

MINUTES OF A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY
OF THE CITY OF EL PASO, TEXAS
WEDNESDAY, JUNE 25, 2014

Item # 1. Call to Order. The Chairperson called the meeting to order at 5:30 p.m.

Item # 2. Pledge of Allegiance. Recited Pledge of Allegiance.

Item # 3. Invocation/Moment of Silence. Moment of silence.

Item # 4. Establishment of a Quorum.

PRESENT: Chairperson Joe Fernandez, Presiding; Commissioners Burt Blacksher, Kevin Quinn and Lupita Licerio. The Chairperson declared a quorum with four Commissioners present. Commissioner Francisco Ortega was absent.

ALSO PRESENT: Gerald Cichon, Chief Executive Officer; Arthur Provenghi, Corporate Attorney; William Zeigler, Chief Human Resources Officer; Frank Cota, Director of Strategic Planning; Hector Montoya, Director of Finance; Huu Dang, Senior Finance Manager; Glo Dore, Executive Secretary to the CFO; Shane Griffith, Public Information Officer; Oscar Arriaga, Public Information Specialist; Patricia Quintanilla and Aracely Saenz, Executive Secretaries.

Item # 5. Resident Association Presidents to be Heard. None.

Item # 6. Citizens to be Heard. None.

Item # 7. Approval of Minutes of a Regular Board Meeting That Took Place on May 28, 2014. Commissioner Blacksher made a motion to approve item # 7. It was seconded by Commissioner Licerio. Motion carried unanimously.

Consent Agenda:

Item # 8. Purchasing and Construction Contract and Purchase Order Awards:

- A. Request that the Contracting Officer be Authorized to Sign Contract Modification for Multiple Legal Services Contracts. This is for a One Year Extension. These Contracts Were Procured Through a Request for Proposal (RFP) Process. The Recommendation is as follows:

**Department:
Award to:**

**Executive
Mendel • Blumenfeld
Contract No. EX 14-C-0002**

**Kemp Smith LLP
Contract No. EX 14-C-0003**

**McKamie, Krueger & Knight LLP
Contract No. EX 14-C-0005
Coats Rose
Contract No. EX 14-C-0006**

**Gordon, Davis, Johnson & Shane, PC
Contract No. EX 14-C-0007**

**Hawkins, Delafield & Wood LLP
Contract No. EX 14-C-0008**

**Total Award: \$500,000 est.
(Combined)**

**Funding Source: COCC
Procurement Type: Request for Proposal (RFP)
Contract Term: Renewal**

- B. Request That the Contracting Officer be Authorized to Sign Contract Modification for Copiers Agency-Wide Contract No. CC 14-C-0011. This is a Second and Final Renewal. This Contract was Procured Through a Request for Proposal (RFP) Process. The Recommendation is as Follows:

**Department: Procurement
Award to: Xerox Corporation \$98,787.96 est.**

**Funding Source: All Departments
Procurement Type: Request for Proposal (RFP)
Contract Term: Renewal**

Mr. Cichon reviewed the proposed items under the consent agenda and offered to answer any questions.

Commissioner Quinn asked to deferred consent agenda item # 8-A until after executive session.

Commissioner Blacksher made a motion to approve consent agenda item # 8-B. It was seconded by Commissioner Licerio. Motion carried unanimously.

Regular Agenda:

Item # 9. Request that the Contracting Officer be Authorized to Sign Recommendation for Postage for HACEP Print. This is a Single Source Purchase. The Recommendation is as

Follows:

Department:	Procurement	
Award to:	Purchase Power (Pitney Bowes) For Print Shop	\$63,688 est.
Funding Source:	COCC	
Procurement Type:	Single Source	
Contract Term:	Purchase	

Commissioner Licerio made a motion to approve item # 9. It was seconded by Commissioner Blacksher. Motion carried unanimously.

Item # 10. Request That the Contracting Officer be Authorized to Sign Recommendation for Contract Award for Rental Assistance Demonstration (RAD) Project Management Services EX 14-R-0011. This Contract was Procured Through a Request for Proposal (RFP) Process. The Recommendation is as Follows: (Tabled from May 28, 2014)

Department:	Executive	
Award to:	ECM International, Inc.	\$100,000 est.
Funding Source:	CFP	
Procurement Type:	Request for Proposal (RFP)	
Contract Term:	New	

Item # 10 was withdrawn from the agenda at the request of Mr. Cichon.

Item # 11. Discussion and Action Regarding Resolution Authorizing the Chief Executive Officer to Sign an Interlocal Cooperation Agreement Between the Housing Authority of the City of El Paso, Texas and the City of El Paso Police Department Which Will Provide for the Use of Off-Duty Police Officers and Other in Kind Services.

Mr. Cichon said that this is a new MOU with the City of El Paso authorizing HACEP to hire off-duty Police Officers to patrol our communities. He added that we will be paying \$24/hour for non-supervisory officers and \$26/hour for supervisory staff.

Commissioner Licerio made a motion to approve Resolution No. 1952 under item # 11. It was seconded by Commissioner Blacksher. Motion carried unanimously.

Item # 12. Secretary's Report.

- **IBI Acquisition.** Mr. Cichon said that we are still working with the City of Anthony and with the Anthony Housing Authority to purchase two particular communities in the City of Anthony. He said that based on extraterritorial jurisdiction laws, we are not allowed to own properties outside the City limits. Therefore, we need support from the City of Anthony and the Housing Authority. We have been working with them, but we have not been able to get that finalized. As it relates to the County, we need their approval to buy six communities that are located in the County. In talking to Judge Escobar, we believe that there will be no problem it just hasn't come to vote yet. The properties in Socorro have already closed and are done. The TDHCA, which is the body that oversees the tax-credits, has a question about allowing six of the properties that are under Ike Monty's HUB to be transferred to us even though we are non-profit

and have transferred properties in the past. We are hoping that we can bring this back in July or August.

Chairman Fernandez asked have many properties have been closed.

Hector Montoya, Director of Finance, said that we have not closed any. He added that this has been an interesting transaction with extensive amount of due diligence from the compliance point of view making sure that there are no issues with any of those entities. We have done an extensive financial review and legal review making sure that the agency is protected. We are going through the municipality approvals and formalizing the approvals from the lenders, TDHCA, and the syndicators.

- **RAD Update.** Mr. Cichon said that RAD is moving along. We have been working with Robin Vought trying to get the lenders set up. We selected Citigroup as our investor banker and we are trying to get the bonds moving. He asked Mr. Vought to elaborate.

Robin Vought, representing HUNT Development Group, said that they finalized the physical condition assessment reports, which is a HUD mandated process that we have to go through. The actual construction contracts and the closing will probably happen sometime in November or December. He added that they have completed the process of selecting a permanent lender. They sent out RFPs to a number of lenders and received five very qualified proposals from nationally recognized institutions in affordable lending.

Mr. Cichon said that it looks like Congress may lift the RAD cap at the national level; it may go to 170,000 units instead of the original 60,000 units. It does not affect us since we are already at 100%, but we are trying to figure out how to get to our ACC limit by adding 200 units on line. Right now, because they are not in existence, HUD is telling us that we can't include that in the conversion. If we built those units, which we have the right to do, we would have 200 units of public housing and 6,200 of Section 8 housing. This increase in cap may allow us to do a purchase or conversion of current property that we own and convert that with that group of units, which will then allow us to have a full conversion and have our ACC cap. We are studying the options.

- **Audit on Shelter Plus Care Program.** Mr. Cichon said that the audit is not finalized and will be presented next month.

Mr. Cichon reported that we had some chiller issues at Sun Plaza and Father Pinto. The primary chillers were running, but the secondary chillers closed down and created a draw. It was not cooling at the rate that they need to cool. On Sunday, we were down for a couple of hours as we fixed it. We order parts and will be fixing the primaries today. He said that he met with the residents to make sure that everything is okay. He thanked Ms. Vasquez for her assistance in the process and with the residents concerns.

- **Launch of New HACEP Website.** Shane Griffith, Public Information Officer, said that the new website was launched last Monday. This is the culmination of about a year's worth of work. We wanted to make sure that we had an easy to navigate design because

this is the primary face of our agency and it is the only way that people can apply for housing. Mr. Griffith provided a presentation of the new website and its features. He invited everyone to navigate through the website and inform him of any problems or comments. He thanked everyone involved in this project; this was really a team effort.

Mr. Cichon acknowledged Mr. Griffith and the team that worked on the project. This is much more than a website that provides information to our residents and landlords that they could not get before. Right now, the landlord's portal is being tested by HACEP Acquisition Corporation making sure that it is working. We will be launching the residents' portal next month where they will be able to find relevant information and make payments, changes, etc. from their home. Our goal is to allow people to do business with us from their home.

Mr. Griffith said that another feature is that the website self-adjusts depending on the screen size to be used by smart phone users.

Commissioner Blacksher asked about protection of our clients' personal information.

Mr. Cichon said that security was the most important part. HUD has a lot of requirements upon us for confidentiality from residents. This is a very secure portal and we believe that we have what we need to protect not only our residents but also the Housing Authority. The access to certain information will be password protected.

Mr. Griffith introduced Oscar Arriaga, a new member of our team. He is the Public Information Specialist. Prior to joining the Housing Authority, Mr. Arriaga was with the University of Phoenix for five years as their spokesperson.

Oscar Arriaga said that he is proud and happy to join the team and the agency to communicate in a positive manner the organization's strategies, objectives, goals, and missions. Thank you.

Chief Financial Officer Reports.

- **Statement of Revenues/Expenses for April 2014.** Mr. Montoya discussed the revenues/expenses report.

- **Statement of Changes in Net Assets for April 2014.** Mr. Montoya discussed the net assets report.

HACEP News Articles/Events. No discussion.

Commissioner Blacksher made a motion to go into recess. It was seconded by Commissioner Quinn. Motion carried unanimously. The Board went into recess at 6:08 p.m.

Commissioner Quinn made a motion to come out of recess. It was seconded by Commissioner Licerio. Motion carried unanimously. The Board reconvened at 6:10 p.m.

Item # 13. The Board of Commissioners May Retire Into Executive Session at Any Time Upon the Motion of Any Commissioner Pursuant to the Texas Government Code, Section 551.071-551.076 to Discuss Any of the Following:

- | | |
|------------------------|---|
| Section 551.071 | Consultation with attorney. |
| Section 551.072 | Deliberations about real property. |
| Section 551.073 | Deliberations about gifts and donations. |
| Section 551.074 | Personnel matter. |
| Section 551.076 | Deliberations about security devices. |

Discussion on the Following:

- () Discussion and Update by Legal Counsel on Pending Litigation Matters. (Section 551.071)

Commissioner Quinn made a motion to go into executive session. It was seconded by Commissioner Licerio. Motion carried unanimously. The Board went into executive session at 6:10 p.m.

Commissioner Quinn made a motion to come out of executive session. It was seconded by Commissioner Blacksher. Motion carried unanimously. The Board reconvened at 7:05 p.m.

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Total Award: \$500,000 est.
(Combined)

Funding Source: COCC
Procurement Type: Request for Proposal (RFP)
Contract Term: Renewal

Commissioner Licerio made a motion to approve item # 8-A. It was seconded by Blacksher.

The following vote was recorded:

AYES: Commissioners Licerio, Fernandez, and Blacksher who abstained on contracts 003 and 007.


NAYS: Commissioner Quinn. Motion carried.

Item # 14. Adjournment.

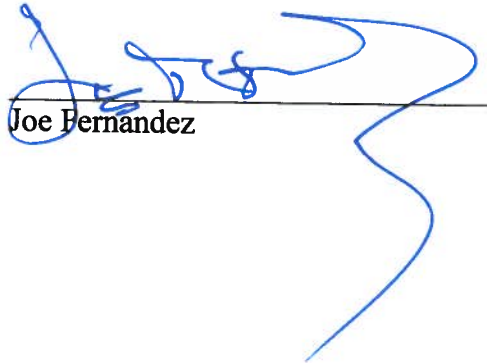
There being no further business to be discussed before the Board, Commissioner Blacksher made a motion to adjourn. It was seconded by Commissioner Licerio. Motion carried unanimously.

The meeting was adjourned at 7:06 p.m.

ATTEST:



Gerald Cichon



Joe Fernandez