

MINUTES

**Grand Junction Housing Authority
Board of Commissioners Meeting**

**August 26, 2002
Conference Room
1011 North Tenth: 11:30 a.m.**

1. Call to Order

Board Chair, Gabe DeGabriele, called the August Board of Commissioners' Meeting to order at 11:40 a.m. The following individuals were in attendance: Harry Butler, Gabe DeGabriele, Erin Ginter, Steve Heinemann, Cory Hunt, Gi Moon, Jody Kole, Esther Lucero-Cardona, Steven Elliott, Kristine Franz, and Greg Hancock. Kathleen Belgard and Mr. Rich Krohn, representing the law firm of Dufford, Waldeck, Milburn & Krohn, L.L.P., joined the meeting later.

2. Consent Calendar

It was requested that the July 22nd Meeting Minutes be removed from the Consent Calendar.

The amended Consent Calendar was approved unanimously with a motion made by Erin and a second by Gi.

Gi requested that her name be referenced as the one opposing vote pertaining to amending the Board Travel Budget and Policy (in paragraph five on page three) of the July 22nd Meeting Minutes. The motion for this addition was made by Gi, seconded by Steve, and passed unanimously.

3. Presentation of the Third Quarter Financial Statements

Steven Elliott, Finance Director, began the financial presentation by informing the Board that a Capital Expenditure Summary has been added to the report as extra information and is included at the end of the report. The Executive Summary was reviewed noting that there was a positive cash flow in unrestricted assets due to positive numbers for Lincoln Apartments and the Voucher Program. Additional attention was given to property vacancy rates. Lincoln Apartments is at 5.5% vacancy and Crystal Brook is at 2.8%. The remaining properties are around 1% vacancy. The Operating Cash Flow Chart was explained and Steven identified Capital Terrace as being behind budget and Ratekin Tower's budgeted loss is due to capital improvements.

Kathleen Belgard joined the meeting at 11:55 a.m.

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Steven addressed the variances indicated on the Combined Operating Report as follows: (1) many of the variances are due to timing differences between actual and budget, (2) the variance in the Professional Fees line item is due to increased legal and audit fees plus the costs for the 2002 April Strategic Planning Retreat, and (3) interest income is below budget due to the substantial drop in interest rates.

4. Presentation of Fiscal Year 2003 Annual Budget

Steven distributed Part 1 of the proposed Fiscal Year 2003 Budgets which included budgets for Lincoln Apartments, Ratekin Tower, Walnut Park, Capital Terrace and the Housing Advocate Program. Specific items were addressed in the General Notes section of the Budget for better clarity to aid Board Members with their review of the document.

5. Special Budget Meeting

Holding a special budget meeting to review the entire Fiscal Year 2003 Annual Budget was recommended. With a joint consensus, a targeted date of September 11th at 11:30 a.m. was set and Steven indicated the remaining necessary budget information would be distributed to Board Members prior to this meeting for their review.

Mr. Rich Krohn, of Dufford, Waldeck, Milburn & Krohn, L.L.P., joined the meeting at 12:08 p.m.

6. Review of Bids Submitted for the Agency's Audit Services

Gi and Steven wrote a Request For Proposal (RFP) soliciting auditing services for the Grand Junction Housing Authority for a three-year period beginning September 30, 2002, for Fiscal Year 2003. The RFP was advertised in the *Daily Sentinel* with four responses received and reviewed by Gi and Steven. The strengths and weaknesses of each firm were discussed followed by a motion made by Gi, and seconded by Kathleen, to approach Dalby Wendland & Company with a proposal of a 5% or \$2000 cost reduction. Voting produced a 4-3 vote with the three abstentions from Harry, Gabe, and Steve. Steven will proceed with the request.

7. Downtown Housing Effort Meeting on September 12th

Jody announced that re-energizing representatives of the Downtown Housing Effort and their direction is underway! As a result of meeting with Mr. Harold Stalf, Executive Director of the Downtown Development Authority (DDA), a tentative meeting has been scheduled for September 12th at 11:30 a.m. at our facility and Board Members are encouraged to attend. Jody covered the

proposed agenda as well as explained the map, which will serve as a visual aid tool. The map area within the red boundary represents the original square mile of Grand Junction and the blue shaded map area (within the red boundary) further denotes the area referred to as the Downtown Development District. Presently, there is \$325,000 in funds available for improvements within the red boundary area. Should a Downtown Housing Effort Committee decision be made for developments/renovation, etc. in the blue “downtown” area, it is likely the DAA will contribute additional funds. It was the preference of the Grand Junction Housing Authority Board that the funds be used to make a “noticeable difference” such as building a new structure versus using the money for “lots of little improvements”.

8. Tentatively Scheduled Needs Assessment Meeting With Local Joint Policy Makers

Jody reported that the Grand Junction City Council would address the housing issues as part of the City’s Strategic Plan at its September 24th meeting. A tentative joint Needs Assessment meeting hosted by Mesa County, with all the partners, is scheduled for September 26th. Greg Hancock, Development Director, mentioned that he has already shared the findings individually with several of the partners during their own meetings and has scheduled similar briefings with the remaining associates. He added that favorable feedback on the Assessment has been received from these entities.

9. Attendance Confirmation at the NAHRO’s 2002 National Conference

Since all Board Members will be attending the NAHRO’s 2002 National Conference in Seattle from October 26th – 31st, a cost breakdown was distributed for reference to help analyze the most economical trip logistics.

10. Other Business, if any

Sale of Pitkin Property

Greg informed the group of his activities thus far concerning the sale of the Pitkin property. He has contacted three independent auctioneers. After he stepped through the auction process, considerable group dialogue took place regarding whether to auction the property and, if so, which auctioneer to contract with, or to list the property in the Multiple Listing Service with a commercial broker. Board voting resulted in the decision to auction the property – 5 votes for auction and 1 vote for listing. Further voting determined a minimum property sales price would be established – 4 votes for a minimum price, 1 vote for no minimum price, and 1 abstention from Erin. Additional direction was given by the Board to require a guarantee of \$50,000 net from the sale of this property or the sale is void.

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City Acquired Right-of-Way from Capital Terrace Townhomes

Esther Lucero-Cardona, Assistant Director, reported the City of Grand Junction and the Grand Junction Housing Authority have come to an agreement regarding the right-of-way the City intends to acquire from Capital Terrace Townhomes.

The total offer of compensation is \$10,831.65 plus an additional \$1,200 in lieu of reinstalling a wooden fence on the property. Rich Krohn, Grand Junction Housing Authority attorney, felt this was a generous and fair offer.

Total Compensation Plan and Benefits Comparability Study

Esther reported that the Organizational Management Group out of Knoxville, Tennessee, was the firm selected to conduct the Total Compensation Plan and Benefits Comparability Study for the Agency. Mr. Larry Russell will be on-site tomorrow, August 27th, to meet with staff. The Compensation Plan completion date has been extended until the end of November to allow adequate survey/review time with similar agencies for wage comparisons.

11. Executive Session – C.R.S. 24-6-402(4)(b)

Steve made a motion at 1:20 p.m., which was seconded by Gi, to move into Executive Session to receive legal advice regarding potential litigation as threatened by previous tenants at Ratekin Tower Apartments.

12. Adjourn

The meeting was adjourned at 1:56 p.m. with a motion by Gi, seconded by Gabe, and unanimously adopted.