

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



MEETING MINUTES OF THE BOARD OF COMMISSIONERS

Thursday, April 20, 2017

10:45 am

Hillsvew Apartments (Community Room)
830 Township Street, Sedro-Woolley, WA 98284

Agenda

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes
 - A. February 16, 2017 Board of Commissioners' Meeting Minutes 1
- IV. Consent Items
 - A. Approval of Voucher Report February 1, 2017 to March 31, 2017 2
- V. Resolution for Discussion & Approval
 - None.
- VI. Reports
 - A. Energy Performance Contract – Project Briefing 3
 - B. Financial Report for February 2017 4
 - C. Housing Management Report for February & March 2017 5
- XII. New Business
- XIII. Adjournment

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HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY
BOARD OF COMMISSIONERS MEETING MINUTES

Thursday, February 16, 2017

I. Call to Order

The meeting of the Board of Commissioners of the Sedro-Woolley Housing Authority was called to order by Vice-Chair Reta Stephenson at 10:45 a.m. on Thursday, February 16, 2017 in the Community Room of the Hillview Apartments, located at 830 Township Street, Sedro-Woolley, WA 98284.

II. Roll Call

Present: Commissioner Reta Stephenson (Vice-Chair), Commissioner Lee Elliot, and Commissioner Kacy Johnson

Excused: Commissioner Laurie Fellers (Chair)

III. Approval of Minutes

A. December 15, 2016 Board of Commissioners' Meeting Minutes

Commissioner Kacy Johnson moved for approval of the minutes, seconded by Commissioner Lee Elliot. The motion to approve the minutes unanimously passed.

IV. Consent Items

A. Approval of Voucher Report December 1, 2016 to January 31, 2017

B. Resolution No. 455: Authorize the Housing Authority of the City of Sedro-Woolley to enter into an Interlocal Agreement with the Housing Authority of the County of King for Consulting Services in connection with an Energy Performance Contract

Resolution No. 455 was removed from the Consent agenda items and placed under Resolutions for Discussion & Approval for Board consideration.

It was noted by the Commissioners that the total Expenditures reported was incorrectly calculated and shall be changed to reflect the actual balance of \$117,644.55.

Commissioner Kacy Johnson moved for approval of the consent agenda item with the modification, seconded by Commissioner Lee Elliott and the motion unanimously passed.

V. Resolution for Discussion & Approval

A. Resolution No. 455: Authorize the Housing Authority of the City of Sedro-Woolley to enter into an Interlocal Agreement with the Housing Authority of the County of King for Consulting Services in connection with an Energy Performance Contract

Connie Davis, Deputy Executive Director, presented Resolution No. 455 and provided background information on the Energy Performance Contract. Ms. Davis explained that the Interlocal Cooperative Purchasing Agreement between KCHA and the SWHA is to solicit and obtain an energy performance contract consulting services, as recommended with Johnson Controls.

All questions raised by Commissioners were addressed by staff.

Commissioner Kacy Johnson moved for approval of Resolution No. 455, seconded by Commissioner Lee Elliott and the motion unanimously passed.

B. Resolution No. 456: Authorize changes to the Sedro-Woolley Housing Authority's Admissions and Continued Occupancy Policy

Bill Cook, Director of Public Housing provided an overview of Resolution No. 456 and explained flat rents for the upcoming year. Mr. Cook mentioned that there was a Public Hearing prior to the Board meeting to gather public comment, and reported there were none. Mr. Cook also mentioned that none of SWHA Residents have chosen flat rent as an option.

All questions raised by Commissioners were addressed by staff.

Commissioner Kacy Johnson moved for approval of Resolution No. 456, seconded by Commissioner Lee Elliot and the motion unanimously passed.

VI. Financial Reports

A. Financial Report for December 2016

Connie Davis briefed the board on the Financial Reports as was contained in the meeting packets.

All questions raised by Commissioners were addressed by staff.

VII. Housing Management Report

A. Housing Management Report for December 2016 & January 2017

Kimberly Sayavong, Property Manager, briefed the Board of Commissioners on the Housing Report for December 2016 and January 2017 as was contained in the meeting packets.

IX. Construction Update

None.

XI. New Business

It was announced that Commissioner K.B. Johnson has resigned from the SWHA Board and that the Sedro-Woolley Mayor will appoint a new member to fill the vacancy.

XII. Adjournment

There being no further business before the Board of Commissioners, the meeting was adjourned at 11:31 a.m.

**THE HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY**

LAURIE FELLERS, Chair
Board of Commissioners

STEPHEN J. NORMAN
Executive Director

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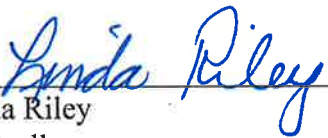
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SEDRO-WOOLLEY HOUSING AUTHORITY

TO: Board of Commissioners
FROM: Linda Riley, Controller
DATE: April 5, 2017
RE: Approval of Vouchers February 1, 2017 to March 31, 2017

I, Linda Riley, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the expenditures represented by the summary listed below were just obligations of the Sedro-Woolley Housing Authority, and that I am authorized to authenticate and certify said claims.



Linda Riley
Controller
April 5, 2017

Expenditures to Sedro-Woolley	
Operations	
Directly to Cedar Grove	11,964.00
Directly to Hillsvew	24,587.15
Total Expenditures	<u><u>\$36,551.15</u></u>

SEDRO-WOOD HOUSING AUTHORITY

Accounts Payable Report

2/01/2017 TO 3/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
CEDAR GROVE						
140000	Prepaid Insurance	744.60	HOUSING AUTHORITY RISK RETENTION	COMMERCIAL LIABILITY	2/24/2017	308325
410000	Admin Supplies	41.56	COMPLETE OFFICE	OFFICE SUPPLIES	2/10/2017	308102
410000	Admin Supplies	5.99	COMPLETE OFFICE	OFFICE SUPPLIES	3/31/2017	308972
411100	Computer Equip-Hardware	11.11	DELL MARKETING LP	POWEREDGE R830 SERVER	2/17/2017	308178
411100	Computer Equip-Hardware	2.50	DELL MARKETING LP	DELL 16 GB CERTIFIED MEMORY MODULE	2/24/2017	308310
411102	Computer Equip-Hardware Maint	3.19	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	3/10/2017	308558
411102	Computer Equip-Hardware Maint	9.09	INTEGRATED ARCHIVE SYSTEMS	CISCO SUPPORT RENEWAL	3/17/2017	308747
411103	Computer Equip-Software Maint	67.93	SOFTWAREONE INC	OFFICE PRO PLUS PLATFORM	2/10/2017	308149
411200	Equip-Maint	0.03	KONICA MINOLTA BUS SOLUTIONS	SN A1UE011014949	3/10/2017	308577
411200	Equip-Maint	0.28	PACIFIC OFFICE AUTOMATION INC	SN 90267006	2/10/2017	308072
411901	Equip-Other-Leased/Rented	0.04	KONICA MINOLTA BUS SOLUTIONS	SN A1UE011014949	3/10/2017	308577
411901	Equip-Other-Leased/Rented	0.85	MAILFINANCE INC	MAILING MACHINE	3/10/2017	308639
420101	Professional Services-Auditing	139.50	STATE AUDITOR S OFFICE	AUDIT PERIOD15-15	2/3/2017	307882
420908	Professional Services-Computers	0.08	SYSOLUTIONS INC	SQL SERVER CONSULTING	2/24/2017	308395
420908	Professional Services-Computers	0.65	SYSOLUTIONS INC	SQL SERVER CONSULTING	2/10/2017	308136
421904	Admin Contracts- Cloud Recovery Services	3.52	NET2VAULT LLC	MANAGE VAULTING	3/10/2017	308638
421904	Admin Contracts- Cloud Recovery Services	3.71	NET2VAULT LLC	MANAGED VAULTING	2/10/2017	308151
440100	Travel-Non-training Related-Local-Mileage	41.53	KIMBERLY SAYAVONG	1/5-2/26/17 MILEAGE	3/17/2017	308751
441000	Training-Individual	23.63	PNRC-NAHRO SERVICE OFFICE	HOURIHAN, ZHAO, SAYAVONG, WU	3/3/2017	308453
441000	Training-Individual	2.60	PNRC-NAHRO SERVICE OFFICE	B COOK, M PREMEL, M MURPHY, S NESBITT	2/17/2017	308170
450001	Comm-Phones Lines-Service-Voice	6.88	CONSOLIDATED TECH SERVICES	FEBRUARY 2017 CHGS	3/17/2017	308744
450001	Comm-Phones Lines-Service-Voice	6.88	CONSOLIDATED TECH SERVICES	JANUARY 2017 CHGS	2/17/2017	308244
450002	Comm-Phones Lines-Service-Digital Voice	0.09	911 ETC INC	MONTHLY MAINT CHARGE	2/24/2017	308339
450002	Comm-Phones Lines-Service-Digital Voice	0.10	WEST SAFETY SERVICES INC	MONTHLY MAINT	3/24/2017	308918
452000	Comm-Advertising	54.41	SKAGIT VALLEY PUBLISHING	SEDRO WEB AD	2/10/2017	308058
491000	Admin Exp-Criminal/Background Checks	8.22	NATIONAL CREDIT REPORTING	CREDIT CHECK	3/17/2017	308692
491000	Admin Exp-Criminal/Background Checks	4.80	WASHINGTON STATE PATROL	BACKGROUND CHECKS	2/3/2017	307900
491000	Admin Exp-Criminal/Background Checks	7.64	NATIONAL CREDIT REPORTING	CREDIT CHECK	2/10/2017	308086
491000	Admin Exp-Criminal/Background Checks	7.62	WASHINGTON STATE PATROL	BACKGROUND CHECKS JAN 2017	3/3/2017	308461
493000	Other Admin Exp-Postage	9.31	MAIL ADVERTISING BUREAU INC	JANUARY STATEMENTS	2/10/2017	308055
493000	Other Admin Exp-Postage	10.07	HASLER TOTAL FUNDS	ACCT#7900011000255375 POSTAGE	3/17/2017	308717
493000	Other Admin Exp-Postage	9.76	MAIL ADVERTISING BUREAU INC	FEBRUARY 2017 STATEMENTS	3/17/2017	308670
493000	Other Admin Exp-Postage	0.90	MAIL ADVERTISING BUREAU INC	KCHA RESIDENTS SURVEY MAILING	2/10/2017	308055
493100	Other Admin Exp-Mail Handling	1.15	MAIL ADVERTISING BUREAU INC	KCHA RESIDENTS SURVEY MAILING	2/10/2017	308055
493100	Other Admin Exp-Mail Handling	2.89	MAIL ADVERTISING BUREAU INC	JANUARY STATEMENTS	2/10/2017	308055

SEDRO-WOOLLEY HOUSING AUTHORITY

Accounts Payable Report

2/01/2017 TO 3/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
493100	Other Admin Exp-Mail Handling	3.16	MAIL ADVERTISING BUREAU INC	FEBRUARY 2017 STATEMENTS	3/17/2017	308670
495000	Other Admin Exp-General Liability Insurance	0.50	CRITICAL INFORMATICS INC	FOCUSED SECURITY ASSESSMENT	3/10/2017	308656
520104	Social Service Contracts-Interpretation	1.04	LANGUAGE LINE SERVICES, INC	INTERPRETATION	2/24/2017	308302
520104	Social Service Contracts-Interpretation	1.18	LANGUAGE LINE SERVICES, INC	INTERPRETATION	3/24/2017	308801
610017	Occup Exp-Materials-Janitorial	29.08	COMPLETE OFFICE	OFFICE SUPPLIES	3/31/2017	308972
620013	Occup Exp-Yard/Garden/Landscaping	708.77	CLEAR LAWN Maint SERVICES LLC	FEB 2017 LAWN MAINT SVCS	3/10/2017	308645
620013	Occup Exp-Yard/Garden/Landscaping	708.77	CLEAR LAWN Maint SERVICES LLC	JANUARY 2017 LAWN MAINT SVCS	2/24/2017	308427
620021	Occup Exp-HVAC Heating, Ventilation & AC	1,937.00	RONK BROS INC	INSTALLATION OF LENNOX	3/31/2017	309003
620021	Occup Exp-HVAC Heating, Ventilation & AC	27.10	RONK BROS INC	LIMIT SWITCH	3/3/2017	308517
620021	Occup Exp-HVAC Heating, Ventilation & AC	108.50	RONK BROS INC	SERVICE, GAS	3/24/2017	308879
620021	Occup Exp-HVAC Heating, Ventilation & AC	54.18	RONK BROS INC	IGNITOR	3/3/2017	308517
660000	Occup Exp-Utilities-Water	213.93	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	67.78	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	91.65	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	90.97	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	91.65	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	86.49	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	64.42	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	95.47	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	99.97	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	86.49	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	81.99	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	108.95	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	114.30	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	96.18	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	60.79	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	123.35	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	122.43	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	81.99	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660000	Occup Exp-Utilities-Water	70.66	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	150.53	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660000	Occup Exp-Utilities-Water	105.24	PUBLIC UTILITY DISTRICT #1	W	3/24/2017	308862
660100	Occup Exp-Utilities-Sewer	628.45	CITY OF SEDRO WOOLLEY	SW	3/17/2017	308732
660100	Occup Exp-Utilities-Sewer	252.02	CITY OF SEDRO WOOLLEY	SW	2/10/2017	308119
660100	Occup Exp-Utilities-Sewer	377.73	CITY OF SEDRO WOOLLEY	SW	2/10/2017	308119
660100	Occup Exp-Utilities-Sewer	629.59	CITY OF SEDRO WOOLLEY	SW	2/10/2017	308119

SEDRO-WOOL HOUSING AUTHORITY

Accounts Payable Report

2/01/2017 TO 3/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
660100	Occup Exp-Utilities-Sewer	377.07	CITY OF SEDRO WOOLLEY	SW	3/17/2017	308732
660100	Occup Exp-Utilities-Sewer	251.38	CITY OF SEDRO WOOLLEY	SW	3/17/2017	308732
660200	Occup Exp-Utilities-Electricity	92.57	PUGET SOUND ENERGY-BOT-01H	E	3/3/2017	308502
660200	Occup Exp-Utilities-Electricity	47.73	PUGET SOUND ENERGY-BOT-01H	E	3/31/2017	308978
660200	Occup Exp-Utilities-Electricity	90.66	PUGET SOUND ENERGY-BOT-01H	E	3/31/2017	308978
660200	Occup Exp-Utilities-Electricity	48.14	PUGET SOUND ENERGY-BOT-01H	E	3/3/2017	308502
660200	Occup Exp-Utilities-Electricity	45.27	PUGET SOUND ENERGY-BOT-01H	E	3/3/2017	308502
660200	Occup Exp-Utilities-Electricity	45.27	PUGET SOUND ENERGY-BOT-01H	E	3/31/2017	308978
660300	Occup Exp-Utilities-Natural Gas	156.02	CASCADE NATURAL GAS CO	GS	3/17/2017	308719
660300	Occup Exp-Utilities-Natural Gas	198.34	CASCADE NATURAL GAS CO	GS	2/10/2017	308106
660301	Occup Exp-Utilities-Natural Gas-Closing Bill	80.34	CASCADE NATURAL GAS CO	GS	2/17/2017	308220
660500	Occup Exp-Utilities-Surface Water Mgmt	16.77	CITY OF SEDRO WOOLLEY	ST	2/10/2017	308119
660500	Occup Exp-Utilities-Surface Water Mgmt	41.89	CITY OF SEDRO WOOLLEY	ST	2/10/2017	308119
660500	Occup Exp-Utilities-Surface Water Mgmt	25.13	CITY OF SEDRO WOOLLEY	ST	2/10/2017	308119
660500	Occup Exp-Utilities-Surface Water Mgmt	16.73	CITY OF SEDRO WOOLLEY	GARBAGE	3/17/2017	308732
660500	Occup Exp-Utilities-Surface Water Mgmt	41.82	CITY OF SEDRO WOOLLEY	ST	3/17/2017	308732
660500	Occup Exp-Utilities-Surface Water Mgmt	25.09	CITY OF SEDRO WOOLLEY	ST	3/17/2017	308732
660700	Occup Exp-Utilities-Garbage	134.96	CITY OF SEDRO WOOLLEY	GARBAGE	3/17/2017	308732
660700	Occup Exp-Utilities-Garbage	395.28	CITY OF SEDRO WOOLLEY	GARBAGE	3/17/2017	308732
660700	Occup Exp-Utilities-Garbage	155.78	CITY OF SEDRO WOOLLEY	GARBAGE	2/10/2017	308119
660700	Occup Exp-Utilities-Garbage	215.40	CITY OF SEDRO WOOLLEY	GARBAGE	2/10/2017	308119
660700	Occup Exp-Utilities-Garbage	140.85	CITY OF SEDRO WOOLLEY	GARBAGE	3/17/2017	308732
660700	Occup Exp-Utilities-Garbage	3.78	SKAGIT COUNTY PUBLIC WORKS DEPT	GARBAGE	3/3/2017	308455
660700	Occup Exp-Utilities-Garbage	512.32	CITY OF SEDRO WOOLLEY	GARBAGE	2/10/2017	308119
	TOTAL CEDAR GROVE	11,964.00				
HILLSVIEW						
140000	Prepaid Insurance	2,978.40	HOUSING AUTHORITY RISK RETENTION	COMMERCIAL LIABILITY	2/24/2017	308325
410000	Admin Supplies	25.72	COMPLETE OFFICE	OFFICE SUPPLIES	2/10/2017	308102
410000	Admin Supplies	17.97	COMPLETE OFFICE	OFFICE SUPPLIES	3/31/2017	308972
410000	Admin Supplies	124.67	COMPLETE OFFICE	OFFICE SUPPLIES	2/10/2017	308102
411100	Computer Equip-Hardware	8.01	DELL MARKETING LP	DELL 16 GB CERTIFIED MEMORY MODULE	2/24/2017	308310
411100	Computer Equip-Hardware	35.57	DELL MARKETING LP	POWEREDGE R830 SERVER	2/17/2017	308178
411102	Computer Equip-Hardware Maint	10.20	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	3/10/2017	308558
411102	Computer Equip-Hardware Maint	29.08	INTEGRATED ARCHIVE SYSTEMS	CISCO SUPPORT RENEWAL	3/17/2017	308747
411103	Computer Equip-Software Maint	217.38	SOFTWAREONE INC	OFFICE PRO PLUS PLATFORM	2/10/2017	308149
411200	Equip-Maint	0.09	KONICA MINOLTA BUS SOLUTIONS	SN A1UE011014949	3/10/2017	308577

SEDRO-WOOI HOUSING AUTHORITY

Accounts Payable Report

2/01/2017 TO 3/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
411200	Equip-Maint	0.83	PACIFIC OFFICE AUTOMATION INC	SN 90267006	2/10/2017	308072
411901	Equip-Other-Leased/Rented	0.11	KONICA MINOLTA BUS SOLUTIONS	SN A1UE011014949	3/10/2017	308577
411901	Equip-Other-Leased/Rented	2.56	MAILFINANCE INC	MAILING MACHINE	3/10/2017	308639
420000	Professional Services-Legal	115.50	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	3/24/2017	308787
420101	Professional Services-Auditing	418.50	STATE AUDITOR S OFFICE	AUDIT PERIOD15-15	2/3/2017	307882
420908	Professional Services-Computers	2.08	SYSOLUTIONS INC	SQL SERVER CONSULTING	2/10/2017	308136
420908	Professional Services-Computers	0.26	SYSOLUTIONS INC	SQL SERVER CONSULTING	2/24/2017	308395
421904	Admin Contracts- Cloud Recovery Services	11.25	NET2VAULT LLC	MANAGE VAULTING	3/10/2017	308638
421904	Admin Contracts- Cloud Recovery Services	11.87	NET2VAULT LLC	MANAGED VAULTING	2/10/2017	308151
440100	Travel-Non-training Related-Local-Mileage	124.59	KIMBERLY SAYAVONG	1/5-2/26/17 MILEAGE	3/17/2017	308751
441000	Training-Individual	7.80	PNRC-NAHRO SERVICE OFFICE	B COOK, M PREMEL, M MURPHY, S NESBITT	2/17/2017	308170
441000	Training-Individual	70.90	PNRC-NAHRO SERVICE OFFICE	HOURIHAN, ZHAO, SAYAVONG, WU	3/3/2017	308453
450001	Comm-Phones Lines-Service-Voice	20.62	CONSOLIDATED TECH SERVICES	FEBRUARY 2017 CHGS	3/17/2017	308744
450001	Comm-Phones Lines-Service-Voice	82.50	CONSOLIDATED TECH SERVICES	JANUARY 2017 CHGS	2/17/2017	308244
450001	Comm-Phones Lines-Service-Voice	20.62	CONSOLIDATED TECH SERVICES	JANUARY 2017 CHGS	2/17/2017	308244
450002	Comm-Phones Lines-Service-Digital Voice	0.31	WEST SAFETY SERVICES INC	MONTHLY MAINT	3/24/2017	308918
450002	Comm-Phones Lines-Service-Digital Voice	0.30	911 ETC INC	MONTHLY MAINT CHARGE	2/24/2017	308339
450003	Comm-Phones Lines-Security	82.50	CONSOLIDATED TECH SERVICES	FEBRUARY 2017 CHGS	3/17/2017	308744
450100	Comm-Long Distance Charges	5.95	IMPACT TELECOM INC	MONTHLY CHARGES	3/31/2017	308988
450100	Comm-Long Distance Charges	6.04	IMPACT TELECOM INC	MONTHLY CHGS	3/3/2017	308507
450100	Comm-Long Distance Charges	5.95	IMPACT TELECOM INC	MONTHLY CHARGES	2/17/2017	308231
452000	Comm-Advertising	163.21	SKAGIT VALLEY PUBLISHING	SEDRO WEB AD	2/10/2017	308058
491000	Admin Exp-Criminal/Background Checks	24.77	NATIONAL CREDIT REPORTING	CREDIT CHECK	3/17/2017	308692
491000	Admin Exp-Criminal/Background Checks	22.93	NATIONAL CREDIT REPORTING	CREDIT CHECK	2/10/2017	308086
491000	Admin Exp-Criminal/Background Checks	14.40	WASHINGTON STATE PATROL	BACKGROUND CHECKS	2/3/2017	307900
491000	Admin Exp-Criminal/Background Checks	12.00	WASHINGTON STATE PATROL	BACKGROUND CHECK	3/3/2017	308461
491000	Admin Exp-Criminal/Background Checks	22.86	WASHINGTON STATE PATROL	BACKGROUND CHECKS JAN 2017	3/3/2017	308461
493000	Other Admin Exp-Postage	28.05	MAIL ADVERTISING BUREAU INC	JANUARY STATEMENTS	2/10/2017	308055
493000	Other Admin Exp-Postage	29.42	MAIL ADVERTISING BUREAU INC	FEBRUARY 2017 STATEMENTS	3/17/2017	308670
493000	Other Admin Exp-Postage	2.72	MAIL ADVERTISING BUREAU INC	KCHA RESIDENTS SURVEY MAILING	2/10/2017	308055
493000	Other Admin Exp-Postage	30.20	HASLER TOTAL FUNDS	ACCT#7900011000255375 POSTAGE	3/17/2017	308717
493100	Other Admin Exp-Mail Handling	3.48	MAIL ADVERTISING BUREAU INC	KCHA RESIDENTS SURVEY MAILING	2/10/2017	308055
493100	Other Admin Exp-Mail Handling	8.70	MAIL ADVERTISING BUREAU INC	JANUARY STATEMENTS	2/10/2017	308055
493100	Other Admin Exp-Mail Handling	9.52	MAIL ADVERTISING BUREAU INC	FEBRUARY 2017 STATEMENTS	3/17/2017	308670
495000	Other Admin Exp-General Liability Insurance	1.58	CRITICAL INFORMATICS INC	FOCUSED SECURITY ASSESSMENT	3/10/2017	308656
520104	Social Service Contracts-Interpretation	3.11	LANGUAGE LINE SERVICES, INC	INTERPRETATION	2/24/2017	308302

SEDRO-WOOLLEY HOUSING AUTHORITY

Accounts Payable Report

2/01/2017 TO 3/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
520104	Social Service Contracts-Interpretation	3.55	LANGUAGE LINE SERVICES, INC	INTERPRETATION	3/24/2017	308801
610017	Occup Exp-Materials-Janitorial	87.22	COMPLETE OFFICE	OFFICE SUPPLIES	3/31/2017	308972
620008	Occup Exp-Alarm Testing/Monitoring	64.50	SIMPLEXGRINNELL LP	ALARM & DETECTION MONITORING	2/3/2017	307880
620013	Occup Exp-Yard/Garden/Landscaping	2,126.31	CLEAR LAWN Maint SERVICES LLC	JANUARY 2017 LAWN MAINT SVCS	2/24/2017	308427
620013	Occup Exp-Yard/Garden/Landscaping	2,126.31	CLEAR LAWN Maint SERVICES LLC	FEB 2017 LAWN MAINT SVCS	3/10/2017	308645
620016	Occup Exp-Hazardous Material	750.00	CONSTRUCTION GROUP INTER LLC	ASBESTOS ABATEMENT	3/17/2017	308700
640000	Occup Exp-Maint Projects-Regional Staff	270.13	COMMERCIAL ENTRY SYSTEMS INC	INTERCOM BATTERY	3/3/2017	308467
660000	Occup Exp-Utilities-Water	1,428.93	PUBLIC UTILITY DISTRICT #1	W	3/17/2017	308726
660100	Occup Exp-Utilities-Sewer	3,772.39	CITY OF SEDRO WOOLLEY	SW	2/10/2017	308119
660100	Occup Exp-Utilities-Sewer	3,770.67	CITY OF SEDRO WOOLLEY	SW	3/17/2017	308732
660200	Occup Exp-Utilities-Electricity	1,602.77	PUGET SOUND ENERGY-BOT-01H	E	3/3/2017	308502
660200	Occup Exp-Utilities-Electricity	1,769.21	PUGET SOUND ENERGY-BOT-01H	E	3/31/2017	308978
660201	Occup Exp-Utilities-Electricity-Closing Bill	19.68	PUGET SOUND ENERGY-BOT-01H	E	2/3/2017	307943
660201	Occup Exp-Utilities-Electricity-Closing Bill	46.59	PUGET SOUND ENERGY-BOT-01H	E	3/31/2017	308978
660201	Occup Exp-Utilities-Electricity-Closing Bill	45.94	PUGET SOUND ENERGY-BOT-01H	E	3/3/2017	308502
660500	Occup Exp-Utilities-Surface Water Mgmt	251.02	CITY OF SEDRO WOOLLEY	ST	2/10/2017	308119
660500	Occup Exp-Utilities-Surface Water Mgmt	250.91	CITY OF SEDRO WOOLLEY	ST	3/17/2017	308732
660700	Occup Exp-Utilities-Garbage	698.98	CITY OF SEDRO WOOLLEY	GARBAGE	2/10/2017	308119
660700	Occup Exp-Utilities-Garbage	11.35	SKAGIT COUNTY PUBLIC WORKS DEPT	GARBAGE	3/3/2017	308455
660700	Occup Exp-Utilities-Garbage	17.80	SKAGIT COUNTY PUBLIC WORKS DEPT	GARBAGE	3/3/2017	308455
660700	Occup Exp-Utilities-Garbage	657.81	CITY OF SEDRO WOOLLEY	GARBAGE	3/17/2017	308732
	TOTAL HILLSVIEW	24,587.15				
	TOTAL SEDRO WOOLLEY	36,551.15				

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SEDRO-WOOLLEY HOUSING AUTHORITY

TO: Board of Commissioners
FROM: Connie Davis, Deputy Executive Director
DATE: April 13, 2017
RE: **Energy Performance Contract - Project Briefing**

Introduction:

An Energy Performance Contract, or EPC, is an important tool used by public housing authorities to achieve incremental funding for operations and capital. The EPC serves as an alternative financing mechanism, authorized by the United States Congress, to spur investment in cost-effective energy conservation measures (ECMs) in buildings or other government infrastructure.

SWHA already participates in an EPC. The initial EPC project, dating back to 2006, has had a major impact on the Authority's water and other utilities' usage and has, over its initial 11 years, produced roughly \$500 thousand in savings which have been used to pay for installed conservation measures, as well as other SWHA public housing operating expenses. HUD now allows existing EPCs, like SWHA's, to be extended from an initial twelve year contract to a twenty-year term. This provides SWHA with an opportunity to review and reposition its energy performance contract.

In February, the Board passed Resolution No. 445 authorizing the Authority to enter into an Interlocal Cooperative Purchasing Agreement with the King County Housing Authority (KCHA). The Interlocal Agreement was signed in order to use KCHA's procurement to retain Johnson Controls Inc. (JCI) for consulting services to SWHA in connection with its EPC. JCI was initially procured by KCHA in 2015 using the Washington State Department of Enterprise Services pre-approved list of energy service companies. JCI is currently providing KCHA with project management and construction services to install up to \$25.44 million in energy conservation measures in KCHA's public housing inventory.

The first step in an EPC is to have an independent energy contractor complete an investment grade audit (IGA). Based on the IGA, the contractor recommends a set of proposed ECMs which will generate utility cost savings over twenty years. Financing for the upfront installation of the ECMs is then sized upon these projected savings, and the savings are subsequently used to pay the debt service and related project costs. Measures may benefit both the owner and tenant. In the case of public housing, HUD

provides adjustments to tenant rent and to utility subsidies that allow savings accruing to residents to be included in the total savings projections for the project.

As SWHA's energy services consultant, JCI will structure the extension of the existing EPC and will optimize the savings contained in the first EPC (now dubbed EPC1). JCI may also propose a second EPC (EPC2) to install more measures that would last for a full 20 years. A more complete description of the project is set forth below.

Background:

In 2006, KCHA entered into an EPC (EPC1) with Siemens Buildings Technologies, Inc., which conducted an IGA and oversaw the installation of approximately \$4.0 million in ECMs at the KCHA and SWHA public housing portfolios. At the time the EPC1 was executed, EPCs were limited to a twelve year savings horizon. HUD subsequently allowed housing authorities to extend that time period to twenty years, so long as an independent energy contractor reviewed the ECMs to assure that they would continue to generate savings over the entire twenty year period. As part of this project, the term of EPC1 will be extended for an additional eight years. EPC1 resulted in an initial debt of which \$75 thousand was allocated to SWHA. All of that debt has now been repaid except \$32. This remaining debt from the initial 12 year EPC1 will be retired from project savings later this year.

In March 2015, KCHA, working with the Washington State Department of Enterprise Services (DES), entered into an agreement with JCI to review the EPC1 housing portfolio for possible additional energy savings measures, to conduct an IGA on selected KCHA and SWHA properties, and to optimize the EPC1 by both verifying existing measures and updating performance reporting to HUD. The first two steps were completed by the end of 2015. In 2016, KCHA commenced a second EPC (EPC2) designed to cover its public housing properties. As operator of the SWHA, KCHA is recommending that SWHA extend and optimize EPC1 and consider creating a second EPC this year.

DES will serve as the contract administrator for this project. The scope of DES responsibilities include: (i) providing contract documentation to ensure the parties have clear expectations for the project and to minimize owner risk; (ii) reviewing Applications for Payment from JCI and any subcontractors; and (iii) if new ECMs are installed, final cost reconciliation upon completion of the project.

Financing:

HUD regulations require debt as part of the EPC project structure and debt is required to be at a fixed interest rate. A plan for financing will be presented to the Authority after JCI delivers its project recommendations and savings projections. KCHA will consider lending the funds to SWHA for the remaining term under a simple note or the Authority could alternatively decide to enter into a municipal lease with a private bank. Last fall, KCHA made an internal loan to its own EPC and, based on JCI's

research into market rates for 20-year EPC financings, a fixed rate of 5% was adopted for that loan. The Board will be asked to approve the final debt structure prior to any commitment.

Construction Plan for any new ECMs:

If the Authority decides to install new energy measures at SWHA sites, the installation of energy measures would be performed by subcontractors. KCHA would use its internal staff to manage these subcontractors in order to avoid paying JCI additional fees for construction management, project management and overhead/profit. A construction management fee, if any, would be negotiated between the parties prior to the start of construction. Construction could tentatively start as early as Fourth Quarter, 2017, but would more likely begin in early 2018. A construction schedule would be established with SWHA before an initial Notice to Proceed is issued.

Prior to commencement of work, the Authority's site maintenance staff would be invited to visit installed products in the KCHA portfolio to ask questions and become familiar with the measures. We would also suggest that an on-site resident and staff orientation meeting be held prior to construction start in order to describe the upcoming work and construction process, to train residents and staff on the new products and to answer questions.

No interruption of regular utility service at the buildings would be expected and no resident relocation would be required for this project (although an unforeseen failure of a pipe or other construction event could potentially create the need to temporarily relocate a household).

Risks and Mitigation:

The most important areas of risk for this type of project relate to the achievement of projected utility cost savings and, in the event that new measures are installed, the cost of installation, the impact on on-going maintenance operations and project financing risk. These risk areas are described below, followed by mitigating circumstances:

Achievement of Projected Savings. Realization of additional cash flow, after repayment of any financing costs, is dependent upon the project generating energy savings that can be captured through the HUD subsidy calculations.

HUD calculates the public housing operating subsidy for each public housing site using a formula-based project expense estimate level (PEL); plus the actual cost of authority-paid utilities, typically water and common area electricity (this is the Utility Expense Level or UEL); and subtracting tenant paid rents. When a housing authority enters into an EPC, its UEL is frozen at its **pre-EPC** utility consumption level. This base remains frozen over the life of the project and is called the Frozen Rolling Baseline or FRBL. As actual consumption declines due to newly-installed measures,

the difference in utility costs between the actual and frozen consumption levels constitutes a part of the savings which are used to pay for the cost of the measures.

In the case of tenant-paid utilities, such as individual apartment electricity, tenants are provided an allowance that reduces the rent they pay to SWHA, such that their total tenant payment is approximately 30% of their income. Normally, if a tenant's utility bill were to decrease (due to conservation measures), their allowance would decrease and their rent would increase by the same amount. Instead, HUD allows an EPC housing authority to exclude any increase in rent in calculating subsidy eligibility. This HUD incentive results in continued subsidy equal to the differential between the old and new utility allowances, which can also be used by SWHA to pay for measures.

The amount of savings produced by these HUD incentives is sensitive to various factors that could become risks to additional project cash flow. These include the actual efficacy of the measures installed, tenant behaviors that may impact consumption, significant changes in utility rates (outside of the parameters utilized to calculate savings) and pro-rations in public housing operating subsidies by Congress. These risks will be anticipated in planning the project. Mitigations will be built into the project design and conservative assumptions will be utilized in projecting actual savings:

- A large amount of the calculated savings will be due to the Frozen Rolling Baseline incentive associated with the EPC1 measures that are already installed. SWHA is currently achieving these results, so unless consumption levels rise unexpectedly or utility rates actually decrease from 2015 levels, these savings are already known.
- Regarding the impact of inadequate Congressional appropriations: the project will be stress tested at an 85% pro-rate, which has been the average pro-ration over the past few years; the results will be presented to the Board at the next meeting. SWHA will enter into a Monitoring and Verification contract for the remainder of the EPC term to assure that measures are performing as planned and that future opportunities for savings are identified.
- KCHA will recommend that the project include the purchase of a third party guaranty to ensure that all costs of the project, including repayment of debt, will be covered by the savings generated. While a trigger of this guarantee is unlikely (and would mean no excess savings going to SWHA), it means that a surety, and not SWHA, would cover any unanticipated fixed costs.

Installation, On-going Operational and Financing Risks. There are a series of additional risks associated with the installation of new energy conservation measures, such as tenant dissatisfaction with the products, increased maintenance cost and financing risk. These risks will be reviewed with the Board if staff recommends a second EPC.

Next Steps:

JCI is currently analyzing the Authority's EPC1 and any specific measures that could be installed at the SWHA properties to increase savings. The Board will receive a subsequent presentation in June, at either a Special or Regular Meeting, to review the proposed project, including installation of measures, financing and projected savings as well as potential risks and mitigation. If a project is approved by the Board, JCI will prepare a submission for approval by the Department of Housing & Urban Development (HUD) of the EPC1 extension and potentially a new EPC2. The submission will be sent to HUD before the end of June, with expected HUD authorization by year end 2017.

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SEDRO-WOOLLEY HOUSING AUTHORITY

INTEROFFICE MEMORANDUM

To: The Board of Commissioners
Date: March 28, 2017
From: Jeff Friend, Financial Reporting Manager
Subject: February 2017 Financial Report

Attached for your review is an unaudited year-to-date financial report as of February 28, 2017. This report shows year-to-date actual results, budgets and variances expressed in both dollars and percentages. The report, in a working capital format, details revenues, expenses, and other sources/uses of working capital. Working capital is defined as current assets minus current liabilities and is a metric that is used to measure the ability of an organization to meet its near-term obligations (less than one year). Each report in this format will reconcile the current period working capital to that of the prior period.

Summary: Year-to-date operating revenues and operating expenses are 2.9% over budget and 2.9% under budget, respectively.

Operating Revenue Variances

	<u>Variance (\$)</u>	<u>Variance (%)</u>	
Dwell Rent	\$ 1,849	5.9%	●
Operating Fund Subsidy	489	0.9%	●
Other Misc. Income	61	19%	●
	<u>\$ 2,399</u>	<u>2.9%</u>	●

Operating Expense Variances

	<u>\$ Var</u>	<u>% Var</u>	
Salaries, Wages & Benefits	\$ (2,723)	-16.3%	●
Occupancy Expenses	174	0.5%	●
Admin Support Expenses	515	3.6%	●
Other Misc. Expenses	(19)	-1.6%	●
	<u>\$ (2,053)</u>	<u>-2.9%</u>	●

- Green are positive variances
- Yellow are negative variances of less than 5%
- Red are negative variances greater than 5%

Operating Revenue and Expense: Year-to-date Operating Revenues and Expenses are very close to target. Salaries, Wages, and Benefits are under budget. Current staff assigned to Hillsvie and Cedar Grove have fewer dependents than average; therefore, the medical benefit costs are lower. If there are no staffing changes, Salaries, Wages, and Benefits should remain under budget throughout the year.

Non-Operating Revenue and Expense: Non-operating revenues are under target as three unit upgrades were budgeted evenly throughout the year but none have been completed due to lack of vacancies.

Working Capital: The year-to-date working capital balance is \$229,240; the equivalent of approximately 7 months of operating expenses.

Housing Authority of the City of Sedro-Woolley
Statements of Financial Position
For the Period Ended 02/28/2017

	<u>Cedar Grove</u>	<u>Hillsview</u>	<u>Total Authority</u>
Working Capital Assets			
Cash-Unrestricted	\$ 96,292	\$ 180,798	\$ 277,090
Accounts Receivables	-	1,163	1,163
Prepaid Assets & Inventory	1,456	4,307	5,763
Total Working Capital Assets	<u>97,748</u>	<u>186,268</u>	<u>284,016</u>
Liabilities Offsetting Working Capital Assets			
Accounts Payable	(8,164)	(33,631)	(41,795)
Payroll Liabilities	(3,667)	(9,314)	(12,981)
Accrued Liabilities	-	-	-
Current Portion of Long-term debt	-	-	-
Total Offsetting Liabilities	<u>(11,831)</u>	<u>(42,945)</u>	<u>(54,776)</u>
Working Capital	<u>85,917</u>	<u>143,323</u>	<u>229,240</u>
Other Assets			
Cash-Restricted	3,800	5,450	9,250
Capital Assets	446,153	1,426,232	1,872,385
Work-in-Process	-	1,032	1,032
Total Other Assets	<u>449,953</u>	<u>1,432,714</u>	<u>1,882,667</u>
TOTAL ASSETS (net of WC offsets)	<u><u>\$ 535,870</u></u>	<u><u>\$ 1,576,037</u></u>	<u><u>\$ 2,111,907</u></u>
LIABILITIES & EQUITY			
Other Liabilities			
Deferrals-Related to Restr Cash	\$ 3,800	\$ 5,275	\$ 9,075
Debt	11	21	32
	<u>3,811</u>	<u>5,296</u>	<u>9,107</u>
Equity			
Equity	532,059	1,570,741	2,102,800
	<u>532,059</u>	<u>1,570,741</u>	<u>2,102,800</u>
TOTAL LIAB & EQ (net of curr liab)	<u><u>\$ 535,870</u></u>	<u><u>\$ 1,576,037</u></u>	<u><u>\$ 2,111,907</u></u>

Housing Authority of the City of Sedro-Woolley
Working Capital Budget vs. Actual Report
For the Period Ended 02/28/2017

	Actuals Through 02/28/2017	Budget Through 02/28/2017	YTD Variance	(n/m= not meaningful) Percent YTD Variance	2017 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues							
Tenant Revenue	\$ 33,032	\$ 31,183	\$ 1,849	5.9%	\$ 187,100	\$ 154,068	17.7%
Operating Fund Subsidy from HUD	52,645	52,156	489	0.9%	312,932	260,287	16.8%
Other Operating Revenue	378	317	61	19.2%	1,900	1,522	19.9%
Non-operating Revenue	1,944	11,456	(9,512)	(83.0%)	68,759	66,815	2.8%
Total Revenues	87,999	95,112	(7,113)	(7.5%)	570,691	482,692	15.4%
Expenses							
Salaries & Benefits	13,943	16,666	(2,723)	(16.3%)	105,606	91,663	13.2%
Routine Maintenance, Utilities, Taxes & Insurance	37,769	37,595	174	0.5%	243,274	205,505	15.5%
Direct Social Service Salaries & Benefits	0	0	0	n/m	0	0	n/m
Other Social Service Support Expenses & HAP	1,204	1,223	(19)	(1.6%)	7,945	6,741	15.2%
Administrative Support Expenses	14,752	14,237	515	3.6%	94,777	80,025	15.6%
Non-operating Expenses	0	30	(30)	(100.0%)	180	180	0.0%
Total Expenses	67,668	69,751	(2,083)	(3.0%)	451,782	384,114	15.0%
Net Income	20,331	25,361	(5,030)	(19.8%)	118,909	98,578	17.1%
Other Sources/(Uses) of Working Capital							
(Increase) in Restricted/Designated Cash	0	0	0	n/m	0	0	n/m
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	n/m
(Increase) in LT Receivables	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	(1,032)	0	(1,032)	n/m	0	1,032	n/m
Maintenance Projects	(971)	(11,291)	10,320	(91.4%)	(87,744)	(86,773)	1.1%
Acquisition of Capital Assets	(2,003)	(11,291)	9,288	(82.3%)	(87,744)	(85,741)	2.3%
Disposition of Capital Assets	0	0	0	n/m	0	0	n/m
Change in Suspense	0	0	0	n/m	0	0	n/m
Change in Other Assets	0	0	0	n/m	0	0	n/m
Change in Other Deferrals	(175)	0	(175)	n/m	0	175	n/m
Increase in LT Debt	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	0	(183)	183	(100.0%)	(1,098)	(1,098)	0.0%
Total Other Sources/(Uses) of Working Capital	(2,178)	(11,474)	9,296	(81.0%)	(88,842)	(86,664)	2.5%
Net Change in Working Capital	\$ 18,153	\$ 13,887	\$ 4,266	30.7%	\$ 30,067	\$ 11,914	60.4%
Working Capital, 12/31/2016	211,086						
Working Capital, 02/28/2017	\$ 229,240						

1) Three unit upgrades were budgeted evenly throughout the year but none has been completed through February resulting in low CFP grant draws. Upgrades are dependent upon unit availability.

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SEDRO-WOOLLEY HOUSING AUTHORITY
Housing Management Report

February and March 2017

Vacancy Report

	Vacates	Housings	Completed Upgrades
Hillsview	1	0	0
Cedar Grove	0	0	0

Average Unit Turnover Rates for Hillsview

One unit is being upgraded and scheduled to be housed in April. One unit is currently on notice to vacate in April, where the resident is moving into a nursing home.

Current Applications of Wait List as of April 1, 2017

Hillsview	Applicants Claiming Preference	Eld/Dis Claiming Preference	Non-Preference Applicants	Total
1 Bedroom	83	63	49	132

Cedar Grove	Preference	Non-Preference	Total
2 Bedrooms	79	16	95
3 Bedrooms	38	3	41
4 Bedrooms	5	1	6
Total	122	20	129

Preference Definitions:

1. Rent burden – person is paying more than 50% of income in rent
2. Family lives in substandard housing - homeless or condition of unit substandard
3. Involuntary displacement – disaster, government action, housing owner action, domestic violence, etc.

Work Orders

	Routine	Inspection	Emergency	Vacate	RA	Total
Hillsview	33	11	0	0	0	44
Cedar Grove I	1	1	0	0	0	2
Cedar Grove II	6	0	1	0	0	7
Cedar Grove III	2	1	0	0	0	3
Total	42	13	1	0	0	56

Resident Functions

There are none at this time.

Staffing

We are 100% staffed in Sedro-Woolley.

SEDRO-WOOLLEY HOUSING AUTHORITY

Housing Management Report

Previous Meeting Concerns

Resident Issues.

The mold and air quality tests have been completed for both units and the residents were notified that there were no abnormal findings. The Hillsvew resident with the stipulation agreement has paid their account in full.