

**CITY OF ALAMOGORDO, NEW MEXICO  
HOUSING AUTHORITY BOARD  
SPECIAL MEETING MINUTES  
6:45 P.M., COMMISSION CHAMBERS  
TUESDAY, OCTOBER 13, 2009**

**MAYOR RON GRIGGS  
MAYOR PRO-TEM CHRIS LUJAN  
MEMBER ED COLE  
MEMBER MARION LEDFORD  
MEMBER JOE FERGUSON  
MEMBER ROBERT RENTSCHLER**

**MEMBER JOSH RARDIN  
MEMBER NINA WALKER SAENZ  
CITY MANAGER MARK ROATH  
CITY ATTORNEY STEPHEN THIES  
CITY CLERK RENEE CANTIN**

Mayor Griggs called the meeting to order at 6:45 p.m. and roll call was taken by the City Clerk. Member Rentschler was absent.

1. Minutes of August 25, 2009.  
*Recommendation:* Approve the minutes.

**Member Cole moved to approve the Minutes. Member Rardin seconded the motion. Motion carried with a vote of 7-0-0.**

2. Consider HA Resolution No. 2009-08 approving the 2009 Capital Fund Program annual statement and American Recovery & Reinvestment Act (ARRA) Capital Fund Program plan.  
*Recommendation:* Approve the resolution. [Roll call vote required]

Chairman Griggs began by saying every year HUD allocates a portion of money to housing authorities to be used for capital improvements that money is used through the Capital Fund Program (CFP). The Housing Authority this year has received \$365,089 for its 2009 Capital Fund allocation. This money is divided into projects which address needs identified by either the Physical Needs Assessment, the Real Estate Assessment Center inspection, the annual Uniformed Physical Conditions Standards inspection and observations made by staff. The recommendation from staff on how to allocate and spend this money is shown in the packet.

Evelyn Huff, Property Manager, stated they did receive their capital fund allocation. This is a little different than what has been seen before. This is the first time they have had to bring their annual statement to the board. These are the documents that are turned over to the HUD field office so they can release the money for our use in the systems e-log. What we do is fill out the annual statement and designate the money to different projects that we try to complete within the four-year time span that we are given to spend the money. For the 2009 capital funds, we are allocating \$125,800 to operations; this is a one time drawdown that is brought into the general operating account that allows us to use for general operations.

Chairman Griggs asked if this is money we count on continually to be able to supplement our operational budget or is this just a windfall. Huff explained it is something we have counted on annually. This year we are taking a larger portion from the CFP, for operations, than we have in previous years; mostly because we have had large projects that we have had to pay a large amount in project management and we have also had a substantial CDBG match that depleted what we would normally use for our operating out of our normal operating budget. However the CDBG match is good because we are matching a \$500,000 grant with \$50,000 of our own money. The other projects that we have slated for the 2009 CFP is the addition of extra parking at Alta Vista, this is for \$41,883. This will supplement an amount that is coming for other CFP grants to allow us to complete addition of extra parking to allow people to get off the road. If anyone has driven through Alta Vista at night, it is very difficult because so many people have to park on the road. We

are also going to do concrete work on the porches at Alta Vista, this is for \$177,406. We have some major issues with the porches at Alta Vista in that they are cracking and crumbling also on the sides of the building. This has been written up in our physical needs assessment and in our REAC inspection and in our UPCS inspection. We have an ongoing program to replace our appliances with new energy efficiency appliances, and also replace our water heaters with new energy efficient water heaters. Every year we put aside a portion of our Capital Fund to allow us to buy these new appliances and water heaters. This year from our 2009 funds we are putting aside \$20,000. Those are the four areas that have been earmarked for the 2009 Capital Fund.

Member Rardin asked how many concrete porches are being replaced; it seems like a high number to him. Ms. Huff explained there are four porches for every building. Each unit actually has two porches; there are seventy units, so there are 140 porches.

Member Cole asked if he recalls correctly that last year they replaced a lot of the hot water heaters and other appliances. Ms. Huff said they have been working on doing that and she believes that this will be the last year they will have to take a large chunk out of the capital fund because they are almost to the end of their appliance program and halfway through the water heater program. They have only been replacing the water heaters as they explode or leak or something of that nature, but they would like to get to the point where we can start replacing them before anything happens and are hoping with the 2009 money they can get to that point.

Member Cole asked other than the hot water heaters what are some of the other appliances that are being replaced. Ms. Huff stated they provide refrigerators and stoves. Stove, refrigerators and hot water heaters are our main replacement. We do have some money in our 2008 capital fund to replace the furnaces in Alta Vista; they are coming to the end of their useful life. Right now the furnaces at Plaza are okay.

Member Ferguson noticed the plan says about 220 furnaces will be replaced or repaired, has that been done yet. Ms. Huff said at this time they are planning to replace 70, which are at Alta Vista and so far they have not been done, but it is in the plan for the 2008 money. We are not planning to replace the furnaces at Plaza yet since they are still relatively new and still functioning and we can get parts for them. We are running into the problem at Alta Vista that as the older the furnaces are getting, the harder it is to get parts for them. Member Ferguson said it says 220 furnaces in the plan. Ms. Huff stated they looked at the furnaces at Plaza and once they separated them, they realized all the furnace problems were at Alta Vista at this time. They realized the Plaza furnaces were still in good shape.

Member Ferguson clarified that the older furnaces were hard to get parts for and therefore need to be replaced and the newer ones were being repaired as needed. Ms. Huff confirmed this and said the furnaces at Alta Vista were close to 20 years old. Member Ferguson asked will you replace 70 instead of the 220 you had planned on. Ms. Huff stated we will do the 70 soon and we will do another 150 around 2011. Member Ferguson said if this is the plan from 2006, why has it not been completed yet. Ms. Huff said after it was really looked at, it was determined it was not necessary to replace all the appliances that were continuously working. Member Ferguson asked where the funds that were allocated for that go. Ms. Huff those funds went to other projects such as painting, a major refurbishment of all the units that used several years of the capital fund, and we are just getting out of that. We are just starting to be able to use our capital fund for other things.

Member Ferguson asked if most all of the refrigerators and stoves are done. Ms. Huff confirmed this. He then asked how many were left to replace. Ms. Huff said roughly 20 percent. 80 percent of the appliances are less than five years old. Member Ferguson asked how many housing units we have. Ms. Huff said we have 220 units total, so we have about 44 units that still need some combination of new appliances. Some units might have new refrigerator but not a new stove. The water heaters are only about 50 percent complete, we still have about 110 left to replace. Member Ferguson then asked how many water heaters were replaced last year. Ms. Huff stated she did not have that number at this time but she would get it for him.

Member Ferguson asked how many they are planning to replace this year. Ms. Huff stated they will do as many as they can. Water heaters cost \$316 each and we also have to pay a plumber to install them which is an additional \$65 each, so roughly \$370 per water heater. We are hoping to put in \$10,000 worth of water heaters this year. Member Ferguson on this five year plan that we voted on, he would like to see what has been completed to date and if it hasn't been completed a reason why. Looking at where it says you will replace some refrigerators; there is no money for this replacement in the plan we are looking at. Is that money we get from somewhere else?

Ms. Huff stated in the 2009 there is \$20,000 to replace appliances. There is no money in the ARRA, which is another part of this presentation that you have, but there is \$20,000 in the 2009 CFP. Member Ferguson said he thought they were going to do window replacement. What is the status on that? Ms. Huff stated they are hoping to do window replacements, but right now they don't need to be replaced. The five year plan is the plan that stretches over five years of our capital fund and right now windows do not need to be done. We are also at the end of the old five year plan and when you go into the new five year plan, you are supposed to reevaluate your needs. We had our physical needs assessment in December 2007 and they found that our windows were in good shape. They are sealed, double paned windows, they are not leaking a lot of heat or energy, so windows was not one of the things put on the priority in the physical needs assessment. Electrical was determined to be a priority, as was the concrete and the problem with the roof ventilation. HUD gets a copy of our physical needs assessment and they apply that to our new five year plan.

Member Ferguson asked if all the windows are in good repair. Ms. Huff reconfirmed this. Member Ferguson asked if he could talk about the housing now or wait until later. Chairman Griggs suggested they let Ms. Huff continue with the presentation first and talk about the houses later.

Ms. Huff said the other portion of the agenda item is to revise the annual statement for the American Recovery and Reinvestment Act capital fund money that we receive. We initially had this slated to pay for the electrical wiring at Alta Vista, to repair and renovate roofs at 1000 and 1002, to work on concrete, installing ventilation on the roofs at Plaza, working on the fascia and soffit at Plaza and relocation expense for the large electrical project. Due to some issues we have had with our large electrical project, we are actually canceling a portion of the contract and going to put it out for re-bid. Based on the information we received from the original contractor, we feel there will be an increase in the cost from what we initially thought we would have to pay for the wiring upgrade at Alta Vista. What we want to do is move some money around for different projects and move more money to complete the wiring at Alta Vista. In the revised annual statement that we are asking you to approve, we have \$353,406 to rewire the units at Alta Vista. We have \$12,000 to repair and renovate 1000/1002 7<sup>th</sup> Street, which has a major roof issue that has caused a major ceiling issue. We are bringing in \$37,594 to work on the concrete at Alta; this is in conjunction with the 2009 CFP that was shown earlier. \$20,000 to install ventilation to the roofs at Plaza; these roofs are not properly ventilated and the attics are getting very hot which are causing the shingles to cook off the roof and if we add ventilation, we can prolong the life of the roofs. Fascia and soffit repair at Plaza Hacienda, we devote \$25,000; we currently have four temporary painting positions that we would like to keep employed as long as we can. The fascia and soffit has been written up on the REAC inspection twice, so we need to get it cleared up as soon as we can. Relocation expense for the electrical project, we have been able to minimize this so far, but the Alta project will be much more abrasive than what was done at Plaza so we will still need some relocation money for that.

Member Ferguson asked under the relocation for Alta Vista, how many are rented. Ms. Huff stated that right now there are 70 units and there are 14 vacant, so there are 56 units rented. Member Ferguson then asked if most of the units were two bedrooms. Ms. Huff stated most of the units are mostly two and three bedrooms but there are a couple of four bedrooms and a couple of one bedroom.

Member Ferguson said he recommends she speak with Commissioner Rentschler or another

electrical contractor because he believes the time frame that they put on completing each unit was unreasonable and that is why no one wanted to bid on the contract. He prefers local contractors bid on this, so the money stays here, but they would need to speak with one of the electrical contractors to get a reasonable time line for each unit. Once the empty units are complete, can you take a unit of the same size and move them into an empty one permanently? Ms. Huff mentioned there were a few plans they were looking at, their first plan is that if we have to relocate someone for an extended period of time that we would actually move them into one of the vacant units instead of into a hotel. Member Ferguson asked why they could not just make the move permanent. Ms. Huff said that is hard because you are talking about transfer fees for utilities and mail.

Member Ferguson said you should figure out the cost of sending them to a hotel for a week and pay for their food, what does that cost versus helping to pay their utility transfer fees. If it is cheaper, he would recommend they try to do that. Ms. Huff said they will choose the solution that is the most cost effective for them. Member Ferguson suggested doing a cost analysis to determine the cheaper way.

Member Walker Saenz asked when they do the roofing at Plaza Hacienda, will any of the actual roofs be repaired or replaced; she has noticed some roofs losing their shingles. Ms. Huff replied right now they are not planning on doing any full roof replacements. Right now they are hoping to do the ventilation and prolong the life of our roofs a few years. If they get into a situation, when they start working on the roof and it is obvious that it needs to be replaced, then they will definitely replace it.

Chairman Griggs commented in looking at the agenda report, one of the questions that arose in a previous meeting, not necessarily dealing with housing, was the reviewed by status on the report. In this instance, the review is conducted by the City Attorney and the City Clerk of the numbers. Normally he would guess, and he is not sure where we stand at the moment, if finance is doing their accounting or not, but we do not have a signoff by finance or the housing authority. He asked if they could address that.

Ms. Huff stated in terms of the sign off by finance, she did bring Ms. Nichols this agenda report and she did have some concerns about it and did think the wording was confusing. There was a hand out that was provided to the board prior to the meeting, that we hoped would clarify the agenda report. Ms. Nichols did not want to sign off on the agenda report because she thought the wording was confusing, but she did review the handout that was handed out and she felt that was clear and would clear up any confusion and that you would be able to see how the money was moving in between the projects within housing. As for the Housing Authority signing off on it, she made a mistake on the agenda report that was signed off on and she had to correct it and she sent it to the City Clerk and there was not time for someone to sign it before it was put into the agenda packet. She takes responsibility since she put the wrong number on it.

Member Ledford asked if Ms. Huff was talking about the handout that was given as they walked in, the finance director is in charge of this budget, and she looked at it and approved it? Ms. Huff confirmed it was the handout and she said she could not speak for Ms. Nichols.

LeeAnn Nichols, Finance Director stated the agenda report that was provided lists numbers, and you are moving money from one project to another and you have several CFP funds and an ARRA fund. What is on budget is the 2006 CFP, 2007, 2008, 2009; so there are four CFP funds and one ARRA fund. In the agenda report, she is telling you that she is taking money from this, and adding it to this and put it with this, well we have also broken those projects up in project numbers. On you spread sheet you have, in the first column, that HP is a project number. It is important for us to track this in the budget. She did not have a budget revision to match the agenda report, so it did make it kind of confusing. She asked Ms. Huff to put together what we had in the budget from HTE, which is what the HA Board and Commission approved for PHA and the current HUD annual statement, and the proposed annual statement amount. She felt it was very important for everyone

to see how the money is being moved around between those projects. Since Ms. Huff has done that, if the board is okay with moving the money around then she is okay with it too.

Member Ledford stated he is not sure if he is okay or not, he relies on Ms. Nichols a lot for the numbers and if she feels comfortable, she should have signed off on the agenda report.

Ms. Nichols explained that she is uncomfortable about, the ARRA funds she understood were supposed to go for the CFI electrical project, and there is \$431,000 in there. We spent \$380,000 on that project. We had to cut that project and terminate the contract and go back out for re-bid. We are taking that \$431,000, if you look in the second to the last column, to \$353,406.

Ms. Huff stated that it is correct for the ARRA grant and the other portion was coming from the 2007 CFP. Ms. Nichols went on to say at the time she looked at the report, PHA had not followed through in lowering the PO that was issued to the contractor that we issued for the \$380,000, so when she looks at it, it should have \$380,000 in that line. If you look down in the HP0707, kind of mid way through, the very last item is the GFI Plaza and rewire; if you notice in the year to date budget there is a zero but in the approved current annual plan there is \$224,594. That money has been moved without a budget revision. What she wants to say at this meeting is if the board is okay with this money that Ms. Huff is describing as moving around from one project to another, Ms. Huff has given her the budget revisions that go with that, so Ms. Huff can move that money around with your approval. It just wasn't clear to her in the agenda report because there was a lot of numbers and a lot of projects. She goes in the first column that is her bible that is the budget as approved. To her that in and out has to move between that budget because that is what has been approved by the board.

Vice Chairman Lujan asked Ms. Nichols now that we understand what Ms. Huff is doing, do you still have a problem with what is presented. Ms. Nichols responded no, she does not have any opinion on what they use their money for on projects but it does. Vice Chairman Lujan asked if she was okay with it now. Ms. Nichols stated that she would sign off on it now.

Chairman Griggs said what it appears to him what we have, and hopefully we are putting it in place if we don't already have it, is a better way to lay all of this out, to where we get everyone's involvement and understanding on how things need to be presented.

Ms. Huff stated in the past when we wanted to revise an annual statement, we ran three copies, the ED signed it and we sent it to the field office. HUD's new guidance is that anytime we want to revise an annual statement, they want us to come to the board and present the revisions to the board in conjunction with the finance department. We also need to ensure we have the appropriate revisions behind it to back it up, and that the annual statements and the budget all match.

Chairman Griggs said anytime the city does budget revisions on our budget, we have a variety of things to look at; we have the narrative and the line by line breakout. He thinks that as we graduate to that, we will all be more comfortable. He is glad Ms. Nichols has looked at the revision and that she is happy with it. To get it tonight, there is really no way for us to decipher all of it without relying on the judgment of staff. He thinks if we can avoid that, it will be easier to approve next time.

Member Ferguson said he has further questions and wanted to know if this was the best time to ask them. Chairman Griggs stated if it deals with this topic, then it is the time to ask them, if not then we need to determine the best time to ask them. We need to look at whether or not we should hold a special meeting or ask them under the unscheduled portion of the meeting. Member Ferguson said it is dealing with Capital Outlay because we did a plan and he said they listed a whole bunch of objectives and he would like to see where they stand on those objectives. Ms. Huff stated she would be happy to meet with him, and sit down and give him an update. Member Ferguson said he would just like Ms. Huff to write it out for him and give it to the City Manager to pass on to them for comparison.

**Member Walker-Saenz made a motion to approve Resolution No. 2009-04 approving the five year plan. Member Ledford seconded the motion. A roll call vote was taken, and all voted "aye." The motion carried with a vote of 7-0-0.**

Member Ferguson asked how many houses are there in inventory for the Home Ownership Program that we have. Alicia Rios, Operations Manager for Public Housing, stated they were talking about that earlier today. They have sold six last year and they are in the process of selling two more at this time. She thinks they have twelve houses in inventory at present. Member Ferguson asked how many houses they have under contract, just the two. Ms. Huff stated there are ten houses that are occupied at this time and two that are vacant. The ten that are occupied are paying rent.

Member Ferguson asked if they have a list of people that are coming to them and asking about these houses, like a waiting list. Ms. Rios stated it is a good program and they do have a small waiting list. Unfortunately Barbara Jenkins left in January and that program fell to her and she has not focused on it as much as she should. As soon as she gets back to full time, she will ensure those other two houses get occupied. That is one of the things she would like to discuss, is including the board on some of the decisions that they are making with the Housing Authority; not only with the capital funds but also with the programs that we are running. The Home Ownership program, we are taking losses on the two houses that we are selling right now because of the way the market is sitting. When the market crashed, we couldn't anticipate what it would do to our homes. The values on our homes have dropped significantly, so we are losing money on those projects. That is one of the things that she would like to discuss with the board, do we want to continue this Home Ownership Program. We could buy a lot of nice little houses right now with the money we have for a very low price. Do we want to continue doing that or do we want to use that money somewhere else for something else? That is one of the things that she would like to establish with the board at one time in the future. Chairman Griggs agreed that it would be a good idea to do that some time in the near future.

Member Ferguson asked if they were still holding the quarterly residential meetings. Ms. Rios explained they do schedule the quarterly residential meetings, but the attendance is very low. This year it has been difficult with the ongoing electrical project. What they have been doing with the electrical project is advising the tenants via notice. We will place a nice big yellow tag on the door to inform them of what is going on with the electrical project. We also try to do a monthly newsletter, but that has not always worked either.

Member Ferguson then asked how many people in the Housing office knows how to use the YARDI software program. Ms. Rios stated that all her people are trained on the program and know how to use it. Member Ferguson said what he would like to find out if they can put in their work orders and things like that to find out how long it takes for them to do it. YARDI can figure that out how many hours they used during the month and he would like them to tell him how many hours they used and how much we paid the employees for that time and compare the two, because that is what the software is supposed to do. Ms. Rios stated she may need to get some clarification from him.

Member Ferguson stated that you put a work order into YARDI with the time you are going to start a job and once it is completed, they enter the time and materials used, poll that for a month or two, because YARDI will give a cost estimate. Then he would like to see the cost estimate and what was actually paid to the employees and compare the two, it should be the same.

Ms. Huff explained that the payroll doesn't change based on the amount of work orders because our people work a 40 hour week. Whether they are doing something that is or is not on a work order, the payroll will not change based on the amount of work orders. The work orders only track the maintenance staff; they do not track the admin staff. Member Ferguson said he believes that the software will do that if they want it to. Ms. Huff stated the only way it would track the admin side is if the admin staff put in the work order for what they were working on.

Member Ferguson said it will track the admin side as well, he knows because he called them and asked. This is the best software there is it is costing us \$5,000 per year and he thinks it is way over priced. He thinks they can find something cheaper and he recommend that they try to find something cheaper. He also knows they had to bring someone down here to train them on the software. He knows that Ms. Rios went to California to get the training and that she can train the other employees, but if there is cheaper software that will do that same job that HUD would approve, he thinks they should use it.

Ms. Rios admitted they have not utilized YARDI to the capacity that it is capable of. Some of the things she had learned was that to work with someone in California, to get all the scripts written into YARDI are difficult. We are moving on from YARDI and she wants to make the board aware that the windows based program that they used prior to YARDI cost more like \$17,000 per year. YARDI is inexpensive compared to some of the programs that are out there for our use.

Member Ferguson said he understands that there are some programs out there that cost less. Ms. Rios stated they are moving to one of those programs hopefully at the end of this month, a less expensive one.

Member Ferguson asked if they will be coming back to the board to inform us that you will no longer be using YARDI and will be using the less expensive program. Ms. Rios said yes, they are working on moving to another program. Member Ferguson said if they are using YARDI to its full capacity, he would have no problem paying \$5,000 per year, but if they can go with something less expensive, he would support that. Ms. Rios stated the programs are quite diverse and one problem they have with YARDI is that it does not track the Home Ownership Program as much as they would like it to be tracked so we have to manually track some things. There will be no disagreement with her about getting rid of YARDI, but YARDI is not as expensive as some of the software out there.

Mr. Ferguson reiterated that he would just like to try to see if there is software out there that would do the required steps but be less expensive to save some money. He also wanted to know what the \$20,000 for renovating the office deals with.

Ms. Rios explained the renovations to the office are for a leaky roof that has caused problems in the past; flooring, she has people who have allergies that cannot breath because of the old moldy carpeting; necessary things like that. We were talking about some remodel work but we have to get the essential things done first.

Chairman Griggs thanked Ms. Rios and Ms. Huff for their comments.

ADJOURNMENT.

**Member Ferguson moved to adjourn at 7:28 p.m. and Member Rardin seconded the motion. Motion carried with a vote of 6-0-0. Vice Chairman Lujan was out of the room.**

(SEAL)

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Chairman Ron Griggs

ATTEST:

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Reneé L. Cantin, Secretary

*(Prepared by Marsha D. Brady, Deputy Clerk)  
Approved at the Special Housing Meeting held on December 15, 2009.*