

Housing Authority of the City of Laredo
Regular
Board of Commissioners Meeting
LHA Board Room
2000 San Francisco Ave.
Laredo, Texas 78040
Friday, September 14, 2018
3:00 p.m.

A-18-R-7

Minutes

September 14, 2018

1. **CALL TO ORDER** Chairman Ceballos welcomed everybody present and called the meeting to order at 3:07 p.m.
2. **PLEDGE OF ALLEGIANCE** Chairman Ceballos led them in the recital of the pledge.
3. **ROLL CALL AND DECLARATION OF QUORUM** Ms. Mary Gaona, Executive Director, proceeded with roll call and stated that resident Commissioner Marcela Alvarez was not able to attend the meeting.

Commissioners Present

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

Commissioners Absent

Marcela Alvarez, Commissioner

Chairman Ceballos stated that Commissioner Alvarez would be able to serve until she would be replaced although she is not a tenant anymore and mentioned that he had discussed it with her who stated that she wanted to keep coming and as per Ms. Ramos, Commissioner Alvarez is still trying to come to the meetings, and they would just need to confirm with her and if it would not be possible for her to continue attending, then they will submit a recommendation to the Mayor, but obviously if there is an interest, Chairman Ceballos will wait until the Mayor appoints someone, but he just wanted them to be aware.

Staff Present

Mary Gaona, Executive Director
Christy Ramos, Administrative Assistant
Bulmaro Cruz, Project Specific Manager
Mary De La Rosa, Interim Human Resource Assistant
Rosie Ortiz, Property Manager
Melissa Ortiz, Director of Compliance and Quality Assurance
Griselda Resendez, Property Manager
Monica Rivera, Property Manager
Esmie Leyva, Property Manager
Bertha Galvan, Interim Director of Section 8

Alma D. Mata, Interim Director of Community & Economic Development
Roberto Peña, Director of IT
Frank Lopez, Procurement Officer
Jennifer Barrientos, Interim Finance Director
Rafael Vidaurri, Director of Housing Management
Leticia Sosa, Office Clerk
Attorney Ricardo De Anda
Attorney Doug Poneck (by phone)

Others Present

Rosie Rios, Central Resident Council President
Federico Rangel

4. CHAIRMAN'S COMMENTS

Chairman Ceballos stated that he would reserve his comments because they would have a lengthy meeting.

5. CITIZENS COMMENTS

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

Chairman Ceballos stated that there were no public comments.

6. APPROVAL OF MINUTES

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

Chairman Ceballos thanked Ms. Sosa for the lengthy detailed minutes and stated that he appreciated the work.

Chairman Ceballos moved to approve the minutes as presented.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

Chairman Ceballos mentioned that he wanted to acknowledge Commissioner Dr. Rodriguez' recent promotion at the Laredo College and stated that they were very proud of her and that he had known Commissioner Dr. Rodriguez for about 10 to 11 years and through those years he could attest for the fact that she put education before a lot of things and ultimately education pays off and also that the community was very lucky to have somebody who keeps advancing and who is a very young person with a great job who would do great things for the community and asked her to inform us about her new title. Commissioner Dr. Rodriguez mentioned that she was promoted to Provost Vice-

President of academic affairs and will oversee all instructional areas, workforce, adult education, continue education, academics, athletics and the e-learning center and will help to serve the President of the College and be the right man/woman to the President.

7. PRESENTATION BY CENTRAL RESIDENT COUNCIL

Ms. Rosie Rios, President of the Central Resident Council, presented to the Board and stated that they had a tour to BiblioTech by residents of Carlos Richter and Russel Terrace and said that they were pending the tour by residents of Colonia Guadalupe. Ms. Rios informed that they were also able to register some children from Carlos Richter because they are interested in the children going to visit BiblioTech. Chairman Ceballos informed Ms. Rios that the Capital Fund annual planning would be coming up and stated that they were convinced that BiblioTech would be the way to instruct the children and the adults and would bring that concept to the Colonias which has been the goal, so they will bring that up during the planning with the residents. Ms. Rios mentioned that they had already been informed about BiblioTech at Carlos Richter during the meetings and stated that the residents at the other Colonias would also be interested about the concept changing and said that whatever would be beneficial to the residents would be welcomed. Chairman Ceballos thanked Ms. Rios for her presentation.

8. PRESENTATIONS (No Action to be taken)

A. Executive Director's Report

Ms. Gaona mentioned that they had several staff developments that took place in June and a social media training that took place in August and stated that Public Housing had a PIC score of 100 and that they had several people on the waiting list and also that they had a couple of vacancies through the month and were working on it. Ms. Gaona stated that in Farm Labor they had 11 vacant units and four families on the waiting list which they will try to move in, some are for one bedroom units which they do not have vacant, but would be working on that.

In reference to the Aged Tenant Account Receivables Ms. Gaona mentioned that there was still litigation going on for the Ana Maria Lozano property and Farm Labor that would be discussed during the meeting, so they basically have an amount of \$12,000.00 in accounts receivables.

Ms. Gaona stated that the Section 8 SEMAP had come in and said that they were not sure if they were going to be a high performer, but they were designated high performer with a PIC score of 101 in Section 8. Chairman Ceballos asked if it was the official score after review. Ms. Gaona confirmed. Chairman Ceballos called for giving the staff a big applause and he thanked everyone that was involved and stated that he knew it was very stressful and that he personally used to do it many days ago and knew it would be very stressful and would be about two months' worth of quality control and all kinds of work and thanked all the persons that were involved in that process.

Ms. Gaona stated that they had 260 on the waiting list in Section 8 and mentioned that they had been leasing up and increasing the utilization, so it would be going down and they might have to open the waiting list again and stated that they housed 39 in Zapata and 9 in Asherton.

Ms. Gaona stated that they hired two maintenance aides during the month of September and would be making the recommendation for the accounting position and mentioned that Garza Gonzalez & Associates were on site between August 13 and August 17 conducting their review, so the audit is ongoing with them.

As far as Casa Verde Ms. Gaona stated that they only had three vacancies and believed they were all completed and from August 14 she believed they had only one left. Chairman Ceballos asked Ms. Gaona to prepare a letter acknowledging their lease up efforts and recognizing their staff and he stated that it was exemplary leasing up so quickly, he knew they were already doing very well by the time they had the event, so it would be nice to acknowledge them and it would speak well for their staff that had worked really hard.

Ms. Gaona mentioned that they had a tentative date for the execution of the architectural work for Los Balcones for September 19, so they should be starting the bidding on the property and in reference to the Bernal property, they had already executed the work authorization and were in the process of finalizing the plans for those units.

In reference to BiblioTech Ms. Gona mentioned that they had 174 users and 40 curriculum registered users. In regards to social media for the LHA Facebook they have 1,800 followers with 1,783 page likes, and the BiblioTech has 102 followers, so she mentioned that the staff has been working to post and trying to get the social media. Chairman Ceballos mentioned that he also wanted to congratulate the social media team and stated that the BiblioTech post, the digital aspect of it was very professional and really nice, that for sure the constituency that is at the site is on and that he knows they had been going to different schools, so he congratulated them on getting the word out and said that they were in a great place, just a couple of months out from the program.

In reference to the Balcones, Chairman Ceballos stated that he was very interested in making sure that if they would have counseling there for the families and others, that they would make sure to design the apartment they had talked about to be kind of a communal space, something that would be private for the counselor, with maybe a separate entrance with insulated walls and that kind of things if they were to actually have any counseling going on which would be therapeutic where they would meet with people, it would not be case management. They are ten apartments there and they would be looking at using one of the apartments to have a mix of maybe a mini BiblioTech and a place where they could have an office and also they could have a counselor come in and help the tenants there with transitional housing operation to help them with any sort of personal or other issues from substance to whatever it would

be that they would be dealing with and Chairman Ceballos wants to make sure they would design it with all those things in mind and suggested that it would be good to take the Board on a tour and stated that it will be a very unique project consisting of ten apartments located right in the Inner City between Meadow and Seymour on O'kane, and said that it is kind of a neat project and asked if they could set up a tour for the Board. Chairman Ceballos asked if they had full access now, if it was HUD's property. Ms. Gaona confirmed. Chairman Ceballos thanked Ms. Gaona for her presentation and asked if they would be bringing back the price budget for the projects to the Board and asked when they would bring it, if they could do it at the next meeting. Ms. Gaona confirmed.

B. Update on Russell Terrace Revitalization Project Report

Ms. Gaona mentioned that they were working on the first phase consisting of 46 units. They have 21 duplexes which are at different stages throughout and have sidewalks on all that are pending and 14 of the 21 duplexes are completely up. Eight of the 21 duplexes have windows already and are hoping to have the first section by October 22 and would have a couple of homes already completed and ready to move in; it would be a month after, hoping for November to have the first homes completed with certification to deliver to the residents. Chairman Ceballos asked if the two homes he had walked through recently would be ready within a week. Ms. Gaona confirmed and said that they had done the walk through the day of the meeting and had done all the final touch ups the day before and should be finalizing them by the end of the following week. Chairman Ceballos mentioned that they could start the tour at Russell Terrace and the same day go to the other property.

Chairman Ceballos asked about the issue regarding the dining table area in Russell, if they were making the adjustment and whether it would work to open the area. Ms. Gaona confirmed. Chairman Ceballos mentioned that they had pictures and asked Ms. Mata to come up. Ms. Mata introduced Bulmaro Cruz and stated that he was the project manager for that development. Mr. Cruz presented to the Board and showed some of the finishes for the model home and confirmed that they had prepared the punch list the day before and it would be delivered to the subcontractor the next day or Monday morning. Mr. Cruz mentioned that the table was already in place and that in his opinion they do not need to move the wall, but said that they should consider it as a team and he showed them some pictures. Chairman Ceballos stated that his mind said they need to move it and asked Mr. Cruz to show them the picture for the dining room. Chairman Ceballos mentioned that when they go to the dining room there is a little wall that separates the dining from the kitchen and there is an area that is like a breakfast area, which is not a full dining room and they just need to make a little bit of adjustment to fit a bigger dining table and he also stated that one thing he would like them to have when they would show the houses was to have a board with the quality materials for the construction, because of the media reports they had talked about showing how much better, considering standard construction, the construction would be, which did not look like public housing and stated that it was designed not to look like public housing. Mr. Cruz mentioned that they had started cleaning up around the model

homes in the back. Chairman Ceballos stated that what they were hoping to do is to have two duplexes or four units fully landscaped and then have the tenants kind of go in and appreciate, so they get excited about the move out because there was still some misinformation about all the conditions or policies and mentioned that he would be extremely happy to move into that kind of home and if they were to go there and to North Laredo, this construction is a better product, so he would like them to have that board by the end of next week showing why it is better and what part of the construction is better.

Chairman Ceballos also mentioned that the issue would be the demolishing requirement from TDHACA first to demolish and at the time the developer requires a certification, a cost certification which is usually 18 months after Casa Verde is delivered, so they would really be looking at the furthest June and Ms. Gaona will be looking at what would be the latest they could run because it is taking them longer to build and said that the reason it is taking longer is because they need to move people in phases and said that the wall in the dining area, which they were looking at in the pictures, is too small, so they will open the wall about a foot or 18 inches larger to be able to bring a longer table because the table in the picture was like a 30-inch table which is too small and could work maybe for a one-bedroom unit. Ms. Mata mentioned that it was for a two-bedroom and definitely they would need more space than that for a three or four bedroom and even for a two-bedroom, they would need more space than that and they would need a larger table to fit six or seven persons. Chairman Ceballos asked them to show the cabinets and stated that he gets into it because he likes construction and said that the stucco is a $\frac{3}{4}$ inch concrete based with an acrylic finish which is not the standard construction and the baseboard is not a colonial 2 $\frac{1}{2}$ inch, it is 3 $\frac{1}{2}$ inch, the cabinetry is a good product and stated that Frank and his team and everybody involved had done a good job selecting the cabinets, which are nice, the formica top which is standard, the sink is not standard, it is a deep tub sink, all the faucets are Delta which is a good product, the roof is a 30-year roof with an extended warranty, windows are double pane windows with the wainscoting outside on the brick which they would normally not see because the market sells it without it, washer & dryer hookups and extra windows for the high cathedral ceilings, so Chairman Ceballos emphasized that it is a good product and mentioned that they will probably change the light fixture in the cathedral ceiling in the bedroom and it would be more for a flat ceiling. Mr. Cruz mentioned that he was asked to change it to ceiling fans. Chairman Ceballos congratulated Mr. Cruz on the good job being done and thanked everybody that is involved and asked Mr. Cruz to keep them updated every month. Mr. Cruz confirmed.

9. ACTION ITEMS

- A.** Discussion and possible action to authorize the Executive Director to proceed with the Rental Assistance Demonstration (RAD) closing for Meadow Elderly.

Ms. Gaona mentioned that the application had been submitted earlier and they had just received notice of a change in contract rent and they were able to submit a revised application for the property and get a higher contract rent for the units, so since it had

just come in they wanted to discuss it with the Board. Chairman Ceballos asked if it was already a RAD property. Ms. Mata responded that it was not, that it was an application they needed to complete and if authorized, they would be looking at closing on the projected date being September 17th to the 19th and then going RAD live on the first of November. Chairman Ceballos asked if at that time they could figure out any sort of improvements and get them financed or if they would have to submit. Ms. Mata mentioned that they would find the sources and uses report in the packet showing that they have allocated \$75,118.00 for construction cost and based on the RAD tool, the study determined that they need to replace faucets, shower heads, toilets, smoke alarms, fire extinguishers and emergency light fixtures to complete the conversion. Chairman Ceballos stated that it said Laredo Senior Citizens. Ms. Mata mentioned that it was because it is an AMP and the application would be for the 30 units at Meadow Elderly. Chairman Ceballos mentioned that is was wishful thinking. Ms. Gaona stated that they would have to submit another application. Chairman Ceballos asked if they have central air and heat because that would be the only other thing he would like to add. Ms. Gaona confirmed and mentioned that she believed the roof was also there, but being that it would be part of the insurance, they would not have to include it. Chairman Ceballos stated that from then on they would be able to use the assets to finance any improvements. Ms. Gaona confirmed. Chairman Ceballos mentioned that it would make it another RAD project like Russell Terrace. Vice-Chairman Dr. Garza stated RAD conversion.

Vice-Chairman Dr. Garza moved to ratify the Item as presented.

Commissioner Dr. Rodriguez seconded the motion.

Motion passed unanimously.

- B. Discussion and possible action on assigning the property located at 820 E. Price to the Laredo Housing Facilities Corporation.**

Ms. Gaona mentioned that the property was purchased under the Housing Authority of the City of Laredo and they would like to assign it to the Laredo Housing Facilities Corporation. Chairman Ceballos mentioned that they will make the presentation on the property at the next meeting. Alma Mata mentioned that they would have a full presentation on the plans for the property next Board meeting.

Chairman Ceballos moved to approve the item as presented and transfer to the Laredo Housing Facilities Corporation.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- C. Discussion and possible action to award invitation for Bids IFB #180329-2 for CFP TX59P011501-16 work item, Wall Surface Gypsum Board Replacement at Meadow Acres, as per IFB specifications and authorize the Executive Director to negotiate a contract with the recommended bidder.**

Alma Mata presented to the board and stated that funds are allocated through the 2016 CFP Grant in the amount of \$23,000 for the need of replacement of ceiling Gypsum board and mentioned that they had gone out for bids. They received three bids and are recommending to award to Romo Contractors LLC to replace the Gypsum board at 12 units in Meadow Acres in the amount of \$19,500.00. Chairman Ceballos asked if this was due to damage from leaks and if the roof would be replaced. Ms. Mata confirmed.

Chairman Ceballos moved to approve the Item as presented.

Commissioner Ms. Guerra seconded the motion.

Commissioner Dr. Rodriguez asked that based on the prices if the bids were comparable. Ms. Mata confirmed. Chairman Ceballos asked why they attributed the cost difference and said that Romo Contractors, the bidder that was recommended, is also a contractor at Russell Terrace and stated that Romo obviously had knowledge in terms of supplies and their needs and asked what the big difference was and also mentioned that the other guys were roofers and remodelers. Ms. Mata mentioned that they all submitted the bids for the same number of units and the same type of work. Commissioner Dr. Rodriguez stated that it was fine, she just wanted to make sure they were not missing something in the requirements. Chairman Ceballos asked if LHA would be providing supplies or if they were providing everything. Ms. Mata responded that Romo would provide the supplies.

Chairman Ceballos moved to approve the Item as presented.

Commissioner Ms. Guerra seconded the motion.

Motion carried unanimously.

- D.** Discussion and possible action to award Invitation for Bid No. 180413-2 Shingle Roof Removal and Replacement, and authorize the Executive Director to negotiate a contract with the recommended bidder.

Frank Lopez, Procurement Officer, presented to the Board and stated that for the procurement of Invitation for Bid No. 180413-2 they had five bidders and out of those five bidders, one was qualified and provided a guarantee in the form of a bid bond making the other four disqualified. Chairman Ceballos asked why. Mr. Lopez responded that the least expensive which was Romo Construction was the one that provided the bid bond. Chairman Ceballos asked if the others knew they needed to get a bid bond and could not obtain it. Mr. Lopez responded that it was posted in the IFB and mentioned that he had received some phone calls asking for the details for providing the guarantee and surety for the project for the bid and Mr. Lopez explained the forms they are regulated to accept. Chairman Ceballos asked who had met with Romo at the construction site.

Ms. Gaona responded that she had. Chairman Ceballos asked if the roofer that would do this job would be the same at Russell Terrace. Ms. Gaona responded that Romo had said no, that they had other contractors. Chairman Ceballos asked if they would be using the same product as in Russell Terrace, if it would be the same type of roof or if it would

be different. Mr. Lopez responded that it would be very similar and that the specifications were to make it the equivalent. It would be a 30-year laminate shingle and the only difference would be in the hip and ridges, they would be using the three-tab shingles which is normal or standard. Chairman Ceballos mentioned to Ms. Gaona that the only thing he would ask was to have an inspector stay on top of the job because they had identified some issues at Russell Terrace with that contractor, particularly Chairman Ceballos with the roofer, so he wanted to make sure that they have an inspector maybe even just checking randomly or maybe even have someone like Martin Rodriguez from the staff assigned to check the work because roofs go up so fast, so it would be quality control what Chairman Ceballos would suggest and he just wanted to make sure since Romo was still the lowest bidder that provided the bond, the others knew they needed a bond and they did not get it. Mr. Lopez mentioned that he got phone calls, but they were a little bit late before it closed and he explained to them, but nobody requested an extension and they were aware and also said that it was posted in the solicitation ad.

Chairman Ceballos asked how many units would be in total and if it was insurance pay. Ms. Gaona responded that it would be 234 units and confirmed that it was insurance pay with a \$10,000.00 deductible that would be prorated among the three properties.

Chairman Ceballos mentioned that he wanted to clarify something he had said earlier in reference to the company doing the roof at Russell Terrace and said that it is not that he cannot do the job, it is that they just need to inspect and thinks that if they decide to use him, it would be fine, they just need to help with inspections. Chairman Ceballos mentioned that he did not want it to sound like they do not want to use that roofer because he thinks he can do a good job and is doing a good job, but he just missed a few details and stated that he wanted to make sure he did not leave that on the record because he did not mean that.

Vice-Chairman Dr. Garza mentioned that he sees the pricing for V.L. Garza Roofing at 898k and A.S. Garza Roofing at 1 M compared to 484K which is way over and asked if Mr. Lopez knew why they would bid at such a high price. Chairman Ceballos said it was twice as much, more than twice. Mr. Lopez responded that originally Romo had bid three tab and 25 years and the rest of the individuals with the exception of South Texas Build, if he remembered correctly, had bid on the architectural, which pushed the price up, but being that Romo was the only qualified bidder and they received the bid bond, they were able to negotiate specifically with that one bidder when normally they would have more than one, so because of that they were able to drive down the price and he was able to make the best and final offer and they got 30 years and aside from that, they also have the synthetic underlayment as opposed to paper. Chairman Ceballos asked if it would be. Mr. Lopez confirmed. Chairman Ceballos mentioned that he was very technical about it and said that the synthetic piece is very problematic because it is very thin and when they apply it, if it stays it would be no problem, but if it breaks, that will be it, it is not bondable like the tarpaper, if it heats up it bonds, but the synthetic product once it cuts or breaks, you do not have the protection anymore, so he asked Ms. Mata

to have it inspected by the LHA team before they allow for the shingles to go, to make sure it is not cut or damaged.

Chairman Ceballos moved to approve the item as presented and authorize the Executive Director to finalize the contract with Romo Construction.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

Chairman Ceballos thanked Mr. Lopez and the team that worked on the item.

- E. Discussion and possible action to approve a one-year extension to the Webb County Head Start Lease Agreement for 2801 Ireland Street from November 1, 2018 – October 31, 2019.**

Jennifer Barrientos, Interim Finance Director, presented to the Board and mentioned that she was contacted by the Executive Director of the Head Start Program in reference to a current lease they have at the South Laredo Project and they wanted to extend the lease for another year. The lease will end October 31, 2018. Chairman Ceballos asked if they were using the property. Ms. Barrientos confirmed and said that it was a month to month lease, but they want to do a one-year contract or one-year extension.

Vice-Chairman Dr. Garza asked why it was on a month to month basis. Ms. Barrientos responded that they were on a month to month because they wanted to do construction on that property. Chairman Ceballos stated that they had a plan for construction there before the current Board had come in, so they did month to month in case something came up and they would want to do something there and mentioned that he did not think they had any plans of doing anything there next year. Chairman Ceballos mentioned that he was curious as to why the Director would want to do the lease and asked if it was because the County was asking for it. Ms. Barrientos responded that she was called from the County requesting the address for the check they mail out and it was going to the Farm Labor project and they changed it to the main office and then they asked about the lease agreement and wanted to know if they had done an extension to the last agreement and they looked up the records and the agreement they had ends on October 31st and then she was asked to call the Executive Director to see if they wanted to do another extension and they did want an extension, so they wrote a letter requesting an extension.

Chairman Ceballos mentioned that the item only said one address and then he realized there were two items and asked if they could take both items together. Ms. Barrientos confirmed and said that the other Head Start location is in Ana Maria Lozano at 6500 Springfield Avenue and it would also be for a one-year extension. Chairman Ceballos stated that he remembered he and Ms. Ortiz had worked on it with the legal department and said that they may have changes, so the Director needs to go through them and set the parameters. Ms. Barrientos mentioned that they wanted to keep the same terms and it would only be the extension that they want. Chairman Ceballos stated that the only thing for the Board to know would be that if they develop BiblioTech Digital library

at the Springfield Acres Lozano Development, they might have to adjust the site where the Head Start trailer is and said that he told Ms. Aliza Oliveros they would not need to move the trailer at all, but if it would happen, he was sure they could work it out and mentioned that they do not have a lot of tenant children there, but they have a lot of children from that area, Hilltop, and other lower social economic students and he asked her if they would lose students if they were to move something and she confirmed; therefore, Chairman Ceballos stated that he would not want to do that, so as long as she needs to be there, they need to make room for her. Ms. Barrientos stated that there is room to move the trailer to the side. Chairman Ceballos mentioned that the trailer belongs to Head Start, not to LHA.

Ms. Rosie Ortiz, manager for Ana Maria Lozano and Carlos Richter, mentioned that in reference to the Head Start request for one year extension, if they were to do improvements for the BiblioTech at Ana Maria Lozano location that there is an area in the back of Breeze Circle that could be used as an access so they would not have trouble with traffic in the parking because sometimes it gets very hectic with the residents and the parents from the Head Start, so she recommended that location as an option to consider, whether it would be convenient or not. Chairman Ceballos mentioned that the area is by the hotel on Calle Del Norte, by the Social Security office, if they would drive to the back towards the hotel there is a huge area at the end that hits LHA property which is the area Ms. Ortiz was talking about. Ms. Ortiz mentioned that there could be an access because there is an entrance there by a daycare behind the hotel and the Social Security property which has an access to the street, but they cut the street and she believes they could make an access to continue for that area. Chairman Ceballos mentioned he had gone by the area during the rains and stated that the channel there needs to be addressed. Ms. Ortiz mentioned that maybe they could open an access on the side of the cul-de-sac. Chairman Ceballos stated that it was private property, not City property, that all of it is private development. Ms. Ortiz mentioned that it is a big area that they had enclosed. Chairman Ceballos mentioned that somebody had approached them in the past trying to buy property from LHA which they cannot sell because it is government property and asked if anybody remembered who it was. Ms. Barrientos mentioned that it was Arguindegui Oil. Chairman Ceballos stated that if they would consider it feasible, maybe they could look into talking to the owner to give them an easement to get in and out and stated that he agreed that it would be a good alternative for them and thanked Ms. Ortiz for bringing it up and also thanked Ms. Barrientos for her presentation.

Chairman Ceballos moved to approve both Items 9E & 9F for one year extension to Webb County Head Start lease to the 2801 Ireland St. and the 6500 Springfield sites. Commissioner Ms. Guerra seconded the motion. Motion passed.

- F. Discussion and possible action to approve a one-year extension to the Webb County Head Start Lease Agreement for 6500 Springfield Avenue from November 1, 2018 – October 31, 2019.

This item was approved along with item 9E above.

- G. Discussion and possible action to authorize the initiation of a thirty (30) day comment period as required for the amendment of the Grievance Procedure of the Public Housing Admissions and Continued Occupancy Policy.

Rafael Vidaurri, Director of Housing Management, presented to the Board and mentioned that they brought the item to the Board for consideration so that they may initiate a 30-day comment period, for an amendment to the Admissions and Continued Occupancy Policy that needs to have a 30-day comment period to meet with the residents. He said that one of the things they are trying to accomplish is to establish the parity between the 2011 edition of the CFR compared to the 2018. In the CFR they made some adjustments where HUD recognized that some of the items should be streamlined with regards to grievances and the grievance procedures. Chairman Ceballos asked in what year. Mr. Vidaurri responded that it jumped from 2011 to 2018 and in the final rule that was proposed in 2016 when they made that amendment, but adopted it finally in 2018 this year, it allows to modify the grievance procedure where instead of having a hearing panel they can go to a hearing officer singular which is what they proposed, so they would like to request the Board's approval to initiate the comment period. Chairman Ceballos stated that he knew they were not there yet, but asked if there was an option for the hearing officer to be staff or if it had to be an external party. Attorney Mr. De Anda stated that it should be a non-staff neutral party. Mr. Vidaurri confirmed and stated that they would not want to be favorable to themselves. Chairman Ceballos stated that it is an administrative hearing and that in Section 8 they hold their own hearings. Mr. Vidaurri stated that if HUD recognizes that it can be a challenge to get the panel together, with the streamlining it would be easier.

Chairman Ceballos mentioned that he thought Mr. Vidaurri had seen some of his initial comments because he had circulated them through Attorney De Anda and he did not know whether Mr. Vidaurri had been copied and said that as much as he would want to have an external review, he said that when somebody grieves, they have to assemble a panel and they can still end up in court, that it is just an administrative process, but the assembling of the panel is complicated and too burdensome and he does not think it works and said that he also knows that they want to be fair to tenants and if they can prevent them specially on sophisticated individuals or households that are simply not as versed in regulations as others, he would not want them to have the burden with not having representation, so as much as they have tenants that complicate some things, 99% of the tenants are good people and he wants to make sure that they do not carve the policy to be punitive against those that cannot really defend themselves and stated that there needs to be a relief for those people and if it would mean that LHA would call Legal Aid to connect them, whatever it would be, he wants to make sure that they do not set it up too sternly, so the Board would have to review it and stated that there is a big difference between a panel and no recourse for someone. Mr. Vidaurri stated that Chairman Ceballos was correct. Chairman Ceballos stated that the threat of going to court intimidates most of people and he would not want them going through it unnecessarily and stated that in reference to the qualifications of the officer, although

he had not read the regulation, he thought that it would be important that it be a person of sound character, that maybe the Board would approve the individual so that they would all know who would be holding hearings on the families and the tenants and thinks that it should not be the Director appointing the person, that it should be the Board. Mr. Vidaurri responded that he understood.

Commissioner Dr. Rodriguez asked how they would select the panel. Mr. Vidaurri responded that the selection of the panel occurs when the Board appoints one person, the tenant appoints one person and then the two among themselves appoint a third person. Chairman Ceballos mentioned that it happened with him that they appointed someone, Legal Aid appointed someone, actually he believed that he was the Housing Authority appointee and he was being scrutinized over who are you, what is your background, who he associated with and he felt that none of them should be put in a place where the other side is scrutinizing them and then they suggest someone and the other side does not agree and then the other side suggests someone and they do not agree and stated that it should not be that complicated and then said who would want to volunteer and that now they have a little stipend for people and then mentioned that Commissioner Ms. Guerra had served in a panel. Commissioner Ms. Guerra confirmed and said that it was complicated. Chairman Ceballos mentioned that it had been half a day.

Chairman Ceballos mentioned that he did not served, that he had called Attorney De Anda to tell him that they were like scrutinizing him and he was not going to do it and mentioned again that Commissioner Ms. Guerra had served in one and Commissioner Ms. Guerra said that it was a lot of tension. Chairman Ceballos mentioned that it was like getting two attorneys together and they would outperform each other and would take forever doing it. Mr. De Anda then stated that the other problem was that they would get a request for a grievance and he would call the other side and say here is our person, give me the name of yours so that they can select the third person and then they drag their feet and he will call a week later and they would say that they are still working on it, so he is captive until they decide who the person is and in the mean time they are not paying rent so it would streamline it in the sense that they could even select someone ahead of time like for the whole year.

Chairman Ceballos stated that he thought there should be compensation, but he does not know if it would be allowed and said who would do it for free and that most people cannot stay for four hours while the attorneys take it out, so it will be coming back to the Board. Commissioner Ms. Guerra asked if one person would be there on all the hearings. Chairman Ceballos mentioned that he thought it would be up to them as part of the policy. Mr. Vidaurri mentioned that it was part of the policy that is formulated and then they will come back with some options. Commissioner Ms. Guerra asked if they could have like a bench. Chairman Ceballos stated that it would be preferred and also because if they would have a problem with a hearing officer they would want to be able to have a backup at the minimum and asked who in Section 8 was holding hearings. It was mentioned that it was Bertha Galvan. Chairman Ceballos asked if she was present

and it was confirmed that Ms. Galvan was present at the meeting. Chairman Ceballos asked her if she was holding the hearings. Ms. Galvan confirmed. Chairman Ceballos stated that they might want to just integrate the hearing process and have the same people hold the hearings and mentioned that he had done a lot of hearings, over 200 during a period in Section 8 and stated that they could see that if it would be the wrong person, it could really affect people's lives so he asked Mr. Vidaurri to keep all of that in mind and said that Mr. Vidaurri heard the tone of the Board in reference to crafting it so that it would be the right person and stated that he supposed Mr. Vidaurri would discuss it with both attorneys, Mr. De Anda and Mr. Poneck before it would come back to the Board. Mr. Vidaurri confirmed.

Chairman Ceballos moved to approve the 30-day comment period for the grievance procedure.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

Mr. Vidaurri thanked the Board for their guidance. Chairman Ceballos thanked Mr. Vidaurri for his presentation.

- H. Discussion and possible action to approve an update to the organizational chart and hiring recommendations by the Executive Director, for any management positions requiring Board consultations. Possible closed Session pursuant to Texas Government Code, Section 551.074.

Chairman Ceballos mentioned taking item 9H along with items 10A & 10B into executive session and stated that Attorney Poneck would be joining them by phone.

10. 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 attorney regarding potential settlement Laredo Housing Authority vs Marlene Vela, Case Number 2018FED000744JB.
- B. Consultation with attorney regarding consultant's claims.

Chairman Ceballos called Commissioners present, Executive Director Mary Gaona, Rafael Vidaurri and Attorney Ricardo De Anda into executive session. Attorney Poneck would be joining them by phone.

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

The Board entered into executive session at 4:00 p.m.

The Board reconvened from executive session at 5:35 p.m.

11. ACTION ON ANY CLOSED SESSION ITEM

Chairman Ceballos stated that there was no action taken in executive session and asked Ms. Gaona to make her recommendations in reference to item 9H. Ms. Gaona stated that for the position of Accountant staff was recommending Federico G. Rangel, for the position of Facilities Specialist staff was recommending Tomas Francisco Martinez, for the position of Leasing Specialist staff was recommending Sara Vicharelli and for the Property Manager position staff was recommending Alina Rios.

Chairman Ceballos moved to approve the recommendations as presented by Ms. Gaona.
Vice-Chairman Dr. Garza seconded the motion.
Motion passed unanimously.

Chairman Ceballos stated that on the other item related to the organizational chart for the position of Public Affairs Manager, Chairman Ceballos moved to amend the organizational chart and authorize the Executive Director to post and hire the necessary in consultation with the Chair and Vice-Chair in between that day and the next meeting which would be on November 2, 2018 and in case they would not be ready Ms. Gaona would bring it to that next meeting, but if she would need to hire early, to go ahead and do so.

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

In regards to the executive action item A regarding the settlement for the Marlene Vela case Chairman Ceballos moved to approve the settlement on the cause as enumerated 2018FED00744JB according to the agreement discussed in executive session by the legal counsel and is in accord with the findings of the LHA grievance panel.

Commissioner Ms. Guerra seconded the motion.
Motion passed unanimously.

On item 10B Chairman Ceballos stated that no action would be taken.

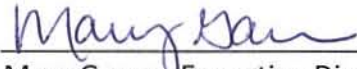
12. ADJOURNMENT

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

Meeting adjourned at 5:38 p.m.

A handwritten signature in blue ink, appearing to read 'J. Ceballos', written over a horizontal line.

Jose L. Ceballos, Board Chairman

A handwritten signature in blue ink, appearing to read 'Mary Gaona', written over a horizontal line.

Mary Gaona, Executive Director