

MINUTES OF A REGULAR MEETING OF THE
COMMISSIONERS OF THE

CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY

The Commissioners of the City of Roanoke Redevelopment and Housing Authority met on Monday, February 28, 2022.

I. CALL TO ORDER – ROLL CALL

Chair Kepley called the meeting to order at 3:00 p.m. and declared that a quorum was present.

PRESENT: Commissioners Anguiano, Garner, Karney, McGuire, Smith, Vice Chair Walker, Chair Kepley

ABSENT: None

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Mark Loftis, Legal Counsel; Evangeline Richie, VP of Housing; Jackie Austin, VP of Operations; Jackie Austin, VP of Finance & CFO; Rachel Tobin, VP of Human Resources; Frederick Gusler, Director of Redevelopment and Revitalization; Greg Goodman, Director of Community Support Services; Gillie Henriksen, Administrative Manager/Executive Assistant; Kaelyn Spickler, PR/Social Media/Marketing Manager; Suzzette McCoy; Stephanie Wanza, Section 3 Coordinator; Stephanie Moon Reynolds, City Council Liaison

Chair Kepley welcomed everyone to today's meeting and stated that the newest member of the Board, Commissioner Karen Karney was present.

II. REPORTS

1. Executive Director's Report.

Mr. Bustamante addressed the Board stating that in addition to his written report he wanted to inform the Board that RRHA is still working off of a continuing resolution. The initial resolution was supposed to expire on February 18, 2022, but it has been moved to March 10th or 11th of 2022. He added that the positive thing about a continuing resolution is that RRHA continues to be funded, while the unfortunate thing is that we are operating five months into a fiscal year without a budget while operating multi-million dollar programs. He added that he hopes Congress will give an operating budget fairly quickly after their next meeting.

Mr. Bustamante stated that as of December of 2021, HUD has indicated that all housing authorities are operating at 100%, meaning that this year RRHA can expect to have multiple REAC inspections and the PHAS scores for public housing will be counted with the exception that they reduced one indicator, that being rent collection. In the past, housing authorities needed to achieve 98% of rent collections to receive the full five points. This year they have decreased the rent collection requirement to 92% to receive the full five points. In the SEMAP scoring there is a waiver available, which Mr. Bustamante told the Board he applied for. He added that until he hears back from HUD, he will assume that RRHA is still being monitored for SEMAP. If the waiver is obtained, then the SEMAP scoring will be waived to 2022.

Mr. Bustamante spoke to the Board about the difficulties the agency continues to suffer from with hiring. RRHA continues to have trouble receiving applicants in various positions, most notably, maintenance, which is the backbone to public housing. RRHA has some developments that are slotted for five maintenance staff, but operating under two for the year. With all of this going on, Mr. Bustamante reminded the Board that he

is still expecting these properties to score in the 90s on their REAC inspections. This creates a lot of pressure on management staff to do what they can with the personnel they have. RRHA continues to recruit aggressively. Ms. Tobin has been focused solely on recruitment in HR and the authority processes many applications. This issue is that RRHA makes a job offer and never receive a response or the applicant cannot pass the pre-employment screenings. He wanted to remind the Board that RRHA is operating as a very lean machine while striving to be excellent. This brings about a tremendous amount of pressure to meet the company goals just based off of the lack of personnel. The authority will continue to interview. He added that he believed RRHA was able to make two offers for Assistant Site Managers that day and was hopeful that they would accept, but that it was a large struggle to get applicants.

RRHA issued a RFP to provide sixteen project based vouchers and the authority had decided to award the Lawson Companies the vouchers. The name of the development will be Smith Ridge Common Apartments. There will be 216 units which they have agreed to use RRHA's Section 8 waitlist to fill, not only the subsidized units, but all of their units. This will happen in three phases, with the first phase starting at the end of 2023 and the second phase starting at the end of 2025. RRHA looks forward to working with them and knows that it will be a great opportunity for RRHA residents to have a place to go while giving the authority a chance to work through its roughly 2,000-person waitlist.

The public housing staff and Evangeline have done an outstanding job and RRHA has been able to obtain over \$400,000 in rent relief for RRHA residents. This has not only helped them pay their rent, but has helped them avoid eviction, so the

authority will continue to work very hard to apply for these funds.

Lastly, Mr. Bustamante stated that he wanted to speak about how the Board would like to honor the late Commissioner Gail Burruss. He received a couple of suggestions since her passing and if the Board would like to move forward with a suggestion or make a new suggestion, he would be fine with that. One of the suggestions was to plant a tree on the property of the new EnVision Center with a plaque and dedicate that the Commissioner Burruss. The other idea was to create a biennial award for someone that has helped to provide support and advocacy for the Roanoke City community. This award would be voted upon by the Board with the first two recipients being Commissioner Burruss and Glenda Goh. He asked if anyone else had suggestions.

Chair Kepley stated that he appreciated the suggestions and asked if the Board should talk about this matter during the upcoming resolution. He added that he wondered if the EnVision Center might have a space to name for her such as a common room. Commissioner Anguiano agreed that it would be best to talk about this during the resolution discussion.

Chair Kepley asked if the authority could receive any number of points without the 92% of rent collection. Mr. Bustamante replied that the authority would have to receive 92% of the full rent to receive the points. Partial rent does not count since it is averaged on a monthly basis. Chair Kepley inquired about the Smith Ridge Common Apartments and how the Lawson Companies would be turning those existing units over to RRHA for the Section 8 waitlist. Mr. Bustamante replied that these units would be turned over as soon as they were ready for occupancy. Commissioner Anguiano asked

for a more detailed presentation on this development. Mr. Shank reminded Mr. Bustamante of the article that came out in the newspaper about this development. Mr. Bustamante agreed that he would share a more detailed presentation with the Board.

Vice Chair Walker asked if the hiring shortage at the sites was just for maintenance personnel. Mr. Bustamante replied that the shortage is predominantly for maintenance positions, but that the authority was having difficulty hiring for other positions as well. He reiterated that two Assistant Site Management positions had been offered and that the Accountant II position in finance was still available. The shortage is throughout the agency, but the maintenance shortage is of most concern due to the day to day responsibility. Vice Chair Walker asked how many are needed for each site. Mr. Bustamante replied that it is dependent on the site.

Chair Kepley asked if there were any questions for Mr. Bustamante. There were none.

3. Staff Reports

Mr. Shank addressed the Board stating that he would be providing an update on the repositioning study. Ms. Richie has been giving the repositioning company a lot of information and they both met with the representative from D3G to nail down some things that are needed as far as outcomes of the study. They first wanted to know if it was a good idea to proceed with the project. RRHA did not want to proceed if the project would not be beneficial. If it looks like it will work, then a plan will need to be made for an order to which sites will be repositioned. What works at one site may not work at another. In the whole process, RRHA wants to use all Public Housing assets for this so that there are not any assets unused. RRHA would like to maximize

all it has as far as capital funding for operations and the properties. There are different ways of financing where it involves tax credits, voucher assignments, or rental assistance. The other thing to consider is will this work financially. RRHA wants to make sure going forward that there is operational money and reserves to handle the capital needs and that the debt services are managed if the authority incurs any debt on the properties. He stated that those are the type of things that he spoke with them about and all other issues that factor into decisions. The authority should receive a final draft in April. Mr. Shank asked for questions.

Commissioner Anguiano asked if any of the organizations that have gone through this over the past few years had any key learnings or findings. Mr. Shank replied that he didn't know of any other housing authorities that have worked with D3G on this type of project and asked for input from Mr. Bustamante. Mr. Shank added that while speaking with them, it is clear that they know a lot about public housing and how the programs work. Mr. Anguiano stated that it would become clearer once the Board had access to the reports in April. Chair Kepley asked if it would be possible to have a representative from D3G meet with the Board to go over the draft for a better understanding. Mr. Bustamante replied that it would be possible.

Chair Kepley asked if there were questions for Mr. Shank. There were none.

4. Committee Reports

Commissioner Garner told the Board that the Personnel Committee met and discussed the benefit rate increase that is within the agenda packet under resolution 4108. The committee discussed the rate increase, which is an average of 9.4% falling between 8.5% and 10.2% for the various health insurance policies. He added that Ms.

Tobin would be able to give more information later in the meeting. He stated that the Personnel Committee also discussed the merit budget, which was approved at the average of 2.5%. RRHA managers have had meetings with a consultant who versed them in on the evaluation process to ensure they are done in a thorough, equitable, and fair manner. These increases will be allocated from 2%, 3%, and 4% dependent on the areas of performance that have been designated. The committee discussed the study and the consultants that came in to do the market study to determine if the positions are fairly compensated. The results from that study should be in in time to prepare for the fiscal budget for next year. The committee is expecting that there will be findings. Ms. Tobin pointed that the Maintenance positions had received a study in 2020, but the other positions had not received a study since 2001. Once the consultant reviews the findings, it is expected that the authority will be looking at an increase to most positions. RRHA is already making provisions for that increase in salaries and compensation in the next budget 2023. He stated that those are the matters that were discussed prior to the Board meeting and that the Board would have a chance to vote on these matters in the regular agenda under resolution 4108.

Commissioner Garner added that there are now only two members on the Personnel Committee. Commissioner Burruss was the third member and was able to provide great leadership on that committee. Commissioners Garner and Smith are the other two on the committee and Mr. Bustamante is looking to rotate the committee. They are looking to solicit new members. Commissioner Karney has agreed to serve on the committee and they will be looking to have two others soon. The committee expects to meet twice a year, particularly now with the compensation study and the

merit increases that need approval.

5. Commissioner Comments

Chair Kepley asked for comments. There were none.

6. City Council Liaison Comments or Discussion

Council woman Ms. Moon Reynolds stated that in regards to the Eureka Recreation Center, staff has begun planning for redevelopment of the recreation center. The process is going to include securing an architect and contractor which will be done through a competitive process. Extensive community engagement will take place through the design and construction process and up to \$18 million has been identified for this investment.

In regards to the Northwest Roanoke Hub, a total of \$10 million has been identified for this initiative which will include a grocery store to increase food access in a recognized food desert. Staff is currently working to secure property for this development which, if successful, will be followed by issuance of an RFP for a developer and grocery operator.

The City, Carilion Clinic, and United Way met with service providers last week to introduce the Health Outcomes/Resident Empowerment Initiative and being planning for community engagement. The initiative is intended to bring service providers from portions of Southeast and Northwest as well as resident leaders together to learn about health outcomes, interventions, and to empower residents to select various interventions and assume leadership roles in improving health outcomes in both neighborhoods. Ms. Moon Reynolds added that \$1 million has been provided to cover training, consultants, and stipends for resident participants, and overcoming barriers to

participation. Staff also met with the center to advance community health and equity to assist in this effort. The next meeting is scheduled for March 30, 2022.

Ms. Moon Reynolds said that staff met with the Roanoke Valley Broadband Authority about extending Wi-Fi hotspots to various locations in the city such as outside libraries, certain parks, etc. This discussion included cost, logistics, and more to expand access to internet service for those dependent upon it for remote learning, remote work, etc. The City plans to follow up with a list of candidate locations and a budget for the initiative.

The Melrose Avenue streetscape construction began in October 2021 with constructing curb, sidewalk, and storm drain improvements within the 22nd to 24th street corridor. In addition, there will be upgrades to the water and sanitary sewer lines within the corridor with an expected completion date of July 2022.

As reported last month, the City of Roanoke has been awarded \$2 million from HUD for the healthy homes production grant program that will provide funding for a new 42-month program to address health and safety needs for low-moderate households as part of rehabilitation efforts. Implementation of this program will include partnerships with TAP Weatherization, Roanoke Gas, Renovation Alliance, Blue Ridge Independent Living Center, and Carilion. The program will provide health home assessments to evaluate properties in the 29 healthy home hazards and conduct healthy homes interventions to reduce health and safety hazards for housing units located in the City of Roanoke. The City's HUD Community Resources Division will manage the healthy homes production grant funds. Council acted on this during their meeting last month. They are in the process of hiring a full time manager as well as an assistance and

taking a part time position to make it full time. They expect this to begin in about thirty days.

Ms. Moon Reynolds added that lastly, the deadline for the School Board applications is Thursday, March 10, 2022 at 5:00 pm in the City Clerk's Office. City Council is encouraging interested persons to consider applying. Ms. Moon Reynolds stated that they only have one application so far and that she understood that the Chair was not interested in reappointment, leaving a vacant seat. She asked that interested parties contact the city clerk's office by phone at (540) 853-2541 or by email at clerk@roanokeva.gov.

Chair Kepley asked for comments or questions. There were none.

7. Residents or other community members to address the Board

Chair Kepley asked for comments or questions. There were none

CONSENT AGENDA

C-1 Minutes of the Regular Meeting of the Board of Commissioners held Monday, January 24, 2022.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as recorded.

C-2 Monthly Operations Report for the month of January 2022.

RECOMMENDED ACTION: File as submitted.

Commissioner Anguiano introduced a motion to approve the Consent Agenda.

The motion was seconded by Commissioner Smith and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Karney, McGuire, Smith, Vice Chair Walker, Chair Kepley

NAYS: None

REGULAR AGENDA

1. Resolution No. 4107

Mr. Bustamante presented Resolution No. 4107 commending Commissioner R. Gail Burruss for the dedicated service as Commissioner. He stated that this resolution celebrates not only what she did for the Board, but also all she did to advocate for the residents of this community. She will be missed and RRHA cared for her.

Chair Kepley asked if there would be a document prepared for her family. Mr. Bustamante replied that there would be. Chair Kepley asked if this was a good time to go over the options previously presented to honor Commissioner Burruss. Commissioner Anguiano asked to review the options again. Mr. Bustamante stated the options as the biennial Gail Burruss award for service to RRHA and the citizens of Roanoke and the option to plant a tree on the grounds of the new Envision Center. He stated that the authority could do either, both, or something else. Commissioner Anguiano stated that he thinks the award really honors the way that Commissioner Burruss was so dedicated to service in a lot of different ways. The Board would need to discuss how to set the criteria for the award. Commissioner Garner agreed. Commissioner Anguiano added that he knows the Board spoke about Commissioner Burruss last month and he felt that there are certain people in life and in the world that always know the right thing to say. They give a thoughtful answer that takes into account all the things that one

should consider and he believes that is the type of person she was and he really appreciated that about her. Commissioner Garner added that he remembers when choosing a new Executive Director and her leadership was invaluable. She was the driving force behind that search. Commissioner Burruss and Glenda Goh primarily were the people that came up with the process and were diligent in seeing that the Board adhered to the deadlines to insure that things were done properly. Chair Kepley stated that the loss of historical knowledge of the Board and the things that have gone on is a sad loss for all of us. He asked if there were similar honors to the one proposed. Mr. Bustamante replied that there were not. Commissioner Garner stated that tributes are given and certain awards are presented at the annual holiday luncheon, which has not happened for two years. If this luncheon were to be reinstated, that would be a great time to make that presentation. Mr. Bustamante agreed saying that he thinks the most important thing is that the Board come up with points as to what this award is going to be and who would qualify for it. He stated that he could draft something up to send for approval from the Board. Chair Kepley asked how others on the Board felt about that option saying that he believes, especially in the absence of another honor that recognizes others who have served in the way that Commissioner Burruss had. Mr. Bustamante also said that it may be easy to plant a tree if that is wanted as well. Mr. Bustamante stated that the EnVision Center will have a community garden so that would be perfect timing to plant a tree in the garden there.

Commissioner Garner introduced Resolution No. 4107 and moved its adoption

as introduced.

The motion was seconded by Commissioner Smith and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Karney, McGuire, Smith, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4107 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT
AND HOUSING AUTHORITY COMMENDING R. GAIL BURRUSS FOR
HER DEDICATED SERVICE AS COMMISSIONER

WHEREAS, R. Gail Burruss has served as a member of the Board of Commissioners of the City of Roanoke Redevelopment and Housing Authority (RRHA) from December 18, 2006 through January 21, 2022; and

WHEREAS, R. Gail Burruss served as Chair of the RRHA Board of Commissioners from September 1, 2010 to August 31, 2011 and from September 1, 2017 to August 31, 2018; and

WHEREAS, R. Gail Burruss served as Vice-Chair of the RRHA Board of Commissioners from September 1, 2009 to August 31, 2010; and from September 1, 2016 to August 31, 2017; and

WHEREAS, R. Gail Burruss has served ably and faithfully in fulfilling her duties as Commissioner and willingly represented RRHA throughout the community in a positive and professional manner providing an outstanding example of leadership and service; and

WHEREAS, her experience and knowledge added to improving RRHA's ability to meet the needs of those it serves as well as the economic goals of the city; and

WHEREAS, it is the desire of the Board of Commissioners to recognize the unique contributions rendered by R. Gail Burruss while serving on the Board of Commissioners of the City of Roanoke Redevelopment and Housing Authority.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Board of Commissioners does hereby express its appreciation for the dedicated service of R. Gail Burruss to her

community and her contributions as a Commissioner of the City of Roanoke Redevelopment and Housing Authority.

2. Resolution No. 4108

Ms. Tobin presented Resolution No. 4108 authorizing the Executive Director to execute documents for RRHA employee health care benefits. Ms. Tobin said that this resolution is to give the Executive Director authority to execute documents for the next round of plan year healthcare benefits which are from July 1, 2022 through June 30, 2023. RRHA received a renewal opportunity from the Local Choice, which is a state plan that RRHA falls under currently. The increase ranges from 8.5% for the lowest plan to 10.2% for the highest plan with an average increase of 9.4%. This resolution would accept that increase and stay with the current benefits, which have no change to the benefit. There will still be an open enrollment period and the resolution recommends that the organization portion of the premiums, which range from 70%, 80%, and 90% would absorb that increase on the employer side and that the employee portion of 10%, 20%, and 30% would absorb that percentage. Monthly on average the insurance plan will increase to \$135 depending on which plan the employees choose.

Ms. Tobin added that the resolution includes renewal with the voluntary and supplemental plans which are currently through BOST Benefits. These include company paid life insurance, company paid long term disability, and short term disability as well as all of the voluntary supplemental plans including, but not limited to additional term life, whole life voluntary, hospital accident, critical illness, and voluntary short term disability for the lapse before the company paid policy comes into effect. There is no renewal rate for any potential increase on the life

insurance yet, but the remaining policies that RRHA pays will not have an increase because they were set on a two-year rate fix. Ms. Tobin asked for questions.

Chair Kepley asked if the salary increases would offset some of the costs of this. Ms. Tobin stated that it would not do much to offset the cost. She added that one thing discussed at the personnel committee meeting was that on January 1, 2022, the Social Security Administration increased to 5.9%. The January to January year over year consumer price index increased 7.5% which is the cost of general goods. Currently the conversation of the merit increase does not account for the cost of living CPI so this is why RRHA is doing a compensation study to make sure RRHA is paying market rate. The Authority hopes that the study will absorb some of the CPI that the annual merit does not. The annual merit average will be about 2.9%. Chair Kepley stated that he hoped next month there would be some answers. Ms. Tobin replied that she will come to the Board in March or April with the compensation study recommendations and that a consultant will also come to the Board to present. Chair Kepley stated that ideally the study covers the health insurance increase plus more for cost of living. Ms. Tobin stated that the compensation study is to make certain that RRHA is paying market rate wages for positions similar to the local community. In regards to the increase, if the Board wants the committee to go back and review a way for the authority to absorb the increase, some companies cover 100% of employee portions. RRHA is proposing to take the average of 80%/20% so the company would cover 80% of the increase and the employee would cover 20% of it. Commissioner Anguiano asked if the committee had considered the 100% coverage or if they went into the meeting with

the 80%/20% model in mind. Ms. Tobin replied that last year when the insurance cost decreased, it was spread between the Authority and the employee. It has been done that way in the past, but some companies choose to absorb the total increase cost. She added that the compensation study will include a benefits study to see if RRHA's benefits are in line with the market as well.

Mr. Bustamante told the Board that RRHA has enough in the budget to cover the \$900,000 that is listed on this resolution. The important thing is that the Authority is trying to not pass this total cost onto the employee while at the same time taking a percentage of the cost. RRHA is hoping that between the performance evaluations increases and the market study increases this cost will be covered. If it is not, then it is apparent why the Authority cannot hire. Everything has risen in cost so if a candidate cannot work where they buy goods, then the hiring issue is apparent.

Ms. Tobin stated that last year RRHA added a benefit for all employees, which is a BOST Advantage card. If an employee uses it, they could save a good amount on their insurance costs. RRHA offers the two medical plans, a low deductible and a high deductible plan, so that employees can evaluate which plan is better for them and their family's personal medical expenses. The problem that people have most is that they are afraid of the high deductible price tag so they shy away. RRHA continues to run 50/50 on those insurance plans. The HDHP is going up 8.5% and the LDHP is going up 10% and 10.2%, so it will be most important this year for employees to look at the plans and do the math to understand their family's medical situation to make the most of which plan they will

choose. The employee can be consumer driven in their health care and take advantage of the BOST card benefits and pick the best plan and not be as impacted. Ms. Tobin added to the question of will the raises cover even just the medical insurance, she could not honestly say, but it will be close.

Chair Kepley asked for clarification stating that the assumption at the moment is that the split will be 70%/30%, 80%/20%, and 90%/10%. Ms. Tobin replied yes, that the average is 80%/20%. Chair Kepley replied that it seemed fair and that he knew that the Authority had other pressures. He asked if there were any other questions for Ms. Tobin. Commissioner Anguiano asked that RRHA look aggressively at other options to lessen the impact of this. He added that there has been a lot of talk as to how difficult it is to hire and that means RRHA needs to find different ways to address some of the wage issues that are limiting the organization and potentially affecting the authority's viability when it comes to REAC scores. If this is approved, he said, then the Board needs to be more aggressive in making sure that employees are made whole. Commissioner Garner added that this was the goal of the compensation study. The question would arise that if there is a continuous period of inflation that the authority needs to be looking at these studies more often and not go longer than a four-year period without having a study done. Ms. Tobin added that the resolution includes flexibility to conjure the Personnel Committee with benefit change recommendations such as being creative to help employees accomplish that high deductible goal. There is a health savings account that the authority can look into. Commissioner Garner asked if there was anything extraordinary that RRHA could do as far as helping the

employees understand the ramifications of not choosing the high deductible plan. Ms. Tobin responded that the vendors required her to personally do the open enrollment meetings last year. These meetings were open to employees, but were not required. HR has gone through multiple trainings on the new open enrollment changes and whether it is the vendor or HR is using their slides that information will be made available to all employees. She added that health care is a benefit that consumers do not necessarily research. The concept of a HDHP is that the employee has an HAS that is there if needed, not just a premium that is gone if the consumer does not use it. Commissioner Garner agreed saying that the consumer needs education from my experience in choosing plans since it is not easy. Chair Kepley added that he does not want RRHA to get into a situation where employees have to absorb the rate increase. He stated that he was hoping for good news with the study.

Commissioner Smith introduced Resolution No. 4108 and moved its adoption as introduced.

The motion was seconded by Commissioner McGuire and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Karney, McGuire, Smith, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4108 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING
AUTHORITY AUTHORIZING EXECUTIVE DIRECTOR TO EXECUTE DOCUMENTS
FOR RRHA EMPLOYEE HEALTH CARE BENEFITS.

WHEREAS, the City of Roanoke Redevelopment and Housing Authority's (RRHA) employee insurance contracts expires June 30, 2022; and

WHEREAS, HUD procurement procedures asks RRHA to join intergovernmental cooperative agreements, The Local Choice Health Benefit Program fully satisfies HUD's five intergovernmental cooperative agreement requirements and was created exclusively to provide health benefits for local governments, authorities, school divisions and constitutional offers and is managed by the Commonwealth of Virginia's Department of Human Resources; and

WHEREAS, RRHA is currently enrolled in The Local Choice Health Benefit Program with satisfactory service to RRHA, and the Anthem Renewal rate increase of 8.5% is reasonable; and

WHEREAS, RRHA is currently enrolled in supplemental coverages through BOST Benefits, pending acceptable renewal rates which are available closer to plan yearend (May 2022); and

WHEREAS, IRS code Section 125 allows employers to set up a Premium Only Plan (POP), where an employee's insurance premium contributions can be deducted on a pre-tax basis; and

WHEREAS, RRHA currently provides pre-tax benefits eligible under IRS Section 125's Premium Only Plan and includes an annual notification to eligible employees allowing employees to voluntarily agree to a salary reduction so employer can pay their insurance premium as a business expense; and

WHEREAS, RRHA has previously engaged TASC as third-party administrator for this successfully in the past; and

WHEREAS, staff recommends continuing with The Local Choice (TLC) for medical/dental/vision, BOST Benefits for voluntary and supplemental plans pending renewal rates, and TASC for Section 125 compliance notification.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is authorized and directed to execute necessary documents for the 2022-2023 benefit plan year with TLC, BOST, and TASC, for amount not to exceed \$900,000.00 for health/dental/vision/life/voluntary/supplemental and Section 125 notifications.

3. Resolution No. 4109

Mr. Shank presented Resolution No. 4109 awarding a contract for storm drainage improvements for Jamestown Place, using operating subsidy funds under

HOTMA. This project addresses the last couple of years where there was excess rain at Jamestown. There was a lot of standing water coming over the top side walk in front of the building. There is no storm drainage currently in that location, so maintenance started the conversation to do this project. A&E has been involved in designing the work for that area and it involves the installation of about 100 feet of storm drainage with several structures and reworking the sidewalk and the sidewalk entrances into the apartments. There will be an opportunity to install lights to increase security in front of the building. In 2016 HUD allowed for housing authorities to use some of their operating funds for capital projects up to 20% of the operating subsidy on an AMP basis. At that time, Mr. Shank stated that he came to the Board to set aside some funds for this project at Jamestown and for site improvements. Back in January RRHA issued a bid and as a result received four bids. Pauley's Excavating and Demolition, Inc. was a low bid and very competitive at \$163,280. Joel stated that he reviewed the bid with Pauley's and everything is included in the bid. He is a smaller outfitter and does not have as much overhead as some of the other firms that have submitted bids. Mr. Shank stated that he was recommending to award them a contract for this project and asked for questions.

Commissioner Anguiano asked if the Authority had worked with this company before. Mr. Shank replied that RRHA has worked with them at various sites such as the parking lots at Morningside Manor and Bluestone for ADA compliance, retaining walls at several locations, and they are currently installing new fuel tanks for the generators at Melrose and Morningside. Chair Kepley asked what Mr. Shank's estimate for the project was. Mr. Shank replied that he had estimated the work at \$237,000, so he was

pleased with the results after making sure that all was included. Chair Kepley asked for questions. There were none.

Commissioner Anguiano introduced Resolution No. 4109 and moved its adoption as introduced.

The motion was seconded by Commissioner Garner and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Karney, McGuire, Smith, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4109 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDDING A CONTRACT FOR STORM DRAINAGE IMPROVEMENTS FOR JAMESTOWN PLACE, USING OPERATING SUBSIDY FUNDS UNDER HOTMA

WHEREAS, In 2016, Congress passed P. L. 114-201, the Housing Opportunity Through Modernization Act (HOTMA). Section 109(b) of HOTMA provides PHAs flexibility to use up to 20 percent of a PHA's Operating Subsidy appropriated each year for Capital Fund Program (CFP) activities included in Section 9(d) of the U.S. Housing Act of 1937 (the Act), provided that the PHA's public housing annual plan provides for such use.

WHEREAS, in the fiscal year 2019 update to the 2015 – 2019 Agency Annual Plan, \$270,000.00 in Operating Subsidy Funds for Jamestown Place was planned to be used for site accessibility improvements at Jamestown Place; and

WHEREAS, RRHA Board Commissioners approved the fiscal year 2019 update to the 2015 – 2019 Agency Annual Plan, by Resolution 4006, on May 20, 2019; and

WHEREAS, RRHA needs a qualified contractor to complete Storm Drainage Improvements for Jamestown Place, AMP 207; and

WHEREAS, RRHA issued an Invitation for Bid on January 16, 2022, with bids being due on February 8, 2022; and

WHEREAS, RRHA received four (4) responsive bids to the invitation, which was

opened for consideration, such bid being as follows:

<u>Bidder</u>	<u>Total Bid Amount</u>
Jack St. Clair, Inc.	\$174,085.00
Copeland Excavation and Construction	\$208,420.00
Russell's Remodeling, LLC	\$364,190.00
Pauley's Excavating and Demolition, Inc.	\$163,280.00

WHEREAS, the amount of the bid submitted by Pauley's Excavating and Demolition, Inc. was determined to be fair and reasonable for the work specified when compared to the amount of the independent cost estimate based on R S Means Cost Data, for the project; and

WHEREAS, review, evaluation, and confirmation of bid documentation has been completed, and Pauley's Excavating and Demolition, Inc. has been found to be capable and in all other respects acceptable to RRHA; and

WHEREAS, the Vice President of Operations recommends an award to Pauley's Excavating and Demolition, Inc.; and

WHEREAS, the Executive Director has determined that this procurement complies with RRHA's Procurement Policy and that it is in the best interests of RRHA to accept such bid and execute an appropriate contract.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

- (1) The revised bid submitted by Pauley's Excavating and Demolition, Inc. be and hereby is accepted;
- (2) The Executive Director be and hereby is authorized and directed to execute a standard contract for construction, which by reference is inclusive of all plans, specifications, addenda and related project documents, between Pauley's Excavating and Demolition, Inc. and RRHA for the fixed price of \$163,280.00.
- (3) The Executive Director be and hereby is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution.

4. Resolution No. 4110

Mr. Shank presented Resolution No. 4110 awarding a contract for window replacement for Melrose Towers, AMP 206, under Capital Fund Program (CFP) grant number VA36P01150113 and Capital Fund Program (CFP) grant number

VA36P01150120 and operating subsidy under HOTMA. Mr. Shank stated that this is a project that has been in the works for quite a while and is a large project. Melrose Towers has about 520 windows in the building and with these windows, there is also asbestos and exterior finishing on the building as well. There are multiple funding sources to pay for this project, including multiple Capital Fund grants as well as some HOTMA funds to help with this project. RRHA issued an IFB in November of 2021 with a lengthy bid process and several addendums with A&E. This building does not have central air conditioning, so each unit has a window unit installed in the window. The Authority would like to have the unit received like a PTAC would be in a hotel room. Each unit would have an enclosure so the unit would not be installed in the window. This would involve creating something out of nothing. RRHA has worked with people involved in the bidding for some ideas. There were several companies at the pre-bid, but G&H was the only company that provided a bid and it was substantially over budget. One of the Capital Fund Grants must be fully obligated in May, so there is not time to re-bid. After meeting with G&H, Mr. Shank took a look at the scope of work. This project involves scaffolding and lifts since the building is over 90 feet tall. There will have to be use of a swing stage due to the topography, so this comes at a large cost. The decision was made to work on the side of the building that was exposed to the street. It is very close to half the windows at the property. The bid was revised to \$1,130,425. The estimate allows for commercial type vinyl lining for the windows, which is heavier than one would see in a residential build. Vinyl products are having an increase in cost soon, so G&H's bid accounts for that

increase. Mr., Shank asked for questions.

Chair Kepley asked for clarification that half of the windows would be worked on for this project. Mr. Shank replied that for this project RRHA would be able to do half of the windows and the other half would be put into the budget as phase two of the project. Chair Kepley asked if the window units would be removed and if they no longer worked in the space once the renovation is completed. Mr. Shank replied that the units would stay intact, but they would no longer be located inside the window. That type of situation is very poor for energy efficiency and there is a draft. The windows are over forty years old, so this will help with energy efficiency of the units. Chair Kepley asked if each unit would receive a PTAC type window unit. Mr. Shank responded that once the windows were replaced, there would be a place to put the unit below the window in an enclosure, similar to a hotel room. Chair Kepley asked what the cost per unit was. Mr. Shank replied that he expects each unit to cost around \$5,000. This project involved cutting the wall open, doing drywall on the inside of the unit and on the outside. There will be abatement work and more. This is quite a bit of work. Chair Kepley asked about the size of the units. Mr. Shank stated that the units varied in size from 3x5 to 5x6 and even triple windows in common areas. Chair Kepley said that at some point there are savings when it comes to efficiency for heating and cooling over time.

Commissioner Smith asked how much of an inconvenience this would be to the resident of Melrose Towers. Mr. Shank replied that it would likely require a day where each resident would need to be in a room different from the room the

contractors would be working on. He added that the intent was to disturb residents as little as possible. Commissioner Smith asked for clarification that the asbestos abatement would not cause issues. Mr. Shank assured him that the asbestos was on the exterior of the building in the panels between the windows. The entire panel will be taken out and new siding will be installed around the windows. Chair Kepley added that a guiding principle of a one-day inconvenience for this type of work is efficient. Mr. Shank agreed and noted that the contractors would be working vertically, for example on unit 101, 201, 301, etc. at the same time. This will all be planned and provided to the residents.

Commissioner Garner introduced Resolution No. 4110 and moved its adoption as introduced.

The motion was seconded by Commissioner Smith and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Karney, McGuire, Smith, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4110 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDED A CONTRACT FOR WINDOW REPLACEMENT FOR MELROSE TOWERS, AMP 206, UNDER CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150119 AND CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150120 AND OPERATING SUBSIDY FUNDS UNDER HOTMA

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded a grant from the Department of Housing and Urban Development ("HUD") Capital Fund Program (CFP), grant number VA36P01150119 in the amount of \$3,444,504.00; and

WHEREAS, Melrose Towers Window Replacement was included on the Annual Statement detailing the planned use of CFP grant number VA36P01150119, which was approved by the RRHA Board of Commissioners by Resolution 4007 on May 20, 2019; and

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded a grant from the Department of Housing and Urban Development (“HUD”) Capital Fund Program (CFP), grant number VA36P01150120 in the amount of \$3,702,478.00; and

WHEREAS, Melrose Towers Window Replacement was included on the Annual Statement detailing the planned use of CFP grant number VA36P01150120, which was approved by the RRHA Board of Commissioners by Resolution 4045 on May 18, 2020; and

WHEREAS, In 2016, Congress passed P. L. 114-201, the Housing Opportunity Through Modernization Act (HOTMA). Section 109(b) of HOTMA provides PHAs flexibility to use up to 20 percent of a PHA’s Operating Subsidy appropriated each year for Capital Fund Program (CFP) activities included in Section 9(d) of the U.S. Housing Act of 1937 (the Act), provided that the PHA’s public housing annual plan provides for such use.

WHEREAS, in the fiscal year 2019 update to the 2015 – 2019 Agency Annual Plan, \$140,000.00 in Operating Subsidy Funds for Melrose Towers was planned to be used for window replacement for Melrose Towers; and

WHEREAS, RRHA Board Commissioners approved the fiscal year 2019 update to the 2015 – 2019 Agency Annual Plan, by Resolution 4006, on May 20, 2019; and

WHEREAS, RRHA needs a qualified contractor to complete Window Replacement for Melrose Towers; and

WHEREAS, RRHA issued an Invitation for Bid on November 7, 2021, with bids being due on January 11, 2022; and

WHEREAS, RRHA received one (1) responsive bid to the invitation, which was opened for consideration, such bid being as follow:

<u>Bidder</u>	<u>Total Bid Amount</u>
G & H Contracting, Inc.	\$2,174,500.00

WHEREAS, as a result of negotiations, G & H Contracting, Inc. revised the amount of the bid to \$1,130,425.00; and

WHEREAS, the revised amount of the bid submitted by G & H Contracting, Inc.

was determined to be fair and reasonable for the work specified when compared to the amount of the revised independent cost estimate based on R S Means Cost Data, for the project; and

WHEREAS, review, evaluation, and confirmation of bid documentation has been completed, and G & H Contracting, Inc. has been found to be capable and in all other respects acceptable to RRHA; and

WHEREAS, the Vice President of Operations recommends an award to G & H Contracting, Inc.; and

WHEREAS, the Executive Director has determined that this procurement complies with RRHA's Procurement Policy and that it is in the best interests of RRHA to accept such bid and execute an appropriate contract.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

- (4) The bid submitted by G & H Contracting, Inc. be and hereby is accepted;
- (5) The Executive Director be and hereby is authorized and directed to execute a standard contract for construction, which by reference is inclusive of all plans, specifications, addenda and related project documents, between G & H Contracting, Inc. and RRHA for the fixed price of \$1,130,425.00.
- (6) The Executive Director be and hereby is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution.

5. Executive Session

There was a motion by Commissioner Anguiano to enter a closed session, which was seconded by Commissioner Garner. Chair Kepley called for a voice vote, which was unanimous. The closed session began at 4:10 p.m.

The Commissioners came back into an open session at 4:38 p.m.

Commissioner Garner moved to approve the closed meeting certification and Vice Chair Walker seconded the motion. Mr. Loftis conducted a roll call vote, which was unanimously voted yes.

III. ADJOURNMENT

There being no further business to come before the Board, Commissioner Garner moved that the meeting be adjourned.

The motion was seconded by Vice Chair Walker and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Kepley, McGuire, Smith, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley declared the meeting adjourned at 4:39 p.m.



A handwritten signature in blue ink, appearing to read 'D. Bustamante', is written over a horizontal line.

David Bustamante, Secretary-Treasurer

D. Kepley 3/24/22
Drew Kepley, Chair

Exhibits from February 28, 2022 Minutes previously circulated