

# A G E N D A

## BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

Quarterly Meeting  
Tuesday, October 17, 2017  
5:30 p.m.

Closed session immediately following

Housing Authority of the County of Merced  
Administration Building  
405 "U" Street  
Board Room – Building B (Second Floor)  
Merced, CA 95341  
(209) 386-4139

Rachel Torres, Chairperson  
Margaret Pia, Vice-Chair  
Jose Delgadillo  
Evelyne Dorsey  
Jack Jackson  
Rick Osorio  
Jose Resendez

**All persons requesting disability related modifications or accommodations may contact the Housing Authority of the County of Merced at (209) 386-4139, 72 hours prior to the public meeting.**

All supporting documentation is available for public review in the office of the Administrative Assistant located in the Housing Authority Administration Building, Second Floor, 405 "U" Street, Merced, CA 95341 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday.

The Agenda is available online at [www.merced-pha.com](http://www.merced-pha.com)

**Use of cell phones, pagers, and other communication devices is prohibited while the Board Meeting is in session. Please turn all devices off or place on silent alert and leave the room to use.**

### I. CALL TO ORDER AND ROLL

### II. COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA

(M/S/C): \_\_\_/\_\_\_/\_\_\_

### III. APPROVAL OF THE FOLLOWING MEETING MINUTES

A. September 19, 2017 Regular Meeting

(M/S/C): \_\_\_/\_\_\_/\_\_\_

#### IV. UNSCHEDULED ORAL COMMUNICATION

##### NOTICE TO THE PUBLIC

This portion of the meeting is set aside for members of the public to comment on any item within the jurisdiction of the Commission, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Commission at this time.

For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Commission. Any person addressing the Commission under Public Comment will be limited to a 5-minute presentation.

All persons addressing the Commission are requested to state their name and address for the record.

#### V. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered routine by the Housing Authority and will be adopted by one action of the Board of Commissioners, unless any Board Member has any question(s), or wishes to discuss an item. In that event, the Chairperson will remove that item from the Consent Calendar and place it for separate consideration.

- A. PHAS Report for September 2017
- B. Aged Receivables Report September 2017
- C. Financial Reports for September 2017
- D. Public Housing Flat Rent Schedule

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

#### VI. BUSINESS (INFORMATION AND DISCUSSION, RESOLUTION and ACTION ITEMS):

##### A. Information/Discussion Item(s):

##### 1.) Director's Updates

- i. Quarterly Department Reviews – Included in packet
- ii. Housing Authority Bonds Update
- iii. SEMAP Update
- iv. End of Fiscal Year Update
- v. Meeting with MCOE Assistant Superintendent – John Magnusson

##### B. Resolution Item(s):

- 1.) **Resolution No. 2017-09:** Approving the award of contract for Property Management for Merced Commons I, Merced Commons II and Oak Terrace Apartment properties and authorizing the Executive Director to enter into contract.

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

- 2.) **Resolution No. 2017-21:** Amending the previously approved salary schedule to reflect the additional allocation for the position of Clerk of the Board and Human Resources Manager.

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

- 3.) **Resolution No. 2017-25:** Approving an amendment to the Employment Contract between the Housing Authority of the County of Merced and Rosa Vazquez.

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

- 4.) **Resolution No. 2017-26:** Approving Side Letter of Understanding between Local 2703, American Federation of State, County and Municipal Employees (AFL-CIO) and The Housing Authority of The County of Merced regarding Employee Orientation Bill (AB 119).

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

- 5.) **Resolution No. 2017-27:** Authorizing the Executive Director to enter into an amended purchase and sale agreement with Patricia Murillo for 2314 First Street, Atwater, CA accepting the \$142,000.00 indebtedness as satisfied in full, and authorizing the reconveyance of the property and recordation thereof.

(M/S/C): \_\_\_\_/\_\_\_\_/\_\_\_\_

C. Action Item(s):

None

**VII. COMMISSIONER'S COMMENTS**

**VIII. CLOSED SESSION ITEM(S)**

- A. Pursuant to Government Code §54957  
*Public Employee Performance Evaluation for Executive Director*

**IX. ADJOURNMENT**

# MINUTES

## BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

### Regular Meeting Tuesday, September 19, 2017

- I. The meeting was called to order by Chairperson Torres at 5:30 p.m. and the Secretary was instructed to call the roll.

**Commissioners Present:**

Rachel Torres, Chairperson  
Margaret Pia, Vice-Chair  
Jose Delgadillo  
Evelyne Dorsey  
Jack Jackson  
Rick Osorio  
Jose Resendez

**Commissioners Absent:**

Rick Osorio

Chairperson Torres declared there was a quorum present.

**Staff Present:**

Rosa Vazquez, Executive Director/Board Secretary  
Brian Watkins, Finance Officer  
Blanca Arrate, Director of Housing Programs  
Gina Thexton, Director of Housing Programs  
Maria F. Alvarado, Executive Assistant  
Carmen Ramirez, Legal Counsel  
David G. Ritchie, Legal Counsel

**Others Present:**

Mary McWatters, AFSCME Business Agent  
Bertha Perez, Member of the Public  
Britt Lemas, HACM Staff  
Felix Zuniga, HACM Staff  
Guillermo Ruelas, HACM Staff  
Janae Elmasian, HACM Staff  
Lori Gonzales, HACM Staff  
Luis Mendez, HACM Staff  
Martin Cardenas, HACM Staff  
Rita Davis, HACM Staff  
Ruben Pimentel, HACM Staff  
Samuel Arellano, HACM Staff  
Steven Perez, HACM Staff

II. **COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA:**

None

(M/S/C): Commissioner Delgadillo/Commissioner Resendez/passed unanimously

### **III. APPROVAL OF THE FOLLOWING MEETING MINUTES:**

A. August 15, 2017 Special Meeting

(M/S/C): Commissioner Pia/Commissioner Resendez/passed unanimously

B. August 15, 2017 Regular Meeting

C. August 29, 2017 Special Meeting

(M/S/C): Commissioner Delgadillo/Commissioner Jackson/passed unanimously

### **IV. UNSCHEDULED ORAL COMMUNICATION:**

Mary McWatters, AFSCME Business Agent was present to discuss issues that staff members have. Ms. McWatters also asks that prior to approving the new management position and discuss the closed session item, the Board take into consideration that lack of checks and balances upper management has affects line staff. Ms. McWatters also requests that the Board conduct a confidential survey to assess how upper management is doing. Ms. McWatters states that staff is miserable and at times feels degraded. Ms. McWatters states that she has brought these concerns to Executive Director Vazquez and no action has been taken. Ms. McWatters states that she has suggested Labor Management Meetings but was told that these would turn into “*\*profanity\** fests”. Ms. McWatters states that there is an “us against them” mentality amongst management and line staff and that line staff does not feel supported. Ms. McWatters notes that Labor Management Meetings are in the MOU. Ms. McWatters states that line staff fear retaliation. Ms. McWatters states that upper management takes two hour lunches and they lack accountability. Ms. McWatters states that the Board is only made aware of the things upper management wants them to know. In order for the Board to know what is really going on they must speak to line staff. Ms. McWatters states that 99.9% of staff members are miserable and she hears this every day. Ms. McWatters also requests that the new management position have an education requirement comparable to others and that if created, it be posted so that other staff members may apply. Ms. McWatters added that outside agencies conduct the aforementioned surveys and this is truly necessary as the entire Agency is unhappy.

Guillermo Ruelas, HACM Eligibility Specialist opened by stating that he loves his job and servicing the public. Mr. Ruelas states he is not here to complain about management but draw attention to relations between management and line staff. Mr. Ruelas would like the Board to look into the lack of checks and balances for management. Specifically, Mr. Ruelas was issued a written reprimand and when he requested a “Skelley Hearing” it was denied. Mr. Ruelas’ only option was to formally respond. He submitted a formal response, received acknowledgement but did not receive clarification on why the reprimand was issued. Mr. Ruelas states that indeed staff is miserable but not due to the work but due to the negative and unfair atmosphere. Mr. Ruelas requests that the Board set something in place to hear line staff’s concerns. Mr. Ruelas also mentioned that management takes two hour lunches. Mr. Ruelas states that the stress of these management issues is creating an obstacle and it hinders him from doing his work as he has to stop and relax.

Bertha Perez, Member of the Public, requests that the Board listen to all of the staff complaints and also states she is appalled that service workers are treated this way.

**V. CONSENT CALENDAR:**

- A. PHAS Report for August 2017
- B. Aged Receivables Report August 2017
- C. Financial Reports for August 2017

(M/S/C): Commissioner Pia/Commissioner Dorsey/passed unanimously

**VI. BUSINESS (INFORMATION AND DISCUSSION, RESOLUTION and ACTION ITEMS):**

A. Information/discussion Item(s):

1.) Director's Updates:

- a. The yearly audit has concluded and this year the auditors focused on the HCV Department. Public Housing will be reviewed next year. The auditors will return on March 18, 2018.
- b. CFP Projects are still in progress and have entered the second phase. This project is expected to be completed by November 2017.
- c. The Development Tech and Lead Foreman attended CFP training at the San Francisco field office.
- d. Executive Director Vazquez met with County Supervisor Lee Lor. Supervisor Lor extended her assistance to the Housing Authority and will assist with preparing letters on the Housing Authority's behalf.
- e. Executive Director Vazquez and Director Thexton met with Continuum of Care do discuss allocating 100 vouchers to assist their clients.
- f. Executive Director Vazquez met with Stanislaus Housing Authority to discuss partnering in a project to build units for VASH clients. Stanislaus is willing to share their plans/blue prints.
- g. The Housing Authority will be submitting a request to HUD for additional VASH vouchers.

B. Resolutions Item(s):

- 1.) **Resolution No. 2017-20:** Amending the previously approved salary schedule to reflect the additional allocation for the position of Farmworker Center Aide.

(M/S/C): Commissioner Pia/Commissioner Dorsey/passed unanimously

- 2.) **Resolution No. 2017-21:** Amending the previously approved salary schedule to reflect the additional allocation for the position of Clerk of the Board and Human Resources Manager.

(M/S/C): Commissioner Torres/Commissioner Pia/Tabled

3.) **Resolution No. 2017-22:** Approving the revisions to the Maintenance Manager job description.

(M/S/C): Commissioner Pia/Commissioner Dorsey/passed unanimously

4.) **Resolution No. 2017-23:** Approving the award of contract for RFP 2017-07 and authorizing the Executive Director to enter into contract.

(M/S/C): Commissioner Pia/Commissioner Jackson/passed unanimously

5.) **Resolution No. 2017-24:** Approving the PHA Operating Budget for Fiscal Year 2017-2018.

(M/S/C): Commissioner Pia/Commissioner Resendez/passed unanimously

C. Action Item(s):

None

**VII. COMMISSIONER’S COMMENTS:**

The Board thanked all of those in attendance for their comments.

**VIII. CLOSED SESSION ITEM(S):**

The Board of Commissioners went into closed session at 6:07 p.m. The following people were present:

<u>Board Members</u>	<u>Others Present</u>
Rachel Torres, Chair	Rennise Ferrario, Executive/Director/Board Secretary
Margaret Pia, Vice-Chair	Carmen Ramirez, Legal Counsel
Jose Delgadillo	David G. Ritchie, Legal Counsel
Evelyne Dorsey	
Jose Resendez	
Jack Jackson	

**A. Pursuant to Government Code §54957**

Public Employee Performance Evaluation for Executive Director

The Board came out of Closed Session at 6:37 p.m. and Chairperson Torres, reported that no action had been taken and that instructions were given to staff regarding the closed session item.

**IX. ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 6:52 p.m.

\_\_\_\_\_  
Chairperson Signature / Date

\_\_\_\_\_  
Secretary Signature/ Date

**PHAS Tracking Summary  
Fiscal Year Ending 09/30/17**

Indicators	Estimated Status at End of Month												
	Performance Scoring	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Lease Up Days		31	95	137	137	144	153	170	166	170	170	170	170
Average Lease Up Days		10	19	23	20	13	10	9	8	7	7	6	5
Make Ready Time		83	91	125	133	202	307	379	389	457	457	490	704
Average Make Ready Days		28	18	21	19	18	20	20	19	18	18	18	19
Down Days		0	31	31	31	58	65	65	72	83	83	84	252
Average Down Days		0	6	5	4	5	4	3	3	3	3	3	7
Total # Vacant Units Turned		3	5	6	7	11	15	19	21	25	25	28	38
Total # Turn Around Days		114	217	293	301	404	525	614	627	710	710	744	1126
Average Turn Around Days (To Date)	A = 0-20 B = 21-25 C = 26-30 D = 31-40 E = 41-50 F = more than 50	38	43	49	43	37	35	32	30	28	28	27	30

% Emergency Work Orders Abated W/in 24 hours	A = 99% B = 98% C = 97% D = 96% E = 95% F = less than 95%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	99%	99%	99%
Average # days to complete Non-Emergency Work Orders	A = 25 days or less B = 26-360 C = 31-40 D = 41-50 E = 51-60 F = greater than 60	15	14	12	11	11	11	14	14	14	14	14	14	16

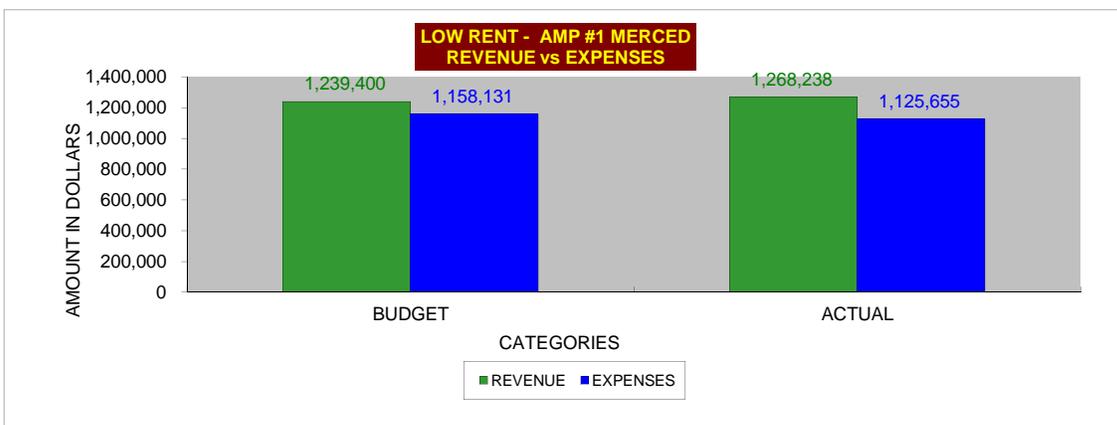
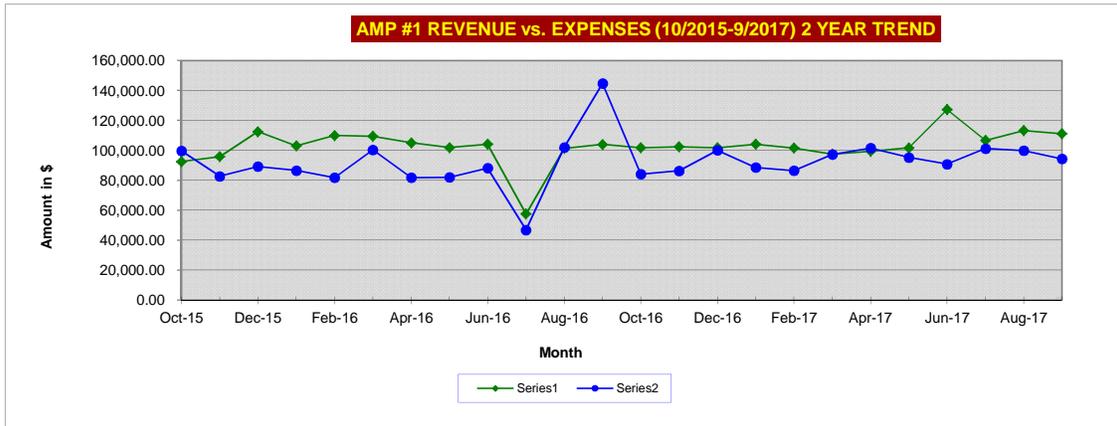
# Merced Summarized AR-II

Trans through=09/30/2017

Amp Code	Property Code	Thirty Day	Sixty Day	Ninety Day	OverNinety Day	Total AR	Prepayments	Ending Balance	Total Charges Past Year	% AR of Charges
<b>AMP 1-Merced and Atwater</b>										
PH-AMP1	ca023001	1,202.97	-	-	-	1,202.97	(281.88)	921.09	410,120.58	0.29%
PH-AMP1	ca023010	1,399.19	203.22	(10.00)	(258.20)	1,334.21	(2,539.11)	(1,204.90)	202,561.41	0.66%
PH-AMP1	ca023013	298.57	(330.00)	-	48.15	16.72	-	16.72	74,351.95	0.02%
PH-AMP1	ca023021	-	-	-	-	-	(20.12)	(20.12)	4,572.00	0.00%
PH-AMP1	ca023023	18.11	-	-	-	18.11	-	18.11	12,788.00	0.14%
<b>Total AMP 1-Merced and Atwater</b>		<b>2,918.84</b>	<b>(126.78)</b>	<b>(10.00)</b>	<b>(210.05)</b>	<b>2,572.01</b>	<b>(2,841.11)</b>	<b>(269.10)</b>	<b>704,393.94</b>	<b>0.37%</b>
<b>AMP 2-Atwater, Winton, and Livingston</b>										
PH-AMP2	012a	90.74	(106.00)	-	(1,252.01)	(1,267.27)	(1,273.83)	(2,541.10)	139,454.95	-0.91%
PH-AMP2	012b	-	(301.00)	-	-	(301.00)	(591.17)	(892.17)	34,234.15	-0.88%
PH-AMP2	atw	22.00	-	-	-	22.00	(523.00)	(501.00)	90,393.91	0.02%
PH-AMP2	ca023003	632.95	-	-	456.26	1,089.21	(7.70)	1,081.51	68,278.58	1.60%
PH-AMP2	ca023006	663.10	356.61	10.00	23.79	1,053.50	(1,393.69)	(340.19)	344,244.12	0.31%
<b>Total AMP 2-Atwater, Winton, and Livir</b>		<b>1,408.79</b>	<b>(50.39)</b>	<b>10.00</b>	<b>(771.96)</b>	<b>596.44</b>	<b>(3,789.39)</b>	<b>(3,192.95)</b>	<b>676,605.71</b>	<b>0.09%</b>
<b>AMP 3-Los Banos and Dos Palos</b>										
PH-AMP3	012c	46.20	-	-	-	46.20	(58.06)	(11.86)	43,305.36	0.11%
PH-AMP3	012d	10.00	-	-	-	10.00	(1,549.60)	(1,539.60)	40,027.09	0.02%
PH-AMP3	ca023002	229.62	-	-	(552.00)	(322.38)	(1,027.70)	(1,350.08)	91,691.62	-0.35%
PH-AMP3	ca023004	1,813.71	407.38	10.00	931.25	3,162.34	-	3,162.34	207,949.01	1.52%
PH-AMP3	ca023005	893.48	101.00	-	306.28	1,300.76	(1,455.51)	(154.75)	100,267.23	1.30%
PH-AMP3	ca023011	14.68	-	-	-	14.68	(244.67)	(229.99)	52,532.92	0.03%
PH-AMP3	dp	40.00	-	-	936.00	976.00	(1,143.10)	(167.10)	159,511.78	0.61%
PH-AMP3	mid	1,301.35	1,856.95	(435.00)	996.78	3,720.08	-	3,720.08	281,175.83	1.32%
<b>Total AMP 3-Los Banos and Dos Palos</b>		<b>4,349.04</b>	<b>2,365.33</b>	<b>(425.00)</b>	<b>2,618.31</b>	<b>8,907.68</b>	<b>(5,478.64)</b>	<b>3,429.04</b>	<b>976,460.84</b>	<b>0.91%</b>
<b>AMP 4-Merced</b>										
PH-AMP4	ca023024	5.00	-	-	-	5.00	(72.00)	(67.00)	18,233.18	0.03%
<b>Total AMP 4-Merced</b>		<b>5.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.00</b>	<b>(72.00)</b>	<b>(67.00)</b>	<b>18,233.18</b>	<b>0.03%</b>
<b>FTYR-Planada</b>										
Farm Labor Housing	ft-yr	1,288.12	200.00	-	1,797.00	3,285.12	(2,301.00)	984.12	573,500.00	0.57%
<b>Total FTYR-Planada</b>		<b>1,288.12</b>	<b>200.00</b>	<b>-</b>	<b>1,797.00</b>	<b>3,285.12</b>	<b>(2,301.00)</b>	<b>984.12</b>	<b>573,500.00</b>	<b>0.57%</b>
<b>Langdon-Merced</b>										
Langdon	langdon	756.00	-	-	-	756.00	(880.00)	(124.00)	10,326.00	7.32%
<b>Total Langdon-Merced</b>		<b>756.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>756.00</b>	<b>(880.00)</b>	<b>(124.00)</b>	<b>10,326.00</b>	<b>7.32%</b>
<b>TOTALS</b>		<b>10,725.79</b>	<b>2,388.16</b>	<b>(425.00)</b>	<b>3,433.30</b>	<b>16,122.25</b>	<b>(15,362.14)</b>	<b>760.11</b>	<b>2,959,519.67</b>	<b>0.54%</b>

01-Oct-16

TO: 30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	624,000	683,993	295.45	323.86
NON-DWELL. RENTS	54,400	0	25.76	0.00
OTHER INCOME	16,000	24,839	7.58	11.76
PFS SUBSIDY	545,000	559,406	258.05	264.87
	<b>1,239,400</b>	<b>1,268,238</b>	586.84	600.49

EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	377,500	335,408	178.74	158.81
TENANT SERVICES	54,400	287	25.76	0.14
UTILITIES	176,600	181,687	83.62	86.03
MAINT.	304,833	392,145	144.33	185.67
GENERAL	117,500	90,573	55.63	42.88
DEPRECIATION	127,298	125,556	60.27	59.45
EQUITY TRANSFERS	0	0	0.00	0.00
	<b>1,158,131</b>	<b>1,125,655</b>	548.35	532.98

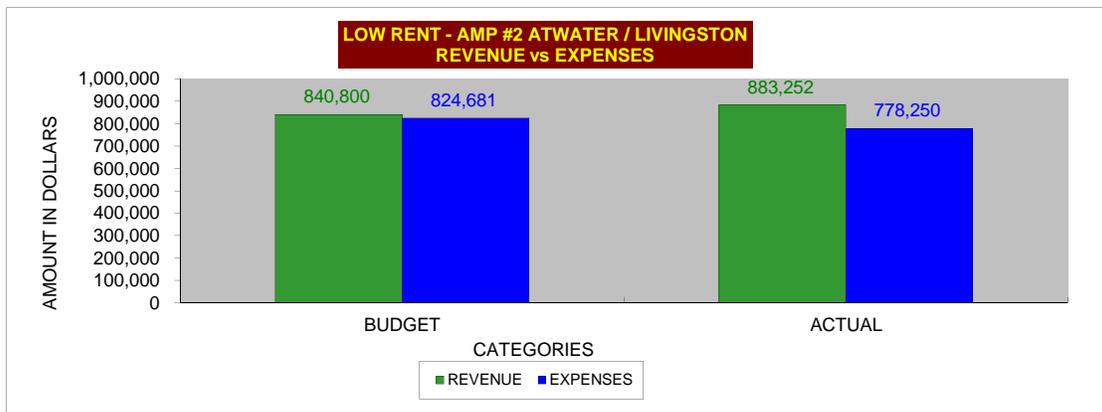
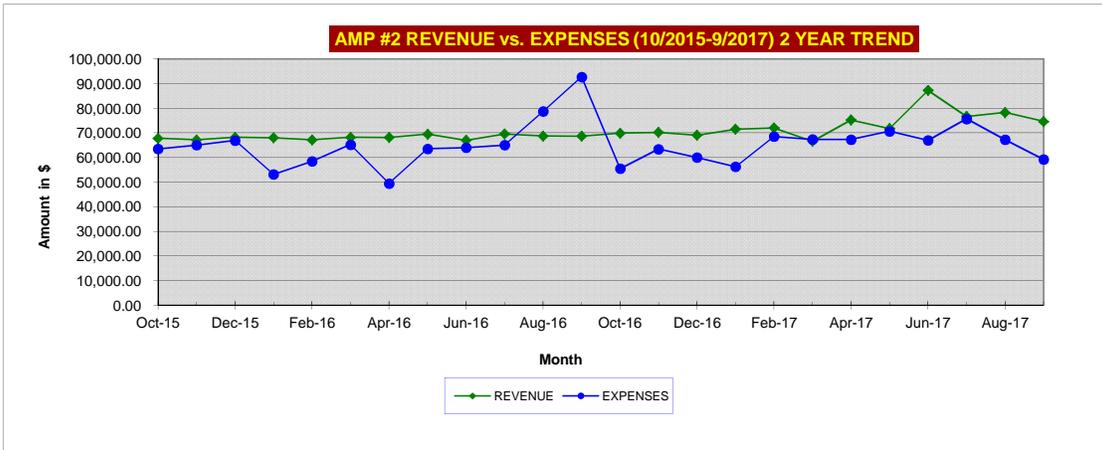
NET SURPLUS	81,269	142,583
NET FROM OPERATIONS	<b>81,269</b>	<b>142,583</b>

ENDING EQUITY BALANCE	<b>2,327,568</b>	<b>2,266,254</b>
-----------------------	------------------	------------------

NET SURPLUS	81,269	142,583
ADD BACK DEPRECIATION	127,298	125,556
<b>CASH FLOW</b>	<b>208,567</b>	<b>268,139</b>

01-Oct-16

TO: 30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	537,000	571,832	382.48	407.29
INTEREST	0	0	0.00	0.00
OTHER INCOME	10,900	14,665	7.76	10.44
PFS SUBSIDY	292,900	296,755	208.62	211.36
	<b>840,800</b>	<b>883,252</b>	598.86	629.09
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	268,304	244,899	191.10	174.43
UTILITIES	149,800	166,030	106.70	118.25
MAINT.	242,805	223,584	172.94	159.25
GENERAL	92,400	73,125	65.81	52.08
DEPRECIATION	71,372	70,392	50.83	50.14
EQUITY TRANSFERS	0	0	0.00	0.00
	<b>824,681</b>	<b>778,250</b>	587.38	554.31
NET SURPLUS	16,119	105,001		
NET FROM OPERATIONS	16,119	105,001		
ENDING EQUITY BALANCE	1,811,969	1,723,087		
NET SURPLUS	16,119	105,001		
ADD BACK DEPRECIATION	71,372	70,392		
CASH FLOW	87,491	175,393		

HOUSING AUTHORITY OF THE COUNTY OF MERCED

AMP 3 (.fs-amp3)

REVENUE & EXPENDITURE STATUS REPORT

FISCAL YEAR PERIOD FROM: 10/01/16 TO: 9/30/2017

REPORT PERIOD FROM:

01-Oct-16

TO:

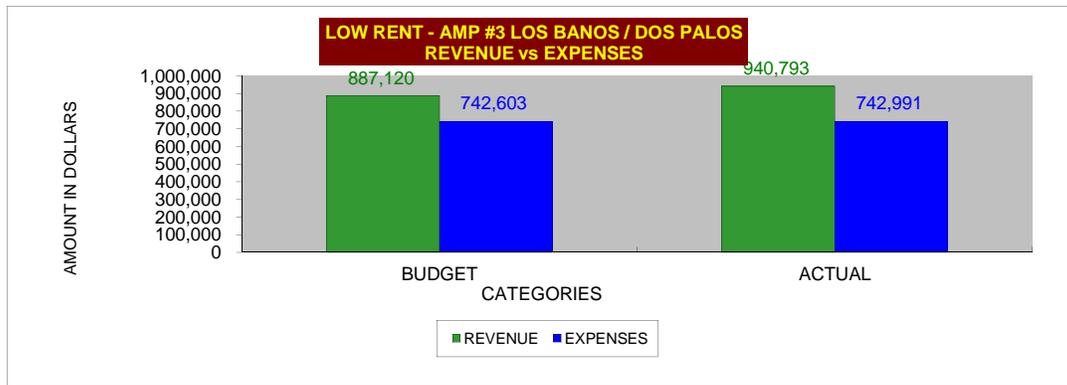
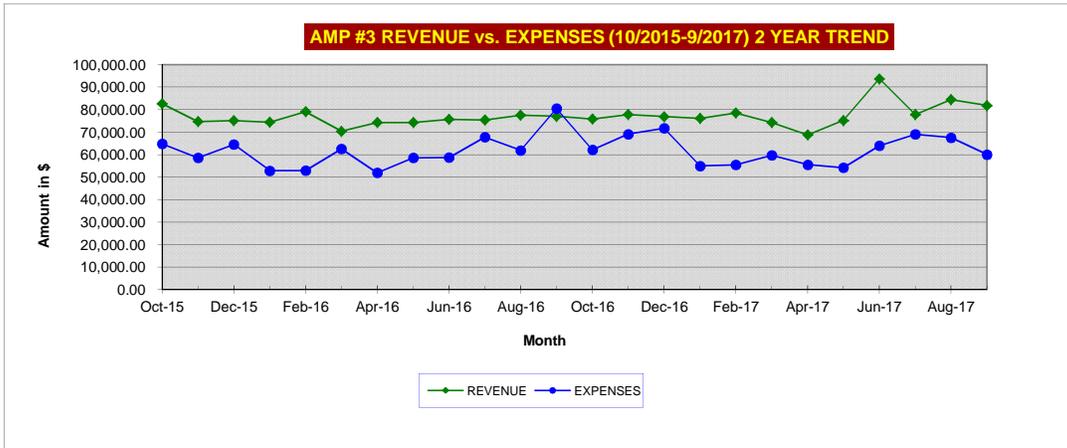
REV. RATE:

100.0%

# UNIT/MONTH:

1,464

30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	458,000	518,957	312.84	354.48
INTEREST	0	0	0.00	0.00
OTHER INCOME	16,000	20,610	10.93	14.08
PFS SUBSIDY	413,120	401,226	282.19	274.06
	<b>887,120</b>	<b>940,793</b>	605.96	642.62

EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	250,803	238,431	171.31	162.86
UTILITIES	140,600	140,693	96.04	96.10
MAINT.	214,875	233,355	146.77	159.40
GENERAL	77,900	72,717	53.21	49.67
DEPRECIATION	58,425	57,624	39.91	39.36
EQUITY TRANSFERS	0	0	0.00	0.00
	<b>742,603</b>	<b>742,991</b>	507.24	507.51

NET SURPLUS	144,517	197,802
NET FROM OPERATIONS	144,517	197,802

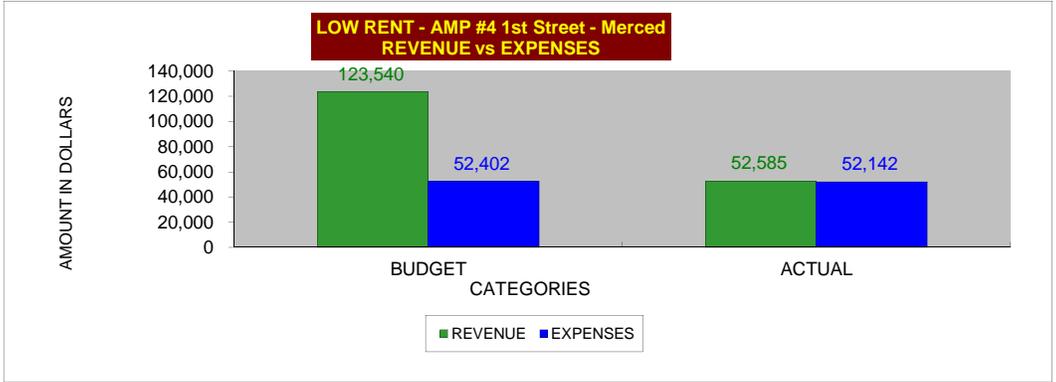
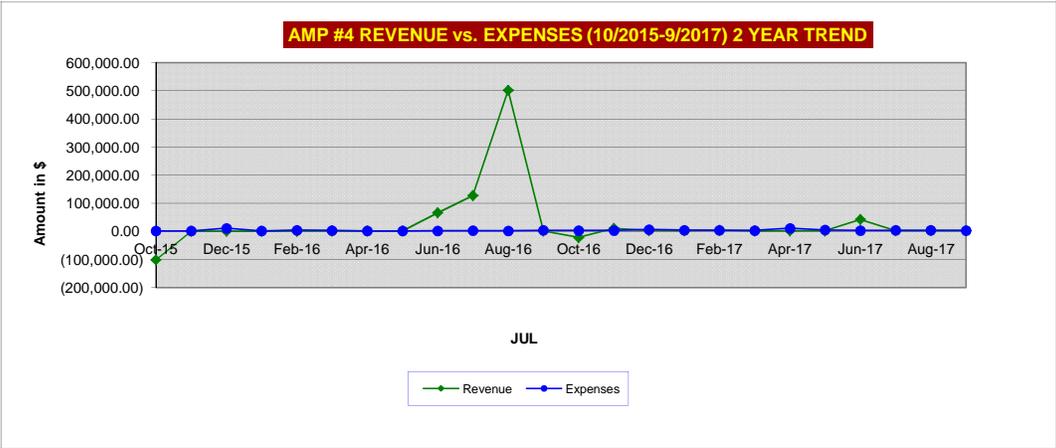
  

ENDING EQUITY BALANCE	1,632,610	1,579,325
-----------------------	-----------	-----------

NET SURPLUS	144,517	197,802
ADD BACK DEPRECIATION	58,425	57,624
CASH FLOW	202,942	255,426

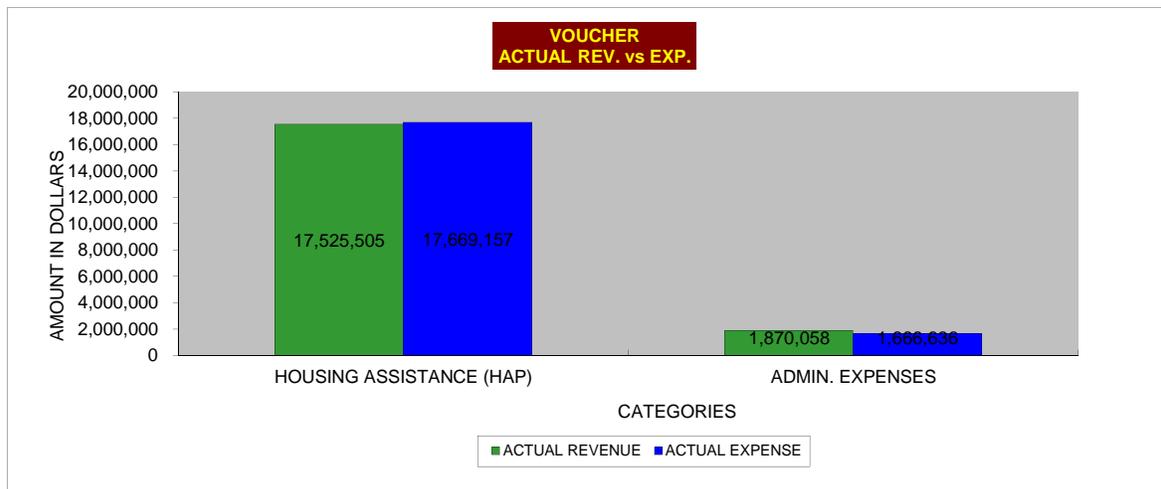
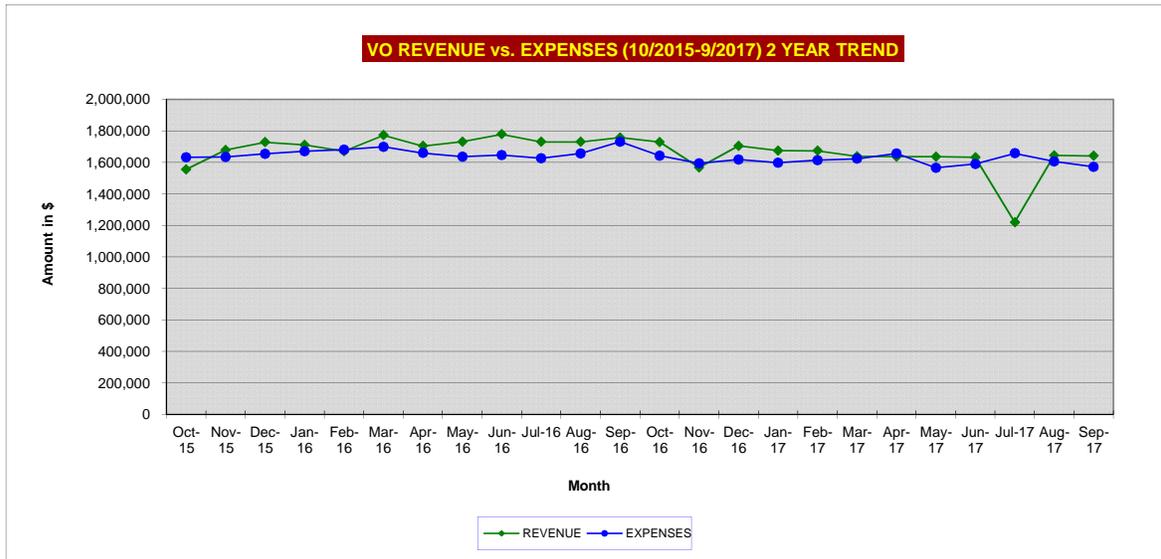
01-Oct-16 TO: 30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	15,000	17,768	208.33	246.78
OTHER INCOME	0	507	0.00	7.04
PFS SUBSIDY	108,540	34,310	1,507.50	476.53
CFP FUNDS	0	0	0.00	0.00
	<b>123,540</b>	<b>52,585</b>	<b>1,715.83</b>	<b>730.35</b>
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	17,856	8,350	248.00	115.97
UTILITIES	5,860	5,864	81.39	81.44
MAINT.	11,865	21,597	164.79	299.96
GENERAL	3,021	2,723	41.96	37.82
DEPRECIATION	13,800	13,608	191.67	189.00
EQUITY TRANSFERS	0	0	0.00	0.00
	<b>52,402</b>	<b>52,142</b>	<b>727.81</b>	<b>724.19</b>
NET SURPLUS	71,138	443		
NET FROM OPERATIONS	<b>71,138</b>	<b>443</b>		
ENDING EQUITY BALANCE	<b>782,240</b>	<b>852,935</b>		
NET SURPLUS	71,138	443		
ADD BACK DEPRECIATION	13,800	13,608		
CASH FLOW	<b>84,938</b>	<b>14,051</b>		

01-Oct-16

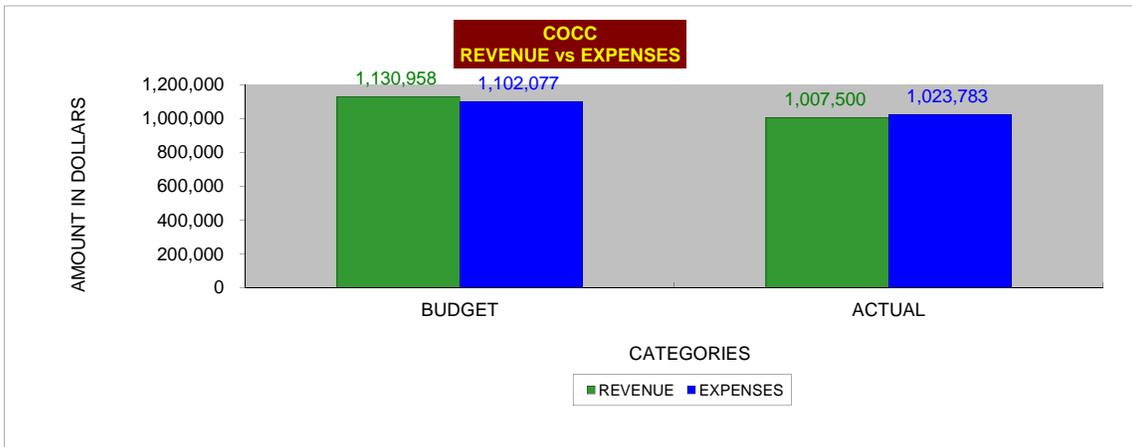
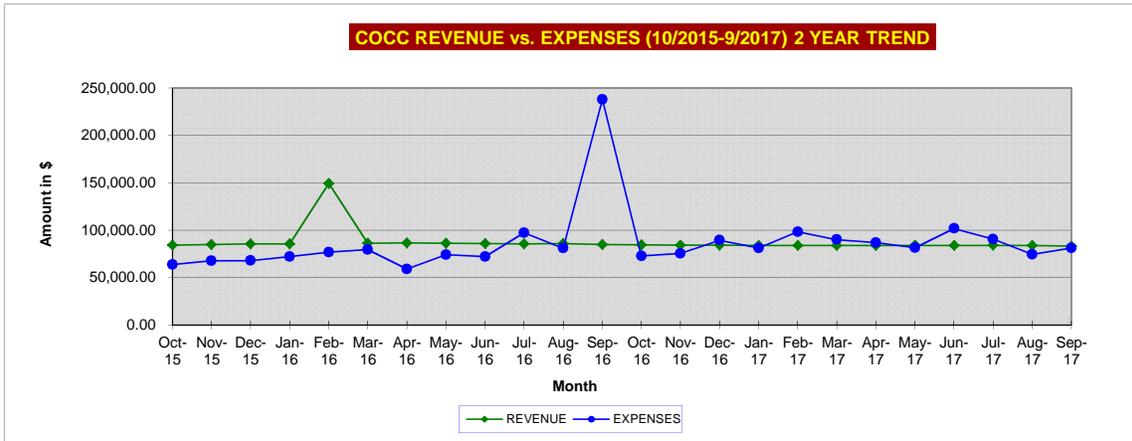
TO: 30-Sep-17



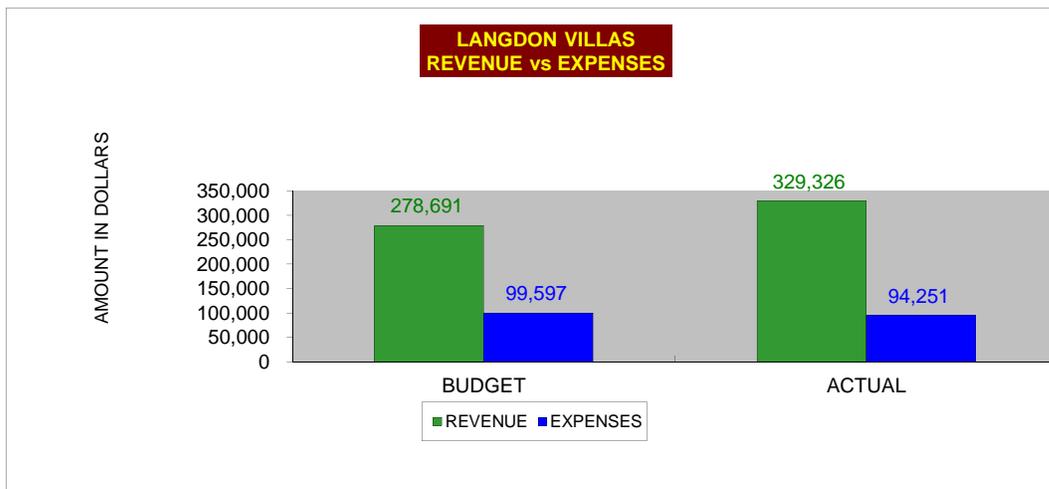
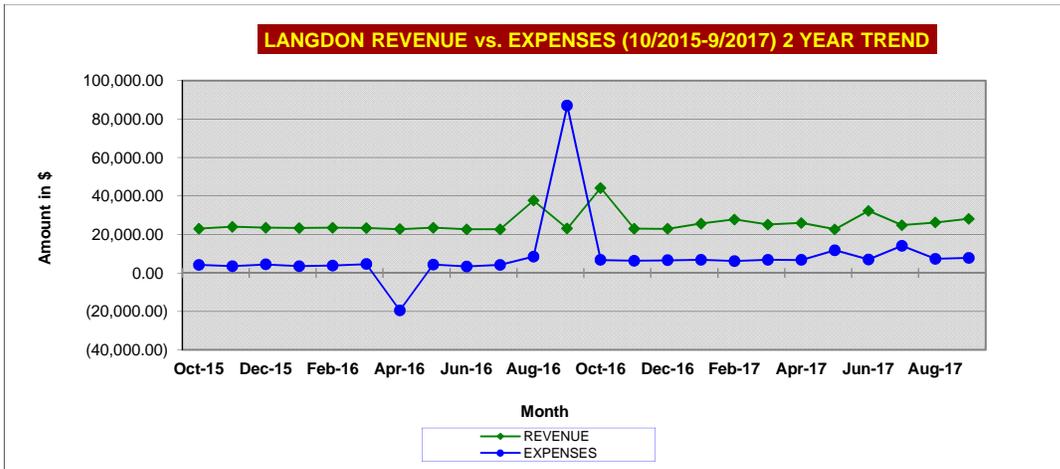
REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
HOUSING ASSISTANCE (HAP)	18,503,548	17,525,505	552.48	523.27
ADMIN. FEES	1,833,800	1,870,058	54.75	55.84
	20,337,348	19,395,564	607.23	579.11
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
HOUSING ASSISTANCE (HAP)	18,307,300	17,669,157	546.62	527.56
ADMIN. EXPENSES	1,656,949	1,666,636	49.47	49.76
	19,964,249	19,335,793	596.09	577.32
<b>NET SURPLUS</b>	<b>373,099</b>	<b>59,771</b>		
HAP SURPLUS YTD Change	196,248	(140,248)		
ADMIN SURPLUS YTD Change	176,851	200,018		
HAP SURPLUS BALANCE	183,719	(152,777)		
ADMIN SURPLUS BALANCE	(341,285)	(318,118)		

01-Oct-16

TO: 30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
INTEREST	0	0	0.00	0.00
OTHER INCOME	0	0	0.00	0.00
MANAGEMENT FEES	1,017,200	1,007,500	345.99	342.69
ASSET MANAGEMENT FEES	49,800	0	16.94	0.00
CFP ADMIN FEES	63,958	0	21.75	0.00
	<b>1,130,958</b>	<b>1,007,500</b>	384.68	342.69
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	964,477	872,628	328.05	296.81
UTILITIES	31,900	41,568	10.85	14.14
MAINT.	36,200	54,763	12.31	18.63
GENERAL	69,500	54,671	23.64	18.60
	<b>1,102,077</b>	<b>1,023,783</b>	374.85	348.23
NET SURPLUS	28,881	(16,283)		
NET FROM OPERATIONS	28,881	(16,283)		
ENDING RESERVE BALANCE	(261,058)	(306,222)		
NET SURPLUS	28,881	(16,283)		
ADD BACK DEPRECIATION	0	0		
CASH FLOW	28,881	(16,283)		



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	46,200	46,200	3,850.00	3,850.00
INTEREST	0	0	0.00	0.00
MANAGEMENT FEES	220,491	221,202	18,374.25	18,433.50
OTHER INCOME	12,000	40,886	1,000.00	3,407.18
	<b>278,691</b>	<b>329,326</b>	23,224.25	27,443.85
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	53,109	44,654	4,425.75	3,721.13
UTILITIES	1,500	1,286	125.00	107.14
MAINT. & OPER.	3,050	12,536	254.17	1,044.69
GENERAL	41,938	35,775	3,494.83	2,981.28
	<b>99,597</b>	<b>94,251</b>	8,299.75	7,854.24
<b>NET SURPLUS</b>	<b>179,094</b>	<b>235,075</b>		
<b>ENDING EQUITY BALANCE</b>	<b>9,996,239</b>	<b>10,052,220</b>		

**HOUSING AUTHORITY OF THE COUNTY OF MERCED**

Langdon

**ASSETS, LIABILITIES & FUND EQUITY**

FISCAL YEAR PERIOD FROM: 10/01/16 TO: 9/30/2017

REPORT PERIOD FROM:

01-Oct-16

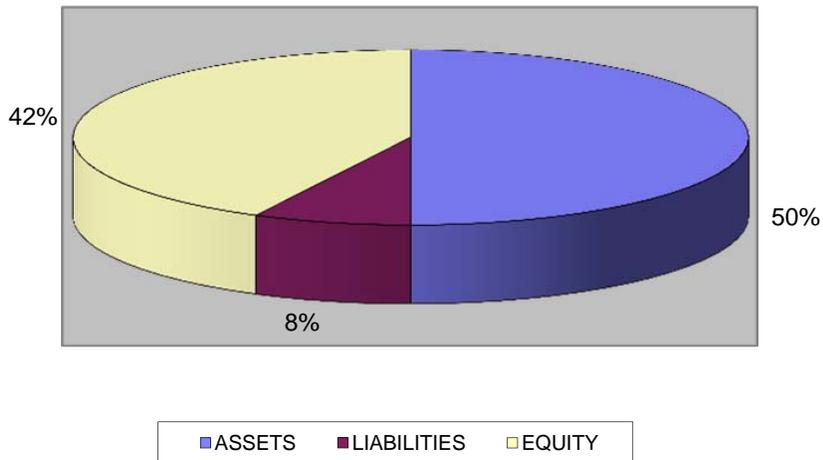
TO:

30-Sep-17

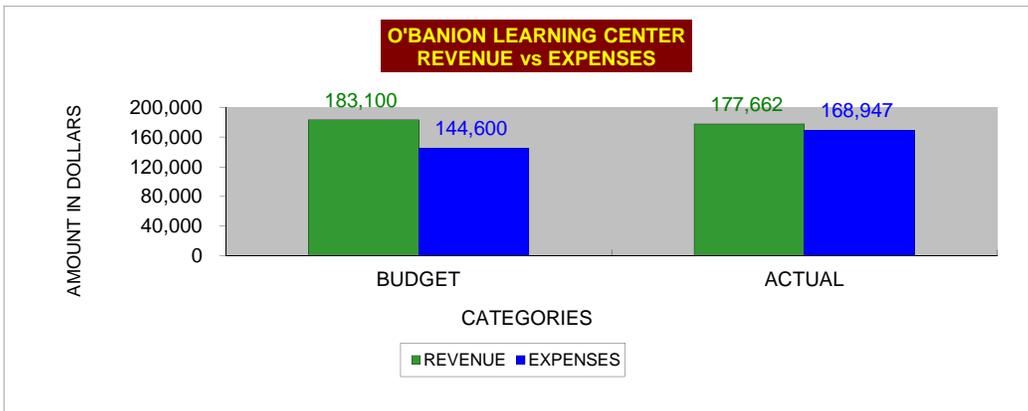
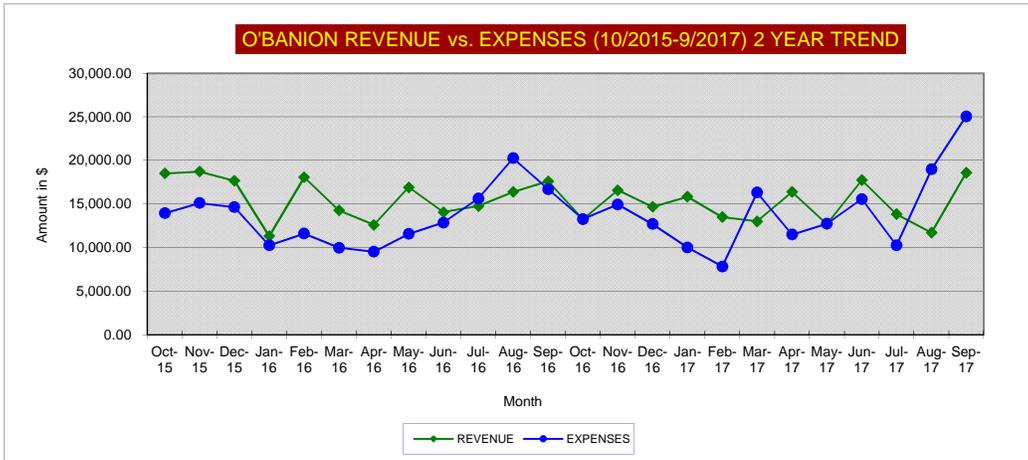
EXPEND. RATE:

# UNIT/MONTH:

**LANGDON VILLA  
BALANCE SHEET**



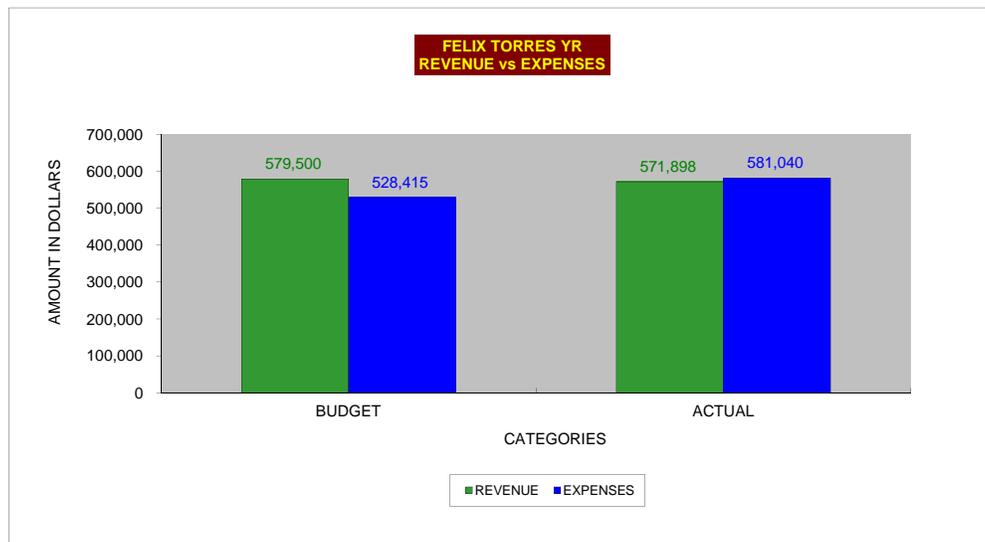
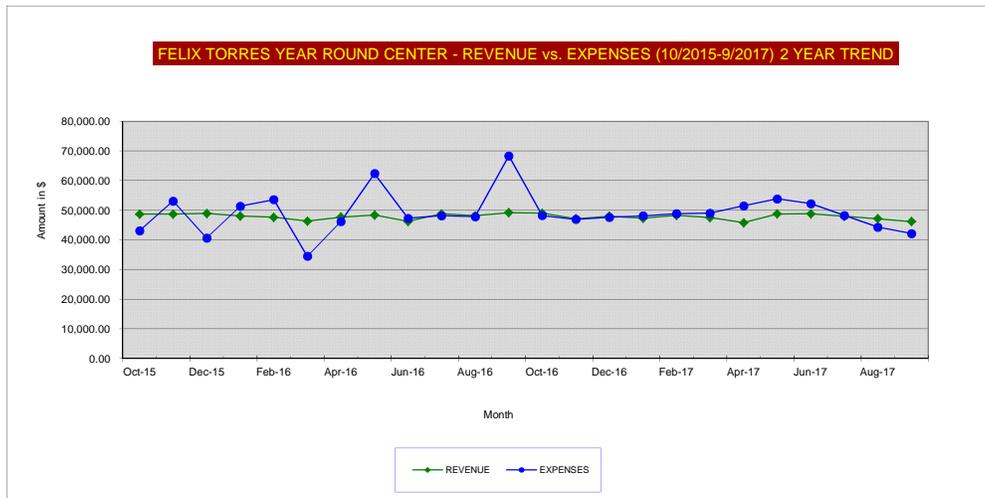
CATEGORIES	ASSETS	LIABILITIES	EQUITY	
CASH	3,834,635			
ACCTS. RECEIVABLE	887			
FIXED ASSETS	123,914			
NOTES RECEIVABLE	959,589			
2nd Trust Deeds	4,343,437			
OTHER L/T ASSETS	2,642,369			
DEFERRED OUTFLOWS	120,881			
ACCOUNTS PAYABLE		1,743		
Other Current Liabilities		149,392		
NOTES PAYABLE		0		
Other Non Current Liabilities		1,491,672		
DEFERRED INFLOWS		173,421		
PRIOR YEARS			9,974,407	
CURRENT YEAR			235,075	
EQUITY TRANSFERS			0	
	<b>\$12,025,711</b>	<b>\$1,816,229</b>	<b>\$10,209,482</b>	<b>\$12,025,711</b>
				LIAB. + EQUITY



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
NON-DWELL. RENTS	183,100	177,662	2,543.06	2,467.52
OTHER INCOME	0	0	0.00	0.00
	<b>183,100</b>	<b>177,662</b>	2,543.06	2,467.52
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	19,500	19,245	270.83	267.29
UTILITIES	47,500	68,404	659.72	950.06
MAINT. & OPER.	21,000	26,974	291.67	374.64
GENERAL	2,800	1,260	38.89	17.50
DEPRECIATION	53,800	53,064	747.22	737.00
	<b>144,600</b>	<b>168,947</b>	2,008.33	2,346.49
NET SURPLUS	38,500	8,715		
ENDING EQUITY BALANCE	2,470,219	2,440,434		
ADD BACK DEPRECIATION	53,800	53,064		
CASH FLOW	92,300	61,779		

01-Oct-16

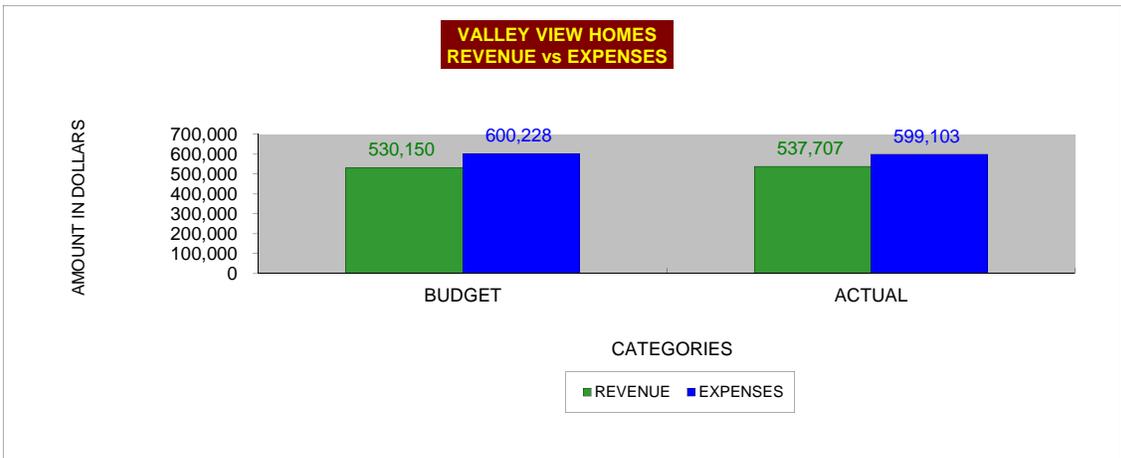
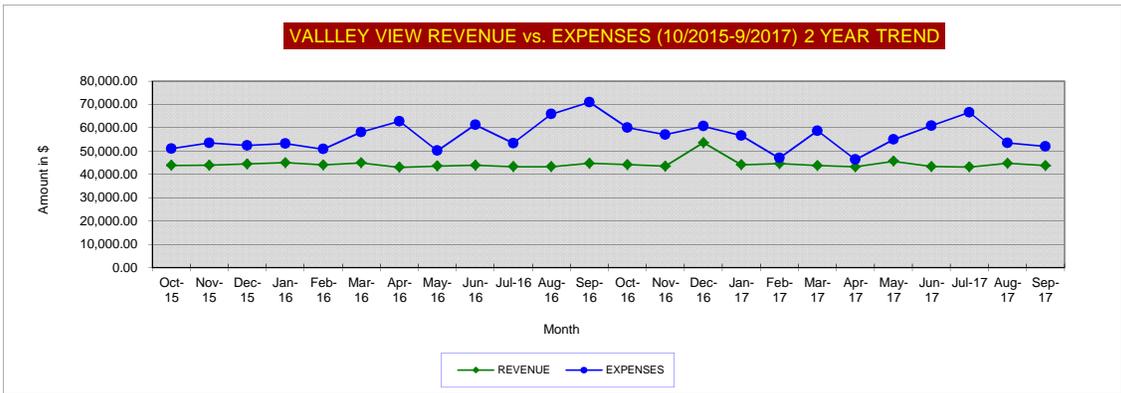
TO: 30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	576,200	570,711	1,043.84	1,033.90
INTEREST	100	0	0.18	0.00
OTHER INCOME	3,200	1,187	5.80	2.15
	<b>579,500</b>	<b>571,898</b>	1,049.82	1,036.05
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	135,583	62,657	245.62	113.51
UTILITIES	88,000	86,447	159.42	156.61
MAINT.	47,420	99,597	85.91	180.43
GENERAL	54,500	132,202	98.73	239.50
DEPRECIATION	202,912	200,136	367.59	362.57
EQUITY TRANSFERS	0	0	0.00	0.00
	<b>528,415</b>	<b>581,040</b>	957.27	1,052.62
NET SURPLUS	51,085	(9,142)		
NET FROM OPERATIONS	51,085	(9,142)		
ENDING EQUITY BALANCE	(113,743)	(173,970)		
NET SURPLUS	51,085	(9,142)		
ADD BACK DEPRECIATION	202,912	200,136		
LESS CAPITAL EXPENDITURES	0	0		
<b>CASH FLOW</b>	<b>253,997</b>	<b>190,994</b>		

01-Oct-16

TO: 30-Sep-17



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	520,100	521,080	593.72	594.84
INTEREST	50	0	0.06	0.00
OTHER INCOME	10,000	16,627	11.42	18.98
	<b>530,150</b>	<b>537,707</b>	605.20	613.82
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	128,209	114,308	146.36	130.49
UTILITIES	92,400	90,279	105.48	103.06
MAINT. & OPER.	107,250	141,161	122.43	161.14
GENERAL	46,225	30,059	52.77	34.31
DEPRECIATION	40,519	39,960	46.25	45.62
BOND INTEREST	167,375	165,084	191.07	188.45
BOND REPLACEMENT RESV	18,250	18,252	20.83	20.84
	<b>600,228</b>	<b>599,103</b>	685.19	683.91
<b>NET SURPLUS</b>	<b>(70,078)</b>	<b>(61,397)</b>		
BOND PRINCIPAL	75,000	75,000		
<b>ADJUSTED SURPLUS</b>	<b>(145,078)</b>	<b>(136,397)</b>		
ADD BACK DEPRECIATION	40,519	39,960		
ADD BACK BOND COST AMORT	16,725	16,500		
<b>CASH FLOW</b>	<b>(87,834)</b>	<b>(79,937)</b>		
<b>ENDING EQUITY BALANCE</b>	<b>(2,598,939)</b>	<b>(2,590,257)</b>		

HOUSING AUTHORITY OF THE COUNTY OF MERCED

Migrant (.migrant)

REVENUE & EXPENDITURE STATUS REPORT

FISCAL YEAR PERIOD FROM: 07/01/2016 TO: 06/30/2017

REPORT PERIOD

FROM:

01-Jul-17

TO:

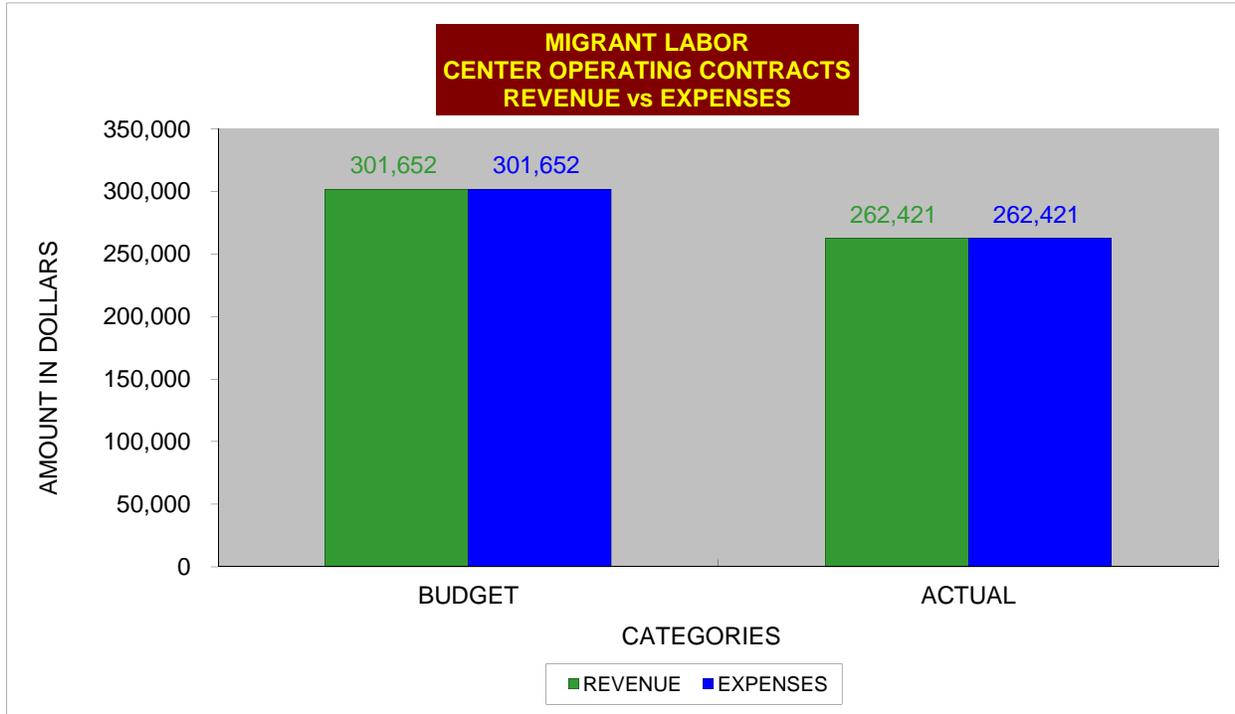
30-Sep-17

EXPEND. RATE:

25.0%

# UNIT/MONTH:

1,548



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
OMS OPERATING	301,652	262,421	779.46	678.09
	301,652	262,421	779.46	678.09
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
PERSONNEL	150,418	109,580	388.68	283.15
OPERATIONS	80,323	75,558	207.55	195.24
MAINTENANCE	4,663	7,957	12.05	20.56
ADMINISTRATION	28,648	27,882	74.03	72.05
DEBT SERVICE	37,600	41,443	97.16	107.09
	301,652	262,421	779.47	678.09
<b>NET SURPLUS</b>	<b>0</b>	<b>0</b>		

**MEMORANDUM**

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Rosa Vazquez, Executive Director

**DATE:** October 17, 2017

**SUBJECT:** Revisions to the Housing Authority’s Flat Rent Schedule for units in the Public Housing Program in accordance with HUD’s PIH published Notice 2015-13.

On August 19, 2014, the Board of Commissioners approved Resolution No. 2014-08, adjusting the Flat Rent Schedule for the Public Housing Program.

The Fair Market Rents for the County of Merced were increased effective October 1, 2017. We are requesting to increase the current Flat Rent schedule for the 1 bedroom and 4 bedroom amounts.

	1BR	2 BR	3 BR	4 BR
Current FRs	\$491	\$721	\$977	\$1,090
New FRs	\$498	\$721	\$977	\$1,094

For current program participants that pay the flat rental amount, the new flat rental amount will be offered as well as the income-based rental amount, at the next annual rental option.

## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Blanca Arrate, Director of Housing Programs

**DATE:** October 17, 2017

**SUBJECT:** Quarterly Report (July 1<sup>st</sup> through September 30<sup>th</sup>) – Public Housing and Migrant Programs

This quarterly report provides information regarding Public Housing (“PH”) and the Migrant Family Centers. The information consists of vacancies, delinquent rents, and work orders.

### **PUBLIC HOUSING**

The Housing Authority of the County of Merced (“Authority”) PH properties are allocated by Asset Management Project (“AMP”). An AMP may consist of several properties where one AMP can have up to 6 Authority owned property.

**421** Total number of conventional Public Housing units  
**73** Valley View/Project Based units

### **Quarterly Vacancies Filled**

**6** AMP 1 – Merced  
**1** AMP 2 – Atwater/Livingston/Winton  
**4** AMP 3 – Los Banos/Dos Palos  
**0** AMP 4 – Merced  
**0** PBV Valley View (Dos Palos Elderly)  
**0** PBV Valley View (Midway)  
**0** PBV Valley View (Atwater Elderly)

### **Evictions**

**0** AMP 1 – Merced  
**0** AMP 2 – Atwater/Livingston/Winton  
**0** AMP 3 – Los Banos/Dos Palos  
**1** AMP 4 – Merced  
**0** PBV Valley View (Dos Palos Elderly)  
**0** PBV Valley View (Midway)  
**0** PBV Valley View (Atwater Elderly)

### **Quarterly Public Housing AMP Work Orders**

**717** Total for the reporting quarter  
**360** AMP 1 – Merced

- 101 AMP 2 – Atwater/Livingston/Winton
- 252 AMP 3 – Los Banos/Dos Palos
- 4 AMP 4 – Merced

## **FARM LABOR YEAR ROUND HOUSING MIGRANT (SEASONAL) HOUSING**

### **Felix Torres Year Round Housing:**

Felix Torres Year Round Housing consists of 50 family units

- 96% Occupancy rate (Quarterly Vacancy Rate)
  - 48 units leased
  - 2 units vacant

### **Migrant (Seasonal) Housing:**

#### **Atwater Migrant**

Seasonal Housing consists of 59 family units – 2 onsite employee units

- Atwater Migrant Center opened on April 17, 2017. Center is 100% occupied.
- Center is scheduled to close on November 13, 2017. This represents a 31-day extension approved by the Office of Migrant Services (OMS).

#### **Los Banos Migrant**

Seasonal Housing consists of 48 units – 1 onsite employee unit

- Los Banos Center opened on May 16, 2017. Center is 96% occupied (46 out of 48 units).
- Center is scheduled to close on November 13, 2017.

#### **Merced Migrant**

Seasonal Housing consists of 49 units – 2 onsite employee units

- Merced Migrant Center opened on May 22, 2017. Center is 98% occupied (48 out of 49 units).
- Center is scheduled to close on November 17, 2017.

#### **Planada Migrant**

Seasonal Housing consists of 71 units – 2 onsite employee units

- Planada Center opened on May 24, 2017. Center is 37% occupied (26 out of 71 units).
- Center is scheduled to close on November 20, 2017.

## STAFF REPORT

**To:** Board of Commissioners,  
Housing Authority of the County of Merced

**From:** Gina Thexton, Director of Housing Programs

**Date:** October 17, 2017

**Subject:** July 1<sup>st</sup> through Sept 30th Monthly/Quarterly Report – HCV Program

### HOUSING CHOICE VOUCHER PROGRAM MONTHLY ACTIVITY

#### **Voucher Count:**

**2660** Voucher families under contract  
**1086** Participant families have at least one disabled family member in their household  
**497** Participant families have at least one elderly family member in their household  
**30** Transfer families housed  
**61** New applicant voucher holders that are currently searching for suitable housing

#### **HCV Waiting List:**

**2660** Families currently are on the wait list  
**488** Have at least one disabled family members in their household  
**283** Have at least one elderly family member in their household

#### **HUD VASH Vouchers:**

**66** Allocated HUD VASH Vouchers  
**62** Under contract  
**2** Searching for Housing  
**2** Pending Briefing

### HOUSING CHOICE VOUCHER PROGRAM QUARTERLY ACTIVITY

#### **Budget:**

Total Budget: \$4,521,897  
Total Actual Expense: \$4,343,311  
Under Expended HAP: \$178,586  
Utilization: 96.1%

#### **Lease-up:**

**9** Voucher holders have ported out to other jurisdictions  
**55** PBV personal declaration packets distributed  
**14** PBV vouchers leased  
**20** HCV personal declaration packets distributed  
**83** HCV vouchers issued

- 58 Request for Tenancy Approval forms received
- 51 HCV New families housed
- 4 Port-in families

**General Statistics:**

- 48 Participants have exited the Housing Choice Voucher Program

**HCV Family Self-Sufficiency:**

- 71 Families are actively enrolled in the Family Self-Sufficiency Program
- 36 Families have escrow accounts (\$78,178.00 combined total escrow amount)
- 0 Family “graduated” from the FSS program
- 3 Families forfeited their escrow account (\$11,424)

**Shelter Plus Care (S+C) Vouchers:**

- 8 Allocated S+C Vouchers
- 8 Under contract

## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Brian Watkins, Director of Finance

**DATE:** October 17, 2017

**SUBJECT:** Quarterly Report - Finance

### **Financial Reporting**

September Financial statements are preliminary and there is still much year-end work to be done before the numbers are ready for auditing.

### **Section 8 – Funding**

The Housing Authority of the County of Merced (“Authority”) 2017 Calendar Year (“CY”) Housing Assistance Payments (“HAP”) budget authority from the U.S. Department of Housing and Urban Development (“HUD”) to the Authority for the Housing Choice Voucher Program (“HCV”) is \$18,087,590. This amount was sent to the Authority by HUD on June 29<sup>th</sup>, 2017

The current HAP expenses paid through September 2017 are \$13,066,294, which is 96.3% budget utilization for the first 3 quarters. As of September 30, 2017 the Authority is allocated 2,791 vouchers. The calendar Year to Date (“YTD”) voucher unit months utilization is 24,141 vs authorized unit months of 25,119 (96.1% utilization).

The HAP Equity (Net Restricted Account) as of September 30, 2017 in the HUD held account is \$149,292. The balance of the Administrative Fee Reserve, for the HCV program, as of May 31, 2017 is negative in the amount of \$15,947. This is recognition of net pension liability allocated and booked to the HCV program on September 30, 2015 of \$ 1,146,983. PERS notified the Authority of the unfunded liability that was due and of the total amount of the unfunded liability the HCV department portion was \$1,146,983.00 reducing the Administrative Fee Reserve account.

### **Public Housing**

The preliminary eligibility for 2017 Operating Subsidy for Public Housing is \$1,354,159. This is a decrease from the 2016 amount by \$54,584.

### **Computer Systems**

The upgrade to YARDI Voyager 7 (Café Voyager) has been delayed. We will be working on the upgrade during the 4<sup>th</sup> quarter of 2017 and hopefully will be completed during the 1<sup>st</sup> quarter of 2018.

## MEMORANDUM

**TO:** Board of Commissioners  
Housing Authority of the County of Merced

**FROM:** Maria F. Alvarado, Human Resources Coordinator

**DATE:** October 17, 2017

**SUBJECT:** Human Resources Quarterly Report

### Safety

During this last quarter the agency had two reportable work comp injuries. One staff person was released on full unrestricted duty and the other was placed on modified duty. Accommodations for this staff person have been made.

### Recruitment

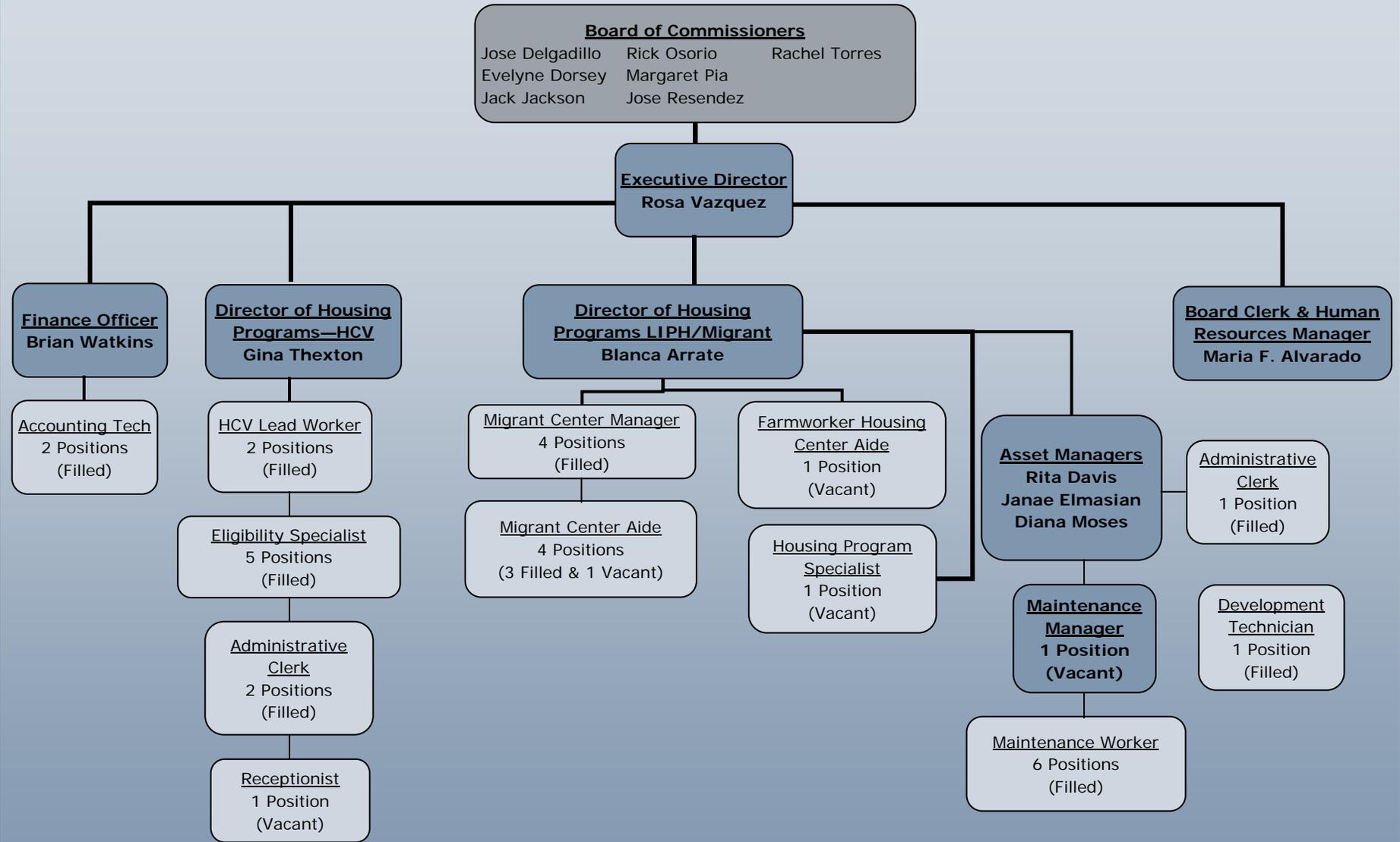
- Public recruitments for the following positions are currently underway and will close on October 31, 2017
  - Migrant Center Aide (Los Banos)
  - Farmworker Housing Center Aide (Felix Torres Year Round)
  - Housing Program Specialist (Felix Torres Year Round)
  - Receptionist/Typist (Housing Choice Voucher)
  
- Completed Recruitments:
  - An internal recruitment for the position of Administrative Clerk II was conducted and Veronica Novoa has been selected as the successful candidate.

### Staff Training

During the last quarter staff received the following training:

- The Development Tech and Lead Foreman attended Capital Fund Program training at the San Francisco HUD office.
- Asset Managers, Lead Foreman and Department Director Arrate attended UPCS – REAC Inspections Update training.

# Housing Authority of the County of Merced



## STAFF REPORT

**TO:** Board of Commissioners  
Housing Authority of the County of Merced

**FROM:** Rosa Vazquez, Executive Director

**DATE:** October 17, 2017

**SUBJECT:** Recommendation to adopt **Resolution No. 2017-09**, approving the award of contract for Property Management for Merced Commons I, Merced Commons II and Oak Terrace Apartments properties and authorizing the Executive Director to enter into contract.

The Housing Authority of the County of Merced (“Authority”) owns the Merced Commons I, Merced Commons II and Oak Terrace apartment complexes. These developments are located in the City of Merced and require full-service professional property management services. The complexes range from 65 units to 147 units, for a total of 212 units. Each complex varies in programs administered such as Market Rate housing, Section 8 Housing Choice Voucher (HCV), Project Based Section 8 and/or contract-based Section from HUD through Cal-HFA.

The U.S Department of Housing and Urban Development (“HUD”) requires that the Authority obtain approval for the selection of Management Agents.

The Authority conducted a Request for Proposal (“RFP”) for Property Management of these developments. The project was published and advertised in compliance with the Authority’s Procurement Policy. The Authority staff also did a direct solicitation by mailing letters to fifty-one (51) property management companies. The proposals were due to the Authority by July 31, 2017 at 2:00 p.m.

The Authority received a total of two (2) proposals.

- 1) Capreit – Rockville, MD (regional office, Livermore, CA)
- 2) EBMC – Rohnert Park, CA

An evaluation committee was appointed to review and evaluate the submitted proposals with the criteria as detailed within the RFP documents. The evaluation committee awarded the highest scores to Capreit which was determined to be the company who best meets the needs of the Authority.

### RECOMMENDATION

Recommendation to the Board of Commissioners of the Housing Authority of the County of Merced to approve **Resolution No. 2017-09**, awarding the contract for property management for Merced Commons I, Merced Commons II and Oak Terrace for an initial three (3) year term with one (1) year option to renew; and, upon HUD approval, authorizing the Executive Director to enter into contract with Capreit. This is in compliance with HUD regulations and the Authority’s Procurement Policy.

**RESOLUTION NO. 2017-09**

**APPROVING THE AWARD OF CONTRACT FOR PROPERTY MANAGEMENT OF THE MERCED COMMONS I, MERCED COMMONS II AND OAK TERRACE PROPERTIES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT**

**WHEREAS**, the Housing Authority of the County of Merced (HACM) owns Merced Commons I, Merced Commons II and Oak Terrace Apartments properties; and

**WHEREAS**, the project was advertised for proposals in the Modesto Bee two (2) times (June 18, 2017 and July 9, 2017), in the Sacramento Bee two (2) times (June 18, 2017 and July 9, 2017), the San Francisco Chronicle two (2) times (June 25, 2017 and July 9, 2017), Bakersfield two (2) times (June 25, 2017 and July 9, 2017), and the Fresno Bee two (2) times (June 25, 2017 and July 9, 2017). Letters were sent to fifty-one (51) property management companies, and

**WHEREAS**, Two (2) proposals were received on July 31, 2017;

**WHEREAS**, The Authority appointed an evaluation committee to review and evaluate the submitted proposals with the criteria as detailed within the RFP documents; and

**WHEREAS**, The highest score was awarded to Capreit; and

**WHEREAS**, it was determined that entering into an agreement with Capreit best meets the needs of the HACM and is in the best interest of the HACM; and

**WHEREAS**, entering into an agreement for Property Management must be approved by the U.S. Department Housing and Urban Development (HUD); and

**BE IT FURTHER RESOLVED**, that the Board of Commissioners of the HACM does hereby approve, upon approval from HUD, to award a three (3) year contract with one (1) one year option for renewal to Capreit, and does hereby authorize the Executive Director, Rosa Vazquez, to sign or take any other action necessary to carry out the completion of the work.

The foregoing resolution was introduced at the October 17, 2017 Board meeting of the Board of Commissioners of the HACM and adopted by the following vote:

Motion: Second:

Ayes:

Nays:

Absent:

Abstain:

---

Chairperson, Board of Commissioners  
Housing Authority of the County of Merced

Dated: October 17, 2017

## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Rosa Vazquez, Executive Director

**DATE:** October 17, 2017

**SUBJECT:** Recommendation to adopt **Resolution No. 2017-21**, approving an addition to the Position Allocation Schedule

On September 19, 2017 Resolution No. 2017-21, approving an additional to the Position Allocation Schedule was presented to the Board of Commissioners. At the direction of the Board of Commissioners this resolution was tabled and to be presented in the October 2017 Board of Commissioners meeting. The Chairperson requested that any Board of Commissioners with questions have the opportunity to ask questions. Staff has complied with the request of the Chairperson, available for questions, and is therefore bringing the topic back for approval.

Attached is a copy of the draft job description for the new management position of Board Clerk & Human Resource Manager. This position has been developed to meet the agency needs, changing staff and resource needs, and to increase efficiency.

The new position would have a broader scope of responsibilities that what currently exists and perform a higher level of job tasks.

Resolution No. 2107-21 authorizes the creation of a Board Clerk & Human Resource Manager position, subject to finalization of the attached job description, and an addition of the job title and allocation authority to be added to the current allocation schedule.

### **RECOMMENDATION**

I hereby recommend that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2017-21**, approving the addition of the position of Board Clerk & Human Resource Manager to the current position allocation schedule.



## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** David G. Ritchie, General Counsel

**DATE:** October 17, 2017

**SUBJECT:** Recommendation to adopt **Resolution No. 2017-25**, approving A Second Amendment to the Executive Director Employment Agreement, providing for a 5% base pay increase for the Executive Director and establishing a vehicle allowance to offset wear and tear on the Executive Director's personal vehicle when used for HACM business.

For your consideration, is Resolution No 2017-25, Amending the Executive Director's salary to include a 5% increase following the annual performance review. The performance review reflected performance meriting an increase in similar fashion to those increases provided to employees, periodically, within the ranges for each classification. The Executive Director's compensation, however, is set by contract. This increase is recommended by the ad-hoc committee formed by the Board of Commissioners to review the Executive Director's performance and make related recommendations to the Board.

Executive compensation may only be adjusted by the Board as part of the regular agenda at a regularly scheduled meeting of the Board of Commissioners.

This second amendment to the Executive Director's compensation reflects a 5% increase and adjusts the base salary to \$104,958.00. In addition, the amendment creates a vehicle allowance to offset the cost in wear and tear for the Executive Director's periodic use of her own personal vehicle for work purposes at the rate of \$400.00 per month.

### RECOMMENDATION

It is recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2017-25**, approving the second amendment to the Executive Director Employment Agreement consistent with the action of the Board that has implemented the increases to salary.

### ALTERNATIVES

The Board could choose not to amend the Executive Director's Agreement at this time.

### ATTACHMENTS

Executive Director Employment Agreement  
First Amendment to Executive Director Employment Agreement  
Second Amendment to Executive Director Employment Agreement

## RESOLUTION NO. 2017-25

### RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF MERCED APPROVING AN AMENDMENT TO THE EMPLOYMENT AGREEMENT BETWEEN THE HOUSING AUTHORITY OF THE COUNTY OF MERCED AND ROSA VAZQUEZ

**WHEREAS**, the Board of Commissioners of the Housing Authority of the County of Merced currently employs Rosa Vazquez as Executive Director of the Housing Authority of the County of Merced; and,

**WHEREAS**, certain conditions in the Employment Agreement have been triggered that allow HACM and the Executive Director to discuss adjustment to pay and benefit levels; and,

**WHEREAS**, it is the desire of the Housing Authority and Ms. Vazquez to set forth certain changes to the compensation, benefits, and conditions of employment of the Executive Director within the Executive Director employment contract; and,

**WHEREAS**, the proposed Employment Agreement is fair and equitable.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Authority of the County of Merced hereby, finds and orders the following:

1. The above recitals are true and correct.
2. The Housing Authority hereby approves and adopts the attached Second Amended Employment Agreement between the Housing Authority of the County of Merced and Rosa Vazquez.
3. The Chairperson of the Board of Commissioners is hereby authorized and directed to execute the Employment Agreement for and on behalf of the Housing Authority.

**PASSED AND ADOPTED** by the Housing Authority of the County of Merced this 17<sup>th</sup> day of October, 2017 by the following vote to wit:

Motion:

Second:

Ayes:

Noes:

Absent:

Abstain:

---

Chairperson, Board of Commissioners  
Housing Authority of the County of Merced

Dated: October 17, 2017

**SECOND AMENDMENT TO EXECUTIVE DIRECTOR  
EMPLOYMENT AGREEMENT**

This Second Amendment to the Executive Director Employment Agreement (“Agreement”) is made this 17 day of October, 2017, by and between the **Housing Authority of the County of Merced** (hereinafter referred to as the “HACM”) and **Rosa C. Vazquez**, the Executive Director (hereinafter referred to as “Executive Director”).

The terms and conditions included in the Agreement, pursuant to the requirements of Articles 3 and 4, that the parties may undertake such modifications to adjust pay and benefits respectively, only through a written addendum to the Agreement.

Amendment to Article 3: Article 3 of the Agreement is hereby amended to reflect an increase of 5% in the Salary level for the Executive Director. The executive director salary shall be increased, effective the pay period that includes the date October 17, 2017, and continuing thereafter, to \$104,958.00 annually, payable on a bi-weekly basis in equal installments over twenty-six payroll periods.

Addition of Vehicle Allowance: In recognition of the fact that the executive director has periodic responsibilities for travel using her personal vehicle in instances where a HACM vehicle may be unavailable, the Executive Director shall be provided with a monthly vehicle allowance of \$400.00 to offset wear and tear of the Executive Director’s personal vehicle when used for work purposes. The Executive Director may also submit fuel receipts when her personal vehicle is used for work purposes, and is eligible to receive reimbursement at actual cost.

Other than the changes expressly provided for in this Second Amendment to the Agreement, the remaining terms and conditions contained in the Agreement, and in the First Amendment to Executive Director Employment Agreement dated May 17, 2017, shall remain in full force and effect.

EXECUTION:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Rosa C. Vazquez  
Executive Director

Rachel Torres  
Chairperson, Board of Commissioners

## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Rosa Vazquez, Executive Director

**DATE:** October 17, 2017

**SUBJECT:** Request for Board approval of **Resolution No. 2017-26:** Approving Side Letter of Understanding between Local 2703, American Federation of State, County and Municipal Employees (AFL-CIO) and The Housing Authority of The County of Merced regarding Employee Orientation Bill (AB 119).

Under AB 119, public employers must provide the exclusive representative of a bargaining unit with access to new employee orientations. (Gov. Code § 3556.) AB 119 defines a new employee orientation as "the onboarding process of a newly hired employee, whether in person, online, or through other means or mediums, in which employees are advised of their employment status, rights, benefits, duties and responsibilities, or any other employment-related matters." (§ 3555.5(a)(3).) Thus, this access obligation may encompass a range of meetings concerning a number of topics. Public employers must give unions 10 days advance notice about new employee orientations, but may provide less notice if an urgent and unforeseeable need "critical to the employer's operations" arises. (§ 3555).

The American Federation of State, County and Municipal Employees has received a copy of the "Side Letter" and tentatively approved. A copy of the "Side Letter" is attached for review.

### **RECOMMENDATION**

It is recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2017-26:** Approving Side Letter of Understanding between Local 2703, American Federation of State, County and Municipal Employees (AFL-CIO) and The Housing Authority of The County of Merced regarding Employee Orientation Bill (AB 119).

**RESOLUTION 2017-26**

**RECOMMENDATION TO ADOPT RESOLUTION NO. 2017-26 APPROVING SIDE LETTER OF UNDERSTANDING BETWEEN LOCAL 2703, AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFL-CIO) AND THE HOUSING AUTHORITY OF THE COUNTY OF MERCED REGARDING EMPLOYEE ORIENTATION BILL (AB 119)**

**WHEREAS**, under AB 119, public employers must provide the exclusive representative of a bargaining unit with access to new employee orientations; and

**WHEREAS**, AB 119 defines a new employee orientation as "the onboarding process of a newly hired employee, whether in person, online, or through other means or mediums, in which employees are advised of their employment status, rights, benefits, duties and responsibilities, or any other employment-related matters; and

**WHEREAS**, this access obligation may encompass a range of meetings concerning a number of topics. Public employers must give unions 10 days advance notice about new employee orientations, but may provide less notice if an urgent and unforeseeable need "critical to the employer's operations" arises

**WHEREAS**, the American Federation of State, County and Municipal Employees has approved and signed the "Side Letter";

**THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of the County of Merced hereby approves the "Side Letter" to the current Union Memorandum of Understanding.

Motion:

Second:

Ayes:

Nayes:

Absent:

Abstain:

---

Chairperson, Board of Commissioners  
Housing Authority of the County of Merced

Dated: October 17, 2017

**SIDE-LETTER OF AGREEMENT #1  
BETWEEN  
THE HOUSING AUTHORITY OF THE COUNTY OF MERCED**

**AND**

**LOCAL 2703, AMERICAN FEDERATION OF STATE, COUNTY AND  
MUNICIPAL EMPLOYEES, AFL-CIO**

**WHEREAS**, the HOUSING AUTHORITY OF THE COUNTY OF MERCED (“HACM”) and Local 2703, AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO (“AFSCME”), collectively “the Parties”, have previously entered into a Memorandum of Understanding covering the period February 1, 2017 through January 31, 2020; and,

**WHEREAS**, California Assembly Bill 119 (June 27, 2017) enacted legislative changes mandating that Local Government Agencies in the State of California negotiate with recognized employee associations over provision of employee information, notice of employee orientations and participation of the employee association in such new employee orientations; and,

**WHEREAS**, HACM and AFCME have met and conferred on a reasonable number of occasions and for a reasonable duration, on or about August 8, 2017, over the subject matter and topics required by AB 119, each having had the opportunity to prepare and present proposals, request information, and submit proposals and information in response, each also having had the opportunity to consult with counsel of their choosing;

**NOW THEREFORE**, the Parties agree as follows for all bargaining unit employees:

1. HACM shall provide the union with ten (10) days advance notice prior to any new employee orientation when practicable. The union and employer jointly recognize that HACM is a small employer, therefore, employee orientation frequently occurs with much less time than ten days between acceptance of an employment offer and new employee orientation. While the HACM will provide the advance notice required by this section, it is not required to do so if the notice period would delay orientation for a new employee.
2. The union may elect to participate in new employee orientation and shall be allotted fifteen minutes to present information about the union and union membership.
3. Union presentations or other participation in orientation shall be by a recognized steward or union paid staff only. If the union determines it will send a Steward who is also a HACM bargaining unit employee to the orientation rather than its own paid staff, this shall not be considered “representation”, but rather a union marketing function; and such time shall not be on HACM paid time. The steward must provide at least 24-hour notice to their supervisor that they will be attending an orientation to request the time off and may elect to use accrued vacation time to cover their absence from work to participate in the orientation process.
4. Union participation in orientation relieves the HACM from providing any information regarding the union to the new employee as the union would fulfill that function exclusively during orientation.

5. If the union is unable, or elects not, to participate in orientation, the HACM will provide new employees with a packet of information from the union to new employees, including a union card allowing the employee to elect membership, or entry into employment through becoming an agency fee payer in the union, or allowing an employee to opt-out of membership due to religious objection if desired. All packet materials shall be provided by the Union.
6. The HACM shall, no more than 30 days following a new hire, provide the union with the following information regarding the new employee: name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address.
7. The HACM shall provide a list of the above information about all bargaining unit employees every 120 days (quarterly).
8. The HACM shall not be required to furnish any of the above information for any employee who completes an HACM provided form or makes a written request identifying specific items of information that the employee is electing not to share, that are not otherwise required to be provided by law.
9. HACM and AFSCME jointly agree that provision of any information pursuant to this section shall not cause the information to become a public record.
10. Any information provided under this section shall be safeguarded by the union and shall be used exclusively by the local union and its international parent. No personal information regarding employees shall be shared by the union with any third-party vendors or affiliated organizations, other than those directly involved in representation of bargaining unit employees in labor and employment relations matters with HACM.
11. Unless expressly provided for in this side-letter of agreement, all other terms and conditions contained in the MOU shall remain unchanged.

**EXECUTION:**

For AFSCME Local 2703:

For The Housing Authority of the County of Merced:

Date:

Date:

\_\_\_\_\_  
Debbie Macias, Business Agent

\_\_\_\_\_  
Rachel Torres, Board Chair

APPROVED AS TO FORM:

Date:

\_\_\_\_\_  
David G. Ritchie  
Attorney for the Housing Authority of the  
County of Merced

## STAFF REPORT

**TO:** Board of Commissioners,  
Housing Authority of the County of Merced

**FROM:** Rosa Vasquez, Executive Director  
David. G. Ritchie, General Counsel

**DATE:** October 17, 2017

**SUBJECT:** Recommendation to adopt **Resolution No. 2017-27**, authorizing the Executive Director to enter into an amended purchase and sale agreement with Patricia Murillo for 2314 First Street, Atwater, CA accepting the \$142,000.00 indebtedness as satisfied in full, and authorizing the reconveyance of the property and recordation thereof.

For your consideration, is Resolution No 2017-27. The property at 2314 First Street is a former Housing Authority of the County of Merced (HACM") property that was transferred in 2005 to Ms. Murillo as part of a HACM first time homebuyers program in which properties would be removed from the housing authority public housing stock and transferred to private owners, who purchased them for value, and the housing authority recorded subordinate indebtedness against the properties to ensure that the properties would not simply be "flipped". In other words, the public purpose for the transfer was so that the purchaser would become a new owner, and the new owner would maintain the property indefinitely, rather than the HACM inefficiently attempting to maintain a list of individual properties scattered throughout the County.

This type of First time Home Buyers program is not unusual for Housing Authorities, and in most cases, the subordinated debt is forgiven after a period of time during which the new owner fulfills the social contract of caring for the premises, and occupying it as a primary residence, typically after a period of several years\*. These "forgiveness" programs are a form of social welfare expenditure, and are squarely within the mission statement of the HACM to provide Self Sufficiency for the families living in Public Housing and become home owners, "provide...home ownership opportunities by participation in the acquisition...of affordable housing through utilization of various funding sources and partnerships that builds pride and responsibility in our residents..." and, moreover, "to promote self-sufficiency and enhance the quality of life for those we serve."

In this case, the public purpose of the program is frustrated by market conditions. The decline in housing values after 2008 has resulted in the property value continuing to lag behind what it was in 2005; such that the total of the first mortgage and subordinate amount in the short form deed of trusts recorded by the HACM, together, substantially eclipse the value of the property, even today.

The current owner has routinely and continuously maintained the property and kept it in good condition. It is still owner-occupied and the owner has sought to refinance the

primary mortgage to reduce interest rates, while continuing to service the debt on the property to the primary lender. Because the property is significantly encumbered, and the loan-to-value ratio exceeds the total value of the property, lenders are unable to assist the owner in refinance efforts. The property owner has turned to the HACM for assistance to find a resolution. As a result, and after research and legal review the staff is recommending the following:

#### RECOMMENDATION

It is recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2017-27**, approving an amendment to the agreement for purchase and sale of the property located at 2314 First Street, in Atwater, CA; identified as APN 003-221-025. The amendment results in satisfaction in full of the \$142,000.00 indebtedness. The Executive Director is thereafter authorized, as a consequence of the indebtedness being satisfied in full to reconvey the property and record the Deed of Reconveyance with the Merced County Recorder's Office.

#### ALTERNATIVES

The Board could choose not to enter into the amended agreement and not to authorize reconveyance. This alternative is not recommended as it would frustrate the public purposes of the original transfer in 2005 and result in an inability of the current owner to refinance.

#### ATTACHMENTS:

Short Form Deed of Trust and Assignment of Rents  
Draft Amended Agreement for Purchase and Sale (to be provided at meeting)  
Deed of Reconveyance (to be provided at meeting)  
Resolution No. 2017 - 27

---

\* Similar transfers, for example, of land from a Housing Authority to a private entity for purposes of constructing low and moderate-income housing have been held not to be a gift of public funds. see *Wikleman v. City of Tiburon* (1973) 32 CA3d 834, 844. As well, social welfare expenditures of Counties have been held not to be illegal gifts of public funds (see *City and County of San Francisco v. Collins* (1932) 216 C 187, 193) and the public purpose of the transfer is not converted to a private purpose merely because an individual may incidentally benefit (see *American Co. v. City of Lakeport* (1934) 220 C 548, 556.)

**RESOLUTION NO. 2017-27**  
**AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AMENDED PURCHASE AND SALE AGREEMENT WITH PATRICIA MURILLO FOR 2314 FIRST STREET, ATWATER, CA ACCEPTING THE \$142,000.00 INDEBTEDNESS AS SATISFIED IN FULL, AND AUTHORIZING THE RECONVEYANCE OF THE PROPERTY AND RECORDATION THEREOF**

**WHEREAS**, the Housing Authority of the County of Merced (HACM) entered into an agreement for purchase and sale of real property located at 2341 First Street in Atwater, CA 95301 APN 003-221-025 with Patricia Murillo and caused a Deed of Trust to be recorded documenting the sale on May 23, 2005; and

**WHEREAS**, the Deed of trust provided an indebtedness of \$142,000 to the benefit of the HACM as beneficiary; and,

**WHEREAS**, the property transfer was conducted as part of a HACM First Time Homebuyers program intended to promote self-sufficiency, make available new first-time homebuyer opportunities and to otherwise enhance the quality of life and build pride and responsibility in citizens we serve by utilizing various funding sources supporting low and moderate income housing; and,

**WHEREAS**, the owner, Patricia Murillo has demonstrated an ongoing commitment to these values that are also part of the mission statement of the HACM through consistently maintaining responsibility, maintaining and caring for the property as was intended by the public purpose goals supporting the original decision to transfer the property;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Commissioners of the HACM finds and directs as follows:

1. That although there is an incidental benefit accrued to Ms. Murillo through the determination that the debt obligation of \$142,000 is hereby satisfied, that the forgiveness of the debt amount is for a public purpose, specifically, to support home ownership opportunities by participation in the acquisition of affordable housing through utilization of various funding sources and partnerships that builds pride and responsibility in our residents; and to promote self-sufficiency and enhance the quality of life for those we serve.
2. That this public purpose in (1), above, is consistent with the mission statement and values of the HACM.
3. That the above factors have caused the HACM Board of Commissioners to conclude that the facts demonstrate that the cancellation of the \$142,000 debt to the HACM is therefore not a gift within the meaning of California Constitution Article XVI, Section 6.
4. That the Executive Director is hereby authorized to execute the First Amended Agreement for Purchase and Sale for the property located at 2314 First Street in Atwater, CA, described herein and bearing APN 003-221-025,

5. That the Executive Director is hereby authorized to execute a Deed of Reconveyance memorializing that the \$142,000.00 indebtedness is satisfied in full, to record such Deed of Reconveyance with the County Recorder's Office, and to execute all other necessary documents related to the reconveyance.

The foregoing resolution was introduced at the October 17, 2017 Board meeting of the Board of Commissioners of the HACM and adopted by the following vote:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

---

Chairperson, Board of Commissioners  
Housing Authority of the County of Merced

Dated: October 17, 2017