

Housing Authority of the City of Laredo
Regular Board of Commissioners Meeting
LHA Board Room
2000 San Francisco Ave.
Laredo, Texas 78040
Friday, December 20, 2019
1:30 P.M.

A-19-R-11

Minutes

December 20, 2019

1. **CALL TO ORDER** Chairman Ceballos called the meeting to order at 1:30 p.m.
2. **PLEDGE OF ALLEGIANCE** Chairman Ceballos led them in the recital of the pledge.
3. **ROLL CALL AND DECLARATION OF QUORUM** Ms. Alma Mata, Executive Director, proceeded with roll call and stated that there was a quorum. Chairman Ceballos mentioned that Commissioner Ms. Guerra would be in a little bit late.

Commissioners Present

Jose L. Ceballos, Chairman
Sergio D. Garza, Vice-Chairman
Anita Guerra, Commissioner
Dr. Marisela Rodriguez, Commissioner
Gloria Ann Freeman, Commissioner

Commissioners Absent

Staff Present

Alma D. Mata, Executive Director
Juan S. Mendive, Planning and Systems Administrator
Christy Ramos, Administrative Assistant
Monica Rivera, Project Manager
Maria Teresa Delgado, Property Manager
Irma I. Martinez, Property Manager
Alfonso F. Herrera, Facilities Specialist
Maria De Lourdes Hernandez, Procurement Officer
Jennifer Barrientos, Director of Finance
Alexis Chaires, Project Specific Manager
Daniel Colina, Accountant
Bulmaro Cruz, Project Specific Manager
Alina Rios, Project Manager
Victor Reyes, III, Project Specific Manager
Diana Cruz, HR Manager
Jessica Martinez, Director of Community Development
Melissa Ortiz, Director of Section 8
Leticia Sosa, Office Clerk
Sara Vicharelli, Interim Director of Housing Management
Rosie Ortiz, Project Manager

Griselda Resendez, Project Manager
Esmeralda Martinez, Project Manager
Robert Peña, IT Director
Doug Poneck, Attorney
Ricardo De Anda, Attorney

Others Present

Rosie Rios, Central Resident Council President

4. CHAIRMAN'S COMMENTS

Chairman Ceballos stated that he did not have any specific comments.

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 the time. There will be a 3-minute limitation per speaker. (Texas Attorney General Opinion-JC-0169)

There were no comments

6. DISCLOSURE OF CONFLICTS OF INTEREST FOR BOARD OF COMMISSIONERS AND STAFF

Chairman Ceballos mentioned, for the record, that general counsel was present and stated that there was no disclosure of conflicts of interest.

7. APPROVAL OF MINUTES

A. Approval of Minutes for Board of Commissioners meeting on November 22, 2019

Chairman Ceballos stated, for the record, that Commissioner Anita Guerra joined the meeting at this time.

Chairman Ceballos moved to approve the minutes as presented.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

8. PRESENTATION BY CENTRAL RESIDENT COUNCIL

Rosie Rios, Central Resident Council President, presented to the Board and thanked them for the contribution they received for the Kids Café Christmas activities and mentioned that they are looking forward to the remodeling in January and is waiting for instructions in that regard and also for the new elections. Chairman Ceballos asked when the elections would take place. Ms. Rios mentioned that nominations will be in January and the elections on February and all the new Resident Councils will start in March; the Central Resident Council will be in April.

Chairman Ceballos thanked Ms. Rios and wished on behalf of the Board a Merry Christmas and Happy New Year to all the Resident Councils.

9. PUBLIC HEARING: To receive public comments and input, and close the public hearing period.

- A.** Presentation and public comments and input, and close the public hearing period for the amendment of the Waiting List Local Preferences and adopting the Code of Conduct Preamble of the Section 8 Administrative Plan.

Melissa Ortiz presented to the Board and stated that this item is for the purpose of receiving public comments from the citizens of Laredo or residents and stated that they are changing the local preferences; they are removing family with children which is the change and are adopting or implementing the local preamble in Chapter 1 of the Administrative Plan. Chairman Ceballos asked if the preamble was included in the package. Ms. Ortiz responded that it is in item 13C of the agenda. Chairman Ceballos asked what was the reasoning behind removing family with children. Ms. Ortiz responded that it was inconsistent with the Equal Housing Access Rule that was implemented or adopted in 2016, so they were not in compliance. Chairman Ceballos asked if all the other family compositions in the item are in compliance. Ms. Ortiz confirmed.

- B.** Presentation and public comments on the proposed Public Hearing for the amendment of the Waiting List Local Preferences and adopting the Code of Conduct Preamble of the Public Housing Admissions and Continued Occupancy Policy.

Chairman Ceballos asked if this item was the same. Ms. Ortiz mentioned that this is in reference to Public Housing. Chairman Ceballos asked if there were any comments. Chairman Ceballos mentioned that there were none.

- C.** Presentation and public comments on the proposed Public Hearing for the amendment of the 2019 Five Year/Annual PHA Plan.

Jessica Martinez, Director of Community Development, presented to the Board and stated that it was to amend the 2019 Five Year Action Plan for the 2019 Capital Fund Grant AMP 3 for administrative committee modernization in the amount of \$338,455 for the Ana Maria Lozano BiblioTech and Carlos Richter which will be Item 13E. Chairman Ceballos stated that he wanted to inform the Board that he was on a call the day before related to BiblioTech for Lozano with the City and Councilwoman Ms. Vielma and stated that they have not finalized the MOU which has to be within the next two couple weeks and recommended they have to be on top of it so they can get it done and said that for a couple minutes during the call there was discussion about funding and whether it had been committed or not during City Council and what had happened with legal and stated that he did not have all the answers from our side, but they need to make sure they pin down their contribution before they go any further with construction and he knows it is news to everybody, so he is glad they have those funds; they can do enough with only those funds and did not want to alarm anybody, but wanted the Board

to be aware that it was raised the day before and ultimately, after the call, there was a conversation basically indicating that they should be ok with the commitment the City made, but they have to pin it down in writing within the next two weeks because it has been going on since June.

Chairman Ceballos asked how much is going to Colonia Guadalupe from the grant and stated that it says HVAC and he does not recall being HVAC, but being electrical. Jennifer Barrientos mentioned that the electrical is the 2016-2017 grant and this is for the 2019 grant. Chairman Ceballos asked if they had a resident meeting to establish HVAC. Ms. Barrientos stated that it is a significant amendment. Chairman Ceballos asked if it was prior year work. Ms. Barrientos confirmed. Chairman Ceballos asked if it was allocated or pending award. Mr. Barrientos responded that it is already allocated and it is a significant amendment and stated that it is in the environmental review phase. Chairman Ceballos asked if it is for 2019. Ms. Barrientos confirmed and stated that the City has the environmentals and that they will be sending them to HUD and it is going to be a significant amendment because the work item was not in any of the Five-Year Grant, so they posted a 45-day public comment period; they did not receive any comments, so they have to bring it back to the Board for acceptance. Chairman Ceballos asked if she had the 2018. Ms. Barrientos responded that both the 2016 and 2017 grants will have the electrical upgrade. Chairman Ceballos asked about the dryer hook ups. Ms. Barrientos stated that she believes the 2020 has the additional ones. Chairman Ceballos asked if they have a slide that shows multiple years. Ms. Barrientos responded that she has 2016, 2017 and 2018. Chairman Ceballos asked if dryer hook ups are being done with 2016 and 2017. Ms. Barrientos confirmed and said that they are part of the electrical upgrade. Chairman Ceballos mentioned that they have it in the 2019. Ms. Barrientos confirmed and said that the 2016 and 2017 are also for the panels and all the electrical upgrades and stated that they are having meetings with Mr. Jasso. Ms. Martinez mentioned that Mr. Jasso is meeting with AEP and engineers. Chairman Ceballos stated that he probably needs to be updated. Ms. Barrientos responded that she will send him an update.

Chairman Ceballos stated that the significant amendment is the Lozano BiblioTech. Ms. Barrientos confirmed and stated that it was for Ana Maria Lozano and Carlos Richter. Chairman Ceballos asked Mr. Mendive to work on presenting the trades by year because they are now finishing 2016, 2017, 2018 and 2019 grants and it is very hard to remember and follow the projects because the last time they met was probably a year and a half ago when they planned it and stated that for any significant amendment they can post for 45 days and make a change so even if they adopt it at the meeting and something changes, they can bring it back, so for the January meeting they need to show Colonia Guadalupe, the line items that are active, the 2016, 2017, and 2018 grants and also show where they are in terms of expenditures. Ms. Mata stated that they have that information included in the financial presentation they will be presenting. Chairman Ceballos asked if they could pop it up and stated that he did not want to miss appropriating something they need this year. Mr. Mendive stated that the 2020 Annual Plan will be presented at the January 10th meeting at the public hearing to present the new items and make any changes they need to make to the annual plan, so this is just

an amendment to the previous Annual Plan approved January of last year, so for this item they are only showing the 2019 grant. Chairman Ceballos stated that they will do that in January and said that the only action they need is the amendment. Mr. Mendive confirmed and stated that they have an item for adoption in the agenda.

Chairman Ceballos mentioned the information on Colonia Guadalupe for the Board to know what they are working on and the funds and to circulate it to the entire Board.

Chairman Ceballos asked if anybody else wanted to make a comment during the public hearing before they close the Public Hearing. There were no additional comments.

Chairman Ceballos moved to close the Public Hearing. Attorney Poneck stated that a motion was not necessary, so Chairman Ceballos stated that it actually closes the three Public Hearings including the waiting list and the CFP Five-Year Plan.

10. Presentation (No Action to be taken on these items)

11. STANDING REPORTS AND PRESENTATIONS (No Action to be taken on these items)

A. Executive Director's Report

Ms. Mata presented to the Board and stated that Commissioners have in their packets the information detailing the trainings and mentioned that they only had one training for Section 8 for payment standards and mentioned that they have an item related to it in the agenda.

In regards to the vacant positions, Ms. Mata mentioned that they have the Administrative Assistant position, Assistant Property Manager position, Director of Housing Management, Office Clerk, Leasing and Occupancy Technician, Maintenance Aide and Project Specific Workforce position available for the Russell Terrace construction and specified that the Leasing Occupancy Technician, the Maintenance Aide and the Assistant Property Manager positions were fully staffed in those departments, but they are still recruiting for those positions.

Regarding the Housing Tax Credit Properties, Ms. Mata mentioned that they have five vacancies at Casa Verde Apartments and two of those have already been preleased and at River Bank they have five vacancies, one of those has been preleased.

On the statistics for BiblioTech, the curriculum users and the registered users, Ms. Mata included two previous months for comparison as requested by the Board, so it shows that they continue to increase every month.

Ms. Mata mentioned that on social media she also included the comparison so they could see the increases and stated that they had increases on both LHA Facebook, and the BiblioTech Facebook, but the Inner City Revival page remained the same, so they will be doing some approach to get increase leading up to the City Summit.

Chairman Ceballos stated that he had been asked the previous day if they have a report they could circulate to the City Library Director in reference to the check outs for the mobile devices and mentioned for the Board to be aware that he does not think the City Library Director is an advocate for BiblioTech and she may be working against expansion of the BiblioTech and stated that they might think is a threat to traditional library, but Chairman Ceballos thinks that it is an added value.

Jessica Martinez mentioned that in a previous conversation she had with Ms. Solis she was interested in adding electronic devices to the Public Library, but the plan she was looking at did not work because she was afraid they were going to get stolen. Ms. Martinez states that she informed Ms. Solis of the different issues they faced, but that the devices have come back pretty good.

Ms. Mata informed that Colonia Guadalupe is at 98% occupancy; Ana Maria Lozano and Carlos Richter are at 96% occupancy rate and she wanted to inform that there are two units that are currently being used to house the Office Manager and for the Resource Center and stated that the after school center at Lozano has been taken off line, so it is not affecting the leasing; Senior Home is 99% leased; South Laredo and Meadow Acres are at 96% leased; Farm Labor is at 90% occupancy rate and Asherton is at 69% and stated that they continue to work with the families in Asherton as directed at the last Board meeting. Chairman Ceballos congratulated Ms. Mata and asked her about the billboard for Asherton. Ms. Mata informed that the billboard has already been fabricated and mentioned that they contacted the Department of Transportation about any regulations regarding the billboard sign and they also contacted the City as well; the City of Asherton does not have any ordinances in that regard and the Department of Transportation informed them last week that they do not have an issue with it as long as it is installed on private property and not on the right of way, so they are finalizing the design of it to get it approved and get it to print and install it.

Ms. Mata informed that at Russell Terrace they have 89% occupancy due to the construction that is happening there, however, they are starting the waiting list for that development which is currently open and should be closing. Ms. Melissa Ortiz informed that it will be closing on the 27th. Chairman Ceballos asked if they are working with Bethany House and Casa de Misericordia. Ms. Ortiz stated that they have 180 people that have applied during the week and stated that they opened the waiting list because they had a low amount of applicants in the two bedroom, so they just opened the waiting list for all the bedroom sizes. Ms. Mata mentioned that it is important for the completion of the project because there is going to be a turn over the two bedroom, so they wanted to make sure they have those occupied. Chairman Ceballos asked how many units they have currently available or for the end of the project to house tenants. Ms. Ortiz responded that she believes it would be 51 units. Chairman Ceballos stated that it would be great to take some people off the streets. Ms. Ortiz stated that they are currently doing that because they leased three two-bedroom from the waiting list and one three-bedroom from the waiting list and on the PVB they were able to lease one unit from the waiting list. Chairman Ceballos asked how long the waiting list is. Ms.

Ortiz responded that it is pretty low and mentioned that for the two-bedroom she thinks they have one or two because they already went into the other waiting list. Chairman Ceballos asked if they can set up a meeting with Sister Rosemary and the Bethany House Director to see if they could get folks on the waiting list and asked if they have one-bedroom available. Ms. Ortiz responded that they do not and stated that the PVB non-RAD will open on January 6, 2020 for one week. Chairman Ceballos asked if they have units available. Ms. Ortiz responded that they do not and that they are very low on the waiting list, especially for the two bedrooms. Ms. Mata informed that they are 100% leased at Meadow Elderly.

Chairman Ceballos asked about the status of the generator. Ms. Mata informed that they have been in contact with the electrician and mentioned that Bulmaro Cruz has been assisting in getting quotes for the replacement of the generator and said that they received two quotes for the replacement generator and two for the temporary generator as well as the panel to install for the temporary generator, so what they are currently pending is the electrician to come back verifying the equipment they bided out, so that they can place the order which should be next week. Chairman Ceballos mentioned that it has gone on for a long time and asked Bulmaro Cruz what kilowatts they were going to order. Mr. Cruz stated that it would be 150 kw generator and said that they requested the W-9 from the company that provided the quotes and they also requested the fee for the one they need to replace. Chairman Ceballos asked if they will order it next week for sure. Bulmaro Cruz confirmed and stated that as soon as they get the W-9 from them he will provide to Ms. Barrientos, so they can order the generator. Chairman Ceballos mentioned, for the Board's information, that they started working on the emergency generator since January and it has taken a while; the generator that is at Senior Home most times will kick in, but sometimes it needs help and what they are doing is that they are going to rent a temporary emergency generator just in case it fails, the staff will switch to the temporary while they wait for the one to arrive which will probably be in three months and will be installed within a few days, in about a week and stated that his concern is that they would have some sort of blackout and there are a lot of people on that high rise and said that there will expenses related to the temporary generator, but are justified. Chairman Ceballos asked them to make sure it gets set up. Ms. Mata stated that Ms. Vicharelli, Interim Director for Housing Management, and Mr. Mendive have come up for a protocol as well to switch over to the temporary generator, so it is going to be established as to who will go and attend to it.

Ms. Mata mentioned that the last thing on her report is the projects they still have and informed that they started with the implementation of the Kronos system and stated that Robert Peña had meetings the current and previous week to start implementing the HR system to the biometric time clock and they also continue with the conversion to Yardi as well. Chairman Ceballos asked when it would be completed. Ms. Mata responded that it would be at the end of March to go live April 1st.

B. Unaudited Financials for the month of November 2019

Jennifer Barrientos presented to the Board and stated that for the November 2019 Unaudited Financials they have a profit on all their funds and programs including Section 8 and Farm Labor and presented a highlight of the Budget with the Annual Revenue Budget and what their actuals are, expenditures and the actual expenditures as of November 2019, the Salaries and Benefits savings and said that as of November they had \$559,024 for some vacant positions, but it will be decreasing with the new hires they will be getting. Chairman Ceballos asked if they had the information on paper. Ms. Barrientos stated that she did not and will e-mail it; it was just the highlights. In regards to the PFC's, Laredo Housing Facilities Corporation, the Russell Terrace and Bernal Sunrise Courts which is the Tiny Homes, she presented the Revenues and Expenses as of November 2019; the Laredo Housing Opportunities Corporation which is River Bank and Casa Verde Apartments and the Laredo Housing Development Corporation, which is the O'kane Apartments she presented Revenues and Expenditures and stated that they have income on those three Corporations. Ms. Barrientos mentioned that as per the Board recommendation from last meeting, she added more information of the Capital Fund Grant and stated that for 2016 they currently have open and stated that the obligation date started April 13, 2016 and it ends in April 12, 2019 and stated she wanted to inform the Board that they are at 90% on the April 12, 2019 end date and said that it is a requirement to be at 90% obligated at that time and stated that the disbursement end date ends on April 1, 2021; they asked for an extension and they approved it, so they have the 2021 date. Ms. Barrientos mentioned that HUD funding is \$1,337,114 and remaining to expend as of November 2019 they have \$564,563; she presented all the Budget that they get from HUD and the remaining \$565,127. Chairman Ceballos asked for the date for disbursement. Ms. Barrientos responded that it is April 21, 2121. Chairman Ceballos asked if it was the extension date. Ms. Barrientos confirmed.

Ms. Barrientos also presented the breakdown of the work items available and still pending to work on and stated that for Colonia Guadalupe it is the bathroom renovations and mentioned that the line item is \$112,000 and they are obligated to expend 97%; the electric upgrade for \$301,570 and said that they have expended less than 1%, but they have a contract and are getting together with the Architect in making the plans, so it should be starting real soon and said that it includes the dryer hook ups. Vice-Chairman Dr. Garza asked how soon and if she had a date. Ms. Barrientos responded that they are getting plans from the Architect which will be provided to the electricians so they can start the work and mentioned that she hoped it would be by next month and said that they are in meetings with the Architect and the electricians. Chairman Ceballos mentioned that it is very important that there be a timeline set and stated that he still has concerns; it is not that they do not have the money, but that they do not have enough time to move people out in order to do the work and ask how many units were budgeted in 2016. Ms. Barrientos stated that it was for 2016 and for 2017 and it is for all the units.

Chairman Ceballos stated that his point is that if they cannot move people out from early Spring to 2021, they will have a problem expending it because it involves relocation and they will have to move people out and they are full, so it is like they will be doing

five or six units at a time and it could take a long time. Chairman Ceballos stated that they have already approved it, so they just need to double check because if they do not have enough time, they will have to reprogram it because once they start the electrical job they cannot tell half of the community they did not get the electrical because they ran out of time and asked how many people they will relocate and stated that the construction department will need to figure it out. Ms. Barrientos stated that she knows there was a plan before, but they had units unoccupied, so they will go ahead and revise it and depending on the meetings because they are still holding meetings with the electricians and the Architect that day, so they will follow up on Monday next week to see what the outcome is. Chairman Ceballos stated that they were supposed to proceed since June, so they lost half a year which is not her fault and stated that if they do not show her a plan that they can get it done, she will have to come back to the Board with an amendment because they cannot wait another year because they did not have time, so they will have to reprogram and stated that he does not think they can do 270 units in a year, that Russell Terrace proved it.

Ms. Mata mentioned that they have funds in 2016 and 2017 for the electrical upgrade, so they will go back and determine how many they can do with the grant and also how many they can do with the next grant because they should be able to do all of them when they combine the amounts. Vice-Chairman Dr. Garza asked if it was the one they had a deadline that they had just been aware. Chairman Ceballos confirmed and stated that they have an extension they already received. Vice-Chairman Dr. Garza asked if it was for April 2021 the extension they were talking about. Ms. Barrientos confirmed. Chairman Ceballos stated that they have \$300,000 for electrical upgrade and remembers it was about \$7k per unit it when they worked it out a couple of years ago together with Bulmaro Cruz which would come out to 438, so there is a lot of money, but they might not have enough time, so they might have to bring it back in an amendment if they do not have enough time. Ms. Martinez stated that they will restructure the plans and said that another idea they were discussing is to expend the \$300,000 in materials for the electrician to meet the obligation and then work on the 2017, so she will meet with Ms. Barrientos and the construction team to restructure the plan. Chairman Ceballos stated that they need to ensure the Board that they will achieve the target both financially and also getting the work done because he does not want to end up with material and run out of time.

Ms. Barrientos presented the items at Meadow Acres that are ready and are 100% obligated and some that are still pending and said that they have for South Laredo and Meadow Acres the smoke alarms and for Asherton they have the shower renovation, gypitan board, exterior storage doors and smoke alarms for the 2016 grant; the 2017 grant obligation opened August 16, 2017 and ended August 15, 2019 and were at 90%, disbursement ending August 15, 2021; the funding was \$1,380,645 and they are still remaining to expend \$1,071,204 and stated that they just started with that grant, so they still have the funds to expend, but they have until 2021.

Ms. Barrientos also presented the Budget as to how much they have expended as of November 2019 and the remaining balance. She presented the Colonia Guadalupe

electrical upgrade and stated that they will get together with the Architect next week to finalize and will then will present an e-mail to everyone to see if they can just switch and come back with an amendment if they do not have enough time and switch the work items around. Chairman Ceballos stated that the thing would be how many they can relocate at once and asked if the \$576,000 is contracted. Ms. Barrientos responded that part of it is and stated that at Russell Terrace they are at 48% for the resident relocation expense, but may still encounter more due to the residents that will be coming back to the property. For Ana Maria Lozano and Carlos Richter she mentioned the vanity cabinet replacements are 100% complete. For Senior Home and Meadow Elderly RAD Conversion, Meadow Acres and South Laredo they have the medicine cabinet replacement and security lighting and in Asherton they have interior lighting, sidewalk and flat work. Chairman Ceballos asked if Senior Home is RAD converted. Ms. Barrientos mentioned that Meadow Elderly is. Chairman Ceballos mentioned that Senior Home is the one he wishes they could convert to RAD.

Ms. Barrientos presented that for the 2018 Capital Fund Grant the obligation start date was May 20, 2018 and ends May 20, 2020, disbursement date is May 20, 2022; and they were funded \$1,691,481 and still have \$1,433,867 and also presented the budget and what is expended and the remaining balance and the work items and informed that for Colonia Guadalupe for 2018 they have the HVAC because the electrical upgrade will be done by then; Ana Maria Lozano & Carlos Richter they have the kitchen cabinets replacements, HVAC and gable siding replacement which are 100% complete. At Senior Home they have the sewer line replacement, restroom retrofit and electrical upgrade; in Meadow Elderly they still have RAD conversion; in Meadow Acres and South Laredo they have the gypsum board replacement and in Asherton they have shower renovations, toilet replacements, lavatory and faucets.

C. Status on FY 2018-2019 Audit

Ms. Alma Mata presented to the Board and stated in regards to the Financial Audit, they received a draft from the Auditors this month which they have reviewed and had a committee meeting as well; they reviewed what was being proposed and they are disputing some of the items that were presented and based on the conversations with them, it looks favorable and said that she has a phone conversation scheduled on Monday morning with Ms. Barrientos and the Auditors. Chairman Ceballos stated that it will obviously be submitted on time. Ms. Mata confirmed. Vice-Chairman Dr. Garza asked if the Auditors had been working well with the staff. Ms. Mata confirmed and stated that there were just a couple of things they noted on the draft that they are disputing with the Auditors and for the most part they agree. Ms. Mata mentioned that they have good communication with the Auditors and stated that she was not involved in the process last year, but thinks that this year it is going a little bit smoother with communication with the Auditors, so they anticipate finalizing the requests or concerns with them on Monday and having the final audit presented by the end of next week because it needs to be submitted by the following Monday.

D. Status on Community Safety and Security (Peace Officer) Program

Chairman Ceballos asked if they had a report because he would like to skip it unless the Board would like to go through it and would like to go to the action items. Ms. Mata confirmed that there was a report available and mentioned that they had included Commissioner Guerra's request as to the number of units and a month to month comparison and stated that this month there was a reduction of calls at all the properties. Chairman Ceballos asked if it would be possible for somebody to look at it and make judgement calls because in the other category in Guadalupe there were 18 calls for other and he wondered what those were. Ms. Mata stated that in reference to those calls it is just visits the police department make to follow up on investigations they have or 911 hang up calls, but it is nothing serious; Ms. Mata specifically looked through those individually and shared with the Director of Housing Management to follow up on anything that would be like an assault.

Chairman Ceballos suggested also the disturbances and said that there were four at Russell Terrace and asked Ms. Vicharelli if she had access or had seen the report and stated that there were nine civil domestic disturbances in Colonia Guadalupe. Ms. Vicharelli stated that she had not seen the report, but was sure she would get together with Ms. Mata, so that they would look at it. Ms. Mata stated that it is their next step. Chairman Ceballos stated that it is sensitive information and recommended not to share it passed them; they could always transcribe, but not to share it in the regular format, although, it is probably public record. Attorney Poneck confirmed. Chairman Ceballos mentioned that it showed 11 civil domestic disturbances.

Commissioner Ms. Freeman asked if they had a breakdown as to how many of those disturbances are alcohol related. Ms. Mata stated that they do not have the actual report. Chairman Ceballos requested to have a supervisor look into it and find out. Commissioner Ms. Guerra stated that it could be family violence or neighbors arguing. Chairman Ceballos stated that it would be good to have the team captain of the program look at it. Ms. Mata stated that they will go ahead and do it and mentioned that in the last report and also in the current report there are a couple of assaults which are the ones she specifically wanted Ms. Vicharelli to pull and see what the issues are. Chairman Ceballos asked Ms. Vicharelli if she had met Sergeant Abraham. Ms. Vicharelli responded that she had not. Chairman Ceballos recommended for them to have a meeting so they can meet him and the entire team because he is pulling the items for them, but there should be some actions on their part because, otherwise, they will show negligence if they do not act. Commissioner Dr. Rodriguez mentioned that she sees a lot of them on traffic violations and stated that she does not know what it entails, but recommended anything they can do to promote safety. Ms. Mata mentioned that they would see if it would be just a speeding issue or just traffic violations. Chairman Ceballos recommended calling a meeting with Sargent Abraham.

E. Status and progress of ongoing construction projects

Chairman Ceballos mentioned that he would like to see if they can focus on Russell Terrace. Ms. Mata mentioned that they are at 90% completion at Russell Terrace and

they continue to work towards meeting the deadlines. Victor Reyes stated that the percentage is pretty accurate and informed that in regards to the exterior part they are pushing the deadlines so that they will not have problems with the rains and stated that he is happy to report that the exterior part which is the brick, stucco and roof is completed and currently the front part of the construction on Springfield, the work is pretty much inside, so they have people installing insulation, sheet rock, tile, cabinets, and paint, so it will not delay the work if they would have any rain and mentioned that they have a deadline for the 30th for the front part to have at least the sheet rock and he thinks that they are pending only five or six homes to be completed, so they should be able to have those completed as well by the end of the year.

Chairman Ceballos asked if they would meet the January 31st deadline. Mr. Reyes responded that he wants to be positive that they will meet the deadline and said that they are pushing the staff and everybody else to give their 110% and mentioned that they spoke to the main contractors who are working on weekends and will be working on Christmas Eve up until 3 p.m. which is pretty much the full day; they will not be working Christmas Day, but they will resume back on the 26th and the same thing will happen the following week working half a day, maybe until 3 p.m. and will resume work on Thursday and added that the way they have been working, they should be able to meet the deadline.

Chairman Ceballos mentioned about Mr. Reyes tremendous effort and dedication to the work on his personal time and being able to take heat from Chairman Ceballos who stated that it is very impressive that Mr. Reyes has been able to sustain that. Mr. Reyes mentioned that it has not only been him because they have great staff along with Bulmaro Cruz, Mr. Chaires and Alexis who are a pretty good team. Chairman Ceballos mentioned that they had worked a couple of weeks earlier on Saturday and Sunday. Mr. Reyes mentioned that they worked during Saturday and Sunday two weeks before because they were trying to do all the sidewalks and encourages everyone to pass thru there and they will see a huge difference because everything is all clear and clean, so they will see a major difference on the front part already; they worked all day from 8 a.m. to 5 p.m. Saturday and Sunday and stated that he appreciates all the staff members that participated and also all the work and support from Ms. Mata and Ms. Martinez.

Chairman Ceballos mentioned that he visited the area the day before and particularly on the renovation where Bulmaro Cruz is working and on the new construction Mr. Reyes is overseeing and stated that they need more sheet rock people and although they have interest in keeping people that work for them, they need to get a few more sheet rockers and stated that Bulmaro Cruz is reporting that they are at 58% in the renovation. Chairman Ceballos is a little worried that they have a lot of units that are not sheet rocked yet, because if they are not sheet rocked, they do not have flooring and do not have paint nor trim, so Chairman Ceballos is a little concerned that the area, even though is a smaller project and stated that it was great that they pushed the work on the exterior, which was a huge effort two weekends before by Public Housing staff and he hopes that next time all of Public Housing staff will assist because there will be a next time and will need all of them.

Chairman Ceballos stated that they are going to start looking at closing all the accounts so that they can start turning back and stated that January 31 should continue being the target because they would have some lingering issues in the community building and mentioned that he completely appreciates the trades that helped them, but they have to bring a couple more and although they have three sheet rock teams they like the people that respond, there are times like in the renovation when they walked it the day before and said that Bulmaro agrees that there is no way they will hit the January 31 mark if they do not change something; they have one sheet rock crew and they have about eight duplexes, so he feels that they are not going to make it. Ms. Mata mentioned that she, Mr. Mendive and Ms. Martinez met with the contractors in the morning and they established that they would bring additional crews following the holiday because they have the electrical inspections which is pending for Monday of next week, so once that is approved the contractor has already agreed to bring in more sheet rockers and they also are going to try to get ahead on the tile as well and they are shooting for the January 20 deadline they have.

Chairman Ceballos mentioned that he keeps in touch almost every other day and stated that those persons that are running the place or leading expenditures and making commitments, Ms. Barrientos is going to cut those next week and she is basically going to say that the resources for the items have to go through a review because he has also asked Ms. Gaona to do it too; they are going to be doing a closure so that they are able to report in January to see how much they have expended, so that they do not use anymore that they need to use; if they are already done with stucco, that trade item will zero out and they will not have access to it; it will go to contingency and it will go to the executive team to decide whether it gets used.

Chairman Ceballos mentioned, for the Board's knowledge, that the bank did not approve the extension he requested, but they did approve the last draw at the end of February, so that gives them close to four weeks more than January 31, so although that is a relief, they still want to shoot for the 31st and just handle a few things and stated that they have a lot of bookkeeping that is behind that they have to catch up, so that is what needs to happen, so on the first week of January when they come back they will show the Board the current state of affairs financially at Russell Terrace as to what it cost, what they projected, if they have money, or if they are at a loss and hopefully they will not be at a loss that they will have to inject any more funds because they already injected enough, so Chairman Ceballos wants that information to the Board by January.

Mr. Reyes informed that they have started working on some items Ms. Martinez had requested from him, especially the ones on the Romo contracts, so he will be working on them during the weekend and have the status by Monday. Chairman Ceballos stated that if they do it early they can give him a healthy contingency fund to continue doing the things he needs and he will start asking for dialing reports on financials as they get to the January meeting, so the bank has now let them know what they need for the closing and stated that closing takes several months; it will close for construction into a permanent loan and it will have conditions they have to meet that are escrow, financial

conditions, cash flow conditions, and it probably needs to have insurance conditions, surveys, a bunch of things that need to get done before they close into permanent, so at the January meeting they are going to focus on closing Russell Terrace and they should, hopefully, be ready to do it.

Chairman Ceballos asked if there were any more questions or comments. Bulmaro Cruz mentioned about the sheet rock and said that two duplexes will be completed today and also stated that they are planning to work during the weekend. Chairman Ceballos asked if they were adding teams. Mr. Cruz mentioned that the electric sub-contractor promised to be on duty the coming Monday. Vice-Chairman Dr. Garza asked how long they take to do the sheet rock in a duplex. Mr. Cruz responded that it would be one day and one half. Chairman Ceballos asked if it was for the duplex. Mr. Cruz confirmed. Chairman Ceballos mentioned that in order to do the sheet rock it would have passed the electric and plumbing inspection. Victor Reyes stated again that he appreciates the support and that it has been a tough, uphill battle and stated that they have good team mates and quoted Chairman Ceballos as saying "Estamos pisandole" and he appreciates it. Chairman Ceballos stated that he is getting good, excellent feedback from people that it is the greatest thing that could happen to that neighborhood. Mr. Reyes mentioned that the has feedback from people outside that they are really impressed how they have been able to pick up 20 houses in a month and a half which is positive feedback for them because at least they get the morale that they are doing something good, so they appreciate it. Chairman Ceballos mentioned that in two years they will look back at construction and they will find very few builders in Laredo that do it; right now it does not feel really good because they are in the middle of it, but when they will look back they are going to feel really great. Mr. Reyes thanked the Board.

12. CONSENT AGENDA: Resolutions

All of the items may be acted upon by one motion. No separate discussion or action of the items is necessary unless desired by a Commissioner.

- A.** Authorizing contract amendment that includes a 6-month extension to Executive Management Services Contract, at the request of the Board of Commissioners during the November 22, 2019 meeting.
- B.** Authorizing an extension of the General Depository Services Agreement with Falcon International Bank for two (2) additional twelve-month periods, as permitted under said agreement and RFP No. 06-0715-1.
- C.** Authorizing the opening of two (2) operating bank accounts at Falcon International Bank under the Laredo Housing Facilities Corporation for 820 E. Price (Bernal Sunrise Courts) and Laredo Housing Development Corporation for 1505 O'kane (Los Balcones Apartments).

Chairman Ceballos moved to approve items 12A, 12B and 12C on the consent agenda. Commissioner Dr. Rodriguez seconded the motion. Motion passed unanimously.

13. ACTION ITEM

- A. Discussion and possible action to authorize and adopt the increase to the micro-purchasing threshold as it pertains to the Russell Terrace Revitalization Project close-out from \$2,000 to \$10,000, as allowed by HUD regulation 2 CFR 200.67, as per HUD letter dated March 12, 2019.

Ms. Mata mentioned that Mr. Mendive will make a correction on this item. Mr. Mendive mentioned that the agenda item states that it is a HUD regulation which actually does not only pertain to HUD, but to all federal entities and informed that he issued a memo on December 2, 2019 allowing for the Russell Terrace project due to the timeline and all the obligations they have there to allow them to use the new micro purchase threshold of \$10,000 meaning that when they need to make a purchase of less than \$10,000 it is not necessary for them to obtain quotes unless the Executive Director or Management would request it, so it is actually authorizing them through the HUD order issued March 12, 2019 allowing to go through the new purchase threshold which was earlier set at \$3,000 and mentioned the LHA procurement policy is stricter than that at \$2,000, so anything they are purchasing more than \$2,000 they need to obtain three quotes, so they allowed Housing Authorities to go up to the new threshold, but the memo at this time only authorized it for Russell Terrace and said that it is not an amendment to the policy, but an exception at this time. Mr. Mendive asked the Board to ratify it.

Chairman Ceballos stated that the reality they had changed a little and mentioned that they will not put the project at risk over a procurement issue of \$2,400 or \$3,000 which would set them back and potentially default the project, however, they raised the opportunity to go to \$10,000 which he thinks is very reasonable for Russell Terrace and stated that he was in discussions with them over e-mails with the entire Agency and by looking at the information Robert Peña shared, 95% of the what they do is under \$10,000, so he thinks it would be very dangerous, tempting or they could make mistakes and recommended to be very careful because there was a reason why it was at \$2,000, so if it comes up at Russell Terrace he recommended to call it out and bring it out in the open that they did it because it was in the best interest for the project and to do it in a transparent way.

Chairman Ceballos stated that the regulation allows them to do it up to \$10,000 and they will restrict it only until the end of the project with the understanding that the Executive team and the Finance Director will oversee that it complies with that because the last thing they want is for people to be directing work at friends or family and he knows it is not what is happening or will happen, 95% of what they do is under that amount so it should be done competitively and supports it because if they were to need to procure something for \$3,000 or \$4,000 that means they close the project, so he would not want them to do that, so he hopes that Board supports it.

Mr. Mendive mentioned that for networking in the community hall for BiblioTech in Russell, they are waiting on some quotes, but since it is less than \$10,000, they will be able to move forward. Commissioner Dr. Rodriguez mentioned that she thought that before it was supposed to be \$3,000 and asked if it was supposed to be \$2,000. Mr. Mendive mentioned that Procurement handbook has it set at \$3,000, but they need to revise the handbook, so the procurement policy is set at \$2,000 which is even stricter than what HUD already has and stated that he thinks the Regulation went from \$3,500 to \$10,000, but HUD has it even stricter at \$3,500 and LHA has it even stricter than HUD, so in the future when they revisit the procurement policy they would like to consider an increase to their threshold of \$2,000 to be aligned with what HUD's already has, so they will bring it back.

Commissioner Dr. Rodriguez moved to support the change until the end of the Russell Terrace Project as discussed.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- B.** Discussion and possible action to authorize the use of Laredo Housing Opportunities Corporation cash assets to fund the Central Office Cost Center project construction close-out expense transactions for the Laredo Housing Facilities Corporation Russell Terrace Revitalization Project, as needed, and to be fully replenished upon issuance of monthly draw payments from BBVA bank for the project, to the Laredo Housing Authority. The construction project close-out is March 21, 2020, at which point the project will begin its financial conversion into permanent loan status with BBVA.

Chairman Ceballos informed the Board that it would allow them to use the cash they have in the non-profit to be able to fund payments to contractors and other obligations to Russell Terrace and it becomes like a cash flow checking account while they closeout Russell Terrace; they expect the last draw to take as long as 30 days, which usually takes a week, so Ms. Barrientos needs cash to be able to flow paychecks to obligations and suggested not to set a number, so she can have liberty and stated that they would expect her to report back to the Board.

Chairman Ceballos moved to accept the item as presented and that staff report back to the Board at each meeting about what has been drawn or the state of the transactions.

Commissioner Dr. Rodriguez seconded the motion.

Motion passed unanimously.

- C.** Discussion and possible action to amend and adopt the Section 8 Administrative Plan as presented by staff and in consideration of all public input, to become effective January 1, 2020 and adopt Resolution No. 19-R-17.

Chairman Ceballos moved to adopt the policy change into effect as presented.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- D.** Discussion and possible action to amend and adopt the Public Housing Admissions and Continued Occupancy Policy as presented by staff and in consideration of all public input, to become effective January 1, 2020 and adopt Resolution No. 19-R-18.

Chairman Ceballos moved to adopt the policy as presented during public comment. Commissioner Ms. Freeman seconded the motion.

Motion passed unanimously.

- E.** Discussion and possible action to amend and adopt the 2019 Five Year/Annual PHA Plan as presented by staff and in consideration of all public input and adopt Resolution No. 19-R-19.

Chairman Ceballos moved to adopt as presented earlier during the Public Hearing phase of the meeting.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- F.** Discussion and possible action to approve the 2020 Section 8 Housing Choice Voucher (HCV) Program Payment Standard Amounts effective January 1, 2020 using the Fair Market Rents and adopt Resolution No. 19-R-20, as recommended by staff.

Ms. Ortiz presented to the Board and stated that Nelrod was contracted to do a payment standard study and they recommended a payment standard increase. Ms. Ortiz mentioned that the ratios are 9.04 and 93.9, so she recommends to round them up because it is confusing, so she is recommending to go up a percentage and said that they are going up a little bit and stated that the Russell Terrace rents are lower, so it decreases the per unit cost and depending how they do in March and April when they are fully leased at Russell they may come back and increase the payment standard so they can utilize more of the budget authority. Ms. Ortiz mentioned that Zapata also increased very little and Asherton did not increase much and stated that the fair market rents went up, so they had to make at least the threshold between the 90 % and 110%. Vice-Chairman Dr. Garza asked if at Asherton a one bedroom is \$535. Ms. Ortiz mentioned that for one bedroom it is \$535 to \$539; it is going up \$4 and mentioned that in Asherton they only have one-bedroom and it will affect those. Vice-Chairman Dr. Garza asked if there was any reason why Zapata went a little bit higher, \$16 more. Ms. Ortiz mentioned that she was not sure, but that she thinks it has to do with the fair market rents increasing overall so that they have to go up to at least the 90%. Vice-Chairman Dr. Garza asked if the fair market is per City. Ms. Ortiz confirmed and stated that they have to go with the minimum of 90%.

Commissioner Dr. Rodriguez moved to accept the fair market rents and adopt resolution 19-R-20, however, to add the revisions on the first page. Ms. Mata mentioned that she wanted to clarify that it is for the payment standard and not the fair market.

Chairman Ceballos seconded the motion referencing the payment program standards based on the fair market rents for 2020.

Motion passed unanimously.

Chairman Ceballos asked Ms. Ortiz to report on Section 8 performance in January because they do not have time at this meeting. Ms. Ortiz confirmed.

- G.** Discussion and possible action to amend the LHA Personnel Policy as it relates to temporary employment and associated fringe benefits. This item may be addressed in executive session pursuant to Texas Government Code Section 551.074 (personnel matters).

Chairman Ceballos mentioned that they will do some of this item in public and they will also take it to executive session and stated that the Construction Department is a department that is basically funded primarily through a grant; the Capital Fund Grant has been a grant for a long time, for 20 years and technically the staff is considered temporary and there are some folks that are temporary with some benefits and others with more benefits, so they want to have a conversation to try to standardize those positions that have not received the benefits and said that some of the construction staff is hired as Aides and the maintenance staff, so they want to have those conversations as to where they want the department to be and they would want to hire the best people and to pay them more than maintenance fleet; if they continue to pay them more without some of the fringe benefits or some benefits and stated that they probably should do most of the discussion in executive session because Jessica Martinez was recently appointed Director of that department and has been asked to set structure in that department and is facing those administrative challenges as to who gets benefits and who does not and Chairman Ceballos thinks there needs to be some clarity from the Board on the policy and stated that his personal thought is that any temporary employee should receive benefits, however, the pay is the question, so technically they have the project manager almost equal to the foreman at each project and those guys make less, but they get full benefits; the construction project managers get paid a little more, but some of them do not have benefits and some of them that were transferred over, were transferred over with benefits, so it needs clarity so that it is fair for everybody, but ultimately and specially for him, the lowest paid people, there is no correlation between getting paid a lower wage with benefits; if they are full timers, they deserve benefits; if they are employees or not they should not be treated as a secondary employee and mentioned about temporary employees which are truly temporary and some have been temporary for years, so it will not affect temporary; there are some administrative considerations and the government can say that Capital Fund is out and they put them in a skeleton operation, so if it is a grant, it is in effect temporary; administratively they want to safeguard the organization from classifying them as permanent and stated that Attorney Poneck would remind them that employment is at will in the State of Texas except for the CEO who is on a contract. Mr. Poneck responded that even then it has its limitations. Chairman Ceballos asked if they wanted to have any other discussion in public or if wanted to go into executive session. Commissioners mentioned that they would do it in executive session.

**Vice-Chairman Dr. Garza moved to go into executive session.
Chairman Ceballos seconded the motion.
Motion passed unanimously.**

Attorney Poneck recommended the Board to take care of the non-profits before they go into executive session.

Chairman Ceballos mentioned that they would recess as the Housing Authority at 2:51 p.m. and go into the affiliates non-profit to take action.

Chairman Ceballos stated that they will reconvene as Laredo Housing Authority at 2:58 p.m. and will entertain 13D into executive session to discuss and also to consult with counsel as well as discuss personnel matters 551.074 and 551.071.

**Chairman Ceballos moved to go into executive session.
Commissioner Ms. Guerra seconded the motion.
Motion passed unanimously.**

Chairman Ceballos called the Commissioners, Ms. Mata, the Attorneys and some staff into executive session.

14. 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 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).

Commissioners went into executive session at 2:58 p.m.

Commissioners reconvened from executive session at 3:50 p.m.

15. ACTION ON ANY CLOSED ITEM

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

In regards to Item 13A Chairman Ceballos mentioned that he would entertain a motion.

Chairman Ceballos moved to authorize the payment for holiday pay for all full-time staff and requested that the Executive Director and team bring back a reorganization plan, to look at the entire organization, but address the Community and Economic Development Construction Department to include a finance plan with it as they transition out of Russell Terrace.

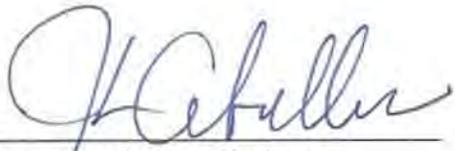
**Commissioner Ms. Freeman seconded the motion.
Motion passed unanimously.**

Chairman Ceballos thanked everybody and wished them Merry Christmas and expressed his appreciation to the staff for everything they do and their performance and service. Chairman Ceballos also thanked the Commissioners for continually supporting the efforts of the Agency which he knows is extremely valuable and meaningful and stated that he hopes they will enjoy tonight's party.

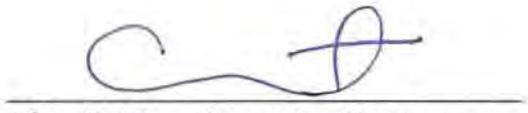
16. ADJOURNMENT

**Chairman Ceballos moved to adjourn.
Vice-Chairman Dr. Garza seconded the motion.
Motion passed unanimously.**

Meeting adjourned at 3:53 p.m.



Jose L. Ceballos, Chairman



Alma D. Mata, Executive Director