM THE PUBLIC:

Lyn Ann Rosen commented that it was an honor to have served with Michael Nichols on the Board. He is a smart, kind, decent man and an outstanding Commissioner. He was consistently well informed at meetings and had a good grasp of complicated issues. He always remembered and respected the mission of the Housing Authority whenever he discussed policy and personnel. Michael was an unrelenting advocate for tenants. He took his role as Commissioner seriously and I believe has the top attendance record; he rarely missed a meeting of the Board, Personnel Committee, Safety Committee, MCHI, retreats, and anything else that came up that required his presence. Mike and I served together through many Board and administrative changes. His support was crucial when I was Chairperson some years ago. I greatly admire Michael and he was someone I could talk with during hard times; and he always knew his material, which was a huge help to me. Monterey County was fortunate to have Michael on the Board of Commissioners and the Housing Authority is a better place for Michael having served. Thank you Mike; it was my pleasure and I miss you! Commissioner Nichols thanked Lyn Ann Rosen.

John Heric commented that he just really wanted to compliment the Housing Authority for the really good work they have done all over the County with building projects and maintaining projects and they've gotten good grades from HUD. And I really mean that sincerely. By the same token, I think it's rather peculiar that you haven't taken care of Rippling River. It seems like when you want to take care of something, you really do. And part of it might be that there were so many things that needed to be done there that it got to be such a horrendous project that it may have looked to you to be better to demolish the buildings. Well that isn't the case now, as you know, as that reaches the upper limits of the cost at \$2.7M that it may only cost about \$2.3 or \$2.4 so it looks like it can be done for a quarter of what it originally estimated. And since you've been able to find money to take care of everything else in the County, I really believe that you are going to find the money or locate the money to take care of Rippling River and I want to thank you for it. Thank you.

Rebecca Martinez requested a personnel issue be sent to the Personnel Committee under a Closed Session.

CONSENT AGENDA

- A. Minutes--Approval of Minutes of the Special Board Meeting held September 9, 2004**
- B. Minutes--Approval of Minutes of the Special Board Meeting held September 16, 2004**
- C. Minutes--Approval of Minutes of the Special Board Meeting held September 24, 2004**
- D. Minutes--Approval of Minutes of the Special Board Meeting held October 29, 2004**
- E. Resolution 2281: Proposed Changes to HACM Personnel Policies**
- F. Resolution 2285: Office of Migrant Services Standard Agreement Contract #04-OMS-761 (RD)**
- G. Resolution 2286: Gap Financing Request for King City Elderly-Acquisition**

Upon motion by Commissioner Escamilla, seconded by Commissioner Schneider, the Board approved the Consent Agenda. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Escamilla, Schneider
NOES: None
ABSENT: Styles, Dalessio

REPORTS OF COMMITTEES

Finance/Development Committee
Personnel Committee
Monterey County Housing, Inc.
Affordable Acquisitions

Commissioner Tim Escamilla, Chairman
Commissioner Josh Stewart, Chairman
Commissioner Tim Escamilla, Rep.
Commissioner Tim Escamilla, Rep.

The Board requested the Ad Hoc Committee be added to the Reports of Committees.

REPORT OF SECRETARY

A. Executive Report: Mr. Nakashima reported that there were no changes to his report. He stated the President's administration is pushing toward privatization and regionalization. There is an article on the table that shows another form of the Public Housing Reinvestment Initiative of PHAs (PHRIP), which means to get out of public housing business. The latest news is that the new budget will have \$1B cut from the public housing capital fund; that's the largest single cut that he could remember. The other bad news is that it looks like the administrative fees for Section 8 will drop another 5% from the already proposed cuts. Somewhere along the line the mission of the 5,500 people we serve is being forgotten. We have to preserve what affordable housing we do have and to increase it as the economic costs increase. In a lengthy discussion, it was reminded that trigger timelines would be provided and the Commissioners notified before HACM's tenants would have to be affected. Mr. Nakashima commented staff is working with HUD and HACM has a good funding system in place. Commissioner Escamilla reminded that there should be a couple of months funding for support before advance notice is provided to the Commission.

OLD BUSINESS

A. Commissioners Holiday Dinner

Upon motion by Commissioner Escamilla, seconded by Commissioner Stewart, the Board tabled the holiday dinner to the Retreat. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Escamilla, Schneider
NOES: None
ABSENT: Styles, Dalessio

NEW BUSINESS

A. Resolution 2282: New Position – Custodian-Housekeeper

Rebecca Martinez, SEIU Representative, and Kari Manning, Union Steward, commented on their disagreement with the salary for this new position. John Heric, Carmel Valley resident, commented on the importance of having vacant units filled as fast as possible to save money.

Upon motion by Commissioner Nichols, seconded by Commissioner Stewart, the Board adopted Resolution 2282 to approve the new position, Custodian-Housekeeper, with Staff and Union to work together to resolve the issue of the salary. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Schneider
NOES: Escamilla
ABSENT: Styles, Dalessio

B. Resolution 2283: Change in Personnel Complement – Custodian-Housekeeper

Upon motion by Commissioner Stewart, seconded by Commissioner Gin, the Board adopted Resolution 2283 modifying the Personnel Complement approved by Resolution 2272. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Schneider
NOES: None
ABSENT: Styles, Dalessio
ABSTAIN: Escamilla

C. Resolution 2287: Approve extension of Five Year Strategic Plan

Upon motion by Commissioner Escamilla, seconded by Commissioner Stewart, the Board adopted Resolution 2287 to reaffirm HACM's Strategic Plan Goals and approve the extension of the five Year Strategic Plan through 2009. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Escamilla, Schneider
NOES: None
ABSENT: Styles, Dalessio

D. Appointment of MCHI board member

Upon motion by Commissioner Escamilla, seconded by Commissioner Nichols, the Board appointed Jim Nakashima to serve as a Board member of MCHI and MCHI Affordable Acquisitions, Inc. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Escamilla, Schneider
NOES: None
ABSENT: Styles, Dalessio

E. Tenant Commissioner Position

Helaine Clark commented I know you guys know what you're doing. At least I hope you do. I think the Board of Supervisors was looking for—two things that they mentioned one was that someone would be bilingual who relates to the Hispanic Community, and they were very concerned that they had people that were not out to destroy Rippling River. And Carol Schneider has stated many times that she can't stand Rippling River and wants it out of the way. So I don't think Carol is going to get approved by the Board of Supervisors, but it's YOUR choice if you want to recommend her.

Upon motion by Commissioner Nichols, seconded by Commissioner Gin, the Board recommends Carol Schneider for the senior citizen Tenant Commissioner position. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Escamilla, Schneider
NOES: None
ABSENT: Styles, Dalessio

F. Board Retreat

Upon motion by Commissioner Escamilla, seconded by Commissioner Gin, the Board tabled this agenda item to the December Board meeting. Motion carried with the following vote:

AYES: Nichols, Gin, Stewart, Escamilla, Schneider
NOES: None
ABSENT: Styles, Dalessio

INFORMATION

A. Administrative Report/Summary of Actions for October/November 2004: No discussion; no action required.

B. Status Report: September 2004 Financial Statements and October 2004 Disbursements: No discussion; no action required.

C. Status Report: Monthly Development Report: No discussion; no action required.

D. Status Report: Monthly Housing Management Report: No discussion; no action required.

E. Status Report: Eligibility/Section 8 Reports: No discussion; no action required.

F. Legislative Update: No discussion; no action required.

G. Quarterly Cash Report: No discussion; no action required.

H. **Front Street Update – Draft Initial Study (Negative Declaration):** Ms. Warren provided a PowerPoint presentation on “Bringing Healthy Families Home.” She reported that the Negative Declaration document would be provided to each Commissioner for review. The negative declaration will be put out tomorrow for circulation and public comments. It will come to the Board for approval at a Special Board meeting in January to include a Public Hearing to receive public comments. Handouts on the project were provided to the Commissioners. Ms. Warren also reported that HACM is getting ready to partner and apply in January for funds for Soledad and Front Street. No action required.

I. **Follow-up and Referral Items:** No discussion; no action required.

J. **Commissioner Meeting Schedules for 2005:** The Clerk to the Board pointed out the meeting schedules for 2005 were in the Board packet. No action required.

COMMISSIONER COMMENTS

The Board moved Commissioner Comments to after the Closed Session and recessed to a break at 7:40 p.m. The Board convened to Closed Session at 7:46 p.m.

CLOSED SESSION

The Board of Commissioners met in Closed Session for the following purposes and reasons:

A. With respect to every item to be discussed in Closed Session pursuant to Government Code Section 54956.95: **LIABILITY CLAIMS: Claimant: Esperanza Valdez**
ACTION: The Board adopted Resolution 2284 rejecting the claim of Esperanza Valdez.

B. With respect to every item to be discussed in Closed Session pursuant to Government Code Section 54956.8 Real Property Negotiations
ACTION: No action to report.

C. With respect to every item to be discussed in Closed Session pursuant to Government Code Section 54957: **PUBLIC EMPLOYMENT PERFORMANCE EVALUATION**
Title: Executive Director
ACTION: The Board accepted the contract for the Executive Director as changed and modified and signed tonight and to be effective tomorrow.

The Board reconvened to regular session at 8:35 p.m.

COMMISSIONER COMMENTS

Commissioner Escamilla commented on the Ad Hoc Committee. Where we're at with the Ad Hoc is the Steering Committee that is made up of staff members from the County and HACM did a nice summary of what we've done. They created the guiding principles on how to operate. Sally Reed will be leaving in December and Edith Johnsen's term ends in January. A technical assistance meeting was held with HUD in San Francisco, which included staffs from the County and HACM along with Rippling River residents and Carmel Valley residents. At that meeting HUD notified everyone that the ADA issue is not gone. Once the scope of work is defined, it will go back into the ADA realm. After that meeting with HUD, Dennis McCoy, the contractor for the County, was asked what he got from the meeting and he said, for the record, that whatever scope of work we have, we've got to submit it back to the State and HUD and they are going to tell us what we're going to do with reference to ADA.

Commissioner Escamilla stated in defining the scope of work, the Steering Committee came up with 38 tasks to implement the Corps report and those 38 tasks would be used in putting out the bid. There was also a big discussion on line item veto if the costs came in real high and being able to take out some items. My position was if someone wants to get quotes on a certain item or a group of items, go ahead as long as it doesn't change the Corps report. As long as it encumbered everything that the Corps report said, that was our position. There was some discussion about not using the word rehab but using repair or renovation. Regardless of the wording, it will still have to go to HUD and State ADA.

Ms. Zenk pointed out we have to develop a matrix and the County will hire a consultant to develop this matrix to prove to HUD that we've met the rules. Commissioner Escamilla commented there is a State list so there would not be a need for an RFQ process. The residents brought a list of nine

additional items, but the Joint Ad Hoc Committees rejected those items stating that they didn't want to expand on the Corps report. The focus will stay on the 38 tasks, which the Steering Committee felt encumbered the essence of the Corps report. To Board query on the timeline, staff reported that the insurance company would be coming out in January and the RFP is being done right now. Ms. Zenk reported that it will take a couple of months to draw the level of specs that are needed, but we should have a plan in place with the proposed funding sources so we can show the process.

Commissioner Escamilla commented that one thing Supervisor Potter is trying to do is break up the long range from the short range, such as immediate needs, necessity things and then nice to have items. There's an underlying concern that the costs are going to come in substantially higher. At the meeting with HUD there was some discussions about setting up a 501C(3) to take over Rippling River. Merri Bilek asked how serious HACM was about giving it to the residents. Commissioner Escamilla stated that he could not speak for the rest of the people, but he was dead serious if there was a legal entity that wanted it and had the right to operate it, he would give it to them. Ms. Reed stated she didn't want it taken out of the Housing Authority.

Commissioner Escamilla stated that, to him, the key issue and focus is the scope of work and tasks one through thirty-eight that have been defined. If it comes back at budget great, but if it comes twice the budget then there is going to be some line item issues. If it comes back below budget, we do it and maybe we can add some of those other nice to have items. To Board query, Commissioner Escamilla stated that what he understands is supposed to happen is the guiding principles will be coming to this Board for approval but for sake of time, those 38 tasks are being drafted into an RFP process proposal. Ms. Zenk stated that those tasks are what the Army Corps of Engineers report has stated but we also had three professionals review these tasks and walk the property and they have tweaked these items as far as type of material or design but they stayed true to the Corps report and they also identified some items that could possibly be costed out separately if they needed to be deducted because they are not as important as other items.

Commissioner Escamilla concluded that the only thing he asked was about keeping residents on site and that it somehow needs to be quantifiably measured so that if it (cost) comes in more we could truly say if the residents weren't on site that we would save that amount.

Commissioner Escamilla thanked Commissioner Nichols for his community service and for his commitment to community service. He stated it has been a pleasure working with Commissioner Nichols and it's a shame what has happened, but regardless keep your head up and I hope we can see you in two years. Commissioner Nichols responded what has happened shows the strength of the Housing Authority because they (County) had to change the rules to make it happen. Stay strong and keep fighting the battle.

Cheryl Ontiveros commented that she had worked nine years with Commissioner Nichols and through chaos and crises he stayed. She stated she admires what Commissioner Nichols has done and what he has gone through and even with his health problems he always had the Housing Authority's mission at heart and she would like to applaud him from the bottom of her heart. For ten years of volunteer service he deserves to stand and take a bow.

Commissioner Stewart commented for the record that he requests that the charges given by the Chair of this Board to a committee or an individual be provided in writing. This keeps the committee or individual being charged correctly informed and maintains a record of that charge.

Commissioner Schneider thanked Commissioner Nichols for the good job he has done and personally she wishes he could stay on the Board. She stated some of the HACM rules are because of Commissioner Nichols' good job.

Commissioner Nichols commented the Board needs to figure out how to separate Rippling River from public housing. There is a national program that can help fund that; maybe Sam Farr can help in getting a bill passed to get this property out of the public housing stock. He further commented that he does believe in purpose; everybody's time comes to an end. This Board voted but maybe she (new commissioner) will be coming in with something else. Who knows? We're all here for a reason. Commissioner Nichols commented to Commissioner Escamilla, you are going to be moving on to Grad School and what you have learned here and what you learn there will really move you ahead. You have a good future in front of you. Commissioner Nichols commented to Commissioner Stewart that you have a new Supervisor; please congratulate him for me. The new Supervisor is really making strides; maybe working together can bring some housing into Seaside.

Commissioner Nichols commented to Commissioner Gin, it has been an honor working with you all these years.

Jim Nakashima commented as the Executive Director I have to say one thing to Commissioner Nichols that whenever he put that Commissioner hat on, he took it serious. He brought in more basic programs and pointed our attention to how to design basic programs. He tried to get the residents more involved in the process. He wore that Commissioner hat very proudly and his heart was always in the right place. Commissioner Nichols responded that it has been a good run and he has enjoyed it. He stated we've got one of the best staff's he has ever seen put together. He stated to Mr. Nakashima, you did a heck of a job turning this Housing Authority around.

Ms. Tebbs thanked Commissioner Nichols for always being available when needed; she commented that it has been a pleasure working with Commissioner Nichols.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:09 p.m.