

Housing Authority of the City of Laredo
Regular
Board of Commissioners Meeting
LHA Board Room
2000 San Francisco Ave.
Laredo, Texas 78040
Friday, January 25, 2019
10:00 a.m.

A-19-R-1

Minutes

January 25, 2019

1. **CALL TO ORDER** Chairman Ceballos called the meeting to order at 10:05 a.m.
2. **PLEDGE OF ALLEGIANCE** Chairman Ceballos led them in the recital of the pledge and mentioned that they had a long agenda and stated that they had people from different departments and Rick Solis to provide presentations, so they would work through the agenda as best as they could to get everybody out timely.

ROLL CALL AND DECLARATION OF QUORUM Chairman Ceballos asked Ms. Mata, Interim/Acting Executive Director, to do roll call, so Ms. Mata proceeded with roll call.

3. **Commissioners Present**

Jose L. Ceballos, Chairman
Dr. Sergio D. Garza, Vice-Chairman

Anita L. Guerra, Commissioner

Commissioners Absent

Dr. Marisela Rodriguez, Commissioner

Marcela Alvarez, Commissioner

Chairman Ceballos mentioned that Commissioner Dr. Marisela Rodriguez had planned to attend the meeting, but she asked to be excused due to tremendous amount of work at Laredo College. Chairman Ceballos also stated that Commissioner Marcela Alvarez' position was still vacant.

Staff Present

Alma Mata, Interim/Acting Executive Director
Christy Ramos, Administrative Assistant
Jessica Gonzalez, Bookkeeper
Diana Castañeda, Bookkeeper
Ana Martinez, Finance Clerk
Griselda Resendez, Property Manager
Rafael Vidaurri, Director of Housing Management
Federico Rangel, Accountant
Jessica Martinez, BiblioTech Program Coordinator
Bertha Galvan, Interim Director of Section 8
Melissa Ortiz, Director of Compliance and Quality Assurance
Leticia Sosa, Office Clerk

Jennifer Barrientos, Interim Finance Director
Manuel Hernandez, Assistant Property Manager
Juan S. Mendive, Planning & Systems Administrator
Juan G. Gonzalez, Executive Administrator
Roberto Peña, Director of IT
Francisco Lopez, Procurement Officer
Monica Rivera, Property Manager
Esmie Leyva, Property Manager
Sandra Barrera, Property Manager Assistant
Bulmaro Cruz, Project Specific Manager
Esmeralda Martinez, Property Manager
Sara Vicharelli, Leasing Specialist
Tomas Martinez, Facilities Specialist
Alfonso Treviño, Project Specific Manager
Alina Rios, Property Manager
Mary Gaona, Consultant
Ricardo De Anda, Attorney
Doug Poneck, Attorney

Others Present

Rick Solis, Hickey Peña & Architects

4. CHAIRMAN’S COMMENTS

Chairman Ceballos stated that there would be a lot of discussion on things that might be important, but he would reserve any comments during the agenda items.

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)

Chairman Ceballos stated that there were none.

6. APPROVAL OF MINUTES

A. Approval of minutes for Board of Commissioners meeting on December 20, 2018.

Chairman Ceballos moved to accept the minutes as presented.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

7. PRESENTATION BY CENTRAL RESIDENT COUNCIL

There was no representative from the Central Resident Council present, so Chairman Ceballos mentioned that the Central Resident Council had perfect attendance and asked if Public Housing staff would contact the Central Resident Council to let them know they would give them an opportunity and make time for them during the meeting because they would love to hear from them, so that they would continue with their perfect attendance.

8. PRESENTATIONS (No Action to be taken)

A. Executive Director's Report

Chairman Ceballos mentioned that in essence of time, he would ask Ms. Mata to provide highlights on her report. Ms. Mata mentioned that for staff development they had two trainings, one for AutoCAD with a turnout of eight employees and also they had a Safety Meeting. She mentioned that they had a new hire for Planning & Systems Administrator, Juan S. Mendive who was hired at the last Board meeting. Chairman Ceballos welcomed Mr. Mendive and stated that he knew Mr. Mendive had spent a couple years away and maybe not everybody knew it and that they were excited to have him back and were proud of his getting an education out of state and thanked Mr. Mendive for joining the Laredo Housing team. Ms. Mata mentioned that they continue to have some vacant positions and they continue to recruit for the positions. Ms. Mata mentioned that In reference to Finance they have finalized FY 2018 and the staff continues to work on the bank reconciliations. Ms. Mata stated that Public Housing has a PIC score of 100% and mentioned that they will implement some clauses to continue with the home visits. Chairman Ceballos stated there should not be any projects that should have zero home visits as a target, he recommended to those in that department to share with their managers that it would be important to get some visits done and to stay connected. In reference to waiting lists, Ms. Mata stated that Public Housing waiting list is at 650, Elderly at 365, Farm Labor 5 and Asherton has 10 and said that Farm Labor has 40 leased and continues to have 7 vacant and as per staff, they should have a unit ready for leased up that day, so they would have the vacant number reduced for the next Board meeting.

Chairman Ceballos mentioned that he had asked at a previous Board meeting that a marketing plan be in place and then he followed up at a staff meeting and said that he would like it to be in place by the February Board meeting or ahead of it and stated that he had asked for it repeated times and said that they have consultants that could develop the marketing, who could help them do it and stated that he did not see it in the report; therefore, he would not know if it had been done. Ms. Mata stated that it was not in the report. Chairman Ceballos stated that it should be done by no later than the next Board meeting.

Vice-Chairman Dr. Garza mentioned that in Farm Labor they have five in the waiting list and they have seven vacancies, so he was wondering whether those people qualified. Esmie Leyva who is the Property Manager at Farm Labor stated that five of those persons in the waiting list were for one-bedroom units and they only had two-bedroom units that would be ready and available the day of the meeting and also there were two applicants that were pending information. Chairman Ceballos asked if they had three households ready. Ms. Leyva responded that they had two. Chairman Ceballos stated that they had had discussions before about housing them in a larger unit and asked if they were not doing that. Ms. Leyva stated

that one-bedroom was for one person and they did not have one-bedroom units available, they only have a two-bedroom and the others are three and four bedroom units. Chairman Ceballos stated that the Board would not place any restrictions if they had a person in the waiting list, they can seek approval from the Board if they feel they need it or they can seek approval from Rural Development, but not to hold the unit vacant if they have a family on the waiting list. Chairman Ceballos mentioned that it was not a new conversation, that Attorney De Anda had been present when they had talked about it in previous meetings; they had asked that units would not be vacant and said that he was sorry that it might seem negative, but the issue was very aged, maybe about a year old, so he said not to hold the units and if they would need approval from the Board, the Board will give the approval and in fact he stated he would entertain a motion to do it, but not to hold those units and told Mr. Vidaurri that they had asked that before and that they should not be holding units because it would be one or two persons and said that they should let Rural Development tell them that they cannot do it and not do it themselves because they should not have a waiting list if they have vacant units which makes no sense. Attorney De Anda stated that they would structure the leases to account for that. Commissioner Ms. Guerra asked whether they had already reached out to Rural Development and if they had said no, or if they had said they could not house one person in a two-bedroom unit.

Ms. Gaona mentioned that they had contacted USDA and said that it was authorized to do it, they would have an addendum to advise the tenant that as soon as there would be a unit they would get moved, that it would just be a process they would need to do. Chairman Ceballos stated that Attorney De Anda had advised them the same at a previous meeting, so he said that it was clear and recommended the staff to help those families once they leave the meeting. Attorney De Anda mentioned that it might not make sense to house one person in a two-bedroom unit. Chairman Ceballos stated that if it would be a homeless person, it would make all the sense of the world. Attorney De Anda said that if it would be a college student, it would be a different story. Chairman Ceballos stated that they had recently learned that there were college students that are homeless, that every semester they have approximately 7 to 10 homeless students. Vice-Chairman Dr. Garza stated that it happens in every major university too, so Chairman Ceballos moved to authorize the units be filled by the next person in order and to handle whatever administrative paperwork that would need to be documented to satisfy Rural Housing Development requirements. Vice-Chairman Dr. Garza seconded the motion. Chairman Ceballos stated that it was a presentation item; therefore, they could not take action. Attorney Poneck stated that he could make a statement if he wished and Chairman Ceballos mentioned that he would re-phrase it in the form of a statement and asked the Executive Director to execute such. Commissioner Ms. Guerra asked if they would report back at the next Board meeting. Chairman Ceballos confirmed and mentioned that the marketing plan as well because it is the same deal.

Rafael Vidaurri, Director of Housing Management, stated that he would research in reference to the rental amounts because the difference between a one bedroom and four-bedroom unit could be way out of their ability to pay so they would analyze that. Chairman Ceballos agreed and stated that housing would absorb the loss and mentioned that they should not delay the process because they had people waiting for months while there were units free, and it had taken months to make them ready and said that it is not right because they have to house

people which is the reason why the agency exists, so Chairman Ceballos stated that Mr. Vidaurri could do all the research, but they had to house people.

Ms. Mata stated that in reference to Asherton they have 22 leased and 9 vacancies and stated that they would implement what the Board had asked to make sure they are leased by the next Board meeting. Chairman Ceballos asked for the administrators to assist the departments with getting the marketing plan done for Asherton which he said was an aged request and said that they had talked about post offices, the small newspaper, social media, and if they would have to advertise in social media which is cheap, not expensive, they could do that and said for everybody to be aware that in Section 8, they also have underutilization in Zapata and also in Asherton and stated that he had learned before the meeting that the lease up rate is under 90%, so he stated that they have financial and lease up capacity and recommended Mr. Juan Gonzalez and Juan Mendive to hammer in getting it done.

In reference to Russell Terrace Ms. Mata stated that they were close to completing the first phase, which is almost complete and they started working on the second phase and were working on the plumbing. Chairman Ceballos mentioned that in Russell Terrace they were pending irrigation and landscaping and residents will be moving, so there will be a good number of people that will be vacating the older units which will go into demolition and said that they have until the end of June to demolish the 138 units and they are in kind of a pinch and he knows that staff is doing all they can, all engines and staff are on trying to get to the mark and added that people are not living there yet and they continue to get praises over the design, construction quality standards and stated that it is very nice work. Chairman Ceballos thanked everybody involved and asked Ms. Gaona to provide the report on item 8b, consultant report on finance matters related to independent audit FYE 2018.

Ms. Gaona mentioned that she began working in January on the different reconciliations for the audit which was finalized and said that there were some concerns on the auditor's side in regards to delays and unreconciled cash and balances that caused the delays which they had expressed to the Board back in December and November that they were trying to finalize. She also stated that Ms. Barrientos had closed the books for March 31 and also said that staff was moving forward with reconciliations and have some that are in October, but also have some that are in April, that they still need to look at and stated that they were working with staff trying to get them to finalize the reconciliations so that they would be able to do an analysis of the general ledger and she would like to be able to work on it as soon as possible so that she would have time to start reviewing all the way to February in order to make any adjustments in March.

Chairman Ceballos mentioned that he had visited with Ms. Gaona, Ms. Barrientos, and Ms. Mata and see if they could do two journal entries to move the process forward and Ms. Gaona had stated that the amount was not insignificant, that any variances could reach \$100,000, so she needs to reconcile and be certain that each month has been looked at so that they would not be missing large numbers and said that he was inclined to suggest Ms. Gaona that if the variance would be nominal like 5k, 10k, 15k or 20k dollars, not be significant for a multi-million dollar operation, that they would go ahead and make the adjustments at yearend. Ms. Gaona stated that she was not confident enough to tell that it could be done since the voucher program which

is one of the biggest programs, had not been reconciled since April; therefore, she did not feel confident. Chairman Ceballos asked Ms. Gaona to explain why it has not been reconciled because it is not the way it sounds, there was work that had been done prior. Ms. Gaona mentioned that it was hard to close from prior years that had not been adjusted to be able to close as of March 31, 2018, so to begin April, which she had looked at the previous day and said that there is a problem with the check run, staff tried to reconcile and got stuck and they just stayed there because there was an issue with the check run and they would have to do some analytical work and stated that she does not think they are trained enough to do it at that point which is why it was easier for them to leave it there and wait for somebody to tell them how to do it.

Mr. De Anda asked how it happened that they waited for somebody to tell them how to do it. Ms. Gaona responded that she was assuming they did. Chairman Ceballos mentioned that one of the things they had talked about was that Ms. Gaona as their lead consultant and probably lead expert in finance would take the team and give them a time frame, two or three days while she would be at the Agency and get it done, because she had mentioned it could be done over a week or two weeks. Ms. Gaona confirmed and said that now that she is looking at the level they are and stated that they have not been able to move. Commissioner Ms. Guerra asked whether it was years they would have to go back and trying to figure out errors. Ms. Gaona stated that it had occurred when they were trying to close and it is the reason the auditor said in his report that they caused a delay in the audit because they were trying to reconcile from 2012 through March of 2018 which really took staff a lot of time to go back and do the research and said that it is not perfect as of 3-31-2018, there are still minor issues they need to look at that they hope to address by 2019. Ms. Gaona mentioned that in July they were trying to fix all the entries that needed to be fixed for 3-31-2018, so in July they were stuck as to not understanding how to do the entries. Chairman Ceballos stated that Ms. Gaona could teach them how to do the entries. Ms. Gaona confirmed and stated that it was what they had been working on and said that they had progressed.

Vice-Chairman Dr. Garza mentioned that Ms. Gaona had said 2012 had been closed which was seven years ago. Ms. Gaona stated that it was not being closed, that it was 2015 & 2016 and they were closing 2017. Vice-Chairman Dr. Garza mentioned that she had said 2012. Ms. Gaona said that it was errors coming back from 2012 and forward. Vice-Chairman Dr. Garza asked why they had not been able to balance up to October and said that it could be complicated with the different programs and if they would not put the information on the right column it would throw everything off and asked why that was happening, why the people were not responsible enough for the proper program and have the information on time and give answers to the people in the accounting department and why they would not be available and said that Ms. Gaona had mentioned about the checks being cut and got stuck and left them there, how comes they left them there and there was not anyone to give them support at that particular time and said that he was upset about that and that he was being honest that they have people working that are intelligent and at the University when he would get stuck he would search for help right away and would seek for it and he would get it and asked Ms. Mata why people in the Agency were not seeking out for help. Ms. Mata stated that staff are provided with training in the area that they would need more support. Vice-Chairman Dr. Garza asked how the Board would know that staff are given that support as far as the trainings being offered, like e-mails to follow up

because this was more like she said, he said. Chairman Ceballos stated that his observation in regards to that department was, with respect to everybody because he does not work with them, that every time they adopt the budget the Board has asked every year for several years if there was enough training and the Board had invited people to get training and he thinks that there is a lot of internal departmental issues and it was the reason he asked the staff to be at the Board meeting because they staff needs to put closure to those issues because they cannot be holding the progress of the finance office and the books of the audit hostage because they cannot work together and if it would not be true to forgive him, but he is perceiving that there is some of that going on and asked them to please put closure to it because if they had a problem with the check run and could not reconcile it or did not tie in, for them not to leave it behind, they expect them to bring it forward all the way to the Board because they have the resources to address it and the department knows it, so they are picking up on why it would exist over years and that there is something that is not allowing folks to grow and not allowing them to conclude their work and it needs to be addressed, so he reminded staff present at the meeting that if they are in need of training, they should request it and it would be approved if it would be relevant to the particular needs and stopping them from making progress and to stop the who did it, who did not, who left it behind attitude. Vice-Chairman Dr. Garza suggested that Ms. Mata would even need to meet with everybody on a Saturday for a solution and stated that it happens in every entity. Commissioner Ms. Guerra asked Ms. Gaona how long it would take to solve the issue and if she had a plan. Ms. Gaona responded that the goal was to try to get as much as possible by the end of January reconciled through December so that they could then look at general ledgers because they have not had the opportunity to look at general ledgers.

Chairman Ceballos stated that they have resources to bring consultants to come in for months if need be and also have resources to bring a CPA and the debate about who they hire needs to be settled and said not to continue that conversation month after month. In the case of errors since 2012, Chairman Ceballos stated for the record, what was the auditor doing auditing in 2017 if the books were not closed. Ms. Gaona mentioned that the auditors created a lot of problems by doing audit adjustments to close the books when the books had not been closed and then when they closed the books they had to reverse and some of the staff would start trying to fix it and in the transition it would not get a true picture because they would not go back to the original issues and they also need to address issues with public housing due to property managers making careless mistakes and they do not understand how it affects the finance. Chairman Ceballos stated that there is a finance director that should raise the flag and say that they are disrupting and mentioned that there are problems in every department, but every director should take their job by the helm and placed the issue more on the finance director than on public housing. Commissioner Ms. Guerra asked if there was a way to address those issues like maybe through e-mails. Ms. Gaona mentioned that it was what she had recommended staff to do because they are catching mistakes and are so behind in the reconciliation and to address the e-mails to the proper staff, the supervisor, and the executive director and to address the issue that it is occurring month to month. Chairman Ceballos urged the department to get to a solution, to get together, to get beyond individual issues, to build a team and to become positive about resolving and said that if they were to resolve the issue they will feel such success that they finally got over it as a team and the Board will recognize the effort and the staff most importantly will recognize the effort. Ms. Gaona mentioned that

by moving forward everything will be so much easier. Commissioner Ms. Guerra asked how Ms. Gaona would project it, if it would be step by step. Ms. Gaona stated that her goal was March 31 and mentioned that it was her for her to sign the audit for 2018 and she would not want the same issues presented to the Board for 2019. Chairman Ceballos stated that it was the main reason Ms. Gaona was retained. Vice-Chairman Dr. Garza asked about employees' attendance, whether if somebody is absent the whole agency will be stuck or if anybody would be able to take over. Ms. Gaona responded that they had started cross training. Chairman Ceballos mentioned that it was the leadership Ms. Gaona had helped develop and stated that they could bring positions to the Board and that in the Executive Director's Report there was a listing about positions that are vacant and stated that the job did not require a CPA, but if it would be what the team think they need, the Board will not stop them from accessing it, whether it would be a consultant or whatever they need. Mr. De Anda mentioned that it would be somebody that would be good with numbers. Chairman Ceballos mentioned that there are already people good with numbers in the department and stated that for him, people need to own their mistakes in order to move forward and then it would be in the past because if he made a mistake and he owns it, it would be over, but if they do not own it people can keep bringing it up, which is the reality of life. Vice-Chairman Dr. Garza stated that they need to own their mistakes and get over with it. Chairman Ceballos stated that he hoped the exercise had helped and mentioned that they had been alerted and he just wants for everybody involved to see past the issue, to put closure, to move on, to feel happier, and to feel accomplished which he thinks they can get there and said that they are very close to it, that they really are, everybody involved. Ms. Gaona mentioned that she had implemented some forms to help each of the staff on a monthly basis beginning in January. Chairman Ceballos mentioned that they will be seeing a form from Ms. Gaona on a bi-weekly basis.

Juan Mendive, Planning and Systems Administrator, mentioned that he has been with the Agency for two weeks and has seen Ms. Mata and Ms. Gaona on the issues that are ongoing and they have been working along with the Finance Director and the staff and stated that the Board can rest assured that he as well as Mr. Gonzalez are working to identify gaps and looking at what trainings might be needed for the directors and staff and he is evaluating which gaps exist and has identified the need for accounting procedures and already reached out to Nelrod and stated that Ms. Barrientos will be contacting Nelrod on what the staff needs and said that they will need accounting systems on policies and procedures as well as internal control policies. Mr. Mendive mentioned that Ms. Gaona is working on procedures that are more technical to show staff what needs to happen and Nelrod will help on procedures on what needs to be done and who would be the responsible party and also on procedures agency wide when it comes to finances and accounting procedures which is what he is having conversations with Nelrod and then they will provide the technical assistance. Vice-Chairman Dr. Garza asked about how easy the system they use was. Ms. Gaona stated that it was a very hard system and that Robert Peña could confirm that. Vice-Chairman Dr. Garza wondered what they could use if the system is so hard to use and is not user friendly. Robert Peña mentioned that there are a variety of systems, more modern systems and much more user friendly where the data would be more accessible and said that they were currently looking at two different systems called Yardi and Tenmast and are currently trying to decide which one would work best for the budget and the work system. Chairman Ceballos thanked Mr. Mendive for his leadership and stepping up to describe the process and mentioned that he thinks Mr. Mendive feels comfortable in the

balance score card type model which is something chairman Ceballos promotes, so whatever they decide as a team whether it be the score card or the measure system would be fine with him as long as they have something in place and appreciates Mr. Mendive leading them and stated that both Juan Gonzalez and Juan Mendive had received positions that will support the department heads and kind of upgrade the work and thanked Mr. Mendive for his work during the two weeks he has been with the Agency and taking the lead and also thanked Robert Peña for proceeding with the RP. Commissioner Ms. Guerra mentioned that they have internal controls but would want to strengthen them or add more, which she thinks might be part of the problem. Ms. Gaona confirmed and stated that the procedure is there but is not being followed to check the final product. Chairman Ceballos mentioned that he had a lot to say, but they needed to move on and thanked Ms. Gaona.

Chairman Ceballos mentioned Architect Rick Solis was present, so he made a motion to bring up Item 9E which is related to Bibliotech.

Chairman Ceballos moved to go to Item 9E.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

ACTION ITEMS

- A.** Discussion and possible action to approve the use or transfer of ownership of obsolete kitchen cabinets and otherwise being disposed from the Russell Terrace Development owned by the Laredo Housing Facilities Corporation to a non-profit organization, Volunteers Serving the Need, for the public purpose of serving Veterans in the community and housing authority tenants in need.

Chairman Ceballos mentioned that Ms. Gigi Ramos from Volunteers Serving the Need contacted him in about the potential of saving some kitchen cabinets that are being demoing as part of Russell Terrace; therefore, he asked Ms. Mata to visit with Ms. Ramos and also stated that they had done other property transfers for public use, previously the old mobile trailer which was done in the format suggested by Mr. Poneck, which is to establish a public purpose in writing and for it to continue being available for the tenants and then asked Ms. Mata to provide an update on the amount of cabinets and whether they even had any. Ms. Mata mentioned that Ms. Ramos was requesting three kitchen cabinet sets and stated that currently they have four buildings vacant at the Russell Terrace development; therefore, they have the cabinets available to make the donation. Chairman Ceballos asked Commissioner Ms. Guerra if she was familiar with Ms. Ramos operation. Commissioner Ms. Guerra mentioned that she knew about them, but had actually never been to the site. Chairman Ceballos mentioned that they are located where the county building was demoed recently, the old historical depot on Washington Street, by the tracks and said that Ms. Ramos runs a vintage store and a pantry, so she would probably use the cabinets to store items that she wants in the pantry. Ms. Mata mentioned that they are looking into acquiring the property and they want to be able to use the cabinets for storage for their thrift store as well as their pantry and their office space. Chairman Ceballos asked the Board if they were fine with the donation of the cabinets and they confirmed, so it was

mentioned that as far as it would be with the conditions mentioned earlier and asked if anybody else had dealt with her or if it was Ms. Mata directly. Ms. Mata mentioned it was her directly and stated that Ms. Ramos had sent her thanks to the Board for the donation of the mobile unit that was donated last year and said that it has been very helpful during the winter months for the veterans that go and visit. Chairman Ceballos mentioned that he was part of the Rotary Club and stated that some of the staff had physically helped build the ramp over a weekend to that mobile trailer. Chairman Ceballos made a motion to transfer the ownership of the cabinets that otherwise would be disposed of, with the condition that they be used to serve the public purpose of serving veterans in the community and Housing Authority tenants in need.

Chairman Ceballos moved to adopt item 9A as discussed.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- B. Discussion and possible action to ratify and extend on-going professional service contracts for an additional year, including Escamilla & Poneck LLP., the Law Office of Mark Foster, De Anda Law Firm, Hawkins Delafield & Wood LLP., Architects Plus Inc., Able City (formerly Hickey-Peña Architects), Sepulveda Architects, and Monica Bautista.

Chairman Ceballos mentioned that all these persons are contracted for either five year potential contracts or three year potential contract with an extension annually and stated that Ms. Mata decided to bring them to the Board for official action.

Vice-Chairman Dr. Garza moved to approve Item 9B.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- C. Discussion and possible action to ratify the Hickey Peña Architects contract no. LHA2017 1218 02-2-HP1, Work authorization 1G-Bernal Sunrise Court in the amount of \$15,800.

Chairman Ceballos mentioned that the amount exceeded the Director's approval; therefore, it was brought to the Board for approval of \$15,800 because the Director can only approve up to \$15,000.00.

Chairman Ceballos moved to approve Item 9C.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- D. Discussion and possible action to award Quote for Small Purchase (QS), for Capital Fund Program Grant No. TX59P011501-15 work item, sidewalk ADA ramps at Colonia Guadalupe (AMP 1), to the lowest bidder.

Frank Lopez, Procurement Officer, presented to the Board and mentioned that they were recommending ALC Construction because they are listed as the right of way contractor with the City of Laredo which means that they had submitted the proper application and

had the proper bonding requirements for the type of work. Chairman Ceballos asked if that meant the other lowest bidders did not have those requirements. Mr. Lopez responded that Romo Construction did not have, but were willing and with their proposal there is a note that other grants may require modifications that may possibly increase the price. Chairman Ceballos asked Mr. Lopez to please show him where it was stated in the proposal and asked him if he felt there was uncertainty in the pricing. Mr. Lopez confirmed and said that it was stated in the note. Ms. Mata mentioned that this was an item they needed to complete before the end of the fiscal year, that it is one of the CFP items they have pending. Chairman Ceballos asked who the manager for this particular project was. Ms. Mata responded that it would be assigned to Abraham Martinez. Chairman Ceballos directed them to inform Mr. Martinez that there is a time frame and made a motion to accept the recommendation of staff to award to ALCE Construction.

Chairman Ceballos moved to award Item 9D to ALCE Construction.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- E. Discussion and possible action related to BiblioTech Program performance and afterschool program conversions and building designs for A. Maria Lozano, Guadalupe, Russell Terrace, and Carlos Richter developments.

Chairman Ceballos mentioned that they had been discussing this item over time and said that they have sufficient modeling data from Casa Verde BiblioTech and they asked Architect Rick Solis over the last couple months to come up with a prototype that could be adopted or implemented in each of the larger public housing sites, so Mr. Solis would be presenting his team efforts and said that a lot of staff had put a lot of time into it and thanked Mr. Solis for being at the meeting.

Architect Rick Solis with Hickey Peña Architects mentioned that they were asked to look at three different sites: Ana Maria Lozano, Russell Terrace and Carlos Richter and said that the challenges are very different in terms of size and scale. Mr. Solis mentioned that Ana Maria Lozano is the largest of the sites, so they would be able to incorporate a little bit more function into it. He said that all those community centers were built like for a bomb shelter with small windows, so the first goal would be to open up more windows, they would like to create an outdoor patio for people that would go in to read, so when they come into the lobby, there will be a computer room to the north and a classroom where the current maintenance and kitchen area is and the student lounge will be in the back. He stated that one thing that would need to be done at all the sites would be to bring the restrooms up to code and also the mechanical systems will have to be upgraded because when you have computers it generates a lot more heat, so as they would work in budget for the projects, they need to make sure they keep a line item for those items and said that they are looking at another computer room and a workshop which with the particular plan it would be kept where they have the current workshop and maintenance.

In reference to Russell Terrace Mr. Solis stated that to the west they have a really nice large open area where the playground is and it is a great place as far as visibility to Springfield,

so the main component to the prototype would be the classroom, the computer room, the reading room and the lounge and they created a patio as well in that project lobby and they upgraded the restrooms and worked around the HVAC system.

Mr. Solis stated that Carlos Richter would be a little bit more difficult because it is considerably smaller than the other two spaces and they are proposing to build a kitchen which would be approximately 300 sq. ft. in the area where the lounge is and mentioned that the way the community halls are currently used is that they have four or five computers and they are always full with kids playing games and videos and they get their kids café meal and they would like to turned it into more like a learning enrichment center where they could sit at a computer or they can get an ipad or some other device that they can engage or read. He said that Casa Verde has only ten computer spots and they are actually projecting to have considerable more in these particular developments which get a lot more traffic, so they are trying to fit as many computers as they can. Vice-Chairman Dr. Garza recommended looking at the Fire Marshall code about not having too many students in one particular room and said it was a good idea, but before they know it everyone would be bunched up because kids will find the way to go in. Mr. Solis mentioned that the idea was also for students to check out material and take it to the house and said that it would be like the lounge as an example that they would have events at the BiblioTech and while they are there they will be exposed to other activities and it would be how they would get them hooked so it would be a dynamic place that will attract the children.

Chairman Ceballos mentioned that he personally will like to migrate folks from a full Kids Café operation with some tutoring to a full 80 % academic 20% feeding operation, so that when they walk into it would not feel just like a Kids Café operation with some care taking and said that to everybody's credit, they had already been migrating and recommended for staff to meet with residents after they finish the prototype in order to modify the kitchen. Chairman Ceballos also mentioned that he did not think the patio should be so large and said that there were some options provided and recommended Mr. Solis to come up with what he would consider is best, present it to the residents and then to start educating the staff and asked Ms. Mata to bring a proposal back to the Board on how they would continue academic enrichment so that they would become BiblioTech technicians and mentioned that Ms. Jessica Martinez already knows what it would take, so with the current staff it would take developing them which would take time and mentioned that they will not build the BiblioTechs over two or three months, it will take a while. Vice-Chairman Dr. Garza asked what else was needed at Ana Maria Lozano besides bringing the restrooms up to code. Mr. Solis responded that it was the mechanical systems.

Chairman Ceballos directed Ms. Mata to follow up with HUD in regards to identifying resources out of project reserves and stated that Melissa Ortiz had reached out during the Ana Maria Lozano planning which was approved probably via e-mail, so he recommended that they would establish an official request and stated that they had liked the program and suggested Ms. Mata to talk to Selika and inform her that they have the request coming and maybe she would help courting it along and added that it would be the first place not having to do with architecture, but more with funding and it would be where he would lean

to try to get funding and said that all those projects are healthy, have plenty of reserves and stressed that they needed it. Chairman Ceballos mentioned that architecturally he would recommend as much ceiling height and natural light as they could get which he thinks is the beauty of the centers because the light makes a big difference and said to Mr. De Anda that what they were missing were some bunkers. Commissioner Ms. Guerra asked if they would add a lounge too. Mr. Solis stated that the other aspect would be that the classroom would be accessed like an adult enrichment center, so if the parent would have to go to a seminar, the kids would have a place where they could hang out while parents are in the seminar, which would be the other purpose. Chairman Ceballos asked Ms. Jessica Martinez to come forward and said that at a previous community meeting there was this lady from the Youth Village and was interested in taking the model to the Youth Village and he thinks it would be great and stated that when other people have approached them verbally about the model they asked Rick to come up with a mock kiosk like the one they saw in San Antonio, like the one in the courthouse and would like for them to follow up if she still would want it done and to continue the conversation because what would follow is that they would need to contact BiblioTech in San Antonio to approve each of the sites and would also like for the Board to consider it for the Youth Village because for Chairman Ceballos, when somebody would have an interest to bring education even to a facility like that, they should jump on it because it does not cost those kids anything to check out a tablet; some of them are going through the system, but some of them reside because they are incarcerated, so he would like Ms. Martinez to follow up to see if they would still be interested so that they could bring it back to the Board for consideration next month. Chairman Ceballos asked Ms. Martinez if she would show them by next meeting how they would capacitate and continue developing existing staff and also discuss the kiosk and hopefully they would have word from HUD by then.

Ms. Jessica Martinez stated that she got in contact with Ms. Rodriguez from Youth Village who would present to her Board of Directors and said that Ms. Rodriguez already went to visit BiblioTech in San Antonio and loved the model they have in the jury room and would like to apply the same model or concept into the Youth Village, however, they also liked our model for the students that reside there, so she would be presenting both ideas. Chairman Ceballos asked if he had recommended they take the model to the residents for input. It was confirmed. Ms. Mata mentioned that they will report on the kiosk status as well as the implementation of seminars.

Chairman Ceballos mentioned that there was no action taken on item 9E.

- F. Discussion and possible action related to main administrative office masterplan, initiating demolition of vacated buildings, and approving funding source.

Ms. Mata mentioned that in the master plan they encountered a need for additional office space or a different way of having the office space functioning; there are a lot of office walls separating the departments and there is not enough communication between them, so they had the need to look at the campus the way it is and see what they could develop so that it would work for the departments operations because there is a lot of space that is not being used and they would like to make use of it the best they can; therefore, they

asked Mr. Solis to look at what they have and the square footage they would be looking and said that he has met with staff and still has some staff to meet with to see what their department needs are and how they could be connected to each other. Chairman Ceballos mentioned the front door problem and asked Rick to inform how all had started.

Rick Solis mentioned that they were approached sometime last year and it all started at looking at the walkability at this site because when growth happens if there is no planning place, it just happens where it needs and Mr. Solis presented some slides and said that basically he tried to establish some goals for the project and listed them as follows: the front door problem when they come in for a meeting and are trying to find the place for the meeting, maximize the current available square footage, resolve parking issues and by talking to staff he knows that there are some days of the month when parking is an issue, sharing spaces for Section 8 and Public Housing and park space for families since there is a lot of open space that is underutilized, so he showed what they called the demolition plan and essentially what they would want to do would be to take out the maintenance building and the floating miscellaneous canopies around the buildings where they just put stuff under them, yet preserving the buildings. The major demolition would be to the maintenance building, the other buildings will go through a renovation, some more than others, and the current administration building will just be a matter of reconfiguring spaces; the community hall and IT area will be more of a substantial renovation to bring it up. He also mentioned that they will extend the parking in the north side to create staff and public parking. Chairman Ceballos mentioned that he did not know they were 50 cars just from staff and only 25 parking spaces for staff plus tenants, so he apologized to staff for not having enough parking. Mr. Solis mentioned that there is a staff parking area on the southeast corner, but it is only 18 or 19 spaces. Chairman Ceballos mentioned that it was not enough just for the staff. Mr. Solis stated that where the Public Housing is, the traffic backs up due to the street being very narrow in that location, so the idea is to move everything to the north side. He mentioned that they were proposing to take Section 8, Public Housing and the Bibliotech and try to fit it into the current administration building which is where they get most of the public and where the most traffic is and said that Public Housing and Section 8 need a lot of waiting area and they could maximize the space by combining them which would be an option they would be looking at.

Mr. Solis mentioned that they would like to create a plaza close by the front entrance and will also have access to the new conference center which they had discussed that would need a larger area for Board meetings or staff development, so they will be looking at that and said that maybe finance and administration would also be housed in those areas. He also said that once they would remove the maintenance area, they would create a really nice open area between the three buildings and they would also consider another maintenance building, currently it is too big and they had discussed making it smaller and stated that what they had shown is just an idea, that they had really not identified all the areas to see if it would work, that it was just a concept and said that they have roughly 21,000 sq. ft. of space. One of the questions Mr. Solis asked when talking to the department heads was whether they needed offices or if people could work in a shared space and said that in his case as architects, the principle to be open with the associates and the staff is because they want to be involved and hear the conversations and if

something comes up, they will know, they would not be away in an office and they do have small conference room in case they would need to have a personal conversation or a personal meeting with someone, they can go to that conference room and have that meeting and they would not do that with all the offices because they understand that there are some people that would need an office, but they will try to create more open space and mentioned that the window in the end provides more light further into the open space as well, so that was the concept they are working on and stated that they would probably have to phase it into a couple phases and he knows that they are in the process of moving people around and that the previous Public Housing building is currently vacant. Vice-Chairman Dr. Garza asked if finance and administration would be together in one room or in separate offices. Mr. Solis stated that there would be a dividing line if required. Vice-Chairman Dr. Garza asked Mr. Solis how much space they would give a person because people in finance, the place they have they were like sardines. Chairman Ceballos mentioned that finance was no longer where they used to be. Mr. Solis responded that there would be a dividing line if it would be required and said that they had not really gotten into that level and said that they can give someone a 10 X 10 office which is kind of small, but they could give them an 8 X 8 cubicle and he means a cubicle without tall walls, just an open area which would function a little bit better than a 10 X 10 and will be saving square footage that could be utilized for something else. Commissioner Ms. Guerra mentioned that she thought separating Administration from Section 8 and Public Housing is like separating them from the constituents and said that Administration should be where Section 8 and Public Housing are because it is the heart of what they do. Chairman Ceballos mentioned that they have had those debates in planning which they will have to work through and stated that he added BiblioTech at the last minute, the last couple days because he thought they would have people in the waiting room that should be able to send their kids into an instruction and enrichment center while they are there, but it will probably take 1000 sq. ft. and said that he completely agrees that folks are sitting at their desks too much instead of being with their constituents whether it be tenants or their staff, so they will have to have that debate and stated that it was not final and he directed to look at the larger building, which is the old Section 8 office which is about 6000 sq. ft. where IT is currently located and said that it seems like a lot, but it really is not a lot because if they cut it in half they will need all that space for whatever department moves in. Commissioner Ms. Guerra asked what was meant by an employee belonging center. Chairman Ceballos mentioned that it was something he added which would be kind of an enrichment center, a place where employees could have their lounge and perhaps a small gym, some place where they could develop moral, a communal space to help build morale which is called belonging and is kind of a trending term to help build unity, spirit and give them a little bit of private space.

Chairman Ceballos mentioned that he asked Mr. Solis not to build new space because they already have 21,000 sq. ft., so Mr. Solis has already taken away connections they thought they would add and they have fragmentation and he wished it would be altogether, but it is not. Vice-Chairman Dr. Garza asked if Mr. Peña worked with BiblioTech. Mr. Peña responded that they support the infrastructure. Commissioner Ms. Guerra mentioned that they could move the belonging center to the conference room because it will not be used all the time. Chairman Ceballos mentioned they have the belonging center and said they

had also talked about having BiblioTech which would be great since it already has the illumination they want, but considers that it is a lot of space between both wings for BiblioTech and then, it is disconnected from the public entry, so the advantage for BiblioTech being upfront with Section 8 tenants and Public Housing is that parents can come in and could leave their kids while they would be interviewed if it would be permissible and if it would work, it would be an advantage and said that they had not really thought about it, that it just came up the last couple days and said that Mr. Solis actually had a lobby and would have Administration and they could have Section 8 in one side and Public Housing on the other side and they all would be connected and said that the way they are planning it and designing it, there would be that visual connection and would be like a campus, like TAMU, having to go outside to go to another building. Chairman Ceballos mentioned that there was some disconnection and said that they are all at the same level, just performing different tasks. Vice-Chairman Dr. Garza asked if they could have a workshop to further discuss it, maybe on a Saturday. Chairman Ceballos and Commissioner Ms. Guerra agreed. Mr. Solis mentioned that there was a lot of potential on the site, that there is a lot of room and that there seems to be enough square footage which they will double check; it will be just a matter of how they would move the pieces around to get it to fit and moving forward. Chairman Ceballos mentioned that to be clear in the site plan, the maintenance area will be the only new building which might end up being like a double car garage type and asked when they would like to meet, whether within the next couple weeks. They all agreed. Mr. Solis showed them the parking lot with two entrances, the playground area, the park and said that they will be creating little plazas and said that some people had mentioned that they would like to just go outside and have their lunch and said that they will do that and it will also become a landscaping project. Chairman Ceballos mentioned that it was part of the tendency to walk in that area. Mr. Solis mentioned that they will leave it open, so people could come in at night or during the day. Attorney De Anda asked how much of the open space they would be using for parking. Mr. Solis responded that it would be about half of the space and said that by cultivating the plaza areas they would not miss it as much and currently it is very underutilized. Commissioner Ms. Guerra mentioned that it was mainly Section 8 people using it. Mr. Solis mentioned that there will be a playground for the kids and essentially a plaza for people that are waiting, so it would be like outdoor sitting areas with benches. Chairman Ceballos asked Mr. Solis if he would be available on the Saturday for the meeting and if he would have square footage ready especially in the particular building that has a high ceiling area, but they are not sure whether it might be usable. Mr. Solis responded that he would need a week or so to finish the analysis and then they would be able to meet. Chairman Ceballos mentioned that they have the building that has been vacated and would like for Vice-Chairman Dr. Garza and Commissioner Ms. Guerra to consider giving the Director authority to move ahead to continue with the interior demolishing that has to get done and mentioned that they had asked Mr. Solis if designs would vary for the different departments and Mr. Solis had mentioned that generally for what they would be using that building, it would be designed, whether it would be for the Economic Development or Finance departments, the gutting and the retrofit would be the same, so if it would be fine with the Commissioners, Chairman Ceballos mentioned that he would like to entertain the motion and thanked Mr. Solis and everybody that had been collaborating with Mr. Solis.

Chairman Ceballos moved to dedicate sufficient resources from existing reserves to begin the demolition of the old Public Housing which used to be the old Administration building and to begin the initial retrofit for it and asked if they had any figures on demo cost; they mentioned they did not and Chairman Ceballos asked if it was going to be done in house which was confirmed and asked them to report back in reference to the cost and asked Mr. Poneck in reference to not having the cost in order to proceed. Mr. Poneck recommended to come back for approval. Chairman Ceballos mentioned that they would just do the demo and retrofit while they meet for the workshop and take action on the day of that meeting.

Chairman Ceballos mentioned that there was no action taken on item 9F and mentioned that they would go back to item 9A.

- G.** Discussion and possible action to award the Landscaping Services for the Russell Terrace Revitalization Project and authorize the Interim/Acting Executive Director to negotiate and/or contract with the recommended firm.

Ms. Mata mentioned that it would be the last phase they need to complete and mentioned that they had Hickey Peña design the landscaping; they would be looking at two different sizes of blocks which are in the tabulations; it would be 8 large blocks and two small blocks for the whole project and due to an oversight by staff they did not post the RFP, so they are asking the Board to authorize them to award the first two blocks and the whole project contingent to nobody else applying or submitting a proposal and said that they had posted it the day before. Chairman Ceballos mentioned that if anybody responds they will have to consider them. Ms. Mata mentioned that they would have to bring it back to the Board and said that they are recommending to use Roy's Palms Landscaping. Chairman Ceballos asked if there was a tabulation fee. Ms. Mata mentioned that it was right after the maps in the packet. Vice-Chairman Dr. Garza asked if they ever give references as to who they have done work for. Frank Lopez mentioned that they had done work for Housing in the past and are located a few blocks away from Russell Terrace. Chairman Ceballos stated that they know them and are good people. Ms. Mata stated that they had also done the work for the model homes.

Chairman Ceballos moved to approve item 9G as recommended and stated that they acknowledge the posting is ongoing, but will award block one and two and if there would be other bids for the rest of the project, they will come back, otherwise, the award will hold for the current bid.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- H.** Discussion and possible action to award the installation of Irrigation System for the Russell Terrace Revitalization Project and authorize the Interim/Acting Executive Director to negotiate and/or contract with the recommended firm.

Ms. Mata mentioned that in reference to this item they have the same situation, an ongoing posting and would like the Board to authorize them to proceed with block one and

two and the rest of the project if they would not have any other proposals submitted and would be recommending Jerry Espinoza for the irrigation.

Chairman Ceballos mentioned that he would make the same motion for the irrigation system with the contingency that if they would get a respondent after the posting that the remaining part of the project would come back for Board approval.

Commissioner Anita Guerra seconded the motion.

Motion passed unanimously.

- I. Discussion and possible action to adopt the new Utility allowance Schedule for the Section 8 Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) Program effective March 1, 2019 and adopt Resolution No. 19-R-1.

Chairman Ceballos mentioned that they would table Items I & J and they will see them in the February meeting.

Chairman Ceballos moved to table items I & J.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- J. Discussion and possible action to approve section 8 Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) Program Payment Standard amounts effective March 1, 2019 and adopt Resolution No. 19-R-2.

This item was also tabled along with item 9I as stated above.

- K. Discussion and possible action to award Roofing, Electrical, Plumbing, HVAC, Building Materials and Mold & Mildew removal contract at Los Balcones apartments to the lowest qualified bidders, as recommended by staff.

Frank Lopez mentioned that in reference to the electrical two proposals had come in from A&S Electrical and Gama Electric and are recommending to go with A&S Electrical and said that fixtures are not included, but all the labor and material for the wiring and the entrances is included. Chairman Ceballos asked how many were solicited. Mr. Lopez responded that they had solicited five different contractors and two had responded. Chairman Ceballos asked Mr. Lopez to attach said documentation to the bid award to make it a formal part of the record. Chairman Ceballos mentioned that Alfonso Treviño had just come in and asked him if he was fine with the electrical bids and with their performance. Mr. Treviño confirmed. Mr. Lopez mentioned he had three proposals for the roofing at Los Balcones both front and rear buildings, the lowest from Rios Roofing from Oscar Rios and said that he just needs confirmation whether it would include the two buildings or not because it was not specified in the proposal whereas Gabriel Rios proposal specified both buildings. Chairman Ceballos mentioned that they needed to find out before they would award it and asked if somebody could get a hold of him. Mr. Lopez mentioned that he reached out to him in the morning, but had not yet received a response. Ms. Mata mentioned that Mr. Lopez could try to reach Mr. Rios and stated that maybe they could bring it back to award it before the end of the meeting. Attorney Poneck mentioned that

they could make it a conditional approval. Chairman Ceballos mentioned that they would do conditional approval because roofing is priority one and said that his personal observation was that it is not a good thing to leave the bid unclear. Mr. Lopez mentioned that before they went to the site he specified it was for both buildings, but he just wants to confirm if it is included in the proposal and mentioned that they were based on 60MIL membranes, which is TPO specified and said that one price was with replacing the metal canopies and the other bid that came in from Gabriel Rios did not propose any changing of the metal canopies. Chairman Ceballos stated that it was his mistake, that he was not leaning towards a conditional award on Rios because he does not know Rios and stated that the bid is incomplete with a huge price gap and the other ones do not have a bid on the canopies and said that there is a good chance they will not replace the canopies. Ms. Mata confirmed and mentioned that it was her understanding that Gabriel Rios also included the covering of the edge of the caps in the price and mentioned that if the Board decides to award they will need a little bit of flexibility because there might be changes to the price due to it being an existing building, so once they go in there they might uncover some added issues.

Mr. Lopez mentioned that in reference to the AC system for Los Balcones, Vasquez Appliance Repairs price is \$35,000 and Solis AC \$36,000 and they are recommending to go with Vasquez Appliance Repairs. Chairman Ceballos asked if they know him or have worked with him in the past. Mr. Lopez confirmed.

Chairman Ceballos asked if there were any questions on any of the three bids and asked about the bid on the mildew. Ms. Mata stated that they only had one. Chairman Ceballos mentioned that Ms. Mata would probably be able to approve it without coming to the Board.

Chairman Ceballos stated that they would award to A & S Electric for the electrical as stated in the presentation and asked for the amount. Mr. Lopez mentioned that it was \$15,100. Chairman Ceballos stated that for the roofing he would move for them to award to Gabriel Rios for \$25,050 and mentioned that they also had a lower bidder, but unfortunately the bid information is incomplete and the HVAC to be awarded to Vasquez at \$35,000 and asked if there were any questions or clarifications.

Chairman Ceballos moved to approved item 9K as discussed above.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- L. Discussion and possible action to award Concrete, Framing, Plumbing, Electrical, HVAC and Roofing, and Building Materials work at Bernal Sunrise Courts to the lowest qualified bidders as recommended by staff.

Mr. Lopez presented to the Board and stated that for Bernal Sunrise Courts they are recommending to go with R G who are not only the lowest proposal for plumbing, but they are specifying copper and not PEX. Mr. Treviño stated that he wanted to know the difference in price between copper and PEX. Chairman Ceballos mentioned that with RG

copper is less than plastic with Orozco and asked how many Mr. Lopez had solicited. Mr. Lopez mentioned that it was four. Chairman Ceballos recommended that Mr. Lopez would document it and attach it to the bid packet and for the record it gets established and mentioned that Orozco Group do great work and that they had proposed several times, but they just do not seem to hit the price and then asked if they know R G Plumbing. Mr. Lopez mentioned that they had done work at Senior Home before; that he had not done business with them but, had been at job sites where they provided other proposals and said that they seem to be very responsive and qualified. Chairman Ceballos asked if Mr. Treviño or Bulmaro Cruz knew them. Mr. Treviño said he had just met them and Mr. Cruz said he did not. Chairman Ceballos asked if it was a bid request or a proposal. Mr. Lopez responded that it was a proposal. Chairman Ceballos asked if there were any questions. Vice-Chairman Dr. Garza asked that if they would go with PEX it would be \$16,800 and if they would go with copper it would be \$25,200. Mr. Lopez mentioned that they could go with PEX tubing which Mr. Orozco had mentioned was being used commercially. Vice-Chairman Dr. Garza asked what they would recommend. Mr. Treviño said he liked PEX for what he had seen. Vice-Chairman Dr. Garza asked if it would last a long, long time. Mr. Treviño stated that it has a 25 year warranty and copper does not. Chairman Ceballos mentioned that he is a big copper fan and mentioned that Russell Terrace has copper; and that PEX has 25 years warranty and Colonia Guadalupe which is from the 1940's also has copper; therefore, he likes copper better and mentioned that he does not like the joints in the PEX and understands that it is now the standard and would support it either way and stated that they were not provided with a PEX number and the decision would be to either go with PEX or copper. Ms. Mata mentioned that the recommendation would be to go with copper for the tiny homes. Chairman Ceballos asked that it was the tiny homes, not the apartments and also what they had put on the other project. Ms. Mata mentioned they did not have plumber yet. Chairman Ceballos stated that they would have to debate about it and he would exclude himself from it and recommended to make sure it would have good warranty. Vice-Chairman Dr. Garza asked if they knew what the difference was between Orozco and RG because the price was almost double. Mr. Lopez stated that they had looked at the proposals and mentioned that they matched the number of the fixture lights for the fixtures they would be installing in each of the tiny homes and said that it seems to be comparing for the most part apples to apples. Vice-Chairman Dr. Garza asked if they had other bids and Mr. Lopez responded that they had two or three.

Vice-Chairman Dr. Garza moved to award to RG as recommended.

Chairman Ceballos seconded the motion.

Motion passed unanimously.

- M.** Discussion and possible action related to current government shutdown and impacts to agency, including consulting with legal counsel.

Chairman Ceballos mentioned that he did not know whether they needed to go into executive session and just wanted the Board and the public to be aware, for the record, that with the government shutdown one of the nine agencies impacted would be the HUD Agency, so it would unfortunately impact both Section 8 and to some degree Public Housing, but for the short term it would impact Section 8 and what they had learned

through both Nahro and the HUD office which is responding to them is that currently there would not be sufficient funding beginning March 1st. however, everybody remains optimistic that it would clear out ahead of that and said that they would have some administrating things to do in terms of notifying folks, but hopefully in the next week or next few days it would get lifted so that they would not have to implement any of the notifications, but they do have an administrative duty to make sure that folks be advised formally just like they have been through HUD that there are funds for January and February that have been authorized, but not for March and mentioned that most of the staff had probably already heard from them in meetings or in planning that there is going to be a notice which they hope they can approve at the meeting to both landlords and tenants and a statement, so they hope to approve sending it out and have the attorneys help them finalize those notices and said that tomorrow the government might open, so it is just safeguarding the possibility and are hopeful it will not happen and stated that they had informed the Mayor and City Management so that everybody is aware and stated that as part of the response the Housing Authority will have a hotline, a phone team, and an onsite response so that they would all be able to answer accurately questions that either landlords or tenants might have and said that it is not to alarm anybody, is just adhering to administrative requirements.

Chairman Ceballos mentioned that the Agency has some level of reserves and said that they received an e-mail that did not really give them clearance to utilize reserves for March, but it is likely that in the next few days they would be allowed to reach into those reserves which might give them enough funding to use the reserves into March and stated that he does not think they need to take that decision so, they would need to meet again to discuss whether it would be a pro ration or a full payment if they would reach into the reserves and stated that he did not think it would be in order for them to take action on March without HUD necessarily giving them the authority to do so. Chairman Ceballos asked if anybody wanted to give any background either from the legal or management.

Attorney Poneck mentioned that as Chairman Ceballos had stated, it is affecting everyone nationwide and that it is a difficult situation not only for the tenants obviously, but also for the Housing Authorities that are trying to serve those tenants because the question would be at what point they would start being too proactive and he thinks that they are all watching the same news and there seems to be indications that there is more movement perhaps than it was, so as Chairman Ceballos stated, it could easily be resolved over the weekend and there would not be any need to do anything as far as notice for any party, so he recommended to generally pay attention at what is going on nationally and see where we are next Monday or Tuesday and maybe they will cross the bridge to notify folks what they know at that point.

Chairman Ceballos mentioned that as he had stated in another meeting that no one was being furloughed, they would obviously need Section 8 staff to address traffic that would be coming in if it really happens, so for March there is that certainty and there is no reason to address March if they are in February to go and they would meet again if they need to do so and for the Board to be clear, the idea is that if required, they will issue out a notice to Section 8 landlords and tenants on Monday with a statement from the Board explaining

why they will be doing it and offering them access to the staff to discuss and be further informed and if two days after things work out, they will send another notice informing that the issues have been cured and hopefully they will move on, so that will be the only way they can proceed and stated that as they learned on accessing the reserves, they will make decisions that will come back to the Board to look at again and mentioned that it was the way he proposed to handle the situation and asked if anybody else had any questions. Ms. Mata mentioned that she wanted to let the Board know that they are working in getting themselves prepared in the event that they would have to send out a notice to be able to handle the calls coming in and the visitors as well and said that they are working with both Juan Gonzalez and Juan Mendive to develop a response for that in the event that it would be needed. Chairman Ceballos mentioned that they were modeling things after what Nahro is recommending and said that other Housing Authorities have already sent out a notice, but Chairman Ceballos stated that he has chosen not to be so alarmed because he thinks it can just generate a panic, so they will just handle it day to day until it gets resolved and stated that he appreciates the staff and said that they will be changing the way they work; some people not working in Section 8 will be asked to go work at Section 8 if it would be required and would appreciate staff doing it and if there would not be any sort of rush, it would be great, but if there is at least they will be prepared, hopefully there won't be and they will need to work very closely with landlords so they also would give them time with the system and hopefully February will work itself out and then asked Attorney Poneck if they needed to specify this in a motion. Mr. Poneck responded that they did not unless the Board feels the need to do it and stated that they are all on the same page and the staff understands what the expectations are.

Chairman Ceballos asked Ms. Gaona, who had attended a Housing Authorities Regional meeting, for input. Ms. Gaona stated that each Agency is handling things very differently depending on the amount of reserves they have and the amount of landlords they have and stated that in one agency in particular ten landlords hold approximately 80% of the vouchers, so they were only addressing ten landlords and some agencies had opted not to send any notices until it actually happens because they do not want to alarm tenants; they feel that if they send out notices the landlords will be contacting the tenants. Chairman Ceballos mentioned that they would not take any action because they feel that it could be handled by management and stated that in the morning it was clear that HUD was not ready to determine the use of the March reserves yet, so if they were to hear anything back the next day or Monday, they would have to kind of recruit.

Chairman Ceballos mentioned that there was no action taken on this item and thanked everybody for responding.

- N. Discussion and possible action related to administrative and departmental staff performance, annual evaluations, and organizational structure changes. This item may be addressed in executive session pursuant to Section 551.074 (personnel matters).

Chairman Ceballos stated that he really wanted to spend some time with the Interim/Acting Executive Director and discuss some key positions that need to be filled particularly Human Resources position in a more fuller HR role and mentioned that there

were other couple vacant positions that need to be filled and maybe discuss it if they could do it appropriately in the meeting and they might want to take some staffing conversations to executive session, but HR and addressing any finance related issue, either staffing up or other changes that need to be done there in order to be able to maximize and get past their issues and stated that he had the organization structure topic in the item, but thinks that they do not need to address it and said that there will be some modifications done probably by April 1 through the next budget workshop and close out meeting in March and mentioned that Ms. Gaona had conducted the last evaluations under her watch around the same period, so he directed Ms. Mata that it be done at the department head level and added that they will not discuss organization structure in executive session and stated that he would like to move to go into executive session to discuss some departmental staff issues and specific positions within departments.

Chairman Ceballos moved to go into executive session.

Vice-Chairman Dr. Garza seconded.

Motion passed unanimously.

Chairman Ceballos called the Commissioners, the attorneys, Ms. Mata, Ms. Gaona and Jennifer Barrientos and possibly the staff that would be interviewed into executive session.

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), 551.076 (deliberations about security devices), and 551.086 (economic development).

The Board entered into executive session at 11:55 a.m.

The Board reconvened from executive session at 12:55 p.m.

Chairman Ceballos stated that no action was taken in executive session.

10. ACTION ON ANY CLOSED SESSION ITEM

Chairman Ceballos mentioned that Item 9N related to discussion and possible action to administrative and departmental staff performance, annual evaluations, and organizational structure changes that were discussed and moved to amend the organizational chart to reclassify the current administrative HR position and urged the Interim/Acting Executive Director to fill that position as soon as possible.

Chairman Ceballos moved to amend Item 9N as discussed above.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

11. ADJOURNMENT

Chairman Ceballos moved to adjourn the meeting
Commissioner Ms. Guerra seconded the motion.
Motion passed unanimously.

Meeting adjourned at 12:57 p.m.



Jose L. Ceballos, Board Chairman



Alma Mata, Interim/Acting Executive Director