

West Hill Gardens

March 11, 2015

Attending: Chairman Josh Howroyd
Robert Shanbaum
Paul Rubin
Susan Holmes
Joseph D'Ascoli, Executive Director

I. Meeting Called to Order

Chairman Howroyd called the meeting to order at 6:40 pm. He introduced the newest member of the Board of Commissioners Ms. Susan Holmes.

Chairman Howroyd asked for a motion to suspend the rules to take two agenda items out of order. Item C-1 Secure Energy presentation and all items under New Business - Mr. Shanbaum so moved and Mr. Rubin seconded. The motion passed 4-0.

Secure Energy – Presentation from Jodi Maurer

Mr. D'Ascoli introduced Ms. Jodie Maurer from Secure Energy. Ms. Maurer explained that MHA has entered an electricity agreement, a short term 8.69 cents which ends in October 2015. Ms. Maurer explained the market has been going up and down and electricity prices have not recovered like the gas prices have. Electricity prices are still recovering from the polar vortex in 2013. Also the pipeline restraints; it is reported that one pipeline was voted and should begin in November 2016 from New York to Connecticut and that should provide some relief to energy costs. There are two other pipelines being discussed to be constructed in 2018 and 19. Secure Energy is watching the market closely and Ms. Maurer said she is watching for a dip in the market. She explained she is bringing two proposals to the Board. The rates that MHA has now will expire in October 2015 and it will be better to look at the rates now rather than waiting until the summer when the rates historically run higher because of the cooling demands. There is a definite sure thing of a 36 month rate at 10.9 cents. The second proposal is a trigger agreement which is not a real rate right now but very close to it. It would be a 24 month rate at 9.9 cents. If this number hits the agreement is locked in, there is a 30 day period for this agreement and again if it hits MHA would be locked in at that rate for 24 months. Ms. Maurer noted that if it does not hit Secure Energy would bring another proposal to the Board at their next meeting.

Mr. D'Ascoli shared that MHA may be entering into an agreement with the EPC and getting solar panels and asked how will that affect the costs. Mr. Sweet explained that HUD would like housing authorities be able to weather any storms, have underground power lines and possibly be able to generate their own power. This is great incentive for public or private agreements. The idea is that we would no longer be dependent on CL&P/Eversource for our day to day use. If our grid goes down CL&P/Eversource would handle our power needs. Mr. Sweet added this alternative energy source would be supplied through fuel cells. Ms. Maurer stated that with fuel cells MHA would be off the grid. She added that solar panels do not typically reduce the electricity load and long as it is not less than 50% Secure Energy can work with the supplier. Mr. Sweet commented further that MHA has enough green space to use ground not roof mounted solar panels. MHA can take any additional electrical power that it manufactures and

sell it back. We can apply it to other electric meters that MHA has and we get to keep 25% of the savings to invest in other capital improvements within our properties.

Ms. Maurer asked how soon the project will be completed and Mr. Sweet stated in about a year and a half. Ms. Maurer suggested that MHA enter a 24 month agreement and she can give the supplier a "heads up" as to the planned projects for energy savings. The trigger agreement would definitely be the way to go. If 9.99 is not hit by April 11 she will come back to MHA's next board meeting and discuss other options.

Chairman Howroyd commented this will be discussed later in the business meeting.

Resolution 2015-1 – 1 year and 5 year Annual Plan plus attachments

Mr. Gary Sweet explained that HUD notified MHA of how much funds they would be getting in the Capital Improvement Funds only, funds cannot be used for maintenance. The number is based on a five year plan and we requested \$470k and what we received \$360k and about 2/3 of this is used for brick and mortar and the rest is used for employee education, small equipment, salary for federal work, site improvements and dwelling structures. This includes things like water heaters, roofs, drainage, sidewalks to mention a few. Mr. Sweet noted his role is to work with the property managers that handle the federal properties to determine what projects need attention and what funds it will take to complete them. HUD must approve MHA's five year capital funds action plan. Mr. Sweet further explained MHA submits requests to HUD and they are required to approve our submittal within 30 days.

Resolution 2015-2 – To award the Energy Performance Contract (EPC)

Mr. D'Ascoli reported MHA put out an RFP to energy consulting companies and we received 3 proposals for review CTI from Amherst Massachusetts, Smart Energy from New York state and Siemens from Connecticut. After review of their proposals the companies met with me, Messrs. Sweet and Itsou and gave us a presentation. We were able to ask questions and get a more detailed explanation of their proposal. After careful consideration we have decided to award this project to Siemens. Siemens seems to have a good approach to this project and they have many experts on staff while the other companies would have to outsource them. Mr. D'Ascoli shared that Siemens will be at the April board meeting to give a short presentation to the Board.

Mr. Rubin moved to accept Resolution 2015-2 – To award the Energy Performance Contract to Siemens. Ms. Homes seconded. Motion passed 4-0.

Resolution 2015-3 – FY 2015 Income Limits

Mr. D'Ascoli explained that HUD has established new Section 8 Housing Choice Voucher Program income limits. This is a directive from HUD and MHA is required to use these limits.

Mr. Shanbaum moved to adopt Resolution 2015-3 FY2015 Income limits. Mr. Rubin seconded. Motion passed 4-0.

II. Adoption of Minutes – Meeting of January 13, 2015

Mr. Rubin moved to adopt the minutes of January 13, 2015. Mr. Shanbaum seconded. Motion passed 3-0 with one abstention.

III. Correspondence

- A. Letter from HUD regarding SEMAP overall performance rating – Mr. D’Ascoli shared a letter from HUD that states that MHA’s SEMAP is a high performer at 100%.
- B. MHA – Winter Newsletter 2014/2015 – Mr. D’Ascoli shared with the Board a copy of the winter newsletter that is mailed to all MHA housing participants. The publication of this newsletter is funded by a grant from the Town of Manchester.

Mr. D’Ascoli added he will be in Washington DC next week for a meeting on the Hill. He is hoping to see Senator Chris Murphy and other delegates to discuss housing issues. Senator Murphy did come to MHA and toured Mayfair Gardens and he saw that it needs improvements. Mr. D’Ascoli is hoping to get some funding this way to make the needed improvements. He is also hoping to build a relationship with the Senator Murphy and others to keep legislators informed of the housing needs.

IV. Accounts Payable

- A. January 2015 – Payment Summary & Detail Report
Mr. Rubin asked about one expense for ice melt system. Mr. D’Ascoli explained the system was installed to alleviate ice dams in the MHA office building. There is some water damage due to the timer not working properly and needed to be replaced.
- B. February 2015 – Payment Summary & Detail Report
Mr. Rubin asked about the legal expense. Mr. D’Ascoli explained the expense was for an issue regarding an employee and a fair housing issue. Mr. D’Ascoli said and RFP has been sent out for a new attorney contract for MHA.

Mr. Shanbaum asked about the \$35k and \$27k for construction. Mr. D’Ascoli remarked this was the close out for Capital Funds for renovations to a unit that was off line for about 3 months to make it totally handicapped accessible at Mayfair Gardens.

V. Executive Director’s Report

- A. Financial Statements
 - 1. January 2015 Payment Summary & Detail Report - Mr. D’Ascoli reviewed the report and reported a gain of \$62k YTD for all the programs.
 - 2. February 2015 Payment Summary & Detail Report – Mr. D’Ascoli commented that we are at \$34k YTD gain from all programs. Mr. Shanbaum asked if another column could be added to this report to reflect monthly gains and losses.
- B. Vacancy Reports – January & February 2015
Mr. D’Ascoli reported due to the extensive snow removal that maintenance was faced with unit turn around fell slightly. We are at 97%. HUD funding comes based on our Federal Units leased up on the first of the month. They want units leased up within 21 days

Chairman Howroyd requested an item to be added to the agenda under New Business Resolution 2015-4 Mr. Shanbaum so moved, Ms. Holmes seconded and motion passed 4-0.

Resolution 2015-4 –Authorizing Executive Director to sign the Trigger Price addendum with Secure Energy.

Mr. Shanbaum moved to approve Resolution 2015-4 authorizing the Executive Director to sign the Trigger Price agreement with Secure Energy. Ms. Holmes seconded. Motion passed 4-0.

C. General Information

1. Secure Energy – Presentation from Jodi Maurer – See above
2. Nomination for upcoming NERC-NAHRO President term from Nov. 2015 to Oct. 2017
Mr. D'Ascoli reported he has been asked to take an endorsement to run for President of NERC-NAHRO.
3. 2015 NERC-HNAHRO Annual Conference June 21 to 24, 2015
Mr. D'Ascoli asked Board members to let him know if they are interested in attending the conference.
4. PHADA-Executive Director Education Program (EDEP) Certification Program
Mr. D'Ascoli explained he attended this conference for the first time and there may be some courses he may want to take for his professional development.

Hired – 2nd Shift at Congregate – Najira Harris was hired to replace Donna Oliver who retired after many years working second shift at the Congregate. She is doing a great job.

5. Hired – Maintenance Department – Sean Peyman will start March 23. To start he will be handling building and grounds.
6. Memo – Regarding COCC Funds from Congregate
Mr. D'Ascoli shared under the COCC the Congregate Housing shows a \$99k loss. The reason for that is the Congregate owes the COCC \$146k. The Congregate will never be able to pay that back. We are meeting with TAGG associates and they will be doing a feasibility study at the Spencer Village to change it from 80 units to 160. The Congregate is operating in the red. A cost analysis was done and in order to break even at the Congregate we would need to add 8 units to bring us to 45 units. There are some major issues that need attention. The emergency doors need to be replaced and the cost is \$1,800 apiece. Chairman Howroyd added by way of history there were several years where we had entered a repayment agreement with the State after an audit. The COCC covered that repayment agreement. In a good year the Congregate came close to breaking even.

Mr. D'Ascoli explained that the Fee Accountant Robert Counihan recommended removing the \$146,933 the Congregate owes the COCC. It would give the Congregate a positive balance of \$28,000 so there would be funds available to make some of the immediate repairs. Mr. Shanbaum stated doing this would not show MHA in any different cash standings. He asked where the money came from because this implies that we have been subsidizing the Congregate which is a State facility and isn't the State's responsible to provide the funds to operate this facility. Mr. D'Ascoli explained

this is not the case. The State is looking at us because they provide us so much money and what is happening that possibly the rents are too low. MHA needs to look at raising the revenue at the Congregate. Right now based on the State's calculations for our fees, the Congregate is supposed to pay us a management fees and right now they owe MHA money in the amount of \$146k. They cannot pay us back. Mr. Shanbaum asked why it is operating at a loss. MHA needs to figure out a way to pay for the fire doors. Chairman Howroyd suggested this be added to the agenda for the next meeting and to check with Mr. Counihan and get additional information. Mr. Shanbaum added he is not sure that we want the balance sheet of the Congregate to show forgiveness of this debt when we are negotiating how much CHAFA is going to pay us to fun the place. This forgiveness makes the Congregate look better than it is. Having this obligation in the COCC makes the performance on the federal side look better than it is because we have an obligation that we are anticipating writing off. We need to consider what the implications of these two things are.

7. Gary Sweet - Modernization Update – Mr. D'Ascoli reported the \$34k was for the complete rehab of a unit at Mayfair Gardens making it handicapped accessible. We entered into a two year contract for pest control. There are RFP's out regarding to the Horace Street driveway upgrade, Mayfair parking lot toppings, and replacement of electrical panels. We are working with TAGG associates with regard to replacement of Spencer Village. MHA may have to go before the Zoning Board in regards to the residential requirements for that. Chairman Howroyd shared the problem with both the Congregate and Spencer Village is that they were built back when funds were available but the Capital money never followed from the State and both these complexes have been run into the ground. Unfortunately we need something that has a rent structure that can sustain it and financial structure that can sustain it over the long haul.

Ms. Holmes asked how often are residents finances are check to see that they are in these units legitimately. Chairman Howroyd stated residents go through an annual recertification's. Mr. D'Ascoli stated if we find that a resident is committing fraud us we do have the ability to enter into a repayment agreement with the family so they can reimburse us. We can also go through our attorney and evict them and if they have any income we an garnish their wages to get the money back. We have the ability to report this thorough the computer system and so if they try for any other public assistance through the country they will be denied until they pay off the debt.

8. Updated Smoke Free Notice to Residents
MHA complexes are smoke free and as of late there are violations of this policy. A notice will be posted at all complexes reminding residents of the policy of no smoking on MHA properties. Violators will be spoken to and the notice outlines the process for that. We will be looking into offering Smoking Cessation Program and encouraging people to attend.
9. Updated Tenant Accounts Receivable Collection Policy
We are updating the AR Collection Policy for public housing. We will be giving this new policy to our attorney for review. We need to get better at collecting these fees. Once this has been approved by our attorney we will be attaching this policy to the tenant's leases.

VI. Chairman's Report

Chairman Howroyd reported none of the residents at Mayfair Gardens attended the recent Tenant Session. The next tenant session is scheduled for March 25 at the Congregate.

VII. Old Business

A. Tenant Commissioner – Mr. D'Ascoli shared he has not been able to speak with the person that submitted their name as interested in the position. Chairman Howroyd shared that we will submit a list of names of people interested to the Town Board of Directors for their consideration so it can be put on the agenda for their April meeting. Then we can hopefully get up to a full compliment of 5 members. We have a list of 8-10 people that have expressed an interest. Mr. D'Ascoli shared that not all of the names received were tenants in federal properties which is one of the criteria.

VIII. New Business – See above for comments

- A. Resolution 2015-1 – 1 year and 5 year Annual Plan plus attachments
- B. Resolution 2015-2 – To award the Energy Performance Contract (EPC)
- C. Resolution 2015-3 – FY 2015 Income Limits
- D. Resolution 2015-4 – Authorize the ED to sign a Trigger Addendum with Secure Energy


IX. Items for Future Agenda

- A. COCC Transfer issue
- B. Tenant Commissioner


X. Executive Session - None

XI. Adjournment

Chairman Howroyd asked for a motion to adjourn the meeting. Ms. Holmes moved to adjourn the BOD meeting at 8:55 pm. Mr. Shanbaum seconded. Motion passed 3-0.



CHAIRMAN 5/20/2015



ATTEST 5/20/15