

SUMMARY OF MINUTES OF MARCH 2021 MONTHLY MEETING OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF
MONTGOMERY, ALABAMA, HELD ON TUESDAY, MARCH 23, 2021
AT 4:00 P.M. VIA VIDEO CONFERENCE

Pursuant to Governor Ivey's March 13, 2020 Proclamation, allowing public Board meetings to be conducted by teleconference, as part of the State of Alabama's measures to combat the spread of COVID-19; and pursuant to Alabama's Open Meetings Act, the following constitutes a summary of the Housing Authority's Board of Commissioners December 8, 2020 regular monthly meeting, which is being posted to the Housing Authority's website.

The March 2021 regular monthly meeting of the Board of Commissioners of the Housing Authority of the City of Montgomery, Alabama (MHA) was held on Tuesday, March 23, 2021 at 4:00 P.M., via video conference.

The Chairman, John F. Knight, Jr., called the meeting to order at approximately 4:03 P.M. Mr. Damon E. Duncan, Chief Executive Officer/Secretary-Treasurer, called the roll as follows:

1. ROLL CALL

PRESENT: Chairman, John F. Knight, Jr.
Vice-Chairman, Paul Hankins
Commissioner Willie Durham
Commissioner Andrea Rogers-Mosley
Commissioner Richard Hanan
Commissioner Ray Roton
Commissioner Frank Brown
Commissioner KK Middleton

ABSENT: Commissioner Samuel Frazier

For the record: Legal Counsel for MHA, Mr. James E. Beck, III, of the law firm of Hill, Hill, Carter, Franco, Cole and Black, P.C., was not present. The roll call record form is attached.

The Chairman declared a quorum present. Commissioner Middleton opened the meeting in prayer. Chairman Knight, on behalf of the Board, expressed sympathy to the family of John Devore, to Commissioner Frank Brown upon his loss and to the family of Richard Bollinger, who had served on the MHA Board for several years.

The Chairman then addressed the order of business as follows:

2. APPROVAL OF AGENDA

Chairman Knight sought approval of the Agenda for the March 23, 2021 regular monthly meeting of the Board of Commissioners. Vice-Chair Hankins offered a motion approving the Agenda and moved its adoption. The motion was seconded by Commissioner Roton. Chairman Knight recognized the motion as properly moved and seconded and called for a

vote. The Board voted and the motion approving the Agenda, for the March 23, 2021 regular monthly Board meeting, was declared as unanimously carried this twenty-third day of March 2021. (**Resolution No. 6577.**)

3. APPROVAL OF MINUTES

Chairman Knight referenced the Minutes of the February 23, 2021 monthly meeting of the Board of Commissioners, as mailed each Commissioner, and asked if there were any questions. There were none. Commissioner Durham moved to approve the Minutes of the February 23, 2021 monthly Board meeting. Commissioner Roton seconded the motion. Chairman Knight recognized the motion as properly moved and seconded and called for a vote. The Board voted and the motion, approving the Minutes of the February 23, 2021 monthly meeting of the Board of Commissioners, was declared as unanimously carried this twenty-third day of March 2021. (Resolution No. 6578.)

4. DIRECTOR'S REPORT - Mr. Damon E. Duncan, Chief Executive Officer, in addition to his written report to the Board, highlighted the following: **COVID-19** - operations continue with alternating schedules in place. MHA is mindful of Governor Ivey's "Safer at Home" Order extended until April 9, 2021 and MHA will govern its operations accordingly. MHA will host on March 29, 2021, in partnership with the Montgomery County Emergency Management Agency, a 1-day COVID-19 vaccine drive-through at Smiley Court. Approximately 50% of MHA staff have been vaccinated. Alabama State University (ASU) continues to offer the vaccine to MHA employees. A **Ribbon Cutting and opening of the Playground at Parks Place** was held on March 22, 2021. The Chairman and two Commissioners attended. Ms. Kay McCreary, Director of Parks and Recreation of the City of Montgomery, was in attendance. The Board was presented with a short video titled *Play It Safe*. the Parks Place Playground ribbon cutting and dedication. **Grants** - A two-hour **Choice Neighborhoods Planning** meeting was held by MHA during which HUD, MHA's planning team and MHA partners were provided a virtual tour of the neighborhood targeted for transformation. MHA continues to await HUD's award announcement of the **Jobs Plus** grant. **MHA website and branding** - the contract has been extended, to include branding for the Choice Neighborhoods Planning project. **HUD** - MHA's Annual and Five-Year Plan has been approved. This concluded the Director's report. Chairman Knight inquired and was informed by Ms. Townsend, Director of Resident Services, that MHA reached out to its residents and had also spoken with the temporary service agency, who were willing to hire residents. There were six/seven residents expressed interest but never completed the paperwork. MHA moved forward with the hire of the person sent by the temp. agency, to staff the virtual center. Participation is low. Parents are not enforcing virtual learning, resulting in youth not taking advantage of this facility. MHA is discussing exploring other options to attract children to avail of the virtual learning center. Chairman inquired and Ms. Townsend explained that the reason MHA utilized a temp. agency is because they conduct the required background checks. Ms. Townsend added that MHA pulled the demographics of school-

aged children, specifically for Gibbs East and West. The Resident Services staff contacted parents by phone/email or via door-to-door flyers resulting in 59 parents confirming the educational needs of their children. Several families did not respond. A brief discussion ensued during which Vice-Chair Hankins expressed concern that kids had gone almost year without any schooling. The question asked was if MPS was tracking virtual learning attendance and if there was any truancy action being taken. Commissioner Middleton, who works for MPS, informed that there is no local tracking but MPS does employ Truancy Officers and the District Attorney's Office would be sent reports; with COVID, he was not sure if these reports continue. Mr. Middleton added that MPS does offer the option of grade recovery which ultimately ensures no failures. The Board expressed their understanding of MHA not being able to enforce attendance. Mr. Duncan, CEO, stated that he had asked Mr. Free of HUD to check if there were any regulations prohibiting a PHA from enforcing compliance and was informed that he did not find any such regulations. Mr. Duncan will ask for this in writing from HUD. Thereafter, MHA will make its recommendations to the Board, from a policy standpoint. A few clarifications were sought by Commissioners Roton and Hanan respectively, and responded to, as it relates to the moratorium extension, rent collection and the number of children not in school. There were no further questions/comments. This concluded the Director's report to the Board.

Chairman Knight then addressed Agenda item 5.

AUTHORITY REPORTS - Financials: Ms. Connie Hill, Chief Financial Officer, provided the Board with an overview of the **Financial reports**, as follows: Agency-wide there is a positive cash flow of approx. \$3 million, of which \$1.61 million is from **Public Housing**, the majority of which is excess COVID funds. Much of these excess funds will be utilized for COVID initiatives, deferred maintenance, and property needs. The **HCV Program** administrative fee has excess reserves of \$776,000 and is utilizing COVID excess funds, which it will continue to use next year. The HCV Admin. Fee proration for 2020 increased to 81%. MHA has approx. \$23 million available, through calendar year 2021, to provide payments to landlords. MHA anticipates it will use approx. \$20.5 million of its HAP funds in 2021, to maintain a 98%-99% utilization of these funds. **Central Office** has a surplus of \$706,000; **Business Activities** has a surplus of approximately \$463,000. MHA has commenced working on its March 31, 2021 year-end close out. MHA will submit its year-end unaudited FDS within 60 days from year end. Vice-Chair Hankins inquired, and Ms. Hill explained that dwelling rental income is based on what is billed so long as the tenant resides in the unit; not on what is collected. If the tenant does not pay the eviction process begins and uncollected rent becomes a collection loss which is written-off. Commissioner Durham inquired and Ms. Hill clarified that the CARES Act funds do not have to be expended by December 31, 2021 as these funds can be maintained in reserves. The waivers are in place until December 31, 2021. Commissioner Durham expressed concern that none

of the monies budgeted for resident youth education are shown as expended. Ms. Hill explained that some of the billings were yet to be received; and because of low participation, expenses were less than anticipated. Vice-Chair Hankins requested, and Ms. Hill will provide, specifics of the COVID monies expended. Commissioner Durham asked if MHA should continue to earmark funds to programs that are underutilized. Ms. Hill pointed out that any unspent funds go into reserves and become available for anything those programs could regulatorily accomplish with the routine operating subsidy fees. Commissioner Durham also expressed concern that excess reserves could be captured by HUD. Vice-Chair Hankins stated that HUD had captured excess reserves in the past and PHAs brought and won a lawsuit, which resulted in HUD having to return the funds captured. This concluded the financial report. **Property Management** – Ms. Glynis Tanner, Chief Operating Officer, reported: the current PIC reporting rate for Public Housing is at 99.56%; rent collections are at 75% and Tenant Account Receivables (TARs) are also at 75%. MHA has commenced its housekeeping; UPCS inspections are scheduled for April in preparation for HUD-REAC inspections. The public housing vacancy rate is at 5%. Commissioner Middleton then sought and received clarification from Ms. Tanner that there were 42 vacant units. Ms. Tanner also explained that due to COVID, the turn-around time to make ready a unit is 100 days. Other factors impacting occupancy are families not being able to move-in for safety and/or financial reasons. Chairman Knight asked and Ms. Tanner informed there were currently 26 units available for occupancy. In response to Commissioner Durham's question, Ms. Tanner explained there were several units with significant damage which had taken much longer to make ready. Ms. Walton, Executive V.P. added that MHA did attempt to do a contract for unit repairs, to expedite the turn-around time but experienced some difficulty relating to generating independent cost estimates; MHA will revisit this since contracting enables units requiring extensive repairs to be taken off-line so that those vacancy days do not count against us. Large units with severe damage could cost approx. \$30,000-40,000. Commissioner Durham asked and Ms. Tanner informed the Board that there are currently 89 residents who have applied for rental assistance; there are 177 tenants, as of end March, who are behind in rent. To conclude, Ms. Tanner added that MHA has reopened its public housing waiting list. **Housing Choice Voucher (HCV) Program** – Ms. Tanner informed the Board as follows: The PIC reporting rate for the HCV program is at 99.93%; there are 3031 households being served for a lease up rate of 99%. There are currently 1986 applicants who have applied for the HCV program. Chairman Knight inquired and Ms. Tanner explained that MHA reinspects units that fail the first time and if the unit fails again, the unit is placed in abatement until the landlord makes repairs and it passes inspection. In response to Chairman Knight's question, Ms. Tanner stated that when complaints are received regarding a tenant, it is the landlord who is to enforce the lease; MHA requires evidence before it can terminate a tenant. During a brief discussion, Commissioner Durham informed of a complaint received from a City Councilman, regarding some sixty calls

to MPD for this one household; he was told that MHA could not do anything unless the voucher holder is convicted. Ms. Tanner explained that if repeated violations are brought to MHA's attention, MHA meets with the tenant. Chairman then recommended that Commissioners inform the Executive Director of any complaints received. This concluded the HCV report. **Safety report** - there were no questions on the safety report submitted to the Board. Mr. Duncan then informed that Mr. Jesse Day, who has an extensive law enforcement and community service experience, joined MHA as Director of Public Safety. Mr. Day briefly explained his experience. He is working on two programs that he anticipates commencing as soon as kids are out of school. Chairman Knight welcomed Mr. Day. **Personnel Report** - there were no questions on the Personnel report. **Resident Services report** - Ms. Brandie Townsend, Director of Resident Services, informed the Board that Mr. Duncan, Ms. Walton, and herself, are working on questions that came up at the last Finance Committee meeting, relating to tenant participation funds. Chairman Knight inquired and was informed that the amount, of tenant participation funds, is based on the unit count at the respective public housing property. Commissioner Middleton commented on the lack of parking at Parks Place and Mr. Duncan stated MHA is looking at a property in the vicinity, to resolve the problem. This concluded the Authority Reports to the Board.

Chairman Knight addressed Agenda item 6 and recognized Vice-Chair Hankins, who chairs the Finance Committee.

5. COMMITTEE REPORTS - Vice-Chair Hankins, Chairman of the Finance Committee, reported that the Finance Committee met to review and discuss MHA's procurement process, which included how contracts are let, procurement thresholds, etc.; the agency's budget process, to include checks and balances in MHA's finance and accounting systems; and the 2022 Operating Budgets. Board members were encouraged to review the documents provided to them under relating to the items on the Finance Committee agenda. Vice-Chair Hankins then referenced HUD's "Lead the Way" training package, suggesting that Commissioners take time to go through this training. The Finance Committee will meet again, prior to the next Board meeting, to review and discuss the new non-profit to discuss its formation; whether it will be an instrumentality or an affiliate, the legal implications, how monies will be managed, etc. Chairman Knight encouraged all Commissioners to attend the next Finance Committee meeting. This concluded the Finance Committee report to the Board.

Chairman Knight proceeded to address the next order of business as follows:

OLD BUSINESS - None

NEW BUSINESS

- 7. TO CONSIDER A RESOLUTION APPROVING THE MONTGOMERY HOUSING AUTHORITY'S FYE MARCH 31, 2022 OPERATING BUDGETS FOR THE LOW RENT PUBLIC HOUSING PROGRAM, THE HOUSING CHOICE VOUCHER PROGRAM, THE CENTRAL OFFICE COST CENTER (COCC) AND BUSINESS ACTIVITIES, AS PRESENTED,**

Chairman Knight addressed Agenda item 7. Vice-Chair Hankins, Finance Committee Chair, informed the Board that the Finance Committee had reviewed the 2022 budgets and recommended approval by the full Board. Commissioner Roton moved to adopt the motion to approve the FYE March 31, 2022 Operating Budgets for Public Housing, Housing Choice Voucher, Central Office, and Business Activities, as presented. Commissioner Brown seconded the motion. The Board voted and the motion was declared as unanimously carried this twenty-third day of March 2021. **(Resolution No.6579.)**

- 8. TO CONSIDER A RESOLUTION APPROVING THE REMOVAL OF GLYNIS TANNER FROM THE LIST OF AUTHORIZED SIGNATORIES AND AUTHORIZING THE SAID LIST BE UPDATED TO COMPRISE: MR. DAMON E, DUNCAN, PRESIDENT/CEO, AS PRIMARY SIGNATORY, MS. MADELINE OWENS, COMPTROLLER, AS SECONDARY SIGNATORY AND MS. TERESE WALTON, EXECUTIVE VICE PRESIDENT, AS THIRD SIGNATORY, FOR ALL CHECKS, DRAFTS, NOTES OR ORDERS, ETC., EFFECTIVE IMMEDIATELY.**

Chairman Knight addressed Agenda item 8 and asked if there were any questions. There were no questions/comments. Vice-Chair Hankins moved to adopt the motion to update the list of authorized signatories, as presented. Commissioner Durham seconded the motion. Chairman Knight recognized the motion as properly moved and seconded and called for a vote. The Board voted and the motion was declared as unanimously carried this twenty-third day of March 2021. **(Resolution No.6580.)**

- 9. TO CONSIDER A RESOLUTION AUTHORIZING THE AWARD OF TWO CONTRACTS FOR PHA WIDE TREE AND SHRUB TRIMMING, PRUNING AND REMOVAL SERVICES, AS OUTLINED IN THE IFB 2021-01; ONE TO RAMPY DESIGN BUILD, LLC FOR VICTOR TULANE GARDENS, FOR A TOTAL NOT TO EXCEED AMOUNT OF \$213,600.00 AND THE OTHER TO SOUTHEAST DEMOLITION, ENVIRONMENTAL SERVICES, INC., FOR GIBBS VILLAGE EAST, GIBBS VILLAGE WEST, PARKS PLACE, PATERSON COURT AND THE TERRACE, FOR A TOTAL NOT TO EXCEED AMOUNT OF \$180,700.00.**

Chairman Knight addressed Agenda item 9. Mr. Standerfer, Project Manager, explained the purpose of the contract was to clear trees and branches that were covering security cameras and posing safety concerns for residents. Chairman Knight asked if there were any questions. A lengthy discussion ensued during which Commissioner Durham expressed concern that one contractor has been receiving several MHA contracts. Mr. Duncan explained the contractor in question was outbidding others. Ms. Walton, Executive V.P., suggested MHA may need to reach out to local contractors, let them know MHA's procurement process;

ensure MHA's advertising casts a broad net and that local contractors are made aware of upcoming contracts. Commissioner Mosley, as the Director of the Small Business Development Center (SBDC), commented that SBDC and the Procurement Technical Center work with several local vendors from start-up and have found that many are simply not ready to do business. One of the problems faced is vendor registration in SAMs as well as not being able to carry a bond. Commissioner Durham commented he had spoken to some landscaping companies to let them know that MHA has a lot of work and the response received implied that there was no use bidding. Vendors feel that they get clean-up work, but they cannot get the contract. Mr. Duncan stated that there is also a culture which exists amongst contractors, as to who can bid on MHA work and who cannot; this is something MHA cannot control. Chairman Knight sought explanation of Mr. Duncan's comment. Mr. Duncan explained that MHA had a meeting with a contractor during which the contractor made a comment that "so-and-so knew better than to bid on MHA stuff." Chairman Knight expressed serious concern stating this could possibly be criminal and recommended that Mr. Duncan advise the Authority's Counsel of what happened at that meeting and let Counsel make a recommendation. Mr. Duncan concurred.

Chairman Knight asked if the Board wanted to move forward. Vice-Chair Hankins moved to approve the resolution, as presented. Commissioner Middleton seconded the motion. Chairman called for a vote, Commissioners Durham and Brown voted against the motion. Commissioner Middleton sought clarification as to the unreadiness and Commissioner Durham explained that once the Board is given a report on the procurement/advertisement process he would reconsider. Vice-Chair Hankins recommended MHA present a report to the Board on its procurement process. Commissioner Middleton withdrew his vote, based on Commissioner Durham's explanation. At this time, Chairman Knight moved to table and carry over this agenda item, pending a report to the Board on MHA's procurement/advertisement process. The Board concurred and voted to carryover Agenda item 7.

10. PUBLIC COMMENTS, IF ANY - Chairman Knight asked if there were any public comments and was informed that there were none received.

11. ADJOURNMENT - There being no further business to come before the Board, Chairman Knight declared the March 23, 2021 regular monthly meeting of the Board of Commissioners adjourned at approximately 5:30 P.M.