

Housing Authority of the City of Laredo
Special Board of Commissioner Meeting
LHA Board Room
2000 San Francisco Ave.
Laredo, Texas 78040
Monday, October 31, 2016
11:00 a.m.

A-16-S-5

Minutes

October 31, 2016

1. CALL TO ORDER Chairman Ceballos called the meeting to order at 11:01 a.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL AND DECLARATION OF QUORUM

Commissioners Present

Jose L. Ceballos, Chairman
Dr. Sergio Garza, Vice Chairman
Gina Magallanes, Commissioner

Commissioners Absent

Dr. Marisela Rodriguez, Commissioner

4. CHAIRMAN'S COMMENTS Chairman Ceballos reserved his comments.

5. CITIZENS COMMENTS No 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)

6. PRESENTATION BY CENTRAL RESIDENT COUNCIL

Ms. Rios stated that they had a Central Resident Council had a meeting and they spoke about the 5 year plan hearing that will happen in December at the Senior Home. She stated that they also touched on the Russell Terrace status.

Chairman Ceballos stated that they will be attending the November 10, 2016 TDHCA meeting to try and finalize.

He asked that the tenants participate in the upcoming elections.

7. ACTION ITEMS

- A. Discussion and possible action to approve the 2017 Section 8 Housing Choice Voucher Program Payment Standard amounts effective December 1, 2016 using the Fair Market Rents.

Ms. Barrientos stated that the payments standards presented are correcting the established ones that include the Small Area Fair Market Rents that expired September 30, 2016 that were separated by zip codes and included newly constructed and energy efficient units. She stated that the proposed will not differentiate by zip code or newly constructed and energy efficient units.

She stated that this will allow the program to utilize 96% of its budget authority and they are currently at 94%.

Chairman Ceballos asked how the end of year closing looks as of now.

Ms. Barrientos responded that they are striving for 95% utilization.

Vice Chairman Dr. Garza asked why families are not coming back to the program.

Ms. Barrientos responded that they are having an issue with rents being set too high by the landlords.

Chairman Ceballos explained that the Small Area Fair Market Rents allowed for high rents in the north yet housing availability is limited and thus restricting the rent levels for the south. He stated this change would allow them to find a unit given that we extend the voucher in order to allow the tenant to find a unit.

Chairman Ceballos asked that Ms. Barrientos explain how the FMR works and how the Payment Standards are derived.

Ms. Barrientos stated that the FMR are the Fair Market Rents that are set by HUD. The payment standards are set within a range of 90%-110% of the FMR.

Vice Chairman Dr. Garza asked if there were vouchers issued in Zapata, Texas.

Ms. Barrientos responded yes there are currently 39 vouchers in Zapata, Texas.

Vice Chairman Dr. Garza asked if the families looking for a unit would be assisted with the amount that is established in the payment standard.

Ms. Barrientos responded yes that would be the maximum amount the authority would assist them with and anything over that would be the tenant's responsibility if their income allows it. She stated that there were income limits to participate in the program and a tenant could only pay up to 40% of adjusted income and if got above that state they would be non-compliant.

Vice Chairman Dr. Garza asked if they are provided with a listing of where units are available because the school location may be an issue.

Ms. Barrientos responded that all participants are provided a listing of available units as they are provided by the landlords.

She stated that in a situation where a participant cannot find a suitable unit due to the payment standards established she may bring it back to the board for an adjustment.

Ms. Ortiz stated that they will be monitoring if the payments standards established allow for the participants to successfully be housed.

Chairman Ceballos stated that he wants the board to be informed if there are any families that need that accommodation so that they may make adjustments if necessary.

Vice Chairman Dr. Garza asked if LHA has the authority to ask landlords to meet certain criteria to issue a voucher for that unit.

Ms. Ortiz responded yes all units are subject to Housing Quality Standards prior to receiving assistance. Should they not meet those standards the landlord is provided with a proposal of corrections to make and have a 10 day window to do so at which point they are re-inspected and assisted if they comply.

Chairman Ceballos stated that it was his understanding that prior to the currently assigned board HQS inspections were not being conducted annually.

Ms. Ortiz stated that they have been inspected annually but it was contemplated at one point to change that to every 2 years.

Chairman Ceballos stated that he did not encourage the agency to move in that direction.

Ms. Barrientos stated that currently they have two inspectors and they have been meeting the annual inspections for all units but have requested a third inspector.

Vice Chairman Dr. Garza asked if they inspect Zapata and Asherton as well.

Ms. Barrientos responded yes.

Chairman Ceballos stated that with the proposed payment standards the program would be at 100% or above of the budget authority and you will monitor the expenditure.

He asked if the rationale of the percentage for the 2 and 3 bedroom units was because those units are in high demand.

Ms. Barrientos responded yes.

Chairman Ceballos asked that the staff be prepared to inform landlords in north Laredo that will be affected that they are allowed to rent at a higher rate than the payment standard however they will only receive up to the amount established in assistance and the remainder will be the tenant's reasonability. He asked that it be addressed in writing with the landlords in case they have questions.

Chairman Ceballos motioned to approve Item 7A and adopt Resolution 16-R-8.

Vice Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- B. Discussion and possible action to rescind previous board action taken May 6, 2016 and approve updated staff's recommendation to award the purchase of entry doors, metal frames, and related hardware to lowest bidder, NB Door & Specialty, LLC from New Braunfels, Texas. Vendor will provide entry doors, metal frames, and related hardware as per invitation Bid # 08052016 specifications.

Mr. Lopez stated that door samples were received from the two lowest bidders for their review. He stated that one is a full door sent by South Central Hardware and one is a cross section sent by NB Door.

Chairman Ceballos stated that it is in the interest of the board to reissue this procurement and be very clear as to what the specifications should be. He stated that Mr. Lopez was not the Procurement Officer when it was initially published. He stated that due to time other bidders were not able to submit samples and that is questionable.

He stated that he is in no means trying to micromanage but the item IFB needs to be reissued and be very specific on the specifications and hold a pre viewing if necessary along with a Q&A session and do a pre-bid.

Mr. Lopez stated that he is confident that it will be done correctly this time around.

Vice Chairman Dr. Garza stated that his concern was that the first time they won the bid the material was a very inexpensive one however the second time around the material was of better quality. He stated that the inconsistency concerned him. He asked that Mr. Lopez explain the process of ordering or requesting materials.

Mr. Lopez explained the process is that a request is generated by the property manager that is routed to the Assistant Director of Public Housing, then the Director of Housing, and finally to me the Procurement Officer. He stated he should receive a fully filled out order request with the item number, description, and cost.

Vice Chairman Dr. Garza asked at that point how is it decided where the item will be purchased. Does staff decide or does the Procurement Officer give them options as to the most economical option.

Mr. Cruz stated that the property manager is asked to be specific as to what is being requested but they are asked not to select a vendor in order to give Mr. Lopez an opportunity to get pricing if the item is over the \$2000 threshold. He stated that if the price is below \$2000 they are allowed to purchase the items locally.

Vice Chairman Dr. Garza asked who makes sure that the information received by Mr. Lopez is correct when he is bidding out the items.

Chairman Ceballos asked if knowing the specifications of the doors at Colonia Guadalupe was a different door specifications used.

Mr. Cruz replied that a part of the specification was missed and not included in the IFB.

Chairman Ceballos stated that Ms. Ortiz has the role to ensure that both the program people and the purchasing people have looked at the item and that it is being done correctly. He stated that when it is a sizable item over \$50,000 a meeting needs to take place internally prior to presenting to the board to ensure it is the correct item and not have these issues arise.

He stated that at the first meeting this item was presented Commissioner Dr. Rodriguez noticed inconsistencies in the bids submitted and needed clarification.

Mr. Lopez stated that the process works so long as communication exists among departments.

Chairman Ceballos asked him for an example.

Mr. Lopez stated that for example a refrigerator was ordered and the standard size is 18 cubic feet with a top freezer and it was not specified that it was for a unit that required a 16.5 cubic feet refrigerator.

Chairman Ceballos asked who approved that.

Mr. Lopez stated that Ms. Hernandez approved and then Mr. Cruz approved. He stated that in other instances the mistake has been caught before it reaches him.

Chairman Ceballos stated that Mr. Cruz is not responsible for Public Housing and management should take on the responsibility of ensuring that the proper items are being ordered.

Ms. Ortiz stated that Ms. Hernandez had been hired as the Assistant Director of Public Housing and she would be addressing that and interviews were being conducted for

the Director of Public Housing. She stated that this should no longer be an issue and Mr. Cruz could fully concentrate on his newly appointed position as Director of Modernization and Development.

Ms. Hernandez stated that she has given the directive to her staff to be specific with their requests and she is reviewing the orders prior to forwarding them.

Chairman Ceballos asked that a roster be developed and shared with the managers to facilitate the pricing for them.

Mr. Lopez stated that he will be developing one and he is still in the process of organizing all the paperwork left by the person in the position previously.

Vice Chairman Dr. Garza asked if the agency had procurement procedures that established all the steps needed to place orders.

Ms. Ortiz stated that there was a Procurement Policy in place but procedures did not exist and she would implement it.

Mr. Jasso stated that specifications are important to performance specs. He stated that the agency can request for vendors to bid on performance and that way you can do a comparable. The agency would provide the specs and request a very specific item or approved equal and in order for the vendor to bid with a different item they would have to provide a certification of the item being approved equal.

Chairman Ceballos asked what happens if there is a door with Chinese rating steel and then it is compared to American rating steel.

Mr. Jasso stated that that is the reason why you want to use the approval method to ensure that the quality is equivalent.

**Vice Chairman Dr. Garza motioned to enter into Executive Session.
Chairman Ceballos seconded the motion.
Motion passed unanimously.**

Board entered into Executive Session at 11:54 a.m.

Board returned from Executive Session at 12:18 p.m.

No Action was taken in Executive Session.

Chairman Ceballos motioned to rescind action taken by the board on May 6, 2016 to withdraw bid #08022016 related to the purchase of entry doors for Colonia Guadalupe and reissue a new solicitation for the same purchase.

**Vice Chairman Dr. Garza seconded the motion.
Motion passed unanimously.**

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

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

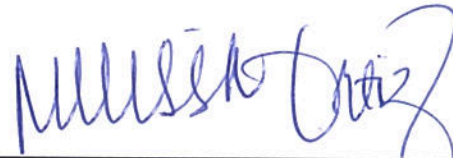
9. ADJOURNMENT

**Vice Chairman Dr. Garza motioned to adjourn.
Commissioner Magallanes seconded the motion.
Motion passed unanimously.**

Meeting adjourned at 12:19 p.m.



Jose L. Ceballos, Board Chairman



Melissa Ortiz, Acting/Interim Executive Director