

**MINUTES OF THE REGULAR MEETING
OF THE
OAK PARK HOUSING AUTHORITY
THURSDAY, FEBRUARY 16, 2017
7:45 A.M.**

OFFICIAL RECORD

PRESENT: Commissioners Butler, Davis, Hellwig, Hill, Muse, & Chairman Kralik

EXCUSED: Commissioner Kelley

ALSO PRESENT: Maria Saldaña, Executive Director; Malik Abbas, Jim King, Melissa Neyfeldt, Ken Southward, Beth Swaggerty, and Rhonda Doyle, Staff

QUORUM

The meeting was called to order at 7:47 A.M. by Chairman Kralik.

APPROVAL OF MINUTES OF REGULAR MEETING OF JANUARY 19, 2017

It was moved (Davis) and seconded (Hellwig) to approve the minutes of the January 19, 2017 regular meeting. The motion passed by unanimous voice vote.

RESOLUTION RATIFYING THE EXECUTION OF AN ENGAGEMENT LETTER WITH KOLNICKI, PETERSON, WIRTH LLC

Ms. Saldaña reminded the Board that they had electronically approved her execution of the engagement letter with Kolnicki, Peterson, Wirth LLC to perform the 2016 audit for the OPHA.

She said that because we only received 2 proposals, we opted to negotiate a 1-year extension with Kolnicki. They agreed to perform the 2016 audit at the same maximum costs as the 2015 audit. She indicated that another RFP would be published this year together with the Oak Park Residence Corporation and we are hoping to receive more responses.

It was moved (Hill) and seconded (Hellwig) to approve the resolution ratifying the execution of an engagement letter with Kolnicki, Peterson, Wirth LLC for performance of the 2016 audit at a maximum cost of \$21,800.

The roll call vote was as follows:

AYES: Commissioners Butler, Davis, Hellwig, Hill, Muse, and Chairman Kralik

NAYS: None

ABSENT: Commissioner Kelley

RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT WITH RAFALO CORPORATION FOR ROOFING REPLACEMENT AT 324 NORTH AUSTIN BLVD., OAK PARK, IL

Ms. Saldaña began by reporting that the Showalter House, (324 N. Austin Blvd.), is a single family house owned by the Housing Authority and leased by Heartland Alliance and managed by OPRC for persons with AIDS. She said it had been determined that the building needed a new roof.

Ms. Saldaña turned over the discussion to Mr. King. Mr. King stated that an Invitation for Sealed Bids was published and sent to local contractors, and three local plan rooms. He said a pre-bid meeting was then held so that contractors could become familiar with the project. He said that 5 contractors were present for the pre-bid meeting, and the Housing Authority received 5 bids from contractors. He said the bids were opened and the lowest responsible bidder was Rafalo Corporation, with a contract amount of 32,480.00.

Mr. King asked the Board to award the 324 N. Austin roofing project contract to Rafalo Corporation subject to the contractor complying with HUD requirements. He asked for questions.

Commissioner Davis asked if they had a performance bond. Mr. King answered no. Mr. King stated that a performance bond is required only for bids over \$100,000.

Commissioner Muse asked what other conditions have to be met. Mr. King explained the conditions.

Finally, Commissioner Butler asked if the contractors are required to attend the pre-bid meetings. Mr. King answered no but bidders that attend benefit from information that is provided to the project.

It was moved (Davis) and seconded (Butler) to authorize the execution of an agreement with Rafalo Corporation for roofing replacement at 324 North Austin Blvd., Oak Park, IL in the amount of \$32,480.

The roll call vote was as follows:

AYES: Commissioners Butler, Davis, Hellwig, Hill, Muse, & Chairman Kralik

NAYS: None

ABSENT: Commissioner Kelley

RESOLUTION APPROVING COLLECTIVE BARGAINING AGREEMENT BETWEEN THE OAK PARK HOUSING AUTHORITY AND SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 73

Ms. Saldaña reported that Ms. Swaggerty negotiated the Collective Bargaining Agreement, and turned the discussion over to her. Ms. Swaggerty reported that she and Mr. King were the Authority's bargaining team for the 2017-2019 Agreement.

Ms. Swaggerty highlighted the differences from the prior contract, including new language to several contract provisions that aligned the contract with OPRC's employee handbook. She indicated that the Agreement was our typical 3-year agreement.

She said the Agreement covers the 2 janitors at Mills Park Tower. Ms. Swaggerty asked for questions.

Commissioner Hellwig asked the meaning of increase in base wages. Ms. Swaggerty explained that the increase represents a total increase in base wages of \$9,272 for 2 maintenance men over 3 years.

Commissioner Hellwig then asked if it was higher than CPI. Ms. Swaggerty answered yes, that it was slightly higher.

Chairman Kralik applauded Ms. Swaggerty's effort in settling the agreement. Ms. Swaggerty thanked him.

It was moved (Hellwig) and seconded (Davis) to approve the Collective Bargaining Agreement for 2017–2019 between the Oak Park Housing Authority and Service Employees International Union, Local 73.

The roll call vote was as follows:

AYES: Commissioners Butler, Davis, Hellwig, Hill, Muse, and Chairman Kralik

NAYS: None

ABSENT: Commissioner Kelley

PRESENTATION OF 2016 4TH QUARTER UNAUDITED FINANCIAL STATEMENTS

Mr. Abbas reported that there were some minor changes to the summary sheet. He said that all of the programs performed well in 2016. He added that detailed financial statements were attached for further review if there were additional questions.

Mills Park Tower

Total operating income of \$1,093,880

Total operating expenses of \$990,722

Total net income of \$103,158

There was a surplus of \$103,158 before depreciation.

Housing Choice Voucher

Total administrative operating income of \$559,560
Total operating expenses of \$430,001
Total surplus (deficit) \$129,559; while budgeted surplus is \$3,552
The HCV Adm. Program resulted in a surplus of \$129,559.

HAP Subsidies for Housing Choice Voucher Program

HAP subsidies of \$4,539,040
Non-operating expenses (HAP) of \$4,430,344
The HAP subsidies total non-operating surplus was \$108,696.

Business Activities

Total income of \$214,815
Total operating expenses of \$53,818
Business activities resulted in a surplus of \$160,997 before depreciation and mortgage principal.

Mr. Abbas reported that a reconciliation of salary and benefit costs compared to the amount under the Management Contract between HA and OPRC was included. The 4th quarter resulted in a savings of \$38,158 to the HA.

Mr. Abbas asked for questions. Chairman Kralik asked Mr. Abbas to explain the \$38,158 amount on the Reconciliation Contract Budget to Allocated Costs sheet. Mr. Abbas explained that it is done on a quarterly basis. He added that overall, the financials are in healthy condition.

Commissioner Hellwig asked about the adult daycare center. Ms. Saldaña explained that it is called Accolade and Catholic Charities leases the space and runs the program.

Chairman Kralik asked the reason why the MPT Maintenance Contract Line item #34 was higher than budgeted. Mr. King explained that it was related to plumbing expenses. Chairman Kralik then asked why there was a variance of \$5,080 in Protective Service Line item #37. Mr. King said it was related to sprinkler systems.

Chairman Kralik stated that there was \$11,000 budgeted for staff training in the Voucher Program, but only \$1,558 had been used. Mr. Southward explained that the bulk would be used to train a new case manager and training on new software.

Mr. Southward explained that 2016 was a difficult year because there was new software, so he didn't find the time to hire a new case manager.

Chairman Kralik thanked Mr. Abbas for presenting the financials.

DEPARTMENTAL REPORTS

MILLS PARK TOWER

Mr. King reported that they are working hard on filling the vacancies. He said that 2 of the units would remain vacant so that they can be converted into accessible units. He said that vacancies are a priority.

Mr. King reported that the Oak Park Food Pantry contacted them last month regarding their Meal Surplus Program. He said that donations from Dominican University and River's Edge hospital are being taken to the Tower each day. He said we receive 15-25 meals per day for the residents. Mr. King asked for questions.

Commissioner Davis asked what kind of meals they are. Mr. King said they are mainly dinners. Commissioner Davis asked if the building residents are entirely seniors. Mr. King answered yes.

HOUSING CHOICE VOUCHER PROGRAM

Mr. Southward reported that 410 regular Vouchers are being utilized and 47 Mainstream Vouchers are being utilized.

Mr. Southward reported that there were 12 NED Vouchers being utilized. He said 5 Vouchers would be issued the following week; 1 to a chronically homeless client. He said that satisfied the 5 Vouchers we held for the chronically homeless.

Mr. Southward said we received one referral for NED. He said he sent out a pre-application and we are waiting for it to be returned; then we will schedule a meeting. He said he was working closely with a case manager.

Mr. Southward reported that we had 66 billable port-in clients and 23 port-out clients, for which other Housing Authorities are billing the OPHA.

Mr. Southward referred to the miscellaneous statistics for 2016 page of his report, adding that 772 inspections were scheduled of which 720 were completed. He also indicated that 8 applicants were leased units during 2016.

Mr. Southward reported that the demographics page was in his report. He asked for questions.

Commissioner Davis asked if it was possible to track failed re-inspection units. Mr. Southward said there's a likelihood we could.

Mr. Southward commented that once we stop payment, the landlord will make the repairs. He said it's seldom that the tenant has to move out.

Mr. Southward indicated that he would begin tracking the failed re-inspections that resulted in the abatement of the HAP. Chairman Kralik asked if the landlord has the ability to recoup their money once we abate. Mr. Southward said no; however we are very lenient prior to abating the HAP. He explained the inspections procedure.

Chairman Kralik said he appreciated the addition of the year end statistics page and new landlords portion to the report. He said that if we have the ability to track inspections in the monthly report, he thinks it would be good to add one line tracking failed re-inspections that resulted in rent abatement.

OLD BUSINESS

Commissioner Muse asked for an update regarding last month's discussion to invite Dr. Ben Carson, incoming HUD Secretary, to visit our Housing Authority. Commissioner Davis said he believed a formal letter should be sent to Dr. Carson.

Commissioner Muse indicated that she would like to be part of a team because she has a relationship with someone who could help. She proposed preparing a packet that would include a letter, and hosting a presentation that would include some conversation focusing on work in the housing area.

Ms. Saldaña said she believed the focus should be on efforts back in the 60's, when a fair housing ordinance was passed that set Oak Park on a course to embrace diversity.

Commissioner Davis said he would be happy to work with Commissioner Muse and thanked her for the outreach. He said he felt we should also outreach the Village, asking how we could coordinate the effort to do so. He said he thought the focus with the Village should be on the Housing Authority and background.

NEW BUSINESS

Ms. Saldaña reported that she would be sending out an e-mail to the board members for their approval of the submission of the SEMAP certification. She said it's due March 1st but we didn't have it ready for the board to approve at today's meeting. She asked for questions. Chairman Kralik asked if we anticipate the Authority receiving high performer status under SEMAP. Mr. Southward answered yes.

Commissioner Hill inquired about Commissioner Kelley's 6-month absence from the Board.

Ms. Saldaña stated that Commissioner Kelley requested taking a leave of absence, but we do not have a Board policy. She said she would contact Commissioner Kelley to discuss her intentions.

Mr. Abbas asked Ms. Saldaña to ask the Board about the possibility of paying off the mortgage on the Showalter House. Ms. Saldaña indicated that she would rather repair the house then pay off the mortgage at this time. Mr. King stated that he would look at the house once again to see if other repairs needed to be made.

PUBLIC COMMENTS

None

ADJOURNMENT

At 8:29 A.M., it was moved (Hellwig) and seconded (Hill) to adjourn. The motion passed unanimously.

Respectfully Submitted,

Linda Hill, Secretary