

**Housing Authority of the City of Laredo**  
Regular  
Board of Commissioners Meeting and Budget Workshop  
LHA Board Room  
2000 San Francisco Ave.  
Laredo, Texas 78040  
Saturday, March 24, 2018  
10:00 a.m. – 1:00 p.m.

A-18-R-3

Minutes

March 24, 2018

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1. **CALL TO ORDER** Chairman Ceballos called the meeting to order at 10:02 a.m.
2. **PLEDGE OF ALLEGIANCE** Chairman Ceballos led them in the recital of the pledge.

Chairman Ceballos thanked the Commissioners and everybody present for attending the meeting on Saturday morning so they could get the work done.

3. **ROLL CALL AND DECLARATION OF QUORUM** Mary Gaona, Executive Director, proceeded with roll call.

**Commissioners Present**

Jose L. Ceballos, Chairman  
Dr. Sergio Garza, Vice-Chairman  
Anita Guerra, Commissioner

**Commissioners Absent**

Dr. Marisela Rodriguez, Commissioner  
Marcela Alvarez, Commissioner

Chairman Ceballos stated that to his understanding, Commissioner Marcela Alvarez had moved out of Public Housing and mentioned that as he remembered, the local government code would allow Ms. Alvarez to continue serving until she would be replaced, but could not be reappointed once she moved out. Chairman Ceballos mentioned that he would be discussing it with Mayor Saenz so he could be advised and stated that it was a good thing and that they knew it could happen with her and he was happy that she was able to find permanent housing, so Chairman Ceballos stated that he would visit with Commissioner Alvarez and would also talk to the Mayor in order to take care of it. Chairman Ceballos stated that overall it is good that she had moved to permanent housing and self-sufficient which is always a plus.

**Staff Present**

Mary Gaona, Executive Director  
Christy Ramos, Administrative Assistant  
Jennifer Barrientos, Interim Director of Finance  
Bulmaro Cruz, Director of Modernization and Development  
Robert Peña, IT Coordinator  
Rafael Vidaurri III, Director of Housing Management  
Bertha Galvan, Interim Section 8 Administrator

Alma Mata, Community Programs Director  
Attorney Ricardo de Anda  
Attorney Doug Poneck

#### **4. CHAIRMAN'S COMMENTS**

Chairman Ceballos mentioned that he would skip his comments and would make them during the meeting.

#### **5. CITIZENS COMMENTS**

This is the opportunity for visitors and guests to address the Board of Commissioners on any issue. The Board may not discuss any presented issue, nor may any action be taken on any issues at this time. There will be a 3-minute limitation per speaker. (Texas Attorney General Opinion-JC-0169)

There were no comments.

#### **6. BUDGET WORKSHOP**

The workshop will provide an overview of the Laredo Housing Authority operating budgets for fiscal year ending March 31, 2019.

Chairman Ceballos mentioned that before getting to the Workshop what he would like to do is to consider two items that are not related, starting with Item 7A.

After considering Items 7A and 7D, the Board returned to Item 6.

Ms. Gaona presented to the Board and mentioned that they have a proposed Organizational Chart and provided them with what was approved in 2016 and asked if Chairman Ceballos wanted to go over it and then come back with the Budget or do a quick overview of the Budget. Chairman Ceballos stated that they will do a quick overview of the Organizational Chart first and said that he was aware of her proposal because she shared it with him a few days ago and he would speak on some of the things that originated from him as well as the differences between the 2016 and the 2018 versions and mentioned that Attorney Poneck and Attorney De Anda, as legal counsel, had a space in the Organizational Chart. Ms. Gaona mentioned that they have the Board of Commissioners and then added the Legal Counsel, next they have the Executive Director and as far as the Administrative Assistant she renamed it as an Executive Administrator for purposes of being able to have a second in command while Ms. Gaona is gone and have somebody that she is able to just hand over the project versus having to hand carry through different departments and then they have an Administrative Assistant HR versus the Human Resource Risk Management because she felt there was not enough work in that area for an individual just to concentrate on HR, so they changed it, and then they have the receptionist in the front office who answers the phones. Chairman Ceballos stated that the receptionist is not in Ms. Gaona's area, she is in the front office. Ms. Gaona confirmed and said

that she answers all incoming calls, sometimes people call Section 8, any department, Public Housing or Colonia Guadalupe and as far as the IT department, there was no change there.

Chairman Ceballos stated that he had some concerns with IT in reference to having three people which he thinks is going above and beyond of what they had in the past and mentioned that he had conversations in regards to sizing down to an IT Director and just another staff person, so he mentioned that he is in agreement and kind of convinced that maybe they need an additional person there and in the past he had tried to make an impression to hire people to fill in the graphic designer position they had which has not been filled, so it would be important that when they hire new people, that they come with the background they need because with graphic design they are having to go to third parties and are paying them and said that they are very good, so they need to make sure that when the directors hire folks, that it be in the areas LHA is growing because it does not help to have the same redundancy, so that will be important for that department. Commissioner Ms. Guerra mentioned that she agreed.

Vice-Chairman Dr. Garza asked if they had a qualifications sheet for the IT people. Robert Peña, IT Coordinator, mentioned that they had a criteria for measuring applicants like having to meet basic minimum requirements before they could be considered for joining the staff. Vice-Chairman Dr. Garza asked if Mr. Peña goes to trainings dealing with technology. Mr. Peña responded that he had not gone to any kind of training since 2012. Vice-Chairman Dr. Garza asked why not. Mr. Peña responded that as he had already mentioned, the last training he had attended had been in 2012 and it pertained to PIC training. Chairman Ceballos mentioned that it was about HUD software. Mr. Peña stated it had to do with submitting certifications and resolving issues when doing tenant reporting to HUD and in reference to attending other trainings that had come up pertaining to IT, he said that he had been turned down because the training was too expensive, that some of the trainings were between \$2,500 and \$3,500, some were either three-day or five-day courses, but he would be turned down due to the cost.

Vice-Chairman Dr. Garza asked what the trainings would entail. Mr. Peña responded that some were on new server technologies, network security or analysis of data which would be on different areas he would regularly work for the agency and stated that he would regularly train on the side, on his own time and he would buy his own books, and would read and do his experimentation at home. Vice-Chairman Dr. Garza said that it was not right nor having to contract other people to help with the website work and stated that it needs to stop, that the work needs to come from within and that the people they will hire, will need to help Mr. Peña, who responded that it was understood. Vice-Chairman Dr. Garza stated that why should they hire other people from other places to come and help when they would have the capacity to do it and said that Mr. Peña needs the training and it needs to be done, otherwise they will be depending on other people to put out their fires and be at their mercy and that in regards to the website, they had waited for a while for the website and were not happy with the individual who for whatever reason, they were at his mercy, so he said that Mr. Pena needs to be trained.

Chairman Ceballos stated the he wanted to add that with this particular position, Director of IT, paying people enough to do their job is important and that unfortunately a lot of the salaries had kind of laid behind and said that maybe Ms. Gaona will talk about it, that there are persons in different areas in positions that maybe are not so essential and here they have a Department

that runs the whole agency and when they start new projects, everything now has a website and social media and they have no presence on social media and that it has been limited and for Chairman Ceballos it has to do with developing capacity, but also from the management standpoint, it is hiring the right people because when they created the logos, they hired Monica, a third party, because she is skilled in doing that, but they should be able to do simple designs like newsletters which they are not doing because they do not have the staff that has that background and Robert would be the one to fill in, but he should be taking care of high level stuff, not of a simple logo, a layout for a newsletter to the residents or an ad for Asherton. Vice-Chairman Dr. Garza stated that he understood and said that it was crucial and vital to the agency.

Chairman Ceballos mentioned that, in fairness, what happened last time was that they hired a third person, but the person was hired without the ability to do graphic design which to him it was a mistake because it would have made the job easier for all the other departments that are working on creative stuff and it is such a low level task that going forward they have to make sure to look at the other departments growth area and then hire to match those needs. Vice-Chairman Dr. Garza stated that there are people in Laredo that are very talented and gifted in technology that have the capacity, so they need to advertise and also look at the salary, which is always an issue.

Chairman Ceballos mentioned that he wanted to have Commissioner Ms. Guerra's opinion who said that she basically agreed with them, but also said that IT is so many things and that she knows this guy that all he does is wiring, which is his gift, but they do not have anybody that does graphic design and said that IT encompasses so many things and that they need to target and get a job description because there are people good at wiring, networking, programming, so many things that they will have to zero in on the qualities and maybe test the applicants because anybody can say they do graphic design, but she wondered if they can do it on a continuous basis because some people are more gifted at it than others, some people would just do the wiring which is just as important or even more so because it keeps the place running, but there are other people that you want to specifically target because they can do a little bit of everything most of the time, but there are people more talented at graphic design and others that will not do any wiring even though some people will put their little mask and wire the whole place.

Vice-Chairman Dr. Garza suggested that as the new HR process comes into place, maybe get a new policy to help make it easier for everybody and it will be a win win situation.

Commissioner Ms. Guerra asked if graphic design was one of the harder skills to hire for. Mr. Peña responded that not necessarily, that there was certain software available he even learned to use it by himself, but it involves a certain type of creative element, that one needs to have background in creative styling and said that he knows how to use the same software, but has not been trained in the creative side of it, so they will need somebody that will not only know how to use the software, but that will also have some sort of background in the creative side, like knowing how to choose colors, how to use perspective, and how to position elements, basically somebody that has background in the creative side like how to combine colors and effects.

Commissioner Ms. Guerra suggested that when they work on the job qualifications, if they can ask them to bring a portfolio along with the resume and to emphasize that they want them to do graphic design and social media because that is what she is hearing from the Commissioners. Vice-Chairman Dr. Garza also suggested that besides the portfolio they can also create a situation scenario for them and ask them what they could do with it. Robert Peña explained that when they hire, it is a two part process, first they have them do a written exam and then they do a practical one, so if they get recommended they have them set up something on the server and have them show how they do it, so they can do the same with the graphic side and ask them to create a simple logo and see how they do, or have them do a layout. Commissioner Ms. Guerra mentioned that it would be good because in IT everybody has a little bit of everything most of the time, but she asked what are the major skills and what they would really want them to do because if they get a guy that likes to do network analysis which is very important, but if they want him to do graphic design, it is not going to work out because they have the basic skills, but will never do it to the level of somebody that really has the desire and the talent for it.

Chairman Ceballos mentioned that it makes sense and that the other growth area from the work he is creating is being able to do programming for mapping integration and they have not easily found a third party that even does that, so they need to make sure that somebody that comes in can help at least understand it because you kind of learn as you go along, but the point is to identify the growth areas and hire to fit preferably and also they will have to pay what is comparable, otherwise, they will get substandard performance. Mr. Peña stated that he agreed. Commissioner Ms. Guerra suggested that maybe they could hire somebody part time and see if it works and then move them to full time because some of her IT guys are go getters and have so many part-time jobs because there is such a demand and they are so good at it that maybe they might be willing to come full time. Mr. Peña stated that they could definitely look at it as an option. Ms. Gaona mentioned that through interviewing people for BiblioTech Alma and Jessica have seen young individuals who are still in school, but are motivated and have a lot of expertise in certain areas that maybe eventually they could have them transition or have them play a bigger part. Vice-Chairman Dr. Garza mentioned that it was not so much the expertise, but bottom line was that they were born at the right time.

Chairman Ceballos mentioned that it was good conversation and stated that he had been pushing for social media since he came on board and they had not really had a presence and said that they had somebody that was doing public affairs, but they lost that person, so they need to find the right person who has to be somewhere because there is a lot of social media and he likes it and thinks that it achieves different things for different people, but they just cannot seem to keep the Agency consistent and said that Ms. Gaona is not on social media, so she might not have that perspective, but there is staff that is on social media and they need to be consistent because they have a huge constituency that can be educated, outreached and engaged ultimately through social media and stated that he had mentioned in smaller meetings that they are still posting like the government where they take the legal posting that they put in the newspaper and then put it on social media, so he said that the wrong person is running that page and if it is maybe not the wrong person, then they need some training so that it is more enticing by having some residents photos or staff at work, so it may be that it does not

belong in IT, so the Board would lean on the staff to find the right person and to make it a performance measure for them to do it, not an option because he thinks it is what is happening because for a while, the person that was running that page was doing a great job because she had the background, but then they lost the person and nobody got assigned that task. Commissioner Ms. Guerra asked what the title was for that person. Chairman Ceballos responded that it was Public Affairs Specialist and that it was a job designed for that outreach and it had other grant writing components which that person did not have the background on.

Commissioner Ms. Guerra asked if they could add something to one of the top positions, maybe not the Executive Director because she is not HR anyway, but maybe add it to the Executive Administrator depending on who the person is. Chairman Ceballos stated that it would be fine with him, that the Director of Community and Economic Development is a re-titled position and is a combination of brick and mortar and soft social services, so probably somebody in that department and stated that he will officially ask Ms. Gaona that every Department Head and Manager be set on a performance scorecard so that people have certain jobs that they have to attain at a high level and that it goes from the Executive Director all the way down and that when they work on the strategic plan with the consultant who will be helping with succession that it ties into it because there are a lot of things falling thru the cracks and mentioned that they took huge hits with Russell Terrace on the social media in the public eye and they have not been able to stabilize that and while they had done a lot of good and had some good positive stories, but nobody is really assigned that public image piece, so it needs to be assigned and it needs to be made part of a job description and performance deliverable for that staffer and stated that he did not think it was part of IT.

Chairman Ceballos mentioned that there had been no posts on everything they did with BiblioTech and they already have a staff person on BiblioTech working for 60 to 90 days and he did not mean to call out the person, but probably nobody has told the person to run a BiblioTech post once a week, even if it is to tell the community we just painted, this is coming, the sign is coming up or here is the background and stated that nobody is running that and it is so conventional social media and they are not doing it, so he would like to see, as they reorganize, those people charged specifically with that job. Chairman Ceballos mentioned that they traveled to San Antonio and they did not run a story and said that they had tons of community activity all the time.

Commissioner Ms. Guerra suggested that there should be one person responsible who might not be able to be posting all the time and said that at her agency the RP has a team and they work together and they are always posting because RP has other duties and can't be posting all the time because he has to talk to the media and also make press releases, so he is primarily responsible, but he has somebody from community affairs and somebody from command staff doing it also, that way they are always posting media stuff, so it can be one person responsible, but that has a team.

Chairman Ceballos referred directly to the Directors present and the Executive Director because he said that they will have to execute the following, that there is in between work and people say well we do not have the BiblioTech website yet, why do we start, so he stated that somebody needs to do the transition, whoever that person is, they cannot say they do not have

a facebook account for BiblioTech because we do not have a marketing plan yet, so Chairman Ceballos said I am sorry, you already have a job, the person cannot say I am not going to do my job because the consultant has not given me a marketing plan and stated that it seems real petty to him that they would have to tell someone to run a social media public image campaign and for him the next story could be a negative one and guess what, we did not build any good stuff the last six months and then we are doing damage control on a negative story where the tenant says they are rushing me out of Russell Terrace and I do not want to move to the new building, what they usually see, so somehow they need to translate that to the staff to understand why they are doing it because he said that they do not have a BiblioTech website, but that does not mean that everything stops and maybe when Ms. Gaona meets with a partner she would post a partnership meeting because some of those things do need to be deliverables because it is not happening and he agrees that one person needs to do it with maybe more people contributing, but one person needs to be at least accountable for it and said that there is a lot in between and sees that in the reorganization there is leadership switching that will be occurring and hopes they drive some change in terms of doing the things that people should not be asked to do, things that come with the job and Ms. Gaona as the Executive Director will have to make sure those things are either enumerated or well understood by staff at the director level, so that he does not hear that they don't have a BiblioTech marketing plan, so everything stops, no, it should not stop, it should be a continuation and said that to him Russell Terrace was the foster child of damage control and though they had done so much good stuff, they do not keep it consistent. Vice-Chairman Dr. Garza stated that he had something about BiblioTech in the back of his mind, but he will not discuss it publicly and asked who was the person running BiblioTech and said that they will discuss it later because he has a little concern, that it is nothing major and said that he is glad they are doing it, so they will discuss it later. Chairman Ceballos thanked Vice-Chairman Dr. Garza for his comments and said that he thought he knew what Vice-Chairman Dr. Garza's concern was about BiblioTech.

Chairman Ceballos informed the Board about some background in reference to changes originating from him and mentioned that the Capital Fund Department used to have an office of Modernization and Development in 2016, that historically it has been a force account and is what HUD calls it when they hire residents to build and they give work to tenants and stated that it originated many years ago, decades ago, and it was known as the Comprehensive Grant Program and moved on to be the Capital Fund Program, and it is a criticism and the purpose of the meeting to change the past issues so they won't have these issues come up. It started even before Chairman Ceballos was with housing in the late 90's and it was about hiring tenants, giving them jobs and then they worked in construction and with time the department became kind of an integrated payroll department and mentioned that he was sure there were successes and things being done right, but in the last few years they found through planning that the work items were customized to fit the staffing, so they are replacing vinyl flooring because that was what they can do, doing woodwork because they have a woodshop and doing some welding like currently they are exchanging the burglar bar doors when they have a huge electrical upgrade, so what has happened is that they developed a department that is relying on the grant and customizing work based on the aptitudes of the crews as opposed to the needs of the community and it came up during the PHA planning, so they redirected monies into electrical upgrading and the basic things. Chairman Ceballos stated that since his return he had always thought he had identified the issue in Capital Fund, so he asked Ms. Gaona to address it in the

restructuring so that it becomes a project centered grant which means that now that they have an electrical upgrade, there is technically no staff that can do the job, so they are going to subcontract it and if they have woodwork, maybe they have staff or they pull together residents and if they have skilled project supervisors, they pull together tenants the way the program is designed and employ them and said that they used to have maybe 30 people at the highest and are down to 15 and they are doing the doors and cabinetry work, they are always doing those things, the things that they can do and it really does not serve the constituency the right way.

Vice-Chairman Dr. Garza mentioned that at the University they do service with the community and with LCC building trades maybe they can help out with some sort of community service, helping with the doors and things like that because service learning would be good for them too and it would make the university and the college look good. Chairman Ceballos mentioned that there used to be a HUD grant for the Youth Village and they could do a version of that, but his point about restructuring is that they cannot have three supervisors overseeing 15 or 12 people and they had done that for some time, but it is going to change, that they are going to have a project centered construction department rolled into a self-service Director so that the person will oversee both because at its basis, construction programs are social efforts, but they had been running a construction department that was a grant which was supposed to be a tenant service learning type model and they just made it a department, so they are only generating work that is convenient to the staff which is not right and they have to change that, so now if they identify a tiny home project, they set up a crew, and if it means bringing youth or bringing tenants, then they do that, but they are not going to have Project Managers that do not have tasks which is a necessary change and part of the restructuring is pulling people from areas to where they think will serve best and simplify some things. It is going to be a challenge for folks that may be moving, but to Chairman Ceballos it is an area that is critical that the CFP model as it was through force account would end and reconstitute it on a project basis, so if they are going to do woodwork and they have a woodshop, at that point they activate the force account and mentioned that what they were going to do in Guadalupe just got changed, that Ms. Gaona did not know, but they had just changed it in the hearing in December and January. It was all going to vinyl flooring and a few other things, but thanks to Commissioner Alvarez who brought up a few issues, they went to see her home and had a meeting with the Resident Council and luckily, they redirected those funds, so it is probably one of the major changes they will see.

The other major change in the Director of Housing Management Department, Chairman Ceballos stated that it was coming from him too, the AMP Management System is a site base system which is not a new system, HUD has had housing authorities on that system for at least a decade and probably more and the idea is to pull developments to make them one project to run them to be self-sustained as opposed to putting all the money together and covering everything, so it will be treated as a private model and they really need to do that, so finally after 15 or so many years they need to get to a point where they actually run a site base model; therefore, Chairman Ceballos asked Ms. Gaona to set it up so that they actually do site base not just on management, but also on social services and stated that as of the last chart they had a department that did resident services on its own. Chairman Ceballos stated that his opinion is that if they are going to empower Managers to run their apartment complex, they cannot have other people telling staff what works there what to do, there needs to be collaboration and

they need to have structure and oversight over what happens, so the site base modeling is finally going to be tested because what has happened over the years is that they have under capacitated managers because there is this overhead of administrators that had been running the place and they cannot have that, they need to have solid apartment managers and the terminology they are still using is very governmental in people's titles and mentioned that when they built Casa Verde, they essentially have an Apartment Manager, a Leasing Agent, Maintenance and they do not have overseer administrators, they have Corporate telling them what to do, but we have this central cost center that are overseers who are supposed to support the projects, not necessarily run the show and as he had said before, the person that knows most about maintenance is the maintenance person, not the guy at Central Office, so he stated that it would be the change.

Chairman Ceballos mentioned that there is a Facilities Specialist which is new and said that in the area of Resident Services, currently it is basically a Kids Café Program that is overseen by a Coordinator who oversees that staff, so in order to change to an educational model, they will need to staff it right because they have folks who are not bilingual running some of those after school centers and that should not be occurring and stated that they empower the Managers to select the person that works there as opposed to somebody in Central Office that has a staff of 6 persons that works at each project and the Manager has no say so, and stated who faces the residents, the Manager, so they are changing that model to integrate resident services and have resident services or Community Program that coordinates and looking at the chart he stated that maybe they have a plan that is developed by a program coordinator, but implemented through a management system on site. Commissioner Ms. Guerra stated that they want them to have consistent services too and they want them all to have an equal opportunity to enjoy the quality of the services of other places.

Chairman Ceballos mentioned that it is really a Corporate model like River Bank, Casa Verde and Clarks Crossing that have a District Advisor or District Regional Director, but they do not run the services, so they need to have that authority and the wages need to be consistent with the authority too, the expectations, the performance and some of the managers need to be capacitated. Vice-Chairman Dr. Garza stated that he agreed and Commissioner Ms. Guerra stated that if some managers do not have the capacity and they will add more responsibility to them, it is going to be a problem. Chairman Ceballos mentioned that in this case, the Director of Housing Management needs to respond to that and needs to be able to address the capacity either internally or through consultants training and stated that the Board has never limited anybody, so it was a surprise to him that Robert could not go to training because they had never put any restraint on training, they probably had encourage it.

Vice-Chairman Dr. Garza mentioned that going back to Project Managers, he agreed that they need to be empowered because they are the ones facing the tenants, but at the same time on hiring people too, they need to be keep an eye on to make sure they hire the right person for the particular position, especially when talking about someone working with children who are not bilingual and stated that he had expressed his concern to Ms. Gaona about having an ESL Program for the housing projects because they need it. Chairman Ceballos stated that he could be wrong, but somebody said to him that if everybody speaks Spanish, does it matter if the staff does not speak English and to him is like how would the kids that do not speak Spanish ever

come to somebody that cannot speak like him, so they need to be bilingual because this is an organization and there are some social services elements about hiring residents and people that are bettering themselves, but ultimately they need to show some success, so it is about qualifying everybody's job into some deliverables as opposed to just supervising while there are eating at Kids Cafe, so the model needs to change and he thinks it starts with the Director of Community Development Department and implemented by the other departments because ultimately they handle the Resident Council through a Resident Services Department and that is not empowering the Managers, so he stated that those are changes he had kind of been driving and in regards to the Director of Compliance and Quality Assurance position which together with Ms. Gaona they had done mostly to have some additional internal oversight, a separate control over contracts, Section 8 and Public Housing performance. In reference to the Security Supervisor he mentioned that he never knew they supervised security and stated that he assumed it was the Director of Housing Management and said that he had not had a lot of activity there.

Chairman Ceballos asked Ms. Gaona if anything had changed in Section 8. Ms. Gaona responded that they put the Quality Control Specialist under Director of Compliance and Quality Assurance. Chairman Ceballos mentioned that he was not really sure about the contract of the Administrator on the compliance side, since the work is in the projects maybe it belongs there. Commissioner Ms. Guerra asked about the security whether it was something they had before and what they would do. Chairman Ceballos stated that they did not, that they have some police officers working weekends in the evenings and Ms. Gaona informed Chairman Ceballos that they have a security guard working during the day at Senior Citizens and in the evenings they also have security at Senior Citizens, so when people call because there is an issue at Guadalupe, if it is not a police matter, but a tenant or resident matter, they call the emergency number and it gets answered at Senior Citizens Home by the security, the problem is that it ends there, nobody gets dispatched because there is nobody else available and it happened with somebody that reached out to Chairman Ceballos over an incident and ultimately it gets to Mr. Vidaurri as the Director of Housing Management who has probably seen more than enough of it that is more of a problem.

Chairman Ceballos mentioned that prior to Ms. Gaona coming aboard, he thought that they needed to have somebody that is not Housing Management that can go out there and defuse the situation because it is not a police matter, it is in between tenants and stated that the situation was pretty touchy, something that if the security guard was available, he could probably just go and calm the situation and everybody goes home and it is the end of that, but there being no presence could be a problem, so there is the idea that they would have a floating evening security supervisor, so that if there was an incident at any complex, they would get dispatched because the security guard at Senior Home is fixed and he cannot move from there. Commissioner Ms. Guerra asked whether they could add it to the contract as an addendum because it does not happen very often. Chairman Ceballos stated that it could be a contract effort. Commissioner Ms. Guerra mentioned that if there is a sensitive issue, they should have to respond right away because they should have somebody on call. Chairman Ceballos mentioned that for him it can be either way, it can be added to the contract, but sometimes it is a tenant issue, so the private security guard would probably not be able to address it in a better way than maybe somebody that is staff security who has access to information and

meets with staff regularly and asked Ms. Gaona if it would work to just add it to the contract. Ms. Gaona responded that her personal opinion would be no, because of the staff relationship with the tenants and that the security would probably call his supervisor and it would probably be the supervisor going out to any of the projects and she does not think he might have the knowledge either. Chairman Ceballos mentioned that he probably reports to somebody different and might not get a security supervisor at those hours. Commissioner Ms. Guerra asked if it could be added to another already existing position and also asked how often it would happen whether it was a daily issue. Chairman Ceballos asked whether they had somebody taking care of tenants issues and said that it could be a daily or weekly issue, but it is usually the same people who have been doing it for some time, so how come they have not addressed it and have not followed up with the specific issues.

Vice-Chairman Dr. Garza asked the attorneys that in a situation like that where people cannot get along if they have the right to move somebody out to a different place and if it is against the law. Attorney Poneck stated that in housing you need to have a lease violation in order to move out or evict somebody or they could try to diplomatically negotiate a solution to it and on a social services perspective, you do not want to be caught up in tenants issues based only on another's person complaint. Commissioner Anita Guerra stated that tenants would be using that as a weapon every time there would be a problem. Attorney Poneck stated that there has to be a humanistic approach, but legally speaking if it comes to the worst situation people would have to conform to the lease requirements and not cause danger to other tenants. Vice-Chairman Dr. Garza mentioned that there are situations when it is a tenant against another, but when there are several persons complaining of the same tenant is different. Attorney Poneck confirmed.

Chairman Ceballos asked Mr. Vidaurri if he had anything to add. Mr. Vidaurri stated that there is a big advantage to having an LHA staffer to take care of it because of relations they build with the tenants and the familiarity with the issues in the lease as far as what they can and cannot do, so they need that familiarity, but if they have a private security company, that will not be in their mind, their mind is like we are here to enforce, we need to take care of it and that would be it. The other issue would be as they had already been involved when they tried to mediate disputes between tenants that he and Chairman Ceballos dealt with in the past and it should not rise to that level, so it needs to be taken care at the lowest level. Chairman Ceballos asked Mr. Vidaurri to tell them about the Russell Terrace pet issue.

Mr. Vidaurri informed about an incident at Russell Terrace that in his opinion escalated beyond what it should have, involving two tenants living next to each other in a duplex. One family had a dog and unfortunately they were not taking care of the dog appropriately, so they had fleas and ticks and it started getting to the point of infestation which is very difficult to control once it reaches a certain point and said that the neighbor who was complaining had valid concerns, but it should have been handled at a lower level by getting the Manager involved and also a security involved trying to keep the peace and trying to find a solution by remediation or removing the dog. Ultimately, in this particular case, the family got transferred, but it should not have risen to the level that they had Chairman Ceballos involved, so Mr. Vidaurri said that in his opinion it had escalated way beyond what it should have; therefore, having someone in that position is a great benefit. Chairman Ceballos mentioned relating to Attorney Poneck's

point that he had told the tenants if they did not get along, they both would get evicted because it had been going on for almost a year and the lady had already spent money on treating the dog and LHA had treated the lawn four times. Mr. Vidaurri confirmed and said that it was creating a huge burden for LHA because they had pulled the records and saw how much money they had been spending. Chairman Ceballos stated that the police had been called, so there was good reason, they both had violated the lease, the disturbance of peaceful enjoyment and both tenants were in front of Chairman Ceballos and Mr. Vidaurri trying to get at each other. Commissioner Ms. Guerra asked how and when the Contract Specialist or Security Supervisor would come in and resolve the issue. Mr. Vidaurri stated that the Maintenance and the Managers are the eyes and ears at each development, so the Manager can make an attempt to try to resolve it, but if the Manager cannot, then the Manager should rely on the Specialist to come in and make an evaluation and establish peaceful relations there and report on it, and if the reports continue, then they look at the remedies in the lease.

Vice-Chairman Dr. Garza asked who had dropped the ball and stated that it was definitely a problem out of hand. Chairman Ceballos stated that it was ultimately the responsibility of the Manager, but the Manager is saying that it was sent to the Central Office, so Chairman Ceballos stated that it is where it needs to stop because if the Manager is running the place, yes you consult and if there is an issue that is trivial, then Management in Central Office should take it and in reference to the Security Officer position, which was not put under Mr. Vidaurri's department as per Chairman Ceballos idea who asked Ms. Gaona to it put under the Director of Compliance so that he does not control the reporting because it is an internal control and if they are self-regulating, the likelihood is like the case at Guadalupe where there was a dispute and Chairman Ceballos felt that it was not handled appropriately because he learned through the police department that there was a weapon involved and they downplayed it, the Manager and Supervisors downplayed it and actually the reporting was coming through Resident Services and he does not know how it ultimately got addressed, but it was a serious, violent issue, so he said it is better to come through a different channel, so that if it is a reflection of Mr. Vidaurri, he might handle it differently, but if Mr. Vidaurri cannot control it, he cannot litigate on how it gets handled, so his recommendation to Ms. Gaona was not to have the security under Mr. Vidaurri because the Managers can control the Security or the reporting and if it is coming through them it is like an internal control. Vice-Chairman Dr. Garza asked if the tenants had been arrested. Chairman Ceballos stated that on the Guadalupe incident both tenants were detained at the Center, but the staff downplayed it and they did not know Chairman Ceballos had the report and he did not tell the staff he had the report because he wanted to see what channels they had gone thru and it got downplayed, so when he said if the report did not say there was a weapon that one of the tenants had put it in a trash can, an unrelated tenant to the incident, a neighbor; therefore, he thinks the security reporting needs to be separate so that the Director and the Executive Director would meet with Mr. Vidaurri because what is happening does not quite match what they are hearing from the Manager. Then, they will have that internal control. Vice-Chairman Dr. Garza stated that they would have a separate entity coming in, checks and balances maybe.

Commissioner Ms. Guerra asked about the qualifications for the position, if it is more of the humanistic or more of the law or both because if they get a police officer, they will have a legalistic view of it and if they get a social services person, they will have a person trying to

resolve it. Chairman Ceballos asked if they have a job description for that person. Ms. Guerra mentioned that they had to combine both and is very hard, if it is a law enforcement they will arrest people if there is a problem and if it is humanistic social service, they will try to fix the problem, but they do not have the authority. Chairman Ceballos asked what her preference was, if a blend. Commissioner Ms. Guerra responded that if they could find that person, sure, why not. Vice-Chairman stated that he would like more of a police force person. Commissioner Ms. Guerra asked if a peace officer. Vice-Chairman Dr. Garza confirmed. Chairman Ceballos stated that there was another option, to have a licensed peace officer fill that role. Commissioner Ms. Guerra suggested to add a resident conflict mediator so that they know they are not there just to arrest people and the escalation skills are going to be very important and they need to emphasize it on the job description and in the title. Mr. Vidaurri mentioned that there are different tiers of law enforcement and what would be required for a security guard and just the fact that they have an individual wearing a uniform has a cop presence, so wearing a uniform definitely makes a difference. Chairman Ceballos stated that Commissioner Ms. Guerra has a lot of insight and recommended that she as well as Vice-Chairman Dr. Garza work with Ms. Gaona in customizing the job description so that it makes the right fit and said that there are police officers who are not just ready to arrest and he personally thinks that hiring a Laredo police officer is not going to help as much as a Housing Authority representative because it will affect their tenancy, and if it is a police officer, they will figure out a way to get to JP Court before LHA would even find out about it and the tenants are not even able to talk to their Manager to ask for help because it is going to another department, so he said that his interest is for that role to be taken care of and mentioned that they have other cases they will treat confidentially that have been ongoing, some for more than a year that could have been addressed very early on and they have one pending hearing that involves some of it.

Chairman Ceballos asked Ms. Gaona if she would like to comment on any other changes and he would let them know on the Resident Services changes later on. Ms. Gaona stated that the only other major change under Finance is the warehouse and said that currently they have a Procurement Officer, a Procurement Specialist, a Warehouse Supervisor and two Clerks at the warehouse, so it is a department of five to do the procurement and receiving at the warehouse and ultimately the goal was to shut down the warehouse and have it site based and the Managers also being responsible for the inventory they have on site. Chairman Ceballos mentioned that he and Vice-Chairman Dr. Garza had visited the warehouse and they were told that there was a lot of stuff that was very old that needed to be cleaned up and two years after, when Ms. Gaona went, the same situation is still there, so he said that they do not need a warehouse, that they are not building enough to have that need and Russell Terrace which is the major construction project is not going to use that warehouse. Vice-Chairman Dr. Garza mentioned that they have a surplus of old material. Chairman Ceballos mentioned that they need to get it either used or surplus sales.

Ms. Gaona stated that they had just found out in the budget that 50 water heaters are there for some AMP and apparently the funding stopped and they did not continue installing them and there are also wall heaters or fan heaters that do not fit and mentioned that it was a purchase of \$7,000 for the heaters. Chairman Ceballos stated that they are running a warehouse with three folks and before they started Russell Terrace he had recommended to put staff where they needed it because he was working evenings along with Attorney Poneck,

Attorney De Anda, Alma, Bulmaro and Melissa and yet they have a warehouse with three people keeping an eye on material that is like five years old. Chairman Ceballos also mentioned that they were running the Capital Fund Program as a payroll department, a construction department that was based on payroll which means that they started a work item and said that he was generalizing because he was sure there were very good things that were completed on task, but there were others that they did until payroll ran out and even if the job was not completed, so if it was replacing all windows and they ran out of payroll, it stopped and they cannot do that, they need to be project centered and said that the warehouse is just an overhead they do not need any more under the current model and actually not even under the prior model because it is just stocking supplies, and also referred to the problems in South Laredo with the filing cabinets, refrigerators and stoves and said that nobody should keep any of that. Chairman Ceballos asked if they ever see an apartment complex in the private sector that keeps two or three year old stuff; it is either working or not working, if it is not working it gets disposed of, so that was the other change he said.

Commissioner Ms. Guerra asked if the PR Specialist could be added to one of the people that Chairman Ceballos had said would be under the soft end, the Director of Community and Economic Development because if they want it to be part of the deliverables they need to add the actual title to it maybe to the Project Coordinator, she was not sure what he envisioned, but whatever he would think would be more appropriate because if they want to make it a deliverable they should reflect the title by adding /PR Specialist because that way the person knows just from the title that they are responsible for social media. Chairman Ceballos stated that he would like for the Director to be responsible and for the Director to designate various people like the committee Commissioner Ms. Guerra talked about, but ultimately he would like the Director to be responsible and one concern he has and is beginning to happen as per his assessment is that they start projects, they started BiblioTech and they have others in the back burner waiting for them to make time to work, so they need to have people that are doing different projects, not just one, and ultimately the Directors need to implement their department with that understanding. Chairman Ceballos stated that he would prefer giving the responsibility to the Director, so if they do not have social media, the Director will be the first line of accountability even if the Director had assigned it to the Project Coordinator or the Program Coordinator and stated that it would be smart to add it to the job description for both, but ultimately he would like the first line of accountability to be the Director. Commissioner Ms. Guerra stated that she did not have a problem with that as long as there is a team that works on it and mentioned that when they get the mobile app out, it is going to take a lot of work for IT working with the vendor. Chairman Ceballos stated that Ms. Gaona should devise a strategy to get all the departments to feed into it because everybody is generating work, good successful work that can be highlighted. Commissioner Ms. Guerra stated that what they do at all the residential services is very social media friendly.

Chairman Ceballos mentioned that Monica is drawing up a marketing plan and that is where they can integrate departments feeding in and said that he agreed with Commissioner Ms. Guerra that somebody has to be the one that types it, but the Director will have the accountability and does not want for the Director to say that it was given to a particular person, so first it starts with the Director. Commissioner Ms. Guerra stated that she agreed with Chairman Ceballos in reference to having deliverables and that it should be so many media

posts per day or per week and they need to outline it as to whether they want Instagram or Facebook, what frequency and what type, whether they just want to post, do series or graphic design. Chairman Ceballos asked Alma to chime in.

Alma Mata, Community Programs Director, mentioned that the BiblioTech initiative they have going on is going to take place and said that they had already started doing it the previous week and were a little bit delayed because they were waiting on the strategic marketing plan, but they will go ahead and will move forward with it and will start integrating the different departments and become more visible which is something she thinks they can achieve definitely very quickly. Vice-Chairman Dr. Garza asked if there was a way the Board could be aware of what is going on like through an e-mail in reference to any project they will start or promoting BiblioTech and said that they will talk about it more privately and they will address it. Ms. Gaona mentioned that with social media the staff is concerned about what they should or should not post, whether something is appropriate. Chairman Ceballos mentioned that it is fine, but that they should get over that concern and discuss it because time goes by and they have not posted, so if Ms. Gaona has that concern and if she wants to bring it to the Board to give her guidance, fine or if she wants to give it to the Director to give her guidance, fine because what Chairman Ceballos is hearing is that they don't have a plan, so he recommended Ms. Gaona to drive those decisions points because that is what will make her job easier and will be more successful that way, but if she does not drive those decision making points and if they look at when the last post was made, Ms. Mata said that it was probably for the holidays. Commissioner Ms. Guerra mentioned that there is also some fear of making mistakes when posting and also there might be certain resistance because they might get in trouble. Ms. Mata mentioned that they will set up an internal meeting for social media.

Commissioner Ms. Guerra brought up the discussion regarding the HR position and said that she does not think it should be with the Administrative Assistant because when something serious comes up and the person is low level and will not be able to do anything about it because it is so serious that is above them and they will get in trouble with the person causing the issue and she asked if they could move it to at least Executive Administrator, that they might not think the position is important, but that when it becomes important, it is really important to have a higher level of authority. Vice-Chairman Dr. Garza stated that he agreed with Commissioner Ms. Guerra that it is extremely important that it should be at that higher level for the person to be able to make decisions, otherwise, she would have to go every minute knocking at the door of the person that will help her to get authorization and saying this is the issue, this is the decision, do I have the blessing from everybody to do it, so Vice-Chairman Dr. Garza stated that Commissioner Ms. Guerra was exactly right that the person should be able to go to the Executive Director to inform about the situation and the decision the person is making. Chairman Ceballos mentioned that he will give some background. Commissioner Ms. Guerra stated that an Administrative Assistant is not going to have the authority nor the qualifications.

Chairman Ceballos stated that the policies are drawn so that the Executive Director is the end of the line before it gets to the Board and said that one of the concerns he had with that role and said that it was not an administrative assistant position, was an HR person that was making certain decisions that frankly because they do not have the authority structure in our policies to make, it got them in some pickles, so unless they change the policies to give the person more

authority, it really ends up being the Director's responsibility, but if that person suspends someone based on a recommendation from a Director without consulting with the Executive Director, under our policies she is still in, so the only thing to watch is if they want to add more capacity there, Chairman Ceballos would be fine with it because there is not enough work in that office.

Commissioner Ms. Guerra stated that it will not be to add a new position, but to change it maybe to Executive Administrator position because, first of all, to be an Administrative Assistant takes certain skills and to be HR, a good HR, they need to have all the different certifications, qualifications and training that is beyond an Administrative Assistant. Commissioner Ms. Guerra mentioned that her friends who work in HR will do FMLA which is pretty serious and if they are not doing it the right way there is liability and law suits. Vice-Chairman Dr. Garza asked if LHA had certain structures for HR Director they must adhere to. Chairman Ceballos responded that not necessarily the HR. It is the Director who has the responsibility, when somebody gets dismissed it occurs through the Director's actions. Chairman Ceballos stated that it is not what Commissioner Ms. Guerra is saying, that what he thinks Commissioner Ms. Guerra is saying is to make sure there is enough capacity and skills to handle HR. Commissioner Guerra stated that what an Administrative Assistant makes versus what she is required to do in HR, she will not be doing HR 90% of the time, but the 10%, she will need to make sure is good because she knows public entities have suffered due to not doing HR correctly. Chairman Ceballos mentioned that it will be a matter that when they discuss pay they need to make sure they have enough to hire the right skills and that will take care of the HR expertise. Commissioner Ms. Guerra wondered whether they will take the person seriously if the title is Administrative Assistant /Human Resource Specialist because she worried about the title combination. Chairman Ceballos stated that the title might need to change. Commissioner Ms. Guerra stated that they need to match the title with the skills, responsibilities and the knowledge they need and mentioned that if they will do it the way LHA is structured, she asked if Ms. Gaona will be doing the FMLA issues because people have gotten in trouble for firing people when they are on FMLA which is very serious and they have had people from the Department of Labor auditing for not paying certain things. Chairman Ceballos asked Ms. Gaona to chime in.

Ms. Gaona mentioned that the reason for not leaving it as HR is because the pay scale they had before for Human Resource Risk Manager, there is not enough work for that and also what Ms. Gaona experienced in the mess the individual left prior to Ms. Gaona arriving, the checks and balances were not there to make sure that he was covering us, so she wants to leave it as to where the individual could have the administrative background because they are making the decisions on information and stated that maybe he was not understanding as to when to bring in benefits because currently she has been receiving requests for retirement and insurance for people that should have been covered a year or seven months ago and they are having to go back pay and putting them on health insurance and retirement because the HR person was not doing it. Commissioner Ms. Guerra mentioned that if they are talking about the qualifications of the individual before, she is also concerned because she thinks they will not bring in the person if they say they are an Administrative Assistant because a lot of people who consider themselves the most qualified Administrative Assistants will apply for the Administrative Assistant position, but Ms. Gaona is talking about people that should be well informed about

all the benefits, employment and labor laws and Commissioner Ms. Guerra does not think they will attract that type of person to resolve the problems they had before. Chairman Ceballos mentioned that it should benefit the office because it will give more capacity in terms of pay to bring in a better qualified person and it does not mean just to do HR. Vice-Chairman Dr. Garza asked Attorney Poneck that the title for HR is not Executive Director, but Administrative Assistant, but the job description calls for the job to do HR responsibilities, then the title does not really matter because it is in the job description, it has to do with the responsibilities the person has in regards to the particular title. Attorney Poneck responded that it also had to do with the ability to do the job. Commissioner Ms. Guerra stated that the ability to do the job would be most important, but that she is just worried that they will not attract the people that would be able to do the job if they are applying for an Administrative Assistant position. Vice-Chairman Dr. Garza mentioned that if the salary is nice and enticing, they will have qualified people applying. Chairman Ceballos asked if they had a concern over the change of the title. Vice-Chairman Dr. Garza stated he did not. Chairman Ceballos stated that he did not either, so he thought they could accommodate the title change and he thinks it helps with staff receiving authority, so it is fine.

Chairman Ceballos asked Ms. Gaona if she had any other comments. Ms. Gaona responded that she did not think they have any other major changes other than the ones they had already discussed about Capital Fund. Chairman Ceballos asked about Section 8. Ms. Gaona responded that only the Quality Control Specialist was moved over to Compliance and that before it was an Assistant Section 8 Administrator. Chairman Ceballos asked if she had a chance to discuss the Contract Administrator with the folks involved for a replacement there and if it was there where it belonged. Ms. Gaona stated that they had the discussion about it, but she still feels it should be under the Director of Community and Economic just because they will be overseeing a lot of the projects on the contracts and also because of the compliances. Chairman Ceballos stated that it had to do with getting the person to do the work, if the work is generated by another department, it is just making sure that the person does the work, so they might want to leave that for LHA staff to work through and said that obviously Ms. Ortiz is not present and was curious to see how Ms. Ortiz would see that implemented and stated that he knew Ms. Barrientos is currently Acting Finance Director, but he asked if she had any comments on Section 8 and then asked Bertha Galvan who is currently Acting Section 8 Director if she had any issues with the structure because it would be the time to say. Ms. Galvan stated that they have a Quality Control Specialist and currently they are missing one staff member, but she said that the structure is working well. Chairman Ceballos mentioned that they had two Section 8 Inspectors and asked if they had two before. Ms. Galvan confirmed they currently have two inspectors and they had three before. Chairman Ceballos asked if they were doing fine with two. Ms. Galvan confirmed and mentioned that they are doing the contracts for Russell Terrace, Casa Verde and River Bank. Chairman Ceballos asked who would be overseeing those consultants. Ms. Gaona responded that it will be the Contract Administrator. Chairman Ceballos mentioned that it made sense that it would be there under Director of Compliance and not under Community.

Before going to a break Chairman Ceballos asked if anybody else wanted to comment on structure and they could also meet with Ms. Gaona and asked if there was anything they would like to comment on or give feedback and then asked Ms. Barrientos if she was fine with the

structure in Finance and stated that they will have a training program drawn up within the next 60 days. Ms. Barrientos stated it was fine.

Robert Peña, IT Coordinator, commented on a suggestion in regards to the security guard position question, whether to be a law enforcement or humanistic person. He recommended taking a look at the Police Department Community Resource Unit and looking at how they work their school resource officers because they are law enforcement officers in a setting where they essentially are having to do counseling as well, so there is where they would kind of find a balance between the law enforcement and the humanistic side and stated that it was just a suggestion. Chairman Ceballos mentioned that it was a good point.

In regards to CFP, Chairman Ceballos mentioned that he did not know how long they will stay with 15 employees and that they will probably have some new projects where they will have force account and he would like to get more youth involved, but they will not have folks on a consistent payroll unless the Project Managers are driving those in a way that is programmed, they will not keep folks re-employed for a long term unless they have projects that are doing that, but they will let the Projects drive the payroll, not the payroll drive the Projects. Chairman Ceballos asked if Bulmaro had any comments.

Bulmaro Cruz, Director of Modernization and Development, mentioned that the only comment he had was in reference to the physical needs assessment they have on record which they used to generate the work item for the Capital Fund Program that was not in the plan and they changed when they had the meeting with the residents. Chairman Ceballos mentioned that it was to be followed up by IT to put it on the website which has not been done and it has been since December or January and said that those are things they should not let fall through the cracks, so if they need a job to handle that, then they need to create it so it gets done and actually it is very important for the residents because they were told they will put it in a flowchart where it shows a timeline and they have not done that and even though it is work generated by that department, it does not have the expertise for the website. Chairman Ceballos thanked Mr. Cruz and stated that it was a good point and asked if there were any other comments on the structure and then they proceeded with a short break.

The Board took a short break at 11:40 a.m.

The Board came back from the break at 11:50 a.m.

Chairman Ceballos stated that it was time for the presentation of the Operations Budget and stated that he liked that everything was in the black to start and asked Ms. Gaona about the percentage for Operating Subsidy. Ms. Gaona responded that Operating Subsidy is at 90% and they have the Dwelling Rents at 95% in all AMPs except for Asherton. Chairman Ceballos asked Ms. Barrientos what the Operating Subsidy was for the current year or last year and at what level. Ms. Barrientos responded that it was 95%. Chairman Ceballos asked Ms. Gaona if she had prepared a more conservative version than 90%. Ms. Gaona responded that she did not. Chairman Ceballos stated that the last time they went through that exercise, they had gone pretty low like 80%. Commissioner Ms. Guerra mentioned that it was significantly different. Vice-Chairman Dr. Garza stated that maybe it was because they were not sure what was going

to happen. Chairman Ceballos stated that if they got funding at 95% Operating Subsidy. Ms. Gaona stated they did at 90% and Chairman Ceballos mentioned they got 95%, so they are 5% under and based on what HUD passed there is a very good chance that it is going to be that or more and mentioned that he just wanted to show the Board whether they could do it easily if they would do it at 85%. Commissioner Ms. Guerra asked why they would do that if they know what they will be getting. Chairman Ceballos responded that it would be just to see because one thing is the funding and the other is the policy decision, so the policy decision could change between now and the next year to fund the Operating Subsidy and in many cases it has been a policy decision, so it is not the fact that there is more money in the bucket, but the fact that HUD says they are going to fund it at this level and Chairman Ceballos just wanted all to see it and said they could leave the Tenant Rent the same at 95%, so he mentioned they could still sustain it at 85%. Commissioner Ms. Guerra mentioned that they could because ultimately at the end they would be in the black. Chairman Ceballos mentioned they are in the black 720 and then he asked Ms. Barrientos to do it at 80% which was what they had done last year. Commissioner Ms. Guerra asked what the ultimate was for last year. Chairman Ceballos stated that they made 95 last year and said that they had made money, hopefully they did, that after the audit they should have money and mentioned that he was showing that because he was proposing something that had not been done in terms of pay and said that they are still making money and added that they did not have to know it and asked how much they had projected as net last year and also said that it looks real positive and asked where the savings was from. Ms. Gaona mentioned that from last year to the present, if they see Russell Terrace, AMP 2, that is where the bigger amounts are because of the HAP contributions. Chairman Ceballos asked if they are making more money from converting and asked how much they were looking at. Ms. Gaona confirmed and said it was about \$200,000 and that the HAPs were coming in at \$56,000, the current HAP payments. Chairman asked if Russell Terrace staff was at the current level or if it was sized back. Ms. Gaona stated that they had sized it back and stated that they wanted to discuss it with him. Chairman Ceballos asked if they could name the AMPs so that the Board can make notes as to where they are and stated that Colonia Guadalupe is AMP 1, Russell Terrace is AMP 2, Carlos Richter and Ana Maria Lozano, AMP 3; Senior Home and Meadow Elderly, AMP4; Meadow Acres and South Laredo, AMP 5 and Asherton is AMP 6. Chairman Ceballos mentioned that the last two were barely breaking even. Ms. Gaona mentioned that they had struggled with Farm Labor and Asherton. Chairman Ceballos asked if they included the salary comparability adjustments built in. Ms. Gaona responded that it was with the minimum wage Chairman Ceballos had proposed and that they had another one with the study and the proposed with the steps, where one would be at \$13.00 and the next step would be \$13.50, they would move it to that step. Chairman Ceballos mentioned it was with the reorg.

Chairman Ceballos stated that he had suggested to Ms. Gaona in reference to the approach list that he wanted to start with, was for them not to have any salary that would put someone below the poverty line for a family of four, so that translates into \$24,000 a year or \$12.00 an hour and in doing that it establishes a fact that LHA as an employer should not be positioning any family in a situation of not paying enough at all levels so anybody that comes to work will make that. Commissioner Ms. Guerra mentioned that it was only reasonable for somebody working full time. Chairman Ceballos mentioned that it was the latest federal 2018 table and essentially he wanted them to start at that and if they could not afford it, then they would go back and mentioned that they will also be covering all the employees' fringe benefits, the

insurance is on a group and the retirement is both the employee and the employer, LHA puts 9% and the employee matches 2% and they can go higher, but only up to a certain amount. Chairman Ceballos mentioned that the frame will kind of change because with the steps if there is somebody at \$12.00 that was making \$10.00 and has been working five years, all of that would trigger other adjustments, ultimately they are trying to persuade and convince to buy into the idea that they should be at that level and added that it will not be for today, but it will be taking the contractors when they hand them a contract, that they do the same, that if they have anybody on the job, that they need to be paid enough so that they are not in poverty so to speak or under the poverty level. Chairman Ceballos asked Ms. Gaona how she had worked it out. She mentioned that on the other one they had done the study and on this one they had still not plugged in the \$12.00 base salary. Chairman Ceballos asked if it included the adjustment to all staff and if she had done it herself or whether she had consulted Nelrod on adjusting the table. Ms. Gaona stated that on the one they had they just adjusted the table based on the steps. Chairman Ceballos asked for that table. Ms. Gaona responded that they did not have it, that they only had the one showing the difference from the net. Chairman Ceballos asked if they wanted to go into the details of each AMP first or spend time on the table first. Commissioner Ms. Guerra stated that it would be up to Chairman Ceballos, so he said they would go over the scale first.

Chairman Ceballos stated that for a family of four at 100% it is \$25,100 and that essentially it is the threshold for anybody coming to work for LHA. Vice-Chairman Dr. Garza asked if they take what HUD sets out as affordable, what the percentage of the income makes the rent affordable for a family of four. Chairman Ceballos stated that it was 37. Vice-Chairman Dr. Garza stated that for a family of four that was tight. Chairman Ceballos stated that it was the basis for the recommendation and mentioned that they would switch to the salary scale. Ms. Barrientos asked if he would want to look at the one for the study. Chairman Ceballos mentioned that they would look at the one for the study. Vice-Chairman Dr. Garza stated that in regards to the contractors if they would pay them living wage and said they had two types of contractors, a contractor that would come in and work for six weeks doing the job and he is gone versus a contractor working full time like security guards. Chairman Ceballos mentioned it impacts the bottom line, but ultimately it is worthwhile. Ms. Gaona mentioned that it would be minimal, approximately \$30,000 or \$40,000 based on the study and the steps. Chairman Ceballos asked for the study and said that he was looking for the scale. Commissioner Ms. Guerra mentioned that for construction she thought they had to have Davis Bacon labor standards. Chairman Ceballos stated that it would still rule, but if they hired a receptionist or an inspector he said they are probably already paying more than that for some, but there are some at \$10.00 per hour and they cannot really raise a family with that salary.

Chairman Ceballos asked if Ms. Gaona had an official step for them to approve or if she was adopting what Nelrod was recommending. Ms. Gaona stated that they would want to recommend on some, but on some of the positions it cannot be the same step on all the positions. Chairman Ceballos asked if they were adopting the table or if she will bring it back. Ms. Gaona stated that she would like for it to be adopted to be able to proceed. Commissioner Ms. Guerra asked what was different from Nelrod. Ms. Gaona mentioned that it was on maintenance. Chairman Ceballos asked if it was very close to what she had. Ms. Gaona mentioned that in maintenance the starting is at \$10.67 per hour for Maintenance A and \$13.00

for the Foreman. Commissioner Ms. Guerra asked if it was the only place where she had a difference from Nelrod and only because they want it to be living wage. Vice-Chairman Dr. Garza asked about the Security Guards. Commissioner Ms. Guerra mentioned that they were on contract and if they were earning that amount. Ms. Gaona confirmed. Chairman Ceballos mentioned \$10.26, but they will start at \$12.00. Commissioner Ms. Guerra stated that it was reasonable. Chairman Ceballos mentioned that at the City no one makes less than \$10.00 an hour and asked how many would be impacted. Ms. Gaona responded that it would be about 15. Chairman Ceballos stated that he would want for Ms. Gaona to finalize the steps system and then present it for official action and said that it was in the salary comparability study that was done last year that they never had the workshop for.

Chairman Ceballos asked Ms. Gaona that if somebody is at \$11.00 an hour and has been with LHA for five years and now they will go to \$12.00 per hour, how will she adjust it so that they do not start at \$12.00 and asked if she is doing the adjustment already or how would she handle it and at what step she is budgeting it. Ms. Gaona mentioned that they are doing \$12.00 and only on the ones that are way over, they are doing the next step. Chairman Ceballos asked if she was budgeting on 12. Ms. Gaona responded that she is not, that if the \$12.00 comes in at step 2, then they will be moving to step 2. Chairman Ceballos mentioned that she may still have some adjustments and asked how she will cover the difference, obviously from net income. Ms. Gaona confirmed and Chairman Ceballos stated that she was saying she will hit the net income for adjustments where she will increase the step in staff. Ms. Gaona mentioned that it was what they wanted to discuss with him to make the changes and let him know what the bottom line is.

Vice-Chairman Dr. Garza stated that if he understood correctly, it would be like if they had somebody they would want to get out of the poverty level, they would raise the step, so basically that was it. Chairman Ceballos mentioned that those would be the easy ones. Commissioner Ms. Guerra asked what the other scenario was. Chairman Ceballos stated that the other scenario was if somebody is at \$12.00 but has worked for LHA for five years. Commissioner Ms. Guerra asked if they are talking about somebody that is already making \$12.00 and has worked for five years and then they would hire somebody new at \$12.00, so they will be earning the same. Chairman Ceballos mentioned that he liked the idea of an evaluation, that there should be an evaluation because some people may be working for 15 years and the value is not there. Commissioner Ms. Guerra asked who would make the evaluation. Chairman Ceballos responded that it will be the Director. Ms. Gaona stated that it was the discussion she had when she met with each Department Head and went over the budget process with each one of them and they will be determining the Project Manager starting at \$16.00 and stated that they have some at \$13.00 and some at \$15.00, but the one at \$15.00 is handling 48 units or 100 units when the one at \$13.00 is handling 272 units. Commissioner Ms. Guerra mentioned that they had workload versus years of experience. Vice-Chairman Dr. Garza asked how much the yearly income would be if they go from \$10.00 to \$12.00. Ms. Gaona responded that for \$12.00 it would be \$24,500, and for \$10.00 it would be \$20,800. Chairman Ceballos mentioned that it is \$4,000 and that the problem is that they have some staff where skills do not match the pay and their job duties do not match the pay and said that there is so much detail involved that he would like for Ms. Gaona to look at evaluating all the staff and come back and stated that there is certainly enough net income for them to be

able to manage it and just to report back and they can do it in Executive Session when they look at specific staff.

Commissioner Ms. Guerra asked if they could also look at the Managers in reference to the difference in the amount of units so that they could compare apples to apples. Ms. Gaona mentioned that with Section 8 Technicians the starting step is at \$11.50 and the Section 8 Receptionist is at \$9.44 so if she would move both at \$12.00, then the issue would be if the Receptionist is doing the workload of a Technician. Chairman Ceballos mentioned that the equity needs to be there in terms of the job and said that he thinks they cannot do it in the workshop, so Ms. Gaona needs to sit with each person and the Department Director and analyze it and said that what they can approve is for Ms. Gaona to make those changes and access net income to cover those adjustments. Vice-Chairman Dr. Garza said he agreed.

Chairman Ceballos recommended for Ms. Gaona to finish the steps within 60 days and bring it back so they can adopt it as an official step increase and stated that Section 8 staff had been underpaid for many years, so they should probably start somewhere in the \$15.00 mark and he asked Ms. Barrientos at what salary they should start a technician to have a good quality technician. Ms. Barrientos responded they should start at \$16.00. Chairman Ceballos stated that Ms. Barrientos had a sense of it and that the problem is going to be whether they can carry it in the department and that it will be an analysis they will need to make.

Commissioner Ms. Guerra stated that it was a big difference and asked how many technicians they had and what the technicians would do. Ms. Barrientos responded that they have six technicians. Chairman Ceballos asked if Section 8 was making money. Ms. Barrientos responded that it was not. Ms. Gaona mentioned that it was the issue they were having, that they had the administrative fee and the bookkeeping fee. Chairman Ceballos mentioned they can make a decision to pay more and carry the administrative management side on the Central side. Commissioner Ms. Guerra asked if they needed all the technicians. Chairman Ceballos mentioned that they need at least those, which is a skeleton crew type. Commissioner Ms. Guerra asked what type of work technicians do. Ms. Barrientos mentioned that they have 1,598 vouchers and stated that technicians helped with certifications. Commissioner Guerra stated that it is a very administrative type of work. Chairman Ceballos asked Ms. Gaona and Ms. Barrientos when they could bring the adjustments back because they will be having another meeting to deal with Capital Fund in the next few weeks and asked if they can bring it back in 30 days. Ms. Gaona confirmed. Chairman Ceballos stated that he wanted to make sure staff see the reward of the adjustment soon and asked if there was anything else they need to talk about on the wage side. Ms. Gaona mentioned that she thought it was the Maintenance and the Section 8 technicians that they were concerned with and also in Asherton, the Project Manager versus a Project Manager Assistant in reference to the amount of units.

Chairman Ceballos mentioned that they need to go into executive session, but asked if they had Capital improvements listed per Project and how they would be presenting those and if all deferred repairs were in the budget. Ms. Gaona responded that they were all included and that they did what they felt the AMPs could carry and on others they need the Board's authorization to pull Reserves. Chairman Ceballos asked if they had a summary. Ms. Gaona mentioned that she believed last year they had authorized \$80,000 from the Reserves, but none of the work

got done. Chairman Ceballos asked if it was in Asherton. Ms. Gaona responded that it was for Farm Labor.

Chairman Ceballos stated that it was his request, not a motion, that from then on, they assign a Project Manager and give them a timetable and they get it done, and said that he did not mean the Department Manager, that within the Community Economic Development Department, to assign a Project Manager and put it on a time frame because the Board and the staff spend so much time working through the work items for them not to have them delivered. Commissioner Ms. Guerra asked if they knew why. Ms. Gaona stated that they never got approved and that the Manager had said she had presented them, but they never got them. Commissioner Ms. Guerra asked to whom they had been presented. Ms. Gaona stated that she thought to Administration or Procurement and that they had said some of the items were too high and in regards to the \$80,000, none of that had been done, so the Manager had submitted it again.

Chairman Ceballos stated that it probably pre-dated Mr. Vidaurri, but asked him what had happened, if it had fallen through the cracks, if they did not check on the people that were supposed to do the work. Mr. Vidaurri mentioned that some of those items fell through the cracks and it appeared that in some cases it was difficult to get bids and it was not too clear on the scope of work at times, so it just got carried over. Vice-Chairman Dr. Garza stated that if it should not be their responsibility in sending it back saying they do not quite understand what there were trying to say, so what would it take to just make a phone call or send a fax saying they did not understand what they were trying to say and he asked if it made sense. Mr. Vidaurri responded that he understood and stated that the Managers have the responsibility, but there needs to be more oversight on his side and said that Managers might not always have the technical expertise, but they need to provide some guidance. Chairman Ceballos mentioned that on deferred maintenance for Asherton they were asking for another \$22,000 and there is probably work left so maybe it is \$50,000 and suggested that in Community and Economic Department a Project Manager get assigned and be told that he is going to work on it for six months until you get it done as opposed to the Manager doing tenancy issues and said that obviously that system was not working and asked if they got done with their work in Farm Labor and he stated no, it did not work with Farm Labor nor with Asherton, so they need to go to kind of a construction model to say this is your deliverable and stated that they have Project Supervisors in Capital Fund that are managing 15 people, which is extra people there, so he recommended to put them to work and also stated that Mr. Vidaurri is still accountable, but they are all accountable to Mr. Vidaurri to deliver in 60 or 90 days. Chairman Ceballos mentioned that the lady in Asherton is new and they thought she could expedite, and she was expediting work when she came, but wondered what had happened and said he did not know.

In reference to purchasing, Chairman Ceballos stated that Frank was not present and mentioned that if he did not have the expertise, they need to help him develop the expertise or get someone because he thinks they will have enough Project Managers in the construction side that should know all of that, so he said that it was not Management, but he was really suggesting to try different systems. Ms. Gaona mentioned that in the conversations with the Managers, some of them were unaware that the items had been approved for them to proceed. Commissioner Ms. Guerra stated that it was lack of communication.

Ms. Barrientos stated that the Managers did not know what got approved by the Board, the information was not given to them, that they would just make the request and it was never followed up to see what got approved so they could do it. Vice-Chairman Dr. Garza stated that they are dropping the ball because the people attending the meetings know what gets approved. Commissioner Ms. Guerra recommended that after every Board meeting Ms. Gaona have a meeting with all the Managers to inform them what was approved at the Board meeting because they may say nobody told me. Chairman Ceballos mentioned that he did not like going back to BiblioTech in reference to the idea of what do I post, we are waiting on the marketing plan, well they have not told me if they approved it. First of all Chairman Ceballos stated that he does not buy it and that it is faulty on Management not to tell them that something got approved and to get on it, but if you know you have 40 water heaters that need to be replaced that could have been authorized, why don't they ask, it had been almost a year since they passed it, so he said again that he does not buy that and if they go to site base, then bring the Manager, if they are approving one of their items, they have to be at the Board meeting and if they are truly empowering Managers, then they should be them attending the meetings. Vice-Chairman Dr. Garza stated that if there is an item for approval, they should attend the meeting and hear it from the Board, so they cannot say no one told me. Mr. Vidaurri stated that it was understood.

Chairman Ceballos mentioned that they authorized resealing of the parking lot at Farm Labor and the Manager is seeing it every day, so would not they want to come and talk to the Director or Mr. Vidaurri to find out what happened. It got approved, but nothing happened. Mr. Vidaurri stated that they need to eliminate all the break downs in communication at all levels. Commissioner Ms. Guerra stated that it is a good idea to bring them in at the meetings, so that way they know. Chairman Ceballos mentioned that if they have an item from one of the properties, the Managers need to come to the meeting. Vice-Chairman Dr. Garza asked if Ms. Gaona had met with Project Managers. Ms. Gaona responded that she had met with all of them and said that they were surprised when she let them know that if they do not rent the unit by the 1<sup>st</sup> of the month she cannot submit subsidy for them and they were not aware of any of that nor the funding levels, none of that during her Budget Workshop and they said that it was the first time they were going through that process. Chairman Ceballos stated that they need training. Mr. Vidaurri stated that it was a real eye opener. Vice-Chairman Dr. Garza recommended to make it a habit of meeting with them after every Board meeting or once a month on what they are doing or what they need and have them come in to the Board meetings with no excuses. Commissioner Ms. Guerra also recommended for Mr. Vidaurri to meet with the Project Managers once a month or after every Board meeting or however he would want to do it to check on their progress and not finding after six months that something was not done.

Chairman Ceballos stated that Bulmaro mentioned that they were supposed to inform the residents about the work items, so they would need to assign someone in some department and said that he is putting it in the Community and Economic Department because he thinks that it is going to be the Project delivery and they are also responsible for putting it on the website and if Managers want to know about their work items, they can see them in the website, all of them are in the website and stated that the Board does the work, but then there

is that gap. Vice-Chairman Dr. Garza also recommended going to every project and informing them what the Board approved. Ms. Gaona mentioned that she had advised each of the Project Managers that once the Budget would be approved Mr. Vidaurri would get them a copy of everything that was approved and they would be responsible for it. Mr. Vidaurri mentioned that he wanted to give credit to Ms. Gaona because what will happen is that they will all meet and it will be an open book and all of them will have a discussion. Chairman Ceballos asked if it was not happening before. Mr. Vidaurri said that not as thoroughly. Mr. Vidaurri mentioned that the Managers need to be informed. Commissioner Ms. Guerra mentioned that it should be a continuous feedback with the Project Managers, but a lot of times it is not.

Chairman Ceballos mentioned that they will look at AMP 6 deferred repairs for Asherton and stated that there is a request for nearly \$23,000 in deadbolts, water heaters, office desk, office chair, riding lawn mower and landscape and asked how they will inventory those items once they are purchased, whether it would be site based or centralized and in particular, who would be responsible for the riding lawn mower once it is purchased, whether it would be the Manager. The response was that it will be the responsibility of the Manager and in reference to internal control, Chairman Ceballos asked if it would be Frank. Ms. Gaona confirmed. Commissioner Ms. Guerra asked how often they would check inventory. Ms. Gaona mentioned that in Finance it should be done randomly and at the end of the year and stated that it should be done by every March and that it needs to be documented. Commissioner Ms. Guerra asked if they could check on it. Chairman Ceballos stated that it should be one of Frank's scorecard deliverables and that he needs to report back on each of the AMP's inventory. Commissioner Ms. Guerra asked if it could be presented and that it does not have to be a very long list, it could only be to inform that it was done and what was found. Chairman Ceballos stated that he agreed and asked if they were putting sprinklers and if it was the recommendation. It was confirmed, then Chairman Ceballos asked if there were any comments on AMP 6 on the last page and mentioned that they had pending items from prior years. Ms. Gaona stated that those were the pending items and that she wanted to let him know he was going to see another \$117,000 in Farm Labor which is the same. Chairman Ceballos asked Ms. Gaona if she agreed that they should give the project a different model and recommended to give them 120 days to get it all done and if it made sense to have somebody on payroll to oversee that. Ms. Gaona confirmed. Chairman Ceballos mentioned that on Farm Labor, the \$117,000 was about replacement of refrigerators and asked if it meant they had five bad refrigerators.

Ms. Gaona mentioned that those are replacement refrigerators they are looking to purchase if there would be a need or an emergency, not that they will go and purchase all five, they are just requesting five and added that they will see them in the AMPs because of the work item they have in Capital Fund. Chairman Ceballos mentioned that they have some lavatories cabinets and kitchen cabinets and recommended to analyze cost before giving them to staff to see if it is better to have them done by a third party. Ms. Gaona mentioned that a lot of these items were brought up in the inspection they had done.

**Chairman Ceballos moved to go into Executive Session to discuss administrative items considered confidential regarding personnel matters.**

**Commissioner Ms. Guerra seconded the motion.**

**Motion passed unanimously.**

Chairman Ceballos called all the Commissioners present, Attorney Poneck, Attorney De Anda, Mary Gaona, Executive Director, and Jennifer Barrientos, Interim Director of Finance to go into Executive Session.

**The Board entered into Executive Session at 12:30 p.m.**

**The Board reconvened from Executive Session at 1:55 p.m.**

**Chairman Ceballos stated that there was no action taken in Executive Session.**

Chairman Ceballos mentioned that they will now go to Item 7B.

## **7. ACTION ITEMS**

- A.** Discussion and possible action to authorize Executive Director to obtain an agency credit card with a credit amount to be determined by the Board of Commissioners, for agency travel and business purposes.

Chairman Ceballos stated that they had a credit card for travel purposes and said that the bank is asking them to update into a new account, a new credit card because they cannot just switch names and the reason being BOC business transactions and now with Russell Terrance and the things that are required they do not have anything to expedite a purchase at Home Depot or McCoy's, so they would like to see if they can accommodate it and said that they have not been using it. For history purposes, in the last couple years the only reason to use the credit card had been for travel, so they are adding business purposes and the explanation is to kind of help staff, otherwise, they have to go through procurement which sometimes is not quick enough, so that is why they see that change.

Chairman Ceballos asked Ms. Gaona what the current limit is and if they are looking at a larger amount. Ms. Gaona responded that the current limit is \$5,000.00 and that if Christy tries to process travel and purchases at the same time, they will run into problems and that usually they have enough other than for major purchases, so she said that at least \$10,000 limit. Chairman Ceballos asked if there were any questions or discussion. Vice-Chairman Dr. Garza stated it was fine with him. Chairman Ceballos recommended to keep an eye on transactions beyond getting reconciled and Ms. Gaona as the Director would look at and make sure that all transactions make sense and he would think it would be Ms. Gaona who would authorize the use of it and also stated that they need to name the persons that will have access and mentioned that he knew that it has happened with systems where there would only be one person having access and it was what was happening that only Ms. Ortiz had access, so he recommended to add at least two persons, Ms. Gaona and maybe the Finance Director.

Commissioner Ms. Guerra asked who would be looking at the statements because she stated that there has been so much fraud lately. Chairman Ceballos mentioned that the

issue is always internal control, so if it is Ms. Gaona making the purchase, it should be really somebody else also looking at it, maybe they can get the independent auditor to look at it at least quarterly and to put it into a motion that it gets reconciled that way, because, otherwise, they would be reconciling their own work which is probably not the best practice. Chairman Ceballos asked if there would be any other use for the credit card beyond emergencies.

Robert Peña, IT Coordinator, mentioned that his opinion would be for purchasing services online, for example the electronic document signing which cannot be procured because they would only accept credit card, they would not take wire transfers, purchase order, or a check, so it would be one type of service they would not be able to access because they would not have the form of payment for it and said it would be one reason for having a credit card, to pay for services online. Commissioner Ms. Guerra mentioned that it would be more susceptible for third party transactions. Mr. Peña responded that any kind of transaction whether it would be made through a computer, browser, a telephone or through any kind of device is susceptible to card skimming, not the computer, but anything is susceptible to have the numbers stolen and stated that he had his debit card picked up a few times, so the only thing he could recommend would be to consistently monitor it on a regular basis and have the financial institution report back, like IBC, his bank would call him to ask if he is using his card in Florida, so he said that it would be the only thing he would recommend. Commissioner Ms. Guerra stated that she does not have any problem as long as they have the kind of internal control they were recommending.

Chairman Ceballos made a motion for them to approve the new account with four recommendations: to draft the amendment to the policy and to come back and present it so that it gets integrated into a policy, that they create a separate financial account that tracks the transactions separately, that Mary Gaona, Executive Director, and Jennifer Barrientos, Acting Finance Director, be added to the account and that an independent auditor reviews transactions for compliance purposes.

**Chairman Ceballos moved to approve Item 7A as discussed and recommended.**

**Vice-Chairman Dr. Garza seconded the motion.**

**Motion carried unanimously.**

Chairman Ceballos asked if he had mentioned the amount, Commissioners stated that it was \$10,000.00, so for the record, Chairman Ceballos stated that the amount approved is for up to \$10,000.00 and asked if it would be through their Depository. Ms. Gaona confirmed. Chairman Ceballos mentioned that it would allow them to handle any required business transactions.

Attorney Poneck stated that it would be used for only transactions that would require a credit card, they would not want the staff using the credit card for any purchases just out of convenience and it should only be for those purchases that would require it.

Chairman Ceballos mentioned that he would amend the motion to include the language Attorney Poneck suggested and for minutes' purposes, recommendation #5 is that it would only be used for emergencies or as required for online purchases.

Vice-Chairman Dr. Garza asked if Ms. Gaona is traveling out of town, will she use the credit card or if she would be allowed to use the credit card. Ms. Gaona responded that she would rather not use it for travel, that she would use it to set up travel for the Board or for staff while she is out of town, but she would not use it while being out of town. Ms. Gaona mentioned that she would rather use her credit card and then request reimbursement. Chairman Ceballos mentioned that when staff travel they submit reimbursement requests. Ms. Gaona stated that they submit an advance and a reimbursement, so it would be just for paying registrations that they cannot pay with a check or to make hotel reservations. Chairman Ceballos asked if she would use it when having a business meeting elsewhere, will she pay with it. Attorney Poneck stated that it would be legitimate, but stated that they were trying to make it very restrictive for good control, so he would recommend for her to pay with her card and then get reimbursement.

Vice-Chairman Dr. Garza commented on a situation where Ms. Gaona would be stuck overnight at the airport and would need a hotel room and stated that it would be considered an emergency. Chairman Ceballos stated they had already authorized anything that is travel related and for Ms. Gaona to use her judgement because it would be looked at. Attorney Poneck stated that in that situation he would imagine Ms. Gaona would use her credit card and then get reimbursement. Ms. Gaona confirmed.

Chairman Ceballos stated that it was already happening where they have business meetings and Ms. Gaona is paying for it because they did not authorize any expense account and he does not want her to pay every time from her personal account, so if they travel as the Board with her, he would like for her to be able to pay with the credit card for the group, whether it would be staff or the Board, he would not want her or anybody else, if it is Jennifer Barrientos traveling with them, let her use the business account which makes sense, it is a legitimate travel dining expense and then there would be another way in which everybody pays for their own and then they submit a reimbursement request, but for the Board they are not doing that and he would prefer for LHA to take care of it and stated that what they are actually saying is not to get use to using the card every time because they will be able to track it; they set it up so that they could track it.

Chairman Ceballos mentioned that, for the record, there are five elements that should be noted in the minutes and asked Christy who is doing the minutes. Christy responded that Ms. Sosa is doing the minutes, so Chairman Ceballos asked her to make sure Ms. Sosa lists the five items he had mentioned.

Chairman Ceballos stated they would now go to Item 7D.

- B. Discussion and possible action to approve Operating Budgets and Update Organizational Chart for Fiscal Year Ending March 31, 2019, for the Housing Authority of the City of Laredo and adopt Resolution No. 18-R-7.

This item was discussed in Executive Session and there was no action taken in Executive Session.

**Chairman Ceballos moved to accept the Organizational Chart as presented and start the transition into the organizational model with a few comments that the Administrative Assistant HR be renamed to a title that is consistent with a professional level position and that Ms. Gaona could determine the title, but that the expectation of the person is to have enough HR knowledge or develop HR knowledge to be able to hold the Agency in the right place administratively and the other note is to give Ms. Gaona authorization to decide whether the Contract Administrator belongs in the Compliance or in the Community side and finalize that decision. Chairman Ceballos asked if there were any other comments on the Organizational Chart. There were no other comments.**

**Vice-Chairman Dr. Garza seconded the motion.**

**Motion passed unanimously.**

Chairman Ceballos entertained a motion related to the Budget.

**Chairman Ceballos moved to approve the deferred maintenance items that are going to be paid from our Reserves for Farm Labor and Asherton as presented and for the record he read that for Farm Labor to reflect some prior items that were not completed and current items in the amount of \$117,195 as listed in the packet and for Asherton the amount is \$22,900 as listed in the Board packet.**

**Commissioner Ms. Guerra seconded the motion.**

**Chairman Ceballos added to the motion that a Project Manager be assigned and to report back every 30 days on progress.**

**Motion passed unanimously.**

Chairman Ceballos stated that in reference to the overall Budget he said that obviously they will probably be in transition into the model for at least the next six months and it may take a little longer, but effective immediately the Organizational Chart will be implemented and they have to finalize the salary scale which he would like to see back in 30 days as they agreed earlier and stated that part of the change is to get them into a culture that is a little more performance driven or a lot more performance driven, so they will find that the structure in the pay will hopefully be comparable so that everybody is delivering based on expectations and very clear deliverables and if they need human assets, capital assets or financial assets, then bring it up to the Director's attention, so that the plan is successful and in that transition he entertained the following motion to approve the Budget.

**Chairman Ceballos moved to approve the Budget as presented with some conditions that anybody affected in the reorganization gets an opportunity to reapply for a job**

within the Agency at whatever is being offered for those particular jobs that are available and that there be a performance metric set up for all the jobs and most importantly for all our Director and Management jobs and that everybody be set up and that if they need to hire a Consultant to assist, that it be done and for managerial jobs that Managers accept, that they be willing to be available within reason in other hours beyond 8 a.m. to 5 p.m. and stated that everybody that deals with him knows things come up and that sometimes it is just to contact them to get through the work that needs to be addressed, so it is just making sure that everybody expects that if you are in management at the Director level or Manager at the site, that they will be expected to be available in the evenings. Lastly, that the Director have flexibility to add temporary positions or floaters staff to assist where there may be gaps and filling the positions and he asked if there was anything Vice-Chairman Dr. Garza or Commissioner Ms. Guerra would like to add. They responded that they did not have anything to add.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- C. Discussion and possible action related to the acquisition of real estate property within the inner city, for possible redevelopment. This item may be discussed in closed session as a real estate matter, pursuant to Texas Government Code, Section 551.072 (deliberations about real property).
- D. Discussion and possible action to ratify the emergency purchase and installation of a water heater/boiler from De Hoyos Air Conditioning in the amount of \$27,654.86 for the Laredo Housing Authority, Senior Citizens Home (AMP - 4).

Chairman Ceballos mentioned that as per Ms. Gaona and Mr. Vidaurri it was not a very old system, maybe 10 years old. Mr. Rafael Vidaurri III, Director of Housing Management, stated that the purchase is for the replacement of a system that was installed in 2011 when the original purchase was made and the reason they were bringing it as a ratification item is that the system that was in place consists of two systems so that one provides back up and in case one fails you would not be under the expectation that one fails and then shortly thereafter the secondary back up system starts to fail, so that prompted the emergency purchase and stated that they sought out different alternatives and at the recommendation of Ms. Gaona, they proceeded to pursue what was available that would be more efficient, more cost effective, so they looked at what was being done at the Hamilton and that was how they came up with the specific unit they have.

Chairman Ceballos asked how it is different from the system they currently have. Mr. Vidaurri stated that what they had was the customary water heating system where they have the tank and the burners are inside the tank and this one is a hybrid from an on demand type system with a storage on the side, so they have the water storage tank separate and the heating element off to the side which would facilitate repairs and would make it easier and more efficient to work on the system. Chairman Ceballos mentioned that he had a chance to talk to Mr. Vidaurri one time while coming to talk to

Ms. Gaona and had encouraged Mr. Vidaurri to look at the on demand system where you have the tank less water heater which when they looked at it, it would not be the best for the facility. Mr. Vidaurri mentioned that it was not the best for the facility, but in a way this was kind of a hybrid because you have the tank less off to the side. Chairman Ceballos mentioned that if the tank busts, they do not have to change the whole thing. Mr. Vidaurri mentioned that it was the unfortunate scenario they were going through and having to replace the whole system. Chairman Ceballos mentioned that they both fell close to each other. Mr. Vidaurri confirmed and said that in the past history, the system they are replacing was replaced in 2011 and the other one was replaced in 2012. Chairman Ceballos asked about the life of the new system. Mr. Vidaurri mentioned that the basic warranty for the system is five years and expecting to last beyond that, but in a way those are items considered consumables that won't last forever and he knows that in the future, hopefully in the very distant future, they will have to replace it again. Chairman Ceballos asked if it was installed or they were working on it. Mr. Vidaurri stated that they were working on it and hoped to have it finalized by Monday and he also added that he must share with the Board that tenants had been very patient, that there had been some complaints, but they had been very understanding and also staff had met with the tenants to discuss the issue. Chairman Ceballos asked if there was any heating. Mr. Vidaurri responded that there was not at that point. Chairman Ceballos asked if there was anything they could do with the old system and Mr. Vidaurri responded that unfortunately not, that they had multiple people coming to look at it due to the urgency and they did not want to accept the word of just one person, so three people came to the same conclusion. Chairman Ceballos asked if they were working through the weekend. Mr. Vidaurri responded that they were not because they were waiting for some parts to come in on Monday, but they had been working to prep, working on the piping and taking the system out of the way.

Chairman Ceballos mentioned that if it goes beyond Monday, maybe they should set up a small electric system because they cannot keep them without hot water much longer, even if it is low capacity, something temporary. Mr. Vidaurri responded that it was understood. Chairman Ceballos mentioned that Mr. Vidaurri stated they will complete it on Monday. Mr. Vidaurri responded that it was the plan, by the end of the day on Monday. Vice-Chairman Dr. Garza asked who will be supervising it to make sure it will get finished by the end of Monday and if it would be Mr. Vidaurri. Mr. Vidaurri stated that he will be visiting the site throughout the day and that they also have the Manager and the Maintenance staff there at the site so that if there is anything the installers need, the staff will get it done. Chairman Ceballos recommended that Mr. Vidaurri assess if it will go through the week, then they will need to get a temporary electric water heater, even if it is a 100 or 60 gallon water heater. Mr. Vidaurri responded that it was understood. Chairman Ceballos thanked Mr. Vidaurri for his work and research on this issue.

**Chairman Ceballos moved to ratify Item 7D.**

**Vice-Chairman Dr. Garza seconded the motion.**

**Motion passed unanimously.**

Chairman Ceballos mentioned that they will go back to Item 6, the Budget Workshop.

**8. EXECUTIVE CLOSED SESSION IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE**

The Board of Commissioners for the Housing Authority of the City of Laredo reserve the right to adjourn into Executive Closed Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, including Sections 551.071 (consultation with attorneys), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters) consideration of administrative positions and duties, 551.076 (deliberations about security devices), and 551.086 (economic development).

**9. ACTION ON ANY CLOSED SESSION ITEM**

**10. ADJOURNMENT**

Chairman Ceballos moved to adjourn the meeting.

Ms. Barrientos asked about Item 7C. Chairman Ceballos stated that there was no action on 7C and reported just for the record that on the property at 820 Price, the owner had accepted the offer and they hoped to close in the next 20 days and stated that it was one of the projects they have as part of the Reinvestment Program for the Urban Inner City Reinvestment or Renewal, so they will report back on what they will do with that property, maybe a tiny home project or maybe something else and Chairman Ceballos would like to keep Deacon Bernal, who is the owner of the property, involved and said that he did not realize Deacon Bernal was a Vietnam Veteran, so he thinks they could make a very good project and keep Deacon Bernal engaged in how that project is used, maybe to serve veterans and he will keep them all informed, so maybe at the next opportunity they will bring the project to the Board and inform them what it is all about and said that they do not really have much of a project design, but they can work on it and his point is that he would like to keep Deacon Bernal involved, that the fact that they may end up with that property is symbolic of their work and his service work in the community, so Chairman Ceballos thanked the staff for reminding him about this item.

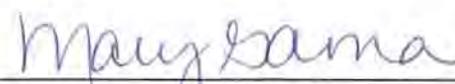
**Chairman Ceballos moved to adjourn the meeting.**

**Commissioner Ms. Guerra seconded the motion.**

**Motion passed unanimously.**

**Meeting adjourned at 2:05 p.m.**

  
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Jose L. Ceballos, Board Chairman

  
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Mary Gaona, Executive Director