

**Housing Authority of the City of Laredo**

Board of Commissioner Meeting  
Judge Oscar Liendo Community Hall  
2000 San Francisco Ave.  
Laredo, Texas 78040  
Tuesday, May 24, 2016  
11:00 a.m.

**A-16-R-4**

**Minutes**

**May 24, 2016**

1. **CALL TO ORDER** Chairman Ceballos called the meeting to order at 11:00 a.m.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL AND DECLARATION OF QUORUM** Roll call and declaration of quorum by Melissa Ortiz, Acting/Interim Executive Director/Secretary.

**Commissioners Present**

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

John Solis, Commissioner

**Commissioners Absent**

Dr. Marisela Rodriguez, Commissioner

**Staff Present**

Melissa Ortiz, Acting/Interim Executive Director  
Bulmaro Cruz, Director of Public Housing  
Jose Collazo, Resident Services Coordinator  
Cesar Vasquez, Human Resources Manager  
Robert Peña, MIS Coordinator  
Christy Ramos, Administrative Clerk  
Alma Mata, Administrative Assistant  
Alfonso Treviño, CFP Coordinator  
Melinda Gavilanes, CQI  
Norma Ybarra, Section 8 Administrator  
Orlando Guerrero, Interim Finance Director  
Doug Poneck, Attorney  
Ricardo De Anda, Attorney

**Others Present**

Mark Vogeler  
Robert Carter, Leal & Carter  
Eli Mendoza, Garza Gonzalez Associates  
Joel Perez, Jr., Padgett Stratermann Co.  
Alicia Valdez, Ana Ma. Lozano Resident  
Claudia Martinez, South Laredo Resident

4. **CHAIRMAN'S 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 this time. There will be a 3-minute limitation per speaker. (Texas Attorney General Opinion-JC-0169)

6. **APPROVAL OF MINUTES:**

- A. Approval of minutes for Board of Commissioners meeting on May 6, 2016.

**7. PRESENTATION BY CENTRAL RESIDENT COUNCIL**

**8. EXECUTIVE DIRECTOR'S REPORT, including presentation of waiting list reports.**

Chairman Ceballos motioned to move Item 10A up on the agenda.

Commissioner Solis seconded the motion.

Motion passed unanimously.

**9. PRESENTATIONS (No action to be taken on these items)**

- A. Presentation of Section 8 Internal Audit by The Nelrod Company.

Mr. Vogeler presented the board with a Review of the Section 8 Housing Choice Voucher Program. He presented that the authority with recommendations concerning HAP Expenditures, Payment Standards, Rent Reasonableness Determination, and Voucher Management System.

- B. Presentation of Unaudited Financial Statements as of March 2016.

Ms. Ortiz presented the Unaudited Financial Statements for March 2016.

Chairman Ceballos asked that the authority coordinate with Attorney Poneck and De Anda, when finalizing the financials to ensure that any action taken December 2015 where monies were used and to review to prevent any future issues when funding something that may not be consistent with federal law.

**10. ACTION ITEMS**

- A. Discussion and possible action to award Request for Qualifications for Audit Services.  
Chairman Ceballos thanked the presenters for their interest in servicing the authority.

Ms. Ortiz informed the Board that a Request for Qualifications was solicited and three firms responded. She stated that a scoring committee was created and the recommendation was attached in their packet. She stated that each firm would be allowed ten minutes to present to the board while other firms were escorted to a separate conference room.

**Garza Gonzalez Associates**

Mr. Mendoza presented the interest of Garza Gonzalez to provide audit services. He stated that their firm had conducted work for Webb County and NeighborWorks. He stated that their firm has been in existence for 40 years and prides itself in providing quality service. Their main clientele consist of government and non-profit entities. He stated they provide accounting, auditing, and compliance services. He names Ft. Stockton Housing Authority, Austin Housing Authority, San Antonio Housing Authority and Houston Housing Authority as entities for which they have conducted audits.

Chairman Ceballos asked where LHA ranked in size compared to their clients and what is their capacity.

Mr. Mendoza replied that LHA would be in the middle, very compatible with Bexar Housing Authority. He also stated that their capacity is large enough to handle the workload.

Chairman Ceballos asked what experience the firm has with instrumentalities.

Mr. Mendoza stated that they have audited 8 different instrumentalities for the San Antonio Housing and 3 for Bexar Housing Authority.

Chairman Ceballos asked if there is a standard practice on how those instrumentalities are handled and if contracted would they be available to help establish controls on the authority's instrumentalities.

Mr. Mendoza stated there are different practices and they would be willing to advice.

**Leal & Carter**

Mr. Perez presented the interest of Leal & Carter to provide audit services. Mr. Carter stated that the firm is part of the Government Audit Quality Center.

Mr. Ceballos asked out of the 52 housing authorities that they provide audit services how many also have instrumentalities.

Mr. Carter replied that a number of them do and they conduct the necessary research for them.

**Padgett & Stratermann Co.**

Mr. Carter presented the interest of Padgett & Stratermann to provide audit services

Mr. Perez stated that the firm has its headquarters in San Antonio and satellite offices are in Austin and Houston and has been in existence for 71 years. He stated that they have a staff of 31 people.

Mr. Perez presented the board with a PowerPoint presentation highlighting the services that their firm offers.

Vice Chairman Garza asked if he is the person that signs off on the audit.

Mr. Perez stated that yes he is the person that is responsible and signs off on the audit.

**Chairman Ceballos motioned to award the Audit Services to Garza Gonzalez based on the Committee scoring and recommendation.**

**Commissioner Solis seconded the motion.**

**Motion passed unanimously.**

**B. Discussion and possible action to approve Organizational chart and proposed changes.**

Ms. Ortiz advised the board that the position for CFP Coordinator would remain with the CFP Foreman positions would be reduced to one.

Vice-Chairman Garza asked if the authority would be conducting a Wage Scale Survey.

Ms. Ortiz replied yes.

**Chairman Ceballos moved to approve Item 10B.**

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

**Motion passed unanimously.**

**C. Discussion and possible action to approve the certification of the Section 8 Management Assessment Program (SEMAP) for Fiscal Year ending March 31, 2016 and the Executive Director SEMAP Submission Certification to the U.S. Department of Housing & Urban Development (HUD).**

Chairman Ceballos asked what the projected scoring is based on the certification.

Ms. Ybarra replied 96.5 placing the categorizing the authority as a high performer.



Chairman Ceballos stated that Section 8 should begin working on the Nelrod recommendations immediately in order to demonstrate to HUD an established plan and progress.

Mr. Vogeler advised the board that the binder provided during his presentation contained an overview of the SEMAP process.

Chairman Ceballos stated that he wants to ensure that the staff is familiar with what is being submitted in the event that they are asked to defend their submission. He stated that HUD will be monitoring the authority.

Ms. Ybarra stated that they will immediately begin working on the Nelrod recommendations and ensure that the program is in compliance. She stated that the SEMAP documentation is in order and there should be no issues defending the projected score should the need arise.

Ms. Ybarra commended Mr. Vogeler for his availability throughout this transition phase.

Vice-Chairman Garza stated that he is concerned with the rent reasonableness. He stated that the rents are not reasonable and there are affordable housing residents paying more than in the private sector.

Ms. Ybarra stated that they will be addressing that issue.

**Chairman Ceballos motioned to approve Item 10C with a scoring of 96.5 as represented by the staff and with the request that they work steadily to adhere to Nelrod's recommendations.**

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

**Motion passed unanimously.**

- D.** Discussion and possible action related to the need for planning and developing new affordable housing units for very low and extremely low income individuals and families, the roles of recently retained consultants, and creation of working committee to recommend a prioritized plan.

Chairman Ceballos informed commissioners that the item was placed on the agenda to give the board an overview as to where they think the new projects will come in as it relates to homelessness and the lower tier of median income.

PowerPoint presentation was presented to the board detailing the homeless statistics. They were also presented with pictures from the trip made to Dallas and Austin tiny villages.

Chairman Ceballos stated that the authority needs to start thinking and brainstorming as to where there is a possibility to develop something similar to alleviate the homeless problem.

**No action was taken on this item.**

- E.** Discussion and possible action related to the adoption of a new agency logo and tag line.

Board was presented with preliminary logo options being considered for recommendation by a Re-branding Committee.

Board stated their preferences and Chairman Ceballos informed them that the committee would make a final recommendation at a future board meeting.

**No action was taken on this item.**

#### **11. 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).

- A. Consultation with legal counsel related to the South Laredo new housing development project.
- B. Consultation with legal counsel related to agency expenditures and administrative actions currently being reviewed and audited.
- C. Consultation with legal counsel related to ongoing legal matters resulting from action of Board of Commissioners actions from December 2015.
- D. Consultation with legal counsel related to River Bank, Casa Verde and other developments.
- E. Consultation with legal counsel regarding Housing Authority of the City of Laredo vs. Metro Affordable Housing Corp., Webb County District Court Case no. 2012-CV-F00062-D1.

**Board entered into Executive Session at 1:30 p.m.**

**Board returned from Executive Session at 3:20 p.m.**

**No action was taken in Executive Session.**

## **12. ADJOURNMENT**

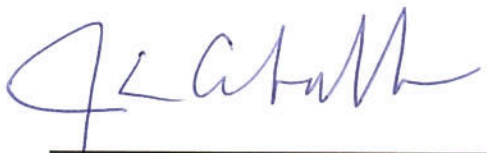
**Chairman Ceballos called for a motion.**

**Vice-Chairman Garza motioned to adjourn.**

**Chairman Ceballos seconded the motion.**

**Motion passed unanimously.**

**Meeting adjourned at 3:21 p.m.**



**Jose L. Ceballos**  
**Board Chairman**



**Melissa Ortiz**  
**Acting/Interim Executive Director**