



HOUSING AUTHORITY OF THE CITY OF LIVERMORE
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BOARD OF COMMISSIONERS
REGULAR BOARD MEETING MINUTES
Wednesday, January 8, 2020-5:30 p.m.

1. CALL TO ORDER/ROLL CALL

The meeting was called to order at 5:30 p.m. by Chairperson Mark Palajac. Also present were Commissioners Maureen Hamm, and Vice-Chairperson Marty McFadden. Commissioner Wanda Hunter and Commissioner Knowles were not present and their absences were excused. A quorum was not present, but the meeting proceeded for informational purposes only.

2. APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING OF December 11, 2019.

There were no comments on the draft minutes from the Commissioners. However, because there was not quorum, the minutes could not be approved.

Before the meeting moved to Public Comment, Commissioner Hamm noted that the Agenda did not include an item for the election of the Board Chair and Vice-Chair and the creation of Board Committees. Chairman Palajac responded that was an oversight and also explained that having known in advance of Commissioner Knowle's excused absence, he regretted not rescheduling tonight's meeting pursuant to the By-Laws so that the election would have had a better chance to occur at this meeting. Interim Executive Director Ammarell then added that the By-Laws language about elections was not well written and he believed that the Board would be in compliance as long as the election of the Chair and Vice Chair occurred at the February meeting. Ammarell also explained his belief that the By-Laws did not require that the Board vote on the composition of the Committees as the By-Laws conferred discretion on the Board Chair to fill seats not mandated in the By-Laws. He then added that he would ensure that the Agenda for the February meeting included election of the Chair and Vice-Chair as well as a resolution establishing expenditure authority for the Executive Director for the calendar year.

3. PUBLIC COMMENT

There was no public comment.

4. EXECUTIVE SESSION – Closed to the Public

At approximately 5:45 p.m., the Board convened in closed, Executive Session to discuss Personnel Matters. Executive Session concluded at 6:15 p.m. and the Board Meeting resumed at 6:17 p.m. Board Chair Palajac stated that there was nothing to report out from the closed, Executive Session.

5. UNFINISHED/OLD BUSINESS

Board Chair Palajac informed the Board that the new Executive Director D'Jon Scott-Miller would begin his employment on Monday, January 13, 2020.

6. NEW BUSINESS

A and B. Interim Executive Director Ammarell informed the Board that based on the lack of quorum and other considerations, the two resolutions on the Agenda were being withdrawn.



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C. Discussion of November 2019 Financials

Interim Executive Director Ammarell presented the November Financials to the Commissioners. To start, he informed the Board that at a composite level, the agency had again experienced a small net deficit for FY2020 through November. To explain the reasons why, he turned to specific programs. Ammarell explained that as he had described at the last several Board Meetings, the operation of Leahy Square realized lower than budget grant revenue for the quarter because grant revenue was divided into operating and capital grants. While LHA was current on operating grant revenue, it was behind on capital grant revenue. This is because capital grant revenue is drawn only once during the fiscal year, while the budget for that revenue is divided into each month. Ammarell then reminded the Commissioners that once it was drawn down, LHA would be ahead of budget as the amount available exceeded the amount budgeted. Ammarell also reported that while the Authority had not yet received notice of its full CY2020 Operating Grant, it had received, without explanation, a notice indicating that its grant for the first two months of the year was \$7,000 higher per month than the CY2019 Operating Grant. Ammarell also informed the Commissioners that the Authority was realizing savings on the cost of the water supply as a result of the installation of the low flow toilets and shower heads.

With respect to the Housing Choice Voucher program, Ammarell explained that performance grant revenue was on track with HUD commitments and that while the revenue for the month of October was lower than previous months, HUD had committed increased amounts for December and January pursuant to the Authority's requests.

Next, Ammarell discussed the operations of the affordable housing properties and again explained that the summary financial income statements – the documents provided to the Commissioners for discussion – did not include depreciation or principal payments on the outstanding loan balances for Chestnut and Las Posadas. Those numbers were then provided to the Commissioners and Ammarell informed them that the properties collectively continued to operate at a cash surplus. He also explained that both Chestnut and Las Posadas experienced significant savings on the cost of water, again due to the installation of the water-efficient toilets and shower heads. In response to questions, Ammarell explained that Bluebell was not experiencing such savings because the property was not in the California water district that had provided the water-efficient devices at no cost to the Authority. He did indicate that any rehabilitation plans for Bluebell would include such devices.

5. STAFF REPORTS

A. Report from the Interim Executive Director

Ammarell announced to the Commissioners that this would be his last report as Interim Executive Director in light of the new hire and thanked the Commissioners for the opportunity to serve the Authority.

Ammarell then informed the Commissioners that he was finalizing a proposal for the Board to approve the restructuring of the business checking and investment accounts for the Authority. Currently, the Authority's checking accounts are all non-interest bearing. Given that the



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Authority maintains a significant amount of funds in those accounts, the proposal would be to have both a checking account and a money market account for each of the three programs. The checking account would hold a modest amount of funds in the approximate amount of 2 months of operating expenses and the money market account would hold the balance. The proposal will also recommend that the investment accounts be changed to higher interest bearing accounts. Ammarell believes that under this proposal, the Authority could earn up to \$40,000 per year in interest.

Last, Ammarell provided additional information to the Board about the expenditure limits that the Board would need to approve for the Executive Director. He explained that a resolution would be provided at the next Board Meeting authorizing the Executive Director to sign contracts and obligate the Authority to expenditures up to \$50,000, and requiring Board approval for contracts and expenditures above that amount. The resolution will also include language that in the event that the Executive Director expended in excess of \$10,000 on unbudgeted items, the Executive Director would report such expenditures at the Board Meeting following those expenditures. Such authority remains limited by the \$50,000 ceiling.

6. COMMUNICATIONS

Board Chair Palajac thanked Interim Executive Director Ammarell for his services to the Authority. Palajac then urged the other Commissioners to take advantage of the resources of the upcoming meeting sponsored by NorCal which would provide valuable information regarding current issues facing the affordable housing community. The meeting is scheduled for January 26 – 28 in Napa, California, and the expenses would be covered by the Authority. Palajac lastly informed the Commissioners that he had been contacted by the owner of 1019 Bluebell regarding the rehab plans for Bluebell. He explained to the owner that the new Rent Control laws will have an impact on rents available at the market rate units and that as a result, the Authority needed to have additional discussions with its potential financing bank about the scope and schedule of such rehab work.

7. REPORTS/ITEMS FROM COMMISSIONERS

None

8. COMMITTEE REPORTS

None

9. ADJOURNMENT

The board meeting adjourned at 6:52 p.m.



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