

**Minutes of the Board of Commissioners of the
Emery Housing Authority Regular Meeting held at
the Emery County Courthouse - Box Conference Room
75 East Main Street, Castle Dale, Utah**

May 21, 2014

In attendance:

Jeff Horrocks, Chairman

Board Members Christine Jensen, Bart Cox, Liz Nielson, and Dale Roper

Leslie Bolinder taking minutes

The Chairman called the meeting to order at 1:00 p.m. and the agenda was followed as posted:

**PUBLIC HEARING - TO RECEIVE PUBLIC COMMENT REGARDING THE PHA FIVE YEAR
PLAN AND OTHER POLICIES OF THE EMERY COUNTY HOUSING AUTHORITY**

Liz Nelson made a motion to go into the public hearing. The motion was seconded by Christine Jensen and approved by all members present.

The Chairman explained that the purpose of the public hearing was to receive public comment regarding Emery County Housing Authority's Civil Rights Certification, form HUD-50077-CR. This submission is necessary to meet the 2014 Annual PHA Plan requirements for Qualified PHAs with a FYE3/31. All ECHA policies were available to the public for review. As there was no public comment a motion was made by Liz Nielson to go out of the public hearing. The motion was seconded by Bart Cox and approved by all members present.

The chairman signed HUD form 50077-CR certifying the public hearing was held. The form will be forwarded to Anita Short.

**CONSIDERATION AND APPROVAL TO INCREASE FLAT RATE RENT IN PUBLIC HOUSING
UNITS TO 80% OF FAIR MARKET VALUE**

HUD has mandated that all public housing flat rate rents need to be set at 80% of the fair market value. The flat rate rent for ECHA units is currently \$350.00 for a two bedroom apartment and \$375.00 for a three bedroom apartment. The new flat rates for ECHA would be increased to

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\$381.00 for a two bedroom apartment and \$499.00 for a three bedroom apartment. This could be a significant increase for tenants who have chosen their rent to be based on flat rate.

After discussion a motion was made by Christine Jensen to approve the new flat rate rent increases as listed above and to begin implementation of the new rates September 1, 2014. This would allow the current flat rate tenants time to adjust their budgets and be prepared for the rent increase. The motion was seconded by Bart Cox and approved by all members present.

A letter needs to be sent to the current flat rate tenants notifying them of the change.

UPDATE ON REIMBURSEMENT OF PUBLIC HOUSING AND SECTION 8 TENANT RENT MISCALCULATIONS REGARDING UTILITY ALLOWANCES. APPROVAL OF ANY PAYMENTS.

This error was brought to light at the end of last year. The former employees erroneously applied HUD regulations in its application of minimum rents, tenant payments and amount of HAP to owners resulting in approximately \$4300 in repayments due to former/current tenants for utility allowances. The board is required to send a monthly report to HUD to show efforts made by the ECHA to reimburse all amounts owed to past and present tenants.

After discussion, a motion was made by Liz Nielson to payback one Section 8 tenant per month until they are all paid back what is owed to them. The motion was seconded by Bart Cox and approved by all members present.

Efforts will continue to be made to track down former public housing tenants. This item will appear on next month's agenda.

RATIFICATION OF RESOLUTION #126 TO AMEND FY2015 BUDGET

Resolution #126 was ratified on a motion by Bart Cox and a second by Christine Jensen. The motion was approved by all members present. The resolution increased the budget by approximately \$19,802.00 to pay for unemployment benefits for John H. Sehestedt and 2013 IRA contributions for John H. Sehestedt and Deborah Thornton.

RATIFICATION OF CONTRACT WITH LOUCKS AND SCHWARTZ FOR PREPARATION OF FINANCIAL INFORMATION FOR FY2014 AUDIT AND GREEN RIVER CROWN III ACCOUNTING

A motion to ratify a contract with Loucks and Schwartz for preparation of financial information for the FY2014 audit and Green River Crown III monthly financial information was made by Christine Jensen. The motion was seconded by Bart Cox and approved by all members present.

**REPORT AND DISCUSSION OF TENANT ACCOUNT RECEIVABLE BALANCES.
CONSIDERATION AND APPROVAL OF ANY REPAYMENT CONTRACTS AND EVICTIONS.
CONSIDERATION OF TENANT REQUEST TO WAVE LATE FEES.**

The rent register for April 2014 was presented to the board. The tenants in Castle Dale all made their rent payment this month. There were a few problems in Ferron.

The tenant in Ferron #7 left, without notice, owing rent and extensive damage to the unit. The chairman delivered a letter documenting damages and back rent to the tenant at their residence in Orangeville and was not well received.

The tenant in Ferron#10 entered into a repayment agreement to pay an additional \$15.00 per month until the rent is caught up.

One of the CD Crown Home tenants is behind in their rent by approximately \$2,000.00. They have entered into a repayment agreement to pay an additional \$200.00 per month until the rent is current.

The tenant in Ferron #3 left, without notice. How much rent is owing and cost of damages are being assessed.

The board noted that the tenant caused damage cost list may need to be reviewed and updated in the near future. As repairs are made, accurate costs for the repairs can be documented.

A motion was made by Liz Nielson to approved the above mentioned repayment agreements and to pursue collection of back rent and damages from former tenants in Ferron. The motion was seconded by Christine Jensen and approved by all members present.

REPORT ON MONTHLY ROUTINE HOUSEKEEPING AND MAINTENANCE INSPECTIONS

A tenant in Castle Dale contacted HUD regarding the monthly housekeeping/maintenance inspections. The tenant felt that once a month was too often and causing a stressful situation for her/him. HUD contacted the chairman and asked that ECHA be accommodating to the tenant's concerns.

After discussion, it was decided to continue with the monthly housekeeping/maintenance inspections until after the REAC inspection in July. After the REAC inspection the board will consider doing the inspections every three months. There is still a lot of maintenance that needs to be accomplished before the REAC inspection. The June inspections were set as follows:

June 4, 2014 - Christine Jensen/Jeff Horrocks - Castle Dale
June 11, 2014 - Dale Roper/Bart Cox - Ferron

UPDATE PROGRESS TOWARDS COMPLIANCE OF THE REAC INSPECTION

Work orders are being written and completed. The Chairman reported that the Sheriff work crew is scheduled to do the work on the outside of the apartments in June. Hussey Plumbing has done work in Castle Dale #1 and will access what other work needs to be done. A water heater was found in the shed and will be replacing the one in Castle Dale #3. A handyman was hired to help replace doors and other miscellaneous work.

After the REAC inspection the HUD PHARS team would like to address the Recovery Agreement since many of the deadlines have passed.

**PRESENTATION OF FINANCIAL INFORMATION AND APPROVAL OF MONTHLY EXPENSES
COMPARING ACTUAL TO BUDGET FIGURES. DISCUSS CURRENT FASS, QR, AND
MENAR**

Leslie has converted all the accounts to Quickbooks and presented print outs of the monthly rent subsidy checks and bills. The board thanked her for her work and told her how much they appreciated a report that they could read and understand.

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Bart Cox made a motion to ratify May rent subsidy checks sent out the first of the month. The motion was seconded by Dale Roper and approved by all members present.

Bart Cox made a motion to approve the monthly bills. This motion was seconded by Liz Nielson and approved by all members present.

APPROVAL OF NEW PROCUREMENT POLICY - RESOLUTION #127

The new procurement policy of the ECHA was approved on Resolution #127 by a motion from Liz Nielson. The motion was seconded by Christine Jensen and approved by all members present. The policy mirrors the HUD provided sample for small housing authorities which includes all recent updates and requirements.

UPDATE ON CROWN HOME ACTMITY

The secondary water system in Green River is in need of major repair. The power to the pump house has been shut off until repairs can be budgeted and completed. Work still needs to be completed in order to comply with Utah Housing Compliance Audit. The former employee did not have the proper paperwork filled out and all forms will need to be redone.

APPROVAL OF APRIL 16, 2014 MINUTES

A motion was made by Bart Cox to approve the minutes of April 16, 2014 as presented. The motion was seconded by Christine Jensen and approved by all members present.

FOLLOW-UP DISCUSSION ON JOHN SEHESTEDT'S DEMAND LETTER FOR PAYMENT OF SUPPOSED ACCRUED SICK LEAVE.

The board received two letters (original and and a corrected one) from John L. Black, Jr., Attorney at Law regarding payment of supposed accrued sick leave of former employee John Sehestedt. Many facts in the letter were mistaken. A motion was made by Liz Nielson to go into Closed/Executive Session to discuss the character, professional competence or physical or mental health of an individual and strategy sessions to discuss pending or reasonably imminent litigation. The motion was seconded by Christine Jensen and approved by all members present.

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**CLOSED/EXECUTIVE SESSION TO DISCUSS THE CHARACTER, PROFESSIONAL
COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL AND STRATEGY
SESSIONS TO DISCUSS PENDING OR REASONABLY IMMINENT LITIGATION.**

A motion to come out of closed/executive session was made by Bart Cox with a second by Liz Nielson. The motion was approved by all members present.

A motion was made by Liz Nielson to authorize the chairman to write a response to John L. Black, Jr. Attorney at Law denying payment to John Sehestedt for supposed accrued sick leave . The motion was seconded by Christine Jensen and approved by all members present.

A motion was made by Bart Cox to offer the position of Administrative Assistant for the ECHA to Emily Nielsen and if she declines to offer the position to Jennifer Roberts. The motion was seconded by Christine Jensen. The motion was approved by all members present. This action will be ratified next meeting.

The next meeting of the ECHA BOC will be June 18, 2014 at 1:00 p.m.

Approved: Jeff Horrocks, Chairman

Approved 7/16/14