

Missoula Housing Authority Board
Regular Board Meeting & Public Hearing
Wednesday, December 15, 2010

-MINUTES-

Members Present: Jamie Hoffmann, Joe Pietro, Sandy Mitchell, Collin Bangs, Sheila Lund, Betty Zander

Members Absent: John Boyle

Staff Present: Lori Davidson, Gloria Fortier, Merah Shurtliff, Adam Ragsdale, James Weir, Josh Kosar

Guests Present: Melissa Bangs, Keithi Worthington, Ken Staninger, Pat Corrick, Scott Hollenbeck, Jim McCloud

- I. Call to Order: The meeting was called to order at 5:37 pm.
- II. Attendance: See above
- III. Minutes:
Regular Board Minutes of November 17, 2010: Hoffmann called for comments. There were none. Pietro moved to approve the minutes, Lund seconded and the minutes passed with all in favor.
- IV. Commissioner Comment/ Conflict of Interest Disclosure: NONE
- V. Public Comments on Items not on the Agenda (limited to 3 minutes apiece): NONE
- VI. Action Items:
 - a. Resolution 936—Adopting Board of Commissioners Job Descriptions: Melissa Bangs was present for a discussion and to answer questions. Davidson said all the Board Members job descriptions are in the Board Packet except the one for Treasurer. She said this is not traditionally filled on this Board. This will be discussed at a later meeting with Bangs.

 Melissa Bangs started the discussion with Board Member Job Descriptions. The Board Development Committee (Pietro, Mitchell, Lund, and Ragsdale) put these job descriptions together for the Board. Melissa Bangs called for questions or comments. Hoffmann had a question about the obligation of the Board Chair to provide a precise written report within the Board Packet of his activities since the previous Board Meeting. Hoffmann is not enthused about this idea since his obligations are very scattered in regards to his obligations to the Board of the Missoula Housing Authority. Hoffmann says at the meetings he usually does inform the Board of what meetings, etc., he has attended. Hoffmann suggests that if the issue is important and otherwise un-reportable or un-reported by time of the Board Meeting it would be

appropriate to insert a note into the Board Packet. Melissa Bangs says this is a good idea because it is developing leadership over time so when someone takes over the Board Chair position they know what is expected of the Chair and what has been done by the previous Board Chair. She said there are many different models Hoffmann could use to report this information, and it would only be actions specific to the Chair's role on the Board. Hoffmann agreed to do this.

Bangs said the obligation of the Board Members to attend 100% of all meetings is not realistic. It is stated in all Job Descriptions. Mitchell said this is a goal and responsibility. A Board Member may not comply with it, but it is an obligation. Melissa Bangs said this is setting the expectation high for all Board Members. She suggests adding a bullet regarding the circumstances that would allow for a Board Member to be absent and how soon this needs to be communicated to the entire Board. The Board discussed this and all have agreed to inform Davidson the week before the Board Meeting if they will not be present at the Board Meeting. Melissa Bangs said these are guiding documents for annual operations and used for evaluation in the future.

Bangs wanted clarification on who is a spokesperson for the Board. Melissa Bangs said when it comes to an official position on a major item Davidson and Hoffmann are the ones who can speak about agreed upon messages to the public. Melissa said when it comes to talking about the good work of MHA, and the reasons for serving on the Board, programs, etc., all Board Members can be good public relations ambassadors for MHA.

Mitchell moved to approve Resolution 936. Hoffmann called for questions or comments. There were none. Peitro seconded and Resolution 936 passed with all in favor.

Melissa Bangs said the Treasurer's Job Description is in the Board Packet but will make more sense when discussed in 2011. She said there is also thought of adding additional Board Members in the future and creating a Finance Committee. More discussions on these topics will occur later in the year.

- b. Resolution 937—Adopting Agency Safety Plan: Ragsdale said the Safety Committee consists of five individuals from staff. Over the last year or so the committee has been working on a formal safety plan for the agency. Ragsdale said one of the main goals of the Safety Committee and plan is to have employees be thinking regularly about safety, and to provide trainings which will further help staff be safety conscious. Ragsdale and Weir are also members of the Work Force Work Safe Champions which is a year-long class working on developing a safety plan and trainings, along with networking and brainstorming. Weir said this safety plan is very broad and looks at all possibilities and situations that could arise.

Mitchell had questions regarding the proposed safety plan. She does not feel it is a complete enough document. She said the document is very generic and would like to see a more formal document presented. In regards to the blank spaces in the document, Ragsdale said this is due to the shifting of staff positions and staff in

general. Ragsdale said he got this plan from Western States Insurance and the Safety Committee tweaked it to fit MHA. Mitchell said the forms and policies are not clear. Mitchell doesn't necessarily want to see a name listed on the forms and in the policy, but at least a department or a person's title who will take responsibility. Lund said this is just an example of what will be utilized in the future and because of the staff position changes it makes sense to have blank spaces in the document.

Davidson said the Safety Committee will take into consideration the Board's suggestions and return with a more complete plan at the next Board Meeting. Resolution 937 will be tabled until the next Board Meeting.

VII. Staff Reports:

- a. Staff Bonus recommendation: Hoffmann said during Davidson's evaluation last month he felt it was appropriate to think of additional compensation for staff. He left it up to Davidson to bring back to the Board a way to do this and how much to give the staff. Davidson took this recommendation to Management Team. Davidson said Management Team is recommending a 5% bonus for staff based on their last 12 months of pay. She gave a brief overview of how this would come out of each property's budget and she provided to the Board a spreadsheet showing the totals. All properties have performed well enough this past year to support this bonus for staff, except the Palace, which can be covered by the Central Office. She said this past year has been a very successful year for MHA and she believes a bonus for staff is deserved. In response to a question by Lund, Davidson said the annual wage base per employee did include overtime paid throughout the year. Fortier stated that all departments use overtime very wisely and overtime is not granted on a very regular basis. It is a very small amount paid out. This would affect the bonus paid out by perhaps \$1,000. There was discussion amongst the Board and members of the audience regarding the overtime being in the wage base for the bonus. Davidson said in the future the amount of any future bonuses will be based on what is doable that specific year. The percentages will fluctuate year to year and may not happen every year. Bangs does not feel the overtime is a very relevant amount of money to worry about in this bonus and people need to be aware this may not happen every year due to funding. Mitchell feels it is too much money and a bonus should be part of the budget. Davidson said she can do that in the future.

Bangs made a motion to give the staff a 5% bonus based on the last 12 months of pay. Hoffmann called for questions or comments. There were none. Lund seconded and the motion passed. Mitchell opposed the staff bonus.

- b. IDC/Garden District update: Amendment to Buy-Sell with Brownstone: Pat Corrick and Jim McCloud were present and informed the Board their application was formally accepted onto the waiting list with HUD. Wells Fargo will be the mortgage broker for the project and they are running the application through HUD. This is the first 221(d)4 project in Missoula which is good news. Corrick said the first earnest money payment is coming due and with the increase in the interest rate on the loan renewal they are proposing an amendment to the buy-sell agreement. Wells Fargo has also added additional fees leaving not enough cash flow at the time to cover the earnest money payment. Brownstone is proposing to make the full increased interest

payment in lieu of not making an earnest money payment. Davidson does not have a recommendation and said it is ultimately a Board Decision. The earnest money payment is pretty much equivalent to the increased monthly interest payments. Worthington has some concerns, the first concern being if the project does not go forward, the interest carry portion of the agreement gives Brownstone an equity interest in the property. This will increase. On the other hand, the earnest money was non-refundable. She would advise the Board to exclude the additional interest payment due to the increase interest rate from the equity interest portion. The Board discussed this possibility and situation along with potential risks to the project. In response to a question by Worthington, Davidson said the interest rate is now fixed through the closing of the project.

Scott Hollenbeck, Ken Staninger, and Worthington asked for clarification on the wording for the amendment. Bangs moved to authorize Worthington to change the addendum to show that the additional interest created by the increased interest rate will not become equity but would be treated as non-refundable earnest money. Additionally, this motion gives Davidson the authorization to sign the addendum. Hoffmann called for questions or comments. There were none. Mitchell seconded the motion and the motion passed with all in favor. Hollenbeck would like a payment schedule started to keep a running total of interest payments that are made that are treated as equity and the payments that are treated as non-refundable. Davidson said Fortier is currently tracking this information.

- c. Nicole Court possible subdivision in Stevensville: Davidson said the potential partners at Neighborworks do not feel it will be feasible to get all pieces together in time for a Summer 2011 build. The property will need to be subdivided. She is continuing to gather information on the cost of subdivision and improvements. She is asking the Board for input and would like to have further discussion before a vote takes place. Hoffmann likes the idea of getting rid of Nicole Court as an ownership property. Bangs believes this will be good for the community.
- d. Palace Project: Davidson said she was notified that the Palace has received a recommendation for award of the Home Grant from the State in the amount of \$500,000 and the Home Grant from the City in the amount of \$365,000. Davidson said they got the past and future PILT waived and the Trust Indenture released.
- e. Silvertip Update: Davidson said Silvertip is progressing as before and there is no new news to report. Davidson is very impressed with the folks from Headwaters.
- f. Homeless Needs Assessment: Davidson said a meeting is scheduled for December 21, 2010 to take a look at the data from the needs assessment. There will be many more meetings with agencies along with public meetings. Davidson is hoping Paul Carlson will be in Missoula sometime in February.
- g. Cap Fund Community Training Facility Grant Application: Davidson stated she has been speaking regularly with Dennis Daneke from the College of Technology and the conclusion is they are not proceeding with the grant application. There are many challenges they would face in doing so. Davidson is still looking at partnering with

the College of Technology on a construction project for new offices and replacement public housing.

VIII. Old Business: NONE

IX. New Business: NONE

X. Adjournment: The meeting was unanimously adjourned at 7:53 pm

James Hoffmann, Board Chair

Lori Davidson, Executive Director