

There was a Regular monthly meeting of the Wise County Redevelopment and Housing Authority Board of Commissioners on Tuesday, February 9, 2010 at 4:30 p.m. at the John P. Vandiver Community Center in Coeburn, Virginia.

Upon roll call, the following members were present:

Elsie V. Kern
James Johnson, Sr.
John Markham
Robert Harrison
James Cooper
Fred Pack

Absent

Jim Flanary
Randy Carter

Also Present:

Attorney Greg Gilbert
Danny Mullins
Ralph Vandiver
James Peters

Mr. Johnson led the meeting in prayer which was followed by the Pledge of Allegiance.

Chairwoman Kern asked if there were any comments from the public. There were no comments.

Chairwoman Kern asked if there were any corrections to the December 8, 2009 meeting minutes. Mr. Fred Pack made a motion to approve the minutes as received; the motion was seconded by Mr. James Johnson. All members voted aye.

Approval of Agenda was the next item on the agenda. Chairwoman Kern asked for a motion to approve the agenda. Mr. Salyer stated that he would like to add Executive Session after Item VIII. Mr. Robert Harrison made a motion to approve the agenda as amended; Mr. James Cooper seconded the motion. All members voted aye.

Chairwoman Kern continued to Old Business – Stimulus Money – Litchfield Manor. Mr. Salyer stated that the Authority received \$457,000 in stimulus money which is being used to brick Litchfield Manor. The state of Virginia received \$40,000,000 which included 30 housing authorities in the state that received stimulus money. The Director of HUD stated that only 5 authorities in the state were 100% obligated (Wise County was one of them) in spending the money and in compliance with the rules and

regulations. Mr. Salyer stated that Litchfield Manor now has a sign that includes the stimulus logo.

Commonwealth Apartments Bid Opening was the next item on the agenda. Mr. Jack Mooney gave each board member a copy of the bids. The bid opening date was January 28, 2010 at 2:00 p.m. Four bids were received and Quesenberry's, Inc. was the low bidder at \$1,587,327.00. Mr. Salyer stated that a meeting was scheduled for February 17, 2010 with the finance people. Mr. Salyer asked permission from the board to negotiate a contract with Quesenberry's and try to get the cost down by \$150,000 if possible. This is a tax credit property and a standard AIA contract will be used. Mr. Salyer stated he would let Attorney Greg Gilbert review the contract before it is signed. Chairwoman Kern asked if there were any questions. Mr. Markham asked how the Authority would be paying for the improvements. Mr. Salyer stated that the Authority would be paying for the improvements with tax credit money. The Commonwealth Limited Partnership will be signing the contract as the owner. Chairwoman Kern asked for a motion to allow the Authority to negotiate a contract with Quesenberry's. Mr. John Markham made a motion to allow the Authority to negotiate and sign a contract with Quesenberry's; the motion was seconded by Bob Harrison. All members voted aye. Mr. Salyer stated that the Authority would be meeting with the residents of Commonwealth the middle of March.

Appalachian Towers Roof was discussed. Mr. Mooney stated that the Towers' roof had leaks and needed to be replaced. The architect will be bidding this job by the end of February. Capital funds will be used to replace the roof.

Inman Village Interior Stairwells was the next item on the agenda. Mr. Mooney stated that some of the stairwells at Inman Village are starting to deteriorate. Approximately ten stairwells need to be repaired. This job will be bid by the end of the month. The paint will have to be tested to make sure there is no lead in the paint. The test costs approximately \$600.00.

The board has already given the Authority permission to sign contracts with the low bidders.

Chairwoman Kern continued to New Business – Utility Costs. A handout was passed out to the board members to review on electricity cost increases in WCRHA properties. Mr. Salyer stated that utility costs have risen recently and stated that the electricity increased at John Vandiver Manor from \$2,862.00 in December to \$4,773.00 in January. The Authority receives 21 electric bills and 21 water bills on this property. Mr. Salyer stated that he would like the board's permission to have the electric and water put in individual tenant's names. The houses are individually metered for water and electric. If the Board agrees, Mr. Salyer stated that Management Resource Group would establish utility allowances for this property. The Authority would take care of the deposits with ODP and the Town of Coeburn and let the tenants make payments to the Authority. Mr. Salyer assured the Board that everything will be adherent to the Virginia State Landlord and Tenant Law and the tenants would be given at least a 120 day

notice. This change will also be done with our attorney's guidance and review of the lease. Chairwoman Kern asked for a motion to proceed with Greg Gilbert's guidance. Mr. Johnson made a motion to allow the Authority to permission to change utilities from Authority's name to tenants name with the guidance of attorney; the motion was seconded by Mr. Cooper. All members voted aye. Mr. Salyer said he would give the board an update at the next board meeting.

Landlord Appeal Process was discussed. Mr. Salyer stated that the Authority is assisting approximately 743 families on the rental assistance program. We do not have an appeal process in our administrative policy for landlords. Mr. Salyer asked the board to consider allowing Mr. Mooney to hear any appeals from landlords regarding Mr. Call's inspections and add an appeal process for landlords to the Section 8 Admin. Policy. Chairwoman Kern asked if there were any questions or discussion on the landlord appeal process. Mr. Bob Harrison made a motion to approve adding the appeal process for landlords to the Section 8 Administrative Plan; the motion was seconded by John Markham. All members voted aye.

Chairwoman Kern proceeded to the next item on the agenda – Drug Arrests. Mr. Salyer informed the Board that the Drug Task Force charged 50 people with drugs recently and the list was in the Coalfield Progress. Three of those arrested was on assistance with the Authority. If the tenant is arrested on our property then we can proceed with eviction.

Mr. Salyer informed the Board that the three bedroom house on Wise Mountain road has been sold to a teacher in St. Paul.

Capitalization Policy was next on the agenda. The following Capitalization Policy was presented to the Board by Kathy Hylton:

Wise County Redevelopment and Housing Authority adopts the following Capitalization Policy for the purpose of determining, distinguishing and recording materials or non-expendable equipment purchased or acquired in connection with the development, management, and maintenance of properties owned or operated by the Authority.

- A. If the initial cost of a piece of equipment and/or other asset is Twenty Five Hundred Dollars (\$2500.00) or more and the anticipated useful life of said equipment or property is more than one (1) year the same shall be capitalized and recorded as non-expendable equipment and charged as a capital expenditure.
- B. If the initial cost of the piece of equipment and/or personal property is less than Twenty Five Hundred Dollars (\$2500.00) or its useful life is less than one (1) year regardless of cost, the same shall be expensed.

Kathy Hylton stated that the auditor recommended that the amount be raised to \$2500.00. Chairwoman Kern stated that a motion from the board is needed to change the Capitalization Policy from \$500.00 to \$2500.00. Mr. Bob Harrison made a motion to

approve the policy and changing the amount to \$2500.00; the motion was seconded by Mr. James Johnson, Sr. All members voted aye.

Mr. Salyer went over a letter the Authority received from HUD which stated that the Authority received a "high performance" rating on the SEMAP (Section 8 Rental Assistance Program.) Mr. Salyer commended the Section 8 staff for a job well done.

At this time a motion was made by Elsie Kern and seconded by Fred Pack to go into executive session at 5:35 p.m. The motion carried. At 5:47 p.m. a motion was made by Bob Harrison and seconded by John Markham to return to regular session. All commissioners voted aye.

Board requests/comments was the last item on the agenda. Chairwoman Kern stated that the maintenance crew at the Authority did an outstanding job during the snow storm. Mr. Mooney stated that the Appalachian Towers was used as a shelter and up to 40 people stayed there during the storm.

There was no further business to come before the board. Mr. Cooper made a motion to adjourn.

ATTEST

Elsie V. Kern, Chairwoman