

## AGENDA OF THE PROVO CITY HOUSING AUTHORITY BOARD OF COMMISSIONERS

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### Annual Meeting

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**Date:** Wednesday, April 30, 2014  
**Time:** 4:15 p.m.-6:00 p.m.

**Location:** 650 West 100 North  
Provo, Utah

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#### Opening Business

1. **Welcome and Roll Call:** Vice-Chair Kau welcomed the Board and opened the meeting at 4:25 pm. The following members of the Board of Commissioners and Staff were in attendance at the time the meeting was called to order: Vice-Chair Jonathan Kau; Commissioner Craig Carlile; Commissioner Dave Gardner; Commissioner Valerie Lee via phone; Jeremy Runia, Executive Director; Cindy Daley, Rental Subsidy Manager; Donna Smith, Financial Services Manager; Dean Clement, Facilities Manager; and Erin Haley, Executive Assistant. Chairperson Douglas Gale joined the meeting via phone at 5:38 pm. Lance Mercer from Baird, Blackburn & Associates was also in attendance.
  2. **Approval of Minutes for Wednesday March 26, 2014:** Vice-Chair Kau referred the Board to Tab 1, which contained the Minutes for March 26, 2014. Commissioner Gardner moved to approve the Minutes for March 26, 2014. Commissioner Carlile seconded the motion. The motion passed unanimously, 4:0.
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#### Report of the Executive Director

1. **Project Reports:** Vice-Chair Kau requested that Mr. Runia update the Board on the current projects.
    - a. **St. Francis Apartments:** Mr. Runia informed the Board that things were progressing with the St. Francis project, and that while there had been some issues with the second access point from 500 West, he is in discussions with UDOT and Provo City did not foresee any problems which might slow down the development process.
    - b. **Ekins Property:** Mr. Runia pointed out that later in the Agenda there is an Action Item related to the Ekins project. He stated that this project is going smoothly, and he did not anticipate any issues related to funding or construction.
    - c. **Franklin Heights CROWN:** Mr. Runia informed the Board that the Franklin Heights CROWN project is now complete. The ribbon cutting and open house was successful, and the tenants are scheduled to move in on May 1<sup>st</sup>.
    - d. **Provo CROWN I:** Mr. Runia stated that the Provo CROWN I project is near the end of its 15-year compliance period. He stated that at this time this project will begin the process of dissolving the partnership and of selling the assets to the tenant renters.
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#### Discussion Items

1. **Public Comment for up to 10 Minutes:** There were not any members of the public present for the public comment period. The Board briefly discussed issues related to GRAMA requests.
  2. **Presentation of Financial Statements for the Year Ending September 30, 2013 Baird, Blackburn & Associates:** Vice-Chair Kau referred the Board to Tab 2, which contained the Financial Statements for the Year Ending September 30, 2013 and asked Lance Mercer of Baird, Blackburn & Associates to present the Financial Statements for the Year Ending September 30, 2013. Mr. Mercer presented the audit via PowerPoint, explaining in detail the various parts of the audit, including the following parts: Independent Auditors' Report,
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Management Discussion and Analysis, Combined Statement of Net Assets, the Notes to the Financial Statement, the Independent Auditors' Report on Compliance. Mr. Mercer stated that during the auditing process they found no instance of non-compliance with Federal or State regulations and the PCHA was granted an unqualified opinion and is considered a low risk auditee. He also stated it is a regular procedure during an audit for there to be recommendations for management, but there were not any findings or recommendations.

Vice-Chair Kau asked Donna Smith, Financial Services Manager if she had any questions or comments about the audit. Ms. Smith stated that even with the challenges the Housing Authority faced during 2013 because of sequestration, the year was successful due to the cost-saving measures passed by the Board in August. She expressed thanks to the auditing team Lance Mercer and Brent Stratton, who have worked well with the staff. The Board expressed appreciation to Ms. Smith for her hard work.

3. **Presentation of Draft of 2013 Annual Report:** Vice-Chair Kau referred the Board to the draft of the PCHA's 2013 Annual Report which had been distributed during the meeting. Mr. Runia stated that this was a draft of the Annual Report, and there were some things which needed to be fixed and asked or any comments or corrections from Board members. Format corrections were noted.
  4. **NAHRO Mountain West Regional Conference:** Vice-Chair Kau referred the Board to Tab 3, which contained information about the NAHRO Mountain West Regional Conference. Mr. Runia reminded the Board there was training available for Boards and Executive Directors which is available. He asked that if any Board Members were interested in attending that they let staff know by the end of the week.
  5. **Executive Assistant Update:** Vice-Chair Kau asked Mr. Runia to update the Board on staffing issues. Mr. Runia briefed the Board on the progress for the new staff.
  6. **REAC: Physical Score:** Vice-Chair Kau referred the Board to Tab 4, which contained the score for the Physical inspection for the REAC scoring system. Mr. Runia stated that the last physical inspection score was 27 and this time the Housing Authority scored 32. He stated that at this time we anticipate that the financial score will pull the total REAC score up to High Performer status.
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### Action Items

1. **Approve AIA Agreement between Provo City Housing Authority and Miller General Contractors, LLC for Ekins Property:** Vice-Chair Kau referred the Board to Tab 5, which contained an AIA Agreement between the PCHA and Miller General Contractors, LLC. Mr. Runia stated that this company was the 4<sup>th</sup> lowest bidder, but the first three had issues related to conditions and references. Commissioner Gardner moved to approve the AIA Agreement between Provo City Housing Authority and Miller General Contractors, LLC. Commissioner Carlile seconded the motion. The motion passed unanimously, 4:0.
  2. **Approve HOME Subrecipient Agreement for New Construction of Rental Affordable Housing Development:** Vice-Chair Kau referred the Board to Tab 6, which contained the HOME Subrecipient Agreement for New Construction of Rental Affordable Housing Development, for the Ekins property. Mr. Runia stated that he negotiated a 30-year term rather than a 20-year which would lower the monthly payment. He explained that the HOME program is a 0% interest loan, and extending the term of the loan would not increase the cost to the Housing Authority. Commissioner Carlile moved to approve the HOME Subrecipient Agreement for New Construction of Rental Affordable Housing Development. Commissioner Gardner seconded the motion. The motion passed unanimously, 4:0.
  3. **Approve CROWN Safety Equipment Installation Policy:** Vice-Chair Kau referred the Board to Tab 7, which contained two options for a policy for CROWN Safety Equipment Installation. The Board discussed the benefits to the two policies and discussed issues related to ownership of any equipment installed. Commissioner Carlile
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moved to approve option #2 with the addition of language that the Housing Authority would keep any equipment after the tenant moves from the property. Commissioner Lee seconded the motion. The motion passed unanimously, 4:0.

4. **Approve Section 8 Administrative Plan Change to Occupancy Standard:** Vice-Chair Kau referred the Board to Tab 8, which contained proposed changes to the Section 8 Administrative Plan Change to Occupancy Standard. Mr. Runia informed the Board that this language change comes as a recommendation from HUD. They have informed us that from a Fair Housing perspective some diagnoses cannot be restricted to two clinical professionals. Commissioner Gardner moved to approve the Section 8 Administrative Plan Change to Occupancy Standard. Commissioner Carlile seconded the motion. The motion passed unanimously, 4:0.
  5. **Election of Officers, Provo City Housing Authority:** Commissioner Richards, in absentia, nominated Commissioner Douglas Gale to serve as Chairperson of the Provo City Housing Authority. Commissioner Carlile seconded the nomination. Commissioner Gale was elected to serve as Chairperson by unanimous vote, 5:0. Commissioner Gale nominated Commissioner Jonathan Kau to serve as Vice-Chair of the Provo City Housing Authority. Commissioner Carlile seconded the nomination. Commissioner Kau was elected to serve as Vice-Chair by unanimous vote, 5:0.
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**Adjourn:** Commissioner Gardner moved to adjourn the meeting. Commissioner Carlile seconded the motion. The motion passed unanimously, 5:0. The meeting was closed at 5:42 p.m. The next meeting of the Provo City Housing Authority is scheduled for Wednesday, May 28, 2014 at 4:15 pm.

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