

**ERIE COUNTY HOUSING AUTHORITY  
REGULAR MEETING  
THURSDAY, DECEMBER 4, 2014 – 11:30 A.M.  
ERIE COUNTY CONSERVATION DISTRICT  
1927 WAGER ROAD  
ERIE, PA 16509**

Chairman McGoey called the Regular Meeting of the Housing Authority of the County of Erie to order at 11:55 a.m., with the following present:

**BOARD**

James McGoey, Chairperson  
Dave Robinson, Member  
Ralph DeRose, Member

**EXCUSED**

Diane Madara, Vice-Chairperson

**STAFF**

Mike McNierney, Executive Director  
Jarid Pettit, Controller  
Beverly Weaver, HR Director  
Rachel Petty, Administrative Assistant

**OTHERS**

Art Martinucci, Attorney by telephone

Mr. McNierney suggested her name remain out of respect until after the 2015 Annual Meeting or until new member appointments have been made. He reviewed the process required for appointment to the board and discussion was held relative the new position to be held by a Corry resident. Mr. McNierney advised that both Doris Gernovich and Scott Fogle of the Corry Housing Authority (CHA) Board have submitted resumes for appointment to the Erie County Housing Authority (ECHA) Board.

**MINUTES**

On MOTION by Mr. DeRose, seconded by Mr. Robinson, the minutes of the Regular Meeting of September 16, 2014 were approved as submitted. AYES: ALL.

**FINANCIALS**

**APPROVE BILLS**

Mr. Pettit reviewed the expenses, noting the payment to Nupp Painting for work done at the new Weatherization Warehouse and the payments made in lieu of taxes to the Borough of North East and Millcreek Township.

Chairman McGoey asked how much had been invested in the purchase of the warehouse and to get it ready for use. Mr. McNierney stated the total cost has been under \$70,000 and advised that Weatherization has also acquired a fork lift for moving insulation.

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority approved the bills paid from September 1, 2014 to October 31, 2014. AYES: ALL.

**2014 YEAR-TO-DATE OPERATING BUDGET**

Mr. McNierney noted the budget was a comparison of actual amounts to budgeted amounts as of October 31, 2014.

Mr. Pettit reviewed the itemized comparisons and noted ECHA is currently ahead of budget. He stated savings were obtained by transferring 3 bank accounts into 1 account and by changing property insurers to HARIE, a non-profit agency specializing in Housing and Redevelopment Authorities. He advised legal expenses were higher due to the transfer of CHA assets and water and electric expenses have been higher due to the cold weather coming early. He reviewed the formula involved in determining the amount of

payment made to municipalities in lieu of taxes (PILOT) and stated additional savings were made due to the control of expenses.

**ECHA OPERATING BUDGET 2015 FISCAL YEAR**

Mr. Pettit reviewed the budgeted amounts for the fiscal year beginning January 1, 2015 stating the cost of health insurance has increased and the budget shows reduced costs for natural gas due to the installation of new electric based Packaged Terminal Air Conditioners (PTAC) at College View Apartments.

After discussion and ON MOTION by Mr. Robinson, seconded by Mr. DeRose, the Erie County Housing Authority approved the ECHA Operating Budget for the Fiscal Year beginning January 1, 2015 as submitted. AYES: ALL.

**COMBINED OPERATING BUDGET 2015 FISCAL YEAR**

Mr. McNierney reviewed the unofficial but anticipated combined operating budget of CHA and ECHA.

After discussion and ON MOTION by Mr. Robinson, seconded by Mr. DeRose, the Erie County Housing Authority approved the ECHA Combined Operating Budget for the Fiscal Year beginning January 1, 2015 as submitted. AYES: ALL.

**TELEPHONE CONFERENCE WITH ATTORNEY MARTINUCCI**

**PENDING CIVIL CASE**

At 12:00 p.m., Attorney Art Martinucci joined the meeting by telephone to answer questions and review pending legal matters with the board members.

He advised that a revised settlement demand has been received for the pending Civil Case in an amount approximately 50 percent of what was originally sought by the Plaintiff.

He stated he is working with insurance adjusters from all 3 Authorities to put together a settlement budget. He noted the appeal period has passed and believes there is a good opportunity to move forward quickly due to litigation that was done in the Civil Service Case.

**CORRY REDEVELOPMENT AUTHORITY (CRDA)**

Attorney Martinucci advised there has been no response from Attorney Paul Carney relative to repayment of the Revolving Fund by CRDA.

Mr. McNierney informed the board that he met with Rick Clayton, new auditor for CRDA, yesterday reviewing Community Development Block Grant (CDBG) files because CRDA had responsibility for some CDBG work in 2013. He stated it was a good experience and said that Mr. Clayton confirmed that money is owed to the Housing Authority Revolving Fund and understands CRDA's obligation under an employment contract.

Mr. McNierney stated CHA passed a motion to add 7 percent interest to the outstanding balance owed by CRDA through December 31, 2013, after which Mr. McNierney entered into a new contract as Executive Director of the Housing Authorities. He noted that an invoice has been prepared but not yet sent.

The total amount owed by CRDA was discussed, including the amount owed towards salary and benefits of both the current and previous Executive Directors.

Attorney Martinucci reviewed the CRDA Resolution adopted November 21, 2013, approving repayment to the Revolving Fund and stated he would not recommend acceptance if the payment is conditional.

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority authorized an invoice to be sent to CRDA for the amount owed plus the addition of interest, at the rate of 7 percent. AYES: ALL.

**FULL TRANSFER OF CHA ASSETS**

Mr. McNierney advised that a contact at the Department of Housing and Urban Development (HUD) Regional Office in Pittsburgh notified him that Washington, D.C. has approved the transfer of Section 8 to ECHA. He noted he expects to hear soon about the transfer of Public Housing.

He stated that Attorney Tom Kuhn has been working on the transfer of real estate owned by CHA. He said a 60 year title search is required for a Certificate of Title; however, the current properties were constructed only about 40 years ago. He advised that the search requires review of individually owned properties located at the premises prior to clearance activities that made way for the building of Center Place, Pleasant Manor, West Court and Random Court homes.

#### **INSURANCE TAIL COVERAGE**

Mr. McNierney asked about the purchase of Tail Coverage upon the cancellation of the Public Official's Insurance Policy when the full transfer of CHA Assets has finalized and CHA is dissolved.

Attorney Martinucci recommended the purchase even though he does not expect a lot of exposure to lawsuits stating matters have been handled out in the open. He suggested that Mr. McNierney speak with the Insurance Broker to determine the recommended amount of time the Tail Coverage would be necessary.

#### **STANDARD REPORTS**

Ms. Weaver reviewed the Standard Reports, stating there are currently no public housing vacancies. She reviewed waiting lists, delinquencies, promissory notes and the Section 8 Housing Choice Voucher Program and noted that the Section 8 Waiting List may close again in early 2015.

Discussion was held relative to average wait times and Ms. Weaver noted the Section 8 Waiting List is purged each August to update applicant information.

Mr. McNierney noted the Barnett Building Waiting List has increased substantially stating the list used to contain only 3 or 4 applicants.

#### **OTHER BUSINESS**

##### **TENMAST MIGRATION**

Mr. McNierney advised there will be a significant computer upgrade to the internal accounting system. He stated the upgrade was delayed and should be operational in the first quarter of 2015.

##### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) COOPERATION AGREEMENT**

Mr. McNierney reviewed the history of the CDBG Program and its transfer from CRDA to CHA. He noted that Ms. Weaver has done a good job putting information together and advised that grant years 2008, 2009, 2010, and 2011 have been closed out.

He stated that a Request for Proposals (RFP) went out through CHA for Engineering Services and CHA approved Activity #1; awarding the bid for the Storm Water Treatment Project to Urban Engineers, Inc. He noted however, Activity #2; the inspections necessary for installation of handicapped curb cuts was not awarded at the same time and the matter will come before ECHA next year. He advised the projects will begin next spring or summer.

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority agreed to proceed and manage the CDBG Program for the City of Corry and authorized the Chairman to sign the Cooperation Agreement between the Housing Authority of Erie and the City of Corry.  
AYES: ALL.

##### **SECTION 8 VOUCHERS**

At the request of Chairman McGoey, Mr. McNierney explained how Section 8 Vouchers operate, noting there are more vouchers assigned than funding available. He reviewed the Project Based Vouchers issued to the Washington Township Project, stating there are still 4 open vouchers to fill to meet the commitment of 6 total.

He advised that the first \$20,000 has been received from the project and another \$20,000 will be due when the development is rented to full capacity.

Ms. Weaver stated the Public Housing Waiting List has never closed.

### **SOUTH HILLS APARTMENTS FORMS AND AGREEMENTS**

Mr. McNierney advised the South Hills Apartments in Corry is a non-profit development of 50 family units owned by the Housing Corporation of Corry. He stated that it is governed by a separate board of directors but has no staff and is not technically considered public housing.

He stated all paperwork transferring the responsibilities of the management partner from CHA to ECHA has been prepared and sent to the Multifamily Housing Projects Division of HUD, who has accepted and given approval for implementation of the agreement beginning January 1, 2015.

### **DISCUSSION/SELECTION OF 2015 MEETING DATES**

Erie County Housing Authority Regular Meeting dates were selected for the 2015 calendar year.

### **PENNSYLVANIA MUNICIPAL RETIREMENT SYSTEM (PMRS)**

Mr. Pettit reviewed the proposed checklist of key options provided by PMRS, noting language changes will enable PMRS to be recognized as "tax qualified" by the Internal Revenue Service (IRS). He stated the new contract will take effect April 1, 2015.

After discussion and ON MOTION by Mr. DeRose, seconded by Mr. Robinson, the Erie County Housing Authority approved the proposed recommendations as submitted, providing the intent of the Housing Authority to amend the PMRS administered pension plan. AYES: ALL.

### **GREEN PHYSICAL NEEDS AUDIT (GPNA)**

Mr. McNierney announced GPNA has been completed and made copies of the report available for review. He reviewed several of the recommended energy saving measures and noted the engineer at the HUD Regional Office in Pittsburgh have confirmed receipt of the reports.

He reminded the board that the purpose of GPNA is to assist HUD in ensuring the public housing units are maintained properly.

He stated the GPNA process was lengthy and the computer program or "tool" still needs to be done and forwarded to HUD.

### **COLLEGE VIEW PTAC UNITS**

Mr. McNierney stated the PTAC Units installed at the College View Apartments in North East were installed while the GPNA was in process and the model and serial numbers of each unit were verified and retained as part of the audit.

### **ADJOURNMENT**

There being no other business, the Erie County Housing Authority adjourned the regular meeting at 1:44 p.m. ON MOTION by Mr. DeRose, seconded by Mr. Robinson. AYES: ALL.