HOUSING AUTHORITY OF KITTITAS COUNTY
REGULAR BOARD MEETING
Wednesday, August 17, 2022

A regular meeting of the Housing Authority of Kittitas County Board of Commissioner was held Wednesday, August 17, 2022, at 107 W 11th Ave, Ellensburg, WA 98926, held by zoom conference call.

Commissioners Present:
Nicalee Smith, Chairperson
Rob Perkins, Vice Chairperson
Carole Rhodes, Commissioner via Zoom
John Littel, Commissioner via Zoom
David Hull, Commissioner via Zoom

Absent:

Staff Present:
Jennifer Ellis, Executive Director

Guests:

OPEN REGULAR MEETING AND INTRODUCTIONS

Chairperson Smith called the meeting to order at 7:06 a.m.

COMMENTS FROM THE PUBLIC AND GUESTS

There were no comments from the public nor any guests in attendance.

MINUTES

Commissioner Perkins moved to approve the July 20,2022 minutes of the regular meeting, seconded by Commissioner Littel. The motion passed unanimously.

CONSENT AGENDA

The Commissioners reviewed the July, 2022 Vouchers and July 2022 Project and Activity Status Reports and found no voucher irregularities or other irregularities. Commissioner Hull moved to approve the consent agenda, Commissioner Rhodes seconded. Motion passed unanimously.

MAY AND JUNE 2022 FINAL FINANCIAL REPORTS

The Board reviewed the May and June 2022 Financial Statements. Ellis noted Katie had requested information from HAKC's accountants, CLA, to better understand the categories utilized in the financials which also helped HAKC review the same and understand why certain categories may be different each month given the various expenses that were included in each category. Commissioner Hull moved for approval of the May and June 2022 Financial Statements. Commissioner Rhodes seconded. There were no additional questions from the Board or discussion. Motion passed unanimously.

RESOLUTIONS AND ACTION ITEMS

RESOLUTION 22-986 – Resolution Adopting Updated Pet Policy as an Addendum to the Dwelling Lease Agreement of the Housing Authority of Kittitas County. Ellis gave an introduction to the resolution and went through the portions of the pet policy that were being updated. Commissioner Perkins had questions about the language of the resolution wanting to assure that the resolution did not, by exclusion, fail to include all of the policy updates and asked if it would be better for the resolution to note the adoption of the new policy with a copy of the proposed policy rather than outline each update. The Board had additional questions related to the policy concerning any restrictions regarding bird size, except that they be kept in cages, whether or not the policy would apply to existing pets, concern regarding damage pets may cause to common areas, whether or not the policy required renters insurance for potential injury a pet may cause and whether a tenant could have a pet after being required to remove one for behavioral issues. Ellis noted that the policy would not apply retroactively, but would only take effect after passed by the Board. Additionally, Ellis noted that the policy did not apply to service or companion animals and that tenants were responsible for any animal waste in their unit and on HAKC property. Ellis noted there was

no restriction related to bird size and that the pet policy did not require renters insurance although tenants are always encouraged to carry the same and that dog bites would be the liability of the tenant but that the policy also outlines enforcement action HAKC may take if there is a violation of the pet policy including the removal of a pet. Ellis stated she would get additional information as to the consequence of having a pet removed from the premises would have on subsequent pet ownership by the tenant. Commissioner Perkins moved to table the resolution until these additional questions were answered. Commissioner Hull seconded the motion. There being no further discussion, roll call was taken and the motion passed unanimously.

RESOLUTION 22-987 – Resolution Adopting Write-Off for Tenants Vacated 1/1/2022-6/30/2022 Accounts Receivable Uncollectible Debts RAD LLP & Alder Terrace LLLP. Commissioner Perkins moved to approve the resolution. Commissioner Littel seconded. There being no discussion on the motion, roll call was taken and the motion passed unanimously.

RESOLUTION 22-988 – Resolution of the Board of Commissioners of the Housing Authority of Kittitas County Terminating the Public Housing Annual Contributions Contract (ACC) with HUD and Making Certain Representations With Respect Thereto. Ellis explained the resolution, noting that HUD wanted to have additional language included in the certification portion of the resolution regarding no real and personal property and including the certification that there were no outstanding debt obligations. Ellis noted that HUD counsel was willing to review the resolution in advance of the meeting to confirm the language, which was what was before the Board to review. Ellis also noted that the legal opinion supporting the resolution had also been updated and forwarded to the Board. Commissioner Perkins moved to approve the resolution, Commissioner Littel seconded. There being no further discussion, roll call was taken and the resolution passed unanimously.

INFORMATION ITEMS

- Executive Director Report –

  Operations/Maintenance Updates
  Ellis gave updates for maintenance and operations, noting that maintenance was continuing to field calls and work orders related to AC units in order to determine why some units continued to have issues and why there was such a greater volume of those issues. Maintenance has also been inspecting all AC units in an effort to identify any issue that might be contributing to others. Ellis noted that HAKC will be communicating with the vendor who installed the units about any ongoing concerns given the volume and that these are not old units so HAKC is trying to decipher why there are so many calls. HAKC has continued to work to find companies to service the units at an affordable rate, but will continue to do what is necessary to assure the units are working properly. HAKC continues to work on prioritizing lease compliance and moving forward with appropriate notices to get tenants in compliance.

  HUD ACC Closeout
  Ellis noted that the resolution and accompanying legal opinion for close out with HUD of the ACC will be forwarded to HUD for approval and that provided the resolution is satisfactory, HAKC should receive a memorandum from HUD approving the request for termination of the ACC.

  Kittitas RAD/Alder Terrace updates
  The Washington State Housing Finance Commission (WSHFC) does annual reviews of HAKC to assure compliance with the tax credit program and had been doing ongoing review for 2021. In that review, WSHFC noted some concerns it needed addressed regarding a tenancy where the tenants had lost their Section 8 subsidy for being over income. After that occurred, rent was adjusted and the tenants continued to pay rent through September of 2021. It was later discovered that the utility allowance being used in the calculation of rent was not correct and had been changed effective January 1, 2021. Due to the same, the tenants were overcharged $9/month from May through September, 2021. Immediately after the issue was discovered, HAKC rectified the same and issued a check to the tenants for the overpayment. HAKC also learned that it would be responsible to check on applicable utility allowances quarterly to assure that they had the proper figures to utilize. In response to the same, WSHFC was required to issue a Corrected 8823 and send the same to the IRS, which occurred at the end of July. HAKC also

advised CREA that the corrected 8823 was issued and was forwarded a copy of the same.

Audits
HAKC is currently working to finalize its FY2021 agency audit with Novogradac. HAKC was also contacted by the State Auditor's Office and advised that it will be starting its review of HAKC's FY2020 for the financial and single audit.

Pine Terrace
HAKC had recent communication with Ad-West regarding the current manager leaving and new individuals being hired for management at Pine Terrace. Ad West stating that it was planning to convert the existing ADA unit to a manager unit. HAKC has scheduled a meeting with Ad-West to discuss the same. Ellis also noted that HAKC's management documents with Ad-West do not include provisions regarding on-site management so that will need to be addressed if they are going to hire on-site management and providing a unit as well. Ellis noted that Pine Terrace expenditures are also subject to HAKC's own procurement policies.

Development Strategy and Discussion

October 13, 2022 is a potential date for a board retreat. Crystal Church had been recommended by the facilitator that Ellis had originally spoken to. Ellis outlined other work Church had done. Commissioner Rhodes noted that she knew Ms. Church. Ellis spoke with Church about her availability for that potential date and inquired as to cost as well. Ellis noted that she would inquire with additional facilitators if anyone had any suggestions. Chairperson Smith noted that she was familiar with a facilitator out of Leavenworth and would forward that information along as well.

Chairperson Smith asked if there was any additional information or questions to address at the meeting. There was no additional information or questions from members of the Board. Chairperson Smith noted the next meeting of September 21, 2022. Having no further business Commissioner Perkins moved to adjourn and Commissioner Rhodes seconded. Motion passed. Chairperson Smith ADJOURNED the meeting at 8 a.m.

Next Meeting: September 21, 2022, 7 A.M. Regular Meeting
Minutes respectfully submitted by Jennifer Ellis, Executive Director

SEAL:

ATTEST

Nicalee Smith,Chair

Jennifer Ellis, Secretary