HOUSING AUTHORITY OF KITTITAS COUNTY
REGULAR BOARD MEETING
Wednesday, February 21, 2024

A regular meeting of the Housing Authority of Kittitas County Board of Commissioners was held Wednesday, February 21, 2024, at 107 W 11th Ave, Ellensburg, WA 98926, held in person and by zoom conference call.

Commissioners Present:
Nicalee Smith, Chairperson
Rob Perkins, Vice Chairperson
Carole Rhodes, Commissioner via Zoom

Absent:
John Littel, Commissioner (excused)

Staff Present:
Jennifer Ellis, Executive Director
Katie Haggin, Operations Supervisor

Guests:

OPEN REGULAR MEETING AND INTRODUCTIONS

Chairperson Smith called the meeting to order at 7:01 a.m.

COMMENTS FROM THE PUBLIC AND GUESTS

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

MINUTES

Vice Chair Perkins moved to approve the January 17, 2024 minutes of the regular meeting, seconded by Commissioner Rhodes. The motion passed unanimously.

CONSENT AGENDA

The Commissioners reviewed the January 2024 Vouchers and Project and Activity Status Reports and found no voucher irregularities or other irregularities. Commissioner Rhodes asked about the significant accounts receivable in the January activity report regarding significant funds HAKC is awaiting from Yakima Housing Authority. Haggin noted that Yakima had gone through a software/system conversion which has resulted in delay in connection to HAP payments received for tenants. Haggin also noted that per the HAP contract, YHA has 60 days so start HAP payments for new tenants and so some of the wait is attributed to that. Haggin stated that most of the HAP payment issues have been resolved so next month's report should show lower figures in connection to HAP payments. Commissioner Rhodes inquired as to how significant the current waitlist were for the properties. Haggin outlined the status of the waitlists. Vicechair Perkins inquired about how families were put on what lists and what occupancy guidelines were followed. Haggin outlined the requirements for the same. Vice Chair Perkins moved to approve the consent agenda, Commissioner Rhodes seconded. There being no additional questions, motion passed unanimously.

DECEMBER 2023 DRAFT FINANCIAL REPORTS

Ellis briefly outlined the December financials, noting that they were in draft form as the financials won't be finalized until the audits are complete.

RESOLUTIONS AND ACTION ITEMS

Recommendation on Board Vacancy: Ellis stated that the Board of County Commissioners would like a letter or email confirming HAKC Board support for any recommendation made for the appointment of a new Commissioner to the HAKC Board. Commissioner Rhodes inquired if there had been recent contact with the applicant, Peter Stone, to confirm if he was still interested in serving on the Board. Ellis noted that her last communication with him had been in late November, 2023. Chairperson Smith noted that she

had reached out via phone and email inviting Mr. Stone to the board meeting, but had not heard back and was concerned the information may not have been received. Commissioner Rhodes made a motion to have Ellis follow up to confirm Mr. Stone's interest and availability to serve and if he was still interested, to submit the recommendation to the Board of County Commissioners. Vice Chair Perkins seconded the motion. There being no further discussion, the motion passed unanimously.

INFORMATION ITEMS

- Executive Director Report –

  Operations and Maintenance Update

  Draft audits for both partnerships have been received and are being circulated to accounting and CREA for any questions. Provided there are no changes or adjustments required, the audits will be finalized and submitted to CREA. Draft tax returns for the partnerships have also been received and will be reviewed.
  Ellis noted that HAKC had reached out to CREA to address an increase in management fees for the units as it has been operating under the same management fees initially set in September, 2019. HAKC confirmed how the fees were initially set and the financial model that had been proposed in 2019 as to how the management fees were projected to increase over time. HAKC proposed that management fees be increased to the levels referenced for 2024 in the financial model for the partnerships with a 3% per annum increase. Ellis also reached out to Jim Brawner to confirm how the fees were originally set and he noted that while management fees can be increased, HAKC also received the net distribution of income at the end of each year that goes toward paying down the loans HAKC issued to the partnerships and that how fees are set utilizes a reasonableness standard. Management fees could be increased, but it would ultimately reduce the net income distribution to HAKC however it is not unreasonable to have the management fees be more adequately reflected.

  There has been a slight downturn in unit turnovers and so maintenance has had the opportunity to do more prep work for the season and preventative maintenance on the property sites. There will also be additional training regarding on-site inspections for staff later in the morning.

  Pine Terrace

  The audit and return for Pine Terrace are currently underway and there are just a few remaining open items that will be handled by Ad-West.

  Wage Study
  The wage study will require an RFP, which has been prepared. The Board discussed whether or not to include a review of the benefits portion, feeling it would be beneficial to be able to identify what other agencies are doing any trends or changes in what is offered. Ellis was directed to finalize the RFP and send out and will advise when bids were received for the Board to determine if a subcommittee should be formed to review the same.

  Meeting with City of Ellensburg Housing and Grants Administrator
  Ellis and Haggin met with Lily Frey, the new Housing and Grants Administrator for the City of Ellensburg. Ms. Frey had requested a meeting to discuss what HAKC is doing to maintain affordable and low income housing in the area and to get some historical background as to the purpose of the agency. Ms. Frey works with the City's Affordable Housing Commission and asked if HAKC could present at their May, 2024 meeting. Ms. Frey expressed a desire to work together and help support what HAKC is doing and to discuss further partnership opportunities should they arise. Commissioner Rhodes noted that the health network is also looking at transitional housing opportunities for folks after discharge from health care facilities.

  Proposal at 101 W. Washington Avenue
  Ellis noted that Matthew Stalder had communicated about another project being planned at 101 W. Washington in Ellensburg for an 8 unit project. Vice Chair Perkins noted that it would be helpful for Ellis and Stalder to have a preliminary discussion before any presentation to the Board to determine what would be available for subsidy for the project. Haggin and Ellis noted that any

subsidy discussion likely needs to go through YHA to determine what might be available for a project.

AHWA quarterly meeting
Ellis attended a portion of the quarterly AHWA meeting via Zoom and received information on state and federal legislative updates and what issues were being lobbied for on behalf of AHWA at the State level.

Accounting RFP
Haggin noted that HAKC would be moving forward with an RFP for accounting. Vice Chair Perkins inquired if there were other agencies that other housing authorities had utilized and Ellis and Haggin noted that they had reached out to other agencies who had made changes but did not hear back. HAKC will follow up to see what other accounting firms might be qualified to assist.

Executive Session -
Chairperson Smith announced that the Board would go into executive session for 10 minutes at 7:55 a.m. to discuss potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency (RCW 42.30.110(1)(i). The Board came out of the executive session at 8:04 a.m. No action was taken in executive session.

There being no additional comments or questions from the Board, Chairperson Smith stated that the next meeting would be on March 20, 2024. Commissioner Rhodes moved to adjourn the meeting with Vice Chair Perkins seconding. Motion passed. Chairperson Smith ADJOURNED the meeting at 8:06 a.m.

Next Meeting: March 20, 2024, 7 A.M. Regular Meeting
Minutes respectfully submitted by Jennifer Ellis, Executive Director

SEAL:

ATTEST

Jennifer Ellis, Secretary

Nicalee Smith,Chair