



**Transforming Lives & Communities**

**HOUSTON HOUSING AUTHORITY  
BOARD OF COMMISSIONERS' MEETING**



**JANUARY 17, 2012**



**HOUSTON**  
HOUSING AUTHORITY

**Transforming Lives & Communities**

2640 Fountain View Drive, Houston, Texas 77057 | Phone 713.260.0500 | Tory Gunsolley, **President & CEO**

**Board of Commissioners:** David Minberg, Chair | Assata-Nicole Richards, Vice Chair | Rueben C. Casarez | Lance Gilliam | Nicola Fuentes Toubia | Bobbie Figures | Phillis Wilson

**BOARD OF COMMISSIONERS' ANNUAL MEETING  
TUESDAY, JANUARY 17, 2012  
3:00 p.m.  
KENNEDY PLACE APARTMENTS  
3100 GILLESPIE, HOUSTON, TEXAS 77020**

## **AGENDA**

- I. Call to Order
- II. Roll Call
- III. Approval of the December 20, 2011 Houston Housing Authority Board Meeting Minutes
- IV. Public Comments
- V. President's Report
- VI. New Business
  - a. Ratify and Approve Property Insurance Contract (**Resolution No. 2563**)
  - b. Approve the Houston Housing Authority's Software Maintenance Agreement with Emphasys Software (**Resolution No. 2564**)
  - c. Write-Offs for the Period of December 1, 2011 to December 31, 2011(**Resolution No. 2565**)
  - d. Awarding of Contract for Online Partner Portal (**Resolution No. 2566**)

- e. Award of Contract for the Replacement of Second Floor Decking at Forest Green Housing Development to General Contractor Services, Inc. (**Resolution No. 2567**)
- f. Election of Board Officers (**Resolution No. 2568**)
- g. Recognition and Appreciation of David Mincberg's Service on the Board of Commissioners (**Resolution No. 2569**)

VII. Executive Session

Convene an Executive Session to discuss:

- a. Personnel matters in accordance with Section 551.074 of the Texas Government Code
- b. Legal issues in accordance with Section 551.071 of the Texas Government Code
- c. Real estate matters in accordance with Section 551.072 of the Texas Government Code

Reconvene to Public Session to consider:

- a. Authorizing any necessary action with respect to personnel matters in accordance with Section 551.074 of the Texas Government Code
- b. Authorizing any necessary action with respect to legal issues in accordance with Section 551.071 of the Texas Government Code
- c. Authorizing any necessary action with respect to real estate matters in accordance with Section 551.072 of the Texas Government Code

VIII. Adjournment



2640 Fountain View Drive, Suite 400, Houston, Texas 77057 | 713.260.0500 P | Tory Gunsolley, **President & CEO**

Board of Commissioners: David Minberg, *Chair* | Assata-Nicole Richards, *Vice Chair* | Rueben C. Casarez | Lance Gilliam | Nicola Fuentes Toubia | Bobbie Figures | Phillis Wilson

**Office of the President & CEO**

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**MINUTES OF THE  
HOUSTON HOUSING AUTHORITY  
BOARD OF COMMISSIONERS' MEETING  
TUESDAY, DECEMBER 20, 2011**

A meeting of the Board of Commissioners (“Board”) of the Houston Housing Authority (“Agency”) was held on Tuesday, December 20, 2011, at the Houston Housing Authority, 2640 Fountain View Drive, Houston, Texas, 77057.

Chair David Minberg called the meeting to order at 3:02 p.m. Secretary Gunsolley called the roll and declared a quorum present.

Present: David Minberg, Chair  
Assata-Nicole Richards, Vice Chair  
Lance Gilliam, Commissioner  
Bobbie Figures, Commissioner  
Phillis Wilson, Commissioner  
Rueben Casarez, Commissioner  
Nicola Toubia, Commissioner  
  
Tory Gunsolley, Secretary

**APPROVAL OF MINUTES**

Chair Minberg called for discussion or approval of minutes of the November 15, 2011 Board of Commissioners’ meeting.

Commissioner Toubia asked if the Agency has retained a General Counsel, as referenced on page 6 of the minutes. Secretary Gunsolley stated that the statement refers to Outside Counsel.

Commissioner Wilson made a motion to approve the minutes as revised. Commissioner Casarez seconded the motion. The motion passed unanimously.

**PUBLIC COMMENTS**

Residents of Lyerly Apartments made the following public comments:

Nancy Nguyen addressed the Board regarding several issues, including unauthorized visits to her apartment from Maintenance staff, damage to her vehicle (slashed tires), and unpleasant incidents with Ms. Tung Nguyen, another Lyerly resident. Ms. Nguyen stated that she has

reported these problems to Management on numerous occasions but the issues have gone unresolved. She also stated that she asked to have her apartment's locks changed and was told by Management that it would cost \$125.00 - \$180.00. Ms. Nguyen stated she is very concerned for her safety, and is seeking the Agency's assistance.

Chairman Minberg apologized to Ms. Nguyen for the problems she has encountered and asked Mr. George Griffin, Vice President of Housing Operations, to immediately meet with Ms. Nguyen to address her concerns.

Vice Chair Richards asked if Tarantino Properties, Lyerly's current management company, is a change from the property's previous management company. Secretary Gunsolley stated that Lyerly did not change management companies.

Marjorie Burke addressed the Board regarding problems with her apartment unit, including a non-working deadbolt lock and peeling paint. Ms. Burke stated that she recently had to contact the police department to break down her front door because it would not open from the inside. Management initially told her that she would be charged \$200.00 to cover repairs for the door; however, she was later informed that no charges would be assessed.

Secretary Gunsolley asked Josh Meehan, Vice President of Office of Administration, to meet with Ms. Burke to address her concerns.

Chair Minberg thanked Ms. Burke.

Syrennia Riles addressed the Board regarding problems around the Lyerly property, including lack of security presence, housekeeping issues, and non-residents on the property late at night. Ms. Riles stated that the residents are concerned for their safety and are requesting some form of safety measures around the property.

Chair Minberg thanked Ms. Riles.

## **PRESIDENT'S REPORT**

Secretary Gunsolley congratulated George Griffin and his staff for having zero PIC errors, which is a major accomplishment with the HUD reporting system.

To date, 163 scattered site properties have closed. Four bidders dropped out and those properties are being offered to some of the larger investors. Secretary Gunsolley expects that almost all the scattered sites will have closed by year's end.

Secretary Gunsolley has been nominated to serve on the Council of Large Public Housing Authorities' (CLPHA) Executive Board.

Secretary Gunsolley provided the Board a brief presentation displaying the new playground equipment at Irvinton Village and Forest Green Townhomes. He visited Forest Green the day the playground opened and resident children were very excited about the new equipment.

The City of Houston submitted its application for the Round 2.2 Housing Disaster Recovery funds. Out of the approximately \$150 million dollars they hope to receive, the City – through an

intergovernmental agreement – will allocate approximately \$29 million dollars to the Agency which will be used to build new housing developments.

Vice Chair Richards reiterated that she would like to see a progress (grading) report on each of the private management companies and an assessment of their performance at each of the properties. Secretary Gunsolley stated that the Agency is currently developing a system that will generate a report showing each management company's progress.

## **NEW BUSINESS**

### **RESOLUTION No. 2556 – Approve the 2012 Houston Housing Authority Budget**

Secretary Gunsolley gave a brief overview of the Agency's 2012 budget. The Central Office Cost Center's budget for 2012 has a reduction of approximately one million dollars in revenues. This is a result of a reduction of revenues in the Housing Choice Voucher ("HCV") Program. The total administrative expenses have been reduced from \$6.4 million dollars in 2011 to \$5.2 million dollars in 2012.

Long Drive Apartments and Telephone Road Apartments are the only two properties in the Section 8 New Construction operating budget. Secretary Gunsolley stated that both of these properties are showing a positive cash flow. He noted that the Administrative salaries and benefits increased substantially from 2011, partly due to "more fully expressing what the property was using in terms of back office and housing authority expenses". These funds are a reallocation, putting expenses where they need to be.

Commissioner Casarez asked from what operating budget were these allocated funds pulled. Secretary Gunsolley answered that these funds came from other properties, Public Housing, and the Central Office Cost Center.

The Public Housing operating budget is being funded through the recaptured reserves and does not actually show a deficit. Secretary Gunsolley stated that this program is being funded between 95% - 100%. This allowed the Agency to do some new things, including adding an additional one million dollars in non-routine maintenance.

Secretary Gunsolley stated that the 2012 operating budgets do not reflect the funds from the Disaster Recovery.

Secretary Gunsolley stated that it will be an extremely difficult budget year for the HCV program. The Agency expects the program to receive approximately \$1.8 million dollars less in revenues. Secretary Gunsolley is proposing that, through a combination of approximately \$900,000 in cuts to the Voucher program and \$900,000 of deficit spending funded by the Administrative Fee Reserve, the Agency will have a balance budget for the HCV Program.

Commissioner Toubia asked if the \$1.3 million dollars listed under the HCVP Administrative Fee Reserve reflects the Agency's total operating reserves. Secretary Gunsolley answered that that amount strictly relates to the public housing developments. He stated that although this budget does not show the totality of the replacement reserves, the Agency has approximately \$19 million dollars in public housing reserves that may be subject to recapture.

Commissioner Toubia inquired about the amount budgeted for travel and training expenses. She noted that 2012's budget is slightly higher than last year's. She asked whether this amount is a reflection of an overflow of what was not spent from last year's budget. Secretary Gunsolley answered that there was a reduction in staff travel in 2011 but he expects travel to increase in 2012. This budgeted amount relates more to staff training versus travel. It also reflects "in town" travel, which is the IRS reimbursement rate for all of the inspectors and other staff local travel within Houston.

Commissioner Casarez asked if the Agency's Housing Assistance Payments (HAP) reserves are the same as the public housing reserves. Secretary Gunsolley answered that HAP reserves relate to the HCV Program which is separate from the public housing reserves.

Commissioner Casarez also asked for clarification on the budget report's "Projected Year to Date 2011". Secretary Gunsolley answered that this column represents the year to date budget projected through the end of 2011. Commissioner Casarez also asked how the Agency expects to make up the cash flow deficits for the current year and the anticipated deficit amount for 2012. Secretary Gunsolley answered that the Agency will use funds from the Administrative Fee reserves to offset the deficits.

Vice Chair Richards asked if the Agency expects to recapture any of the HAP reserves. Secretary Gunsolley answered that, although the HAP reserves are subject to recapture, the Agency is not currently anticipating a recapture.

Commissioner Toubia made a motion to adopt Resolution No. 2556. Commissioner Gilliam seconded the motion. Resolution No. 2556 passed unanimously.

**RESOLUTION No. 2557 ESWrite-Offs for the Period of October 1, 2011 to November 30, 2011**

Secretary Gunsolley stated that this Resolution is a typical write-off of public housing bad debt.

Commissioner Casarez asked for clarification with the statement "the write-off amount for the period of October and November 2012 of \$101,079.63 are abnormally high in relation to the previous written off amount of \$172,157.49 for the period of November 1, 2010 to September 30, 2011. This is due to previous months that were not included in the last write-off period." Secretary Gunsolley answered that the \$101,079 is a reflection of bad debt from October and November in addition to previous months in which some of the tenants' bad debts were not written off.

Commissioner Casarez also asked if Cuney's unreported income was just for one tenant. Secretary Gunsolley answered that it was for numerous tenants, as noted on the write-offs charts.

Commissioner Gilliam made a motion to adopt Resolution No. 2557. Commissioner Figures seconded the motion. Resolution No. 2557 passed unanimously.

**RESOLUTION No. 2558 – Award of Contract for Exterior Wall Restoration and Roof Restoration at Lyerly Elderly Housing Development**

Secretary Gunsolley stated that there have been extensive problems with water penetration at Lyerly, and requires a comprehensive roof and wall restoration. The original bidding was much higher, at approximately \$5 million dollars. The Agency reengineered the scope of work and work flow, and Qualified Construction, Inc. returned the lowest bid at \$3.29 million dollars. Secretary Gunsolley stated that Qualified Construction has performed work for the Agency in the past, and its references were satisfactory.

Commissioner Toubia asked if this scope of work is just replacement or replacement and repair. Secretary Gunsolley answered that this scope of work will replace the old roof.

Commissioner Toubia also asked the Agency to be mindful of the security concerns addressed by Lyerly residents while the construction work is taking place. Secretary Gunsolley answered that the Agency will review security measures at the property.

Commissioner Casarez asked for clarification on the source of funding for this work. Secretary Gunsolley answered that capital funds will be the source of funding.

Secretary Gunsolley stated that the work should begin in 60 days and will take approximately 300 days to complete.

Commissioner Casarez made a motion to adopt Resolution No. 2558. Commissioner Wilson seconded the motion. Resolution No. 2558 passed unanimously.

#### **RESOLUTION No. 2559 – Award of Contract for Replacement of Substandard Roofs at Cuney Homes and Forest Green Townhomes**

Secretary Gunsolley stated that this resolution seeks the Board's approval to repair and replace the roofs at Cuney Homes and Forest Green. Mountain Top Enterprises, a Woman-Owned Enterprise, was the lowest responsive bidder. Mountain Top has satisfactorily completed work for El Paso Housing Authority and Oklahoma City Housing Authority.

Commissioner Toubia asked if this scope of work is just replacement or replacement and repair. Secretary Gunsolley answered that this scope of work will replace the old roof. Bobken Simonians, Vice President of REID, answered that any shingles, boards and tarp that need to be replaced will be replaced, but the secure joints and other structures will remain in place.

Vice Chair Richards asked for the completion and end date of the work. Secretary Gunsolley answered that work should begin within 30 days following the Board's approval. The Agency expects the work to be completed around June 2012.

Chair Minberg noted that the memo states that the roofs were damaged during Hurricane Ike. He asked if the Agency pursued insurance recovery, and if so, how much was this amount. Secretary Gunsolley answered that the Agency did seek proceeds to repair the damages and repairs were made; however, those repairs are starting to fail. Some of the roofs have a remaining use of life of zero while other roofs may have a couple of years of life remaining.

Commissioner Gilliam made a motion to adopt Resolution No. 2559. Commissioner Toubia seconded the motion. Resolution No. 2559 passed unanimously.

**Resolution No. 2560 – Award of Contract for Restoration of Fire Damaged House Located at 1518 Andrews Street, in Fourth Ward Freedman’s Town Historic District**

Secretary Gunsolley stated that the Agency initially wanted to demolish the building but the Historic Commission denied that request. This resolution seeks the Board’s approval to rehabilitate the building. Quality Work Construction, Inc. was the lowest responsive bidder. They are a Minority Business Enterprise and have satisfactorily completed work for other housing authorities.

Vice Chair Richards asked about the timeline of completion for the project. Secretary Gunsolley answered that the City will not issue a permit for the work because the County has the building listed as a single family and not a two family. The County states it will take approximately six months to make a determination on whether or not they can change the building to a two family. The Agency is currently working with the City on issuing a permit to move forward with rehabilitation. Once the permit has been received, it will take approximately 4 months to complete the restoration.

Chair Minberg asked about the insurance proceeds the Agency received from the initial fire. Bobken Simonians answered that the Agency received approximately \$50,000 in proceeds. Chair Minberg noted the large disparity between the insurance payout and the cost to rehabilitate the building. Secretary Gunsolley stated that some of the cost is associated with damages incurred by the fire and other costs have to do with the deterioration of the building as it sat vacant.

Chair Minberg encouraged the Agency to work closely with its insurance company on acquiring a higher rate of proceeds from these and other incidents, in order that the Agency not suffer a loss in terms of insurance payouts.

Vice Chair Richards made a motion to adopt Resolution No. 2560. Commissioner Figures seconded the motion. Resolution No. 2560 passed unanimously.

**Resolution No. 2561 – Approval of Board of Commissioners’ 2012 Regular Meeting Schedule**

Secretary Gunsolley stated that this resolution outlines the proposed 2012 schedule for the Board of Commissioners’ meetings.

Commissioner Toubia made a motion to adopt Resolution No. 2561. Commissioner Figures seconded the motion. Resolution No. 2561 passed unanimously.

**Resolution No. 2562 – Approval of President and CEO Travel to PHADA Conference**

Secretary Gunsolley stated that he currently serves on PHADA’s Executive Board. This resolution seeks the Board’s approval for Secretary Gunsolley to attend the winter conference.

Commissioner Gilliam made a motion to adopt Resolution No. 2562. Commissioner Wilson seconded the motion. Resolution No. 25625 passed unanimously.

Commissioner Toubia thanked the Agency for their hard work and dedication throughout the 2011 year.

**EXECUTIVE SESSION**

Chair Mincberg suspended the Public Session on Tuesday, December 20, 2011, at 4:20 p.m. to convene an Executive Session to discuss personnel, legal, and real estate issues in accordance with Sections 551.074, 551.071, and 551.072, respectively, of the Texas Government Code.

**PUBLIC SESSION RECONVENED**

Chair Mincberg reconvened the Public Session on Tuesday, December 20, 2011 at 4:33 p.m.

**ADJOURNMENT**

There being no further business, Chair Mincberg adjourned the meeting at 4:33 p.m.

\_\_\_\_\_  
David Mincberg, Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Tory Gunsolley, Secretary

\_\_\_\_\_  
Date



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**Responses to Comments Received at the  
December 20, 2011 Board of Commissioners Meeting**

A meeting of the Board of Commissioners (“Board”) of the Houston Housing Authority (“Agency”) was held on Tuesday, December 20, 2011, at Houston Housing Authority’s Central Office at 2640 Fountain View Drive. The Board received several comments from a group of Lyerly residents. Below is a catalogue of the comments received as well as HHA’s response to each one.

**PUBLIC COMMENTS**

**C = Comment Received**

**R = HHA Response**

**PUBLIC COMMENTS**

**C:** One commenter addressed the Board regarding several issues, including unauthorized visits to her apartment by maintenance staff, damage to her vehicle (slashed tires), and an alleged sexual assault by another Lyerly resident. The commenter stated that she reported these problems to management on numerous occasions but the issues have gone unresolved. She also stated that she asked to have her apartment’s locks changed and was told by management that it would cost \$125.00 - \$180.00. The commenter stated that she was very concerned for her safety, and is seeking the Agency’s assistance

**R:** PHO staff investigated the commenter’s numerous allegations and concerns. With regard to the assault, which is alleged to have taken place (in September 2010), the commenter does not wish to make a written complaint to either HHA management, Precinct 6 or the Houston Police Department.

With regard to the lock in her unit, the commenter was upset with the property manager after the commenter received a lease violation for putting a deadbolt lock on her bedroom door. Residents cannot place their own deadbolts in their units, even if they are willing to provide a key to the management office. This is in direct violation of UPCS guidelines.

In a follow-up conversation with the commenter PHO staff explained that she could place a slider type lock on the bedroom door if that would make her feel more comfortable – but no deadbolt lock system is allowed in a unit as this could jeopardize the resident’s safety in an emergency. The commenter has not requested a new deadbolt be placed on her unit’s door. The charge, if she does, is \$68.95, not \$125.00 - \$180.00.

With regard to maintenance entering her unit without notice, PHO staff assured the commenter

that, with the exception of emergency maintenance issues, maintenance personnel do not visit residents' units without work order requests and/or appropriate advanced written notice.

Finally, the tire-slashing incident came to the manager's attention on July 7, 2011 and the Houston Police Department and the property manager reviewed security camera footage. Unfortunately the footage did not reveal the perpetrator's identity.

**C:** One commenter addressed the Board regarding problems with her unit, including a non-working deadbolt lock and peeling paint. Ms. Burke stated that she recently had to contact the police department to break down her front door because it would not open from the inside. Management initially told her that she would be charged \$200 to cover repairs for the door; however, she was later informed that no charges would be assessed.

**R:** The commenter's unit had been scheduled for painting on October 27, 2011, she was notified in writing on October 24, 2011. The commenter was not prepared on the 27th for the painting to begin. PHO staff arranged for it to be done after the holidays with 48-hour notice so the resident and her service provider had time to prepare the unit for painting. The work was completed on January 4, 2012. In-house maintenance assisted with moving her furniture.

**C:** One commenter addressed the Board regarding problems around the property, including the lack of security presence, housekeeping issues, and non-residents on the property late at night. The commenter stated that residents are concerned for their safety and are requesting some form of increased safety measures around the property.

**R:** At the Board meeting, PHO staff committed to finding additional security at Lyerly. In response to these, and other comments from elderly residents, PHO and Procurement are developing a Request for Proposals to solicit additional security staff at all HHA elderly developments.

PHO staff later followed-up with the commenter by phone to address her concerns about housekeeping at the property. The commenter was informed that an extra effort to clean the common areas was planned in anticipation of the holidays and that a professional cleaning company was scheduled to do a comprehensive cleaning of the common areas in January 2012.



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**BOARD MEMORANDUM**

**TO:** TORY GUNSOLLEY, PRESIDENT & CEO  
**FROM:** LLOYD WAGUESPACK, VICE PRESIDENT OF FISCAL OPERATIONS  
**SUBJECT:** RATIFY AND APPROVE PROPERTY INSURANCE CONTRACT  
**DATE:** JANUARY 3, 2012

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This memorandum recommends that the Houston Housing Authority (HHA) Board of Commissioners ratify the property insurance contract with Texas Municipal League Intergovernmental Risk Pool (TML) for calendar year 2011 and authorize Tory Gunsolley to execute the renewal insurance contracts for calendar years 2012 and 2013 in an amount not to exceed \$400,000 per year.

**BACKGROUND**

The HHA's property insurance was set to expire at the end of December 31, 2010. The Procurement Department in late 2010 issued IFB #11-53 to promote competition among the qualified insurance carriers of commercial property insurance. The IFB required that successful bidders should provide coverage for property insurance to included property, building contents, boiler & machinery. The Invitation for Bid was published on the HHA website, advertised for two (2) Sundays in the Houston Chronicle, and sent directly to five (5) applicable firms in Procurement's vendor listing. The scope of this property insurance coverage includes all buildings, structures, personal property (contents), mobile equipment, and boiler & machinery.

**EVALUATION PROCESS**

The Houston Housing Authority will award a contract and/or purchase a policy resulting from this IFB to the lowest, most responsible and qualified bidder whose response conforms to the specifications within the IFB.

Procurement received two (2) responses from Texas Municipal League Intergovernmental Risk Pool (TML) and Housing Authority Insurance Group (HAIG).

TML – Proposed Policy Premium: approximately \$353,118 inclusive.

HAIG – Proposed Policy Premium: approximately \$361,389 (does not include Boiler & Machinery).

**RECOMMENDED CONTRACTOR**

IFB# 11-53 indicates that each participating insurer shall meet the following qualifications to be considered for award:

- Each participating insurer shall be licensed or duly authorized to issue insurance in the state of Texas. "Duly authorized" means that the insurer(s) shall be listed with the state insurance commissioner as an approved or admitted carrier.

- Each participating insurer shall be financially sound and responsible, which may be evidenced by a rating in the current A. M. Best's Insurance Reports of "B+" or better for performance and shall have a financial rating of "Class VI" or greater for company size, or an A.M. Best Company Financial Performance Index (FPI) rating of "6" or higher that is in the NA-3 category (Insufficient Operating Experience). A rating of at least "A" by Demotech will also be acceptable. The rating organizations should be shown on the bid proposal when it is submitted.

TML has provided all requested qualifying documentation within their bid submittal and Procurement has deemed TML a responsible, stable firm.

TML is our current provider for property insurance and they also provided property coverage in 2008 and 2009. TML also currently provides general liability, automobile coverage and workers compensation coverage to the Houston Housing Authority.

Procurement recommends that TML be awarded the contract to purchase a policy for property insurance based on their low bid, inclusive of all requirements, as well as their complete and responsive bid submittal.

#### RECOMMENDATION

Accordingly, I recommend that the Board adopt the following Resolution:

**Resolution:** That the Houston Housing Authority Board of Commissioners ratify the property insurance policy for calendar year 2011 and authorize Tory Gunsolley to execute the renewal insurance contracts for calendar years 2012 and 2013 with the **Texas Municipal League Intergovernmental Risk Pool (TML)**, to provide Property Insurance coverage, including property, building contents, boiler & machinery in an amount not to exceed \$400,000 per year, pursuant to the memorandum dated January 3, 2012 from Lloyd Waguespack, Vice President for Fiscal & Business Operations, to Tory Gunsolley, President and CEO.



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**BOARD MEMORANDUM**

**TO:** TORY GUNSOLLEY, PRESIDENT AND CEO  
**FROM:** LLOYD WAGUESPACK, JR., VICE-PRESIDENT FOR FISCAL AND BUSINESS OPERATIONS  
**SUBJECT:** APPROVE THE HOUSTON HOUSING AUTHORITY'S SOFTWARE MAINTENANCE AGREEMENT WITH EMPHASYS SOFTWARE  
**DATE:** DECEMBER 28, 2011

This memorandum recommends that the Houston Housing Authority (HHA) Board of Commissioners authorize Tory Gunsolley, President and CEO to execute the 2012 Software Maintenance Agreement with Emphasys Software to maintain support needed to keep our system updated to the latest versions available. The agreement is for one year at a cost of \$115,922.55 less a \$2,315.45 discount if the authority agrees to pay the agreement with one annual payment, a net amount of \$113,607.10.

**BACKGROUND**

Emphasys Software provides HHA with the software package called Elite Software. The software is both an operations and financial tool that manages both Section 8 (HCV) and PHO administration of HHA's portfolio. The package also provides the HHA with accounting and reporting software. THE HHA has purchased to-date the following modules: Accounts Payable, Bank Reconciliation, Chart of Accounts, General Ledger, Housing Eligibility, HUD Reporting, Inventory Control, Purchase Orders, Payroll, and Section 8 Tenant Accounting and Work Orders. The software maintenance agreement enables the HHA to operate using the most current versions of the software modules we have purchased over the last five years.

This software maintenance agreement with Emphasys Software qualifies as a sole source purchase that does not require a competitive bidding process required by HUD guidelines. This agreement qualifies as a Section 8.5A of the HUD Procurement Handbook exception from the normal competitive purchasing processes. Since the HHA uses software products purchased from Emphasys Software, there would be no other firm or entity that would be able to provide the same coverage to maintain and support the products and keep them updated on an ongoing basis.

**RECOMMENDATION**

Accordingly, I recommend that the Board adopt the following Resolution:

**Resolution:** That the Houston Housing Authority Board of Commissioners authorizes the President and CEO to execute a Software Maintenance Agreement with Emphasys Software, pursuant to the memorandum dated December 28, 2011 from Lloyd Waguespack, Vice President for Fiscal & Business Operations, to Tory Gunsolley, President and CEO.



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**BOARD MEMORANDUM**

**TO:** TORY GUNSOLLEY, PRESIDENT & CEO  
**FROM:** GEORGE GRIFFIN, VICE PRESIDENT OF HOUSING OPERATIONS  
**SUBJECT:** WRITE-OFFS FOR THE PERIOD OF DECEMBER 1, 2011 TO DECEMBER 31, 2011  
**DATE:** JANUARY 3, 2012

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the President and CEO to write-off vacated tenant accounts designated as uncollectible in the amount \$40,366.51.

**BACKGROUND**

The Houston Housing Authority (HHA) reduces public housing accounts receivable balances by writing off bad debt that is owed by former tenants after the debt has been deemed uncollectible. Write-offs are typically the result of tenants with balances owed to HHA leaving without notice or due to eviction. Normally, HHA writes off vacated tenant accounts considered to be uncollectible from the Agency's books once per quarter. The current uncollected amount of \$40,366.51 reflects accounts not written off for the period of December 1, 2011 to December 31, 2011. It is noteworthy that the \$40,366.51 in addition to the previous written-off amount of \$273,237.12 for a total of \$313,603.63 is well below the \$388,627.00 budgeted for write-offs in 2011.

To ensure accuracy, HHA made certain that property managers notified former residents in writing of any delinquent balances, and referred these balances to a private collection agency. With support from the Corporate Integrity Department, HHA also ensured that the write-offs excluded former residents who have transferred to the Housing Choice Voucher Program (HCVP). Any HCVP participants with outstanding Public Housing balances must pay back all debt owed or they will be terminated from the HCV Program. Any resident whose debt is written-off appears in a nationally distributed HUD database and is permanently banned from participating in any other Public Housing Authority's program. HHA only writes-off debt for residents who have left and for whom HHA has no reasonable expectation of being able to collect the debts owed.

HHA takes the following steps to collect rent:

1. Rent Statements are provided to all public housing tenants on a monthly basis listing their monthly rent payment and any other obligations (i.e., utilities, maintenance, etc.). When payment is made to the office, Property Managers ensure the amount being paid is correct and payment source is made out to the property.
2. If rent payments are not received by the 5<sup>th</sup> working day of the month, Property Managers send a 14-Day Notice to the tenants.
3. If rent payments are not received after the 14-Day Notice period, tenants are sent a 3-Day Notice to Vacate.
4. The eviction process begins with filing procedures in County Court. The bad debt is also referred to a private collections agency within 30 days and will be written off within 90 days.

Bad debt includes rent, maintenance fees, legal fees, utilities and other fees. HHA does not allow repayment agreements for public housing tenants with respect to bad debt.

HHA is finalizing the submission of all unpaid debt to the PIH Information Center (PIC) as required by the Department of Housing and Urban Development (HUD). The property name and recommended write-off amounts are as follows:

<b>Property Name</b>	<b>Write-Off Amount</b>
1. Allen Parkway Village	\$234.00
2. Clayton	\$357.88
3. Cuney	\$14,055.60
4. Forest Green	\$5,289.69
5. Fulton Village	\$1,672.00
6. Historic Oaks of APV	\$1,636.19
7. Heatherbrook	\$1,308.07
8. HRI	\$692.00
9. Irvinton	\$2,504.17
10. Kelly Village	\$10,936.03
11. Lyerly	\$102.25
12. Oxford Place	\$351.00
13. Victory Place	\$1,192.18
14. Wilmington	\$35.45
<b>Grand Total:</b>	<b>\$40,366.51</b>

HHA is writing these debts off consistent with HUD regulation. Not writing-off these debts negatively impacts the Agency's scoring on a critical HUD management test.

#### RECOMMENDATION

Accordingly, I recommend that the Board consider this resolution, which states:

**Resolution:** That the Houston Housing Authority Board of Commissioners, pursuant to the regulations of the U.S. Department of Housing and Urban Development, authorizes the President & CEO to write off vacated tenant accounts in the amount of \$40,366.51, pursuant to the memo dated January 3, 2012 from George Griffin, Vice President of Housing Operations, to Tory Gunsolley, President & CEO.



**HOUSTON**  
HOUSING AUTHORITY

Transforming Lives & Communities

**BOARD MEMORANDUM**

**TO:** TORY GUNSOLLEY, PRESIDENT AND CEO  
**FROM:** MARK THIELE, VICE PRESIDENT HCV AND ROBERT HEPPENSTALL, INTERIM ASSISTANT MANAGING DIRECTOR HCV  
**SUBJECT:** AWARDING OF CONTRACT FOR ONLINE PARTNER PORTAL  
**DATE:** JANUARY 3, 2012

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This memorandum recommends that the Houston Housing Authority (HHA) Board of Commissioners authorizes the award of a contract for the provision of an online Partner Portal.

**BACKGROUND**

On October 21, 2011, HHA published a Request for Proposals (RFP 11-54) seeking proposals to provide HHA with a Partner Portal where landlords can access information relating to the properties they currently have under contract with a Housing Choice Voucher Program tenant. The RFP was sent directly to twelve (12) applicable firms, as well as advertised on the HHA website and in the Houston Chronicle.

The requested online Partner Portal would allow program landlords to:

- Easily access program information such as inspection items, payment information, and 1099 information
- Receive notifications by email or text
- Submit requests for inspection extensions and utility responsibility changes
- Digitally sign Housing Assistance Payment Contracts
- Access forms, publications, training materials, contact information, and the HHA Payment Schedule
- View check detail from direct deposits
- Edit the user account and post new units

The features and functionalities listed above will save HHA money, improve landlord relationships, increase efficiencies, and ensure we're using the latest technology available.

The Partner Portal should save agency funds in four critical ways:

- Paper: In many cases, HHA will no longer have to print documents it currently provides to landlords (1099s, inspection notices, HAP Contracts, various other owner forms).
- Postage: HHA will save postage on all forms, contracts, and items available through the partner portal.
- Decreased Staff Workload: With online functionality to complete forms, contracts and inspection information, HHA will see decreased landlord traffic to the lobby and agency phones.

- Pay Service: HHA is considering implementing the Partner Portal with a nominal yearly fee per landlord (~\$15/yr). With 5,265 active landlords, there is potential for this service to earn the agency money.

Beyond the financial savings, the Partner Portal will improve landlord relations. Landlords will have fewer responsibilities requiring them to contact our agency or travel to our office, which should make our existing landlords happier and new landlords more likely to participate in the voucher program. In turn, this would increase housing choice to our families.

Finally, HHA will see improvements in efficiency and timeliness in key areas such as HAP Contract execution. Faster processing will contribute to our ongoing efforts to improve customer service.

### EVALUATION PROCESS

Three (3) firms submitted proposals in response to the RFP #11-54. To evaluate the submitted proposals, HHA established a Partner Portal Evaluation Panel made up of the following three (3) HHA Staff:

- Mark Thiele, Vice President, HCVP
- Lisa Briggs, Inspections Manager, HCVP
- Joseph Rennard, Director, IT

The three (3) proposals were evaluated according to the following four (4) essential criteria:

<b>Evaluation Criteria</b>	<b>Max Points</b>
<b>1.0 Offeror’s compliance with all specifications and/or other requirements contained in this RFP.</b>	15
<b>2.0 Reasonableness of proposed fees.</b>	25
<b>2.0 Qualifications of staff assigned to the project.</b>	30
<b>4.0 Offeror’s demonstrated experience in providing services similar in nature to those specified in the RFP</b>	30
<b>Total Points</b>	<b>100</b>

It is the evaluation committee’s determination that **Emphasys Software** has submitted the highest rated, most responsive and responsible proposal in the best interest of the Houston Housing Authority.

The Proposals were reviewed and evaluated by Houston Housing Authority Staff and ranked as follows:

<b>Rank</b>	<b>Contractor</b>	<b>Proposed Fees</b>	<b>Avg. Evaluation Rating</b>
1	Emphasys Software	<b>\$62,350.00</b> <i>+ \$39,600 for Optional Custom Programming</i> <i>+ \$11,000 for annual maintenance (first year’s maintenance is included in the \$62,350.00)</i>	89.00
2	Cooper Consulting	<b>\$169,848.00</b>	70.33
3	Capital Novus	<b>\$159,046.80</b>	59.33

**Emphasys Software** is the overall highest rated proposal with high ratings for Compliance, Reasonableness of Proposed Fees (*See Price Analysis below*), and Demonstrated Experience in Providing Similar Services.

Although Cooper Consulting received high ratings for Qualifications of Staff, they received low ratings for Reasonableness of Proposed Fees and Demonstrated Experience in Providing Similar Services. Therefore, this offeror will not be considered for award.

Capital Novus received low ratings for Reasonableness of Proposed Fees, Qualifications of Staff, and Demonstrated Experience in providing Similar Services. Therefore, this offeror will not be considered for award.

It is the Selection Panel’s recommendation that Emphasys Software be considered for the award of a contract to provide a Partner Portal as specified in RFP# 11-54.

PRICE ANALYSIS (PA) (Contributed by Sarah Monigold, Purchasing Officer)

This PA was conducted as required by 24 CFR 85.36(f)(1) and as detailed within Section 10.3 of HUD Procurement Handbook 7460.8 REV 2.

The two steps of a Price Analysis are:

1. As detailed within Column (1) following, compare the proposed costs received from the top-rated responsive and responsible proposer with the costs received from each of the other proposers (aka Force of Competition);
2. [Table No. 1]

Proposer	Quote	Proposer Cost Comparison
<b>Emphasys Software</b>	<b>\$101,950.00</b>	
<b>Capital Novus</b>	<b>\$159,046.80</b>	<b>+56.00%</b>
<b>Cooper Consulting</b>	<b>\$169,848.00</b>	<b>+66.60%</b>

Price Analysis Conclusion: As shown within the preceding, the cost proposed by Emphasys is the lowest proposed cost, even with the optional costs added. Additionally, the costs proposed by Capital Novus and Cooper Consulting are outside of the estimated budget for this project. Their proposed costs are substantially higher than Emphasys and are significantly too high to be considered for award. Accordingly, the costs proposed by Emphasys are deemed to be appropriate, fair, and reasonable.

PLEASE NOTE that, for the purposes of RFP# 11-54, the proposed fees comprise 25% of the criteria and other factors were considered by the Evaluation Panel when rating the submitted proposals.

## DESCRIPTION OF WINNING PROPOSAL

Emphasys Software (Emphasys) proposes a Partner Portal software solution that integrates with our existing *Emphasys Elite* system of record, has been successfully implemented at other large housing agencies, substantially meets the requirements of the RFP, and is less expensive than other competing offers.

According to the proposal, Emphasys has successfully implemented their Partner Portal software for the City of Marietta, Housing Authority of the County of Salt Lake, Portsmouth Redevelopment and Housing Agency, Philadelphia Housing Authority, NY Dept of Housing Preservation and Development, Miami-Dade Public Housing Agency, Indianapolis Housing Agency, and Augusta Housing Agency.

Emphasys closely followed the RFP scope of work requirements and provided pricing for custom programming, where applicable. HHA may choose to add digital HAP Contract signatures and/or integration of self-certification inspections via future change orders as their pricing requires additional work and information. The total price of the Emphasys proposal is **\$101,950.00**.

Please see attached for an excerpt from the Emphasys Partner Portal proposal, including two sample screenshots of the software.

## RECOMMENDATION

Accordingly, I recommend that the Board adopt the following Resolution:

**Resolution:** That the Houston Housing Authority Board of Commissioners authorizes the President and CEO to award a contract in the amount of \$101,950.00 to Emphasys Software to provide an online Partner Portal pursuant to the January 3, 2012 Memorandum from Mark Thiele, Vice President of HCVP and Robert Heppenstall, Interim Assistant Managing Director HCV, to Tory Gunsolley, President and CEO.



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**BOARD MEMORANDUM**

**TO:** TORY GUNSOLLEY, PRESIDENT & CEO  
**FROM:** BOBKEN SIMONIANS, VICE PRESIDENT, REID  
**SUBJECT:** AWARD OF CONTRACT FOR THE REPLACEMENT OF SECOND FLOOR DECKING AT FOREST GREEN HOUSING DEVELOPMENT TO GENERAL CONTRACTOR SERVICES, INC.  
**DATE:** JANUARY 10, 2012

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorize the President & CEO to enter into a contract with General Contractor Services, Inc. for the replacement of second floor decking at Forest Green Housing Development. This contract will be for a term of one hundred fifty (150) days, with a not-to-exceed total of One hundred six thousand nine hundred ninety dollars (\$106,990.00).

**BACKGROUND**

The floor decking in the bathrooms and hallway located on the second floor in nine (9) units are damaged by water and need to be replaced.

**EVALUATION PROCESS**

Invitation for Bids (IFB) #11-58 was issued on December 4, 2011 to select a Contractor for the replacement of second floor decking in nine units at Forest Green Housing Development. The IFB was advertised in local newspapers and on HHA website. The Bids were opened on January 9, 2012 and read out to all the parties who attended the Bid opening.

The Scope of Work includes the replacement of floor decking in the bathroom and hallway, replacement of sheetrock, bath tub, water closet, lavatory and tub surround in the bathroom, and replacement of flooring in the bathroom, hallway and bedrooms. The work is to be carried out on the second floor of nine (9) units.

The following Bids were submitted:

<b>Sl. No.</b>	<b>Name of the Bidder</b>	<b>Base Bid Amount (\$)</b>	<b>Remarks</b>
1	General Contractor Services, Inc.	106,990	
2	Guaranteed Builders, Inc.	124,900	
3	JC Lewis Construction	168,000	

General Contractor Services, Inc. submitted all the required documents with the Bid and is the lowest responsive and responsible Bidder. General Contractor Services, Inc. completed Accessibility Improvement work at various housing developments and several Modernization Phases at Clayton, Kelly, and Irvinton for the Housing Authority. General Contractor Services, Inc. is Section 3 compliant and is a Women's Business Enterprises (WBE). Reference checks with Owners/Engineers and Better Business Bureau (BBB) were returned positive. General Contractor Services, Inc. is not on the HUD Debarment List.

## WORK PROCESS

Five of the nine units have been vacated for the work. The Contractor will complete the work in these vacant units first and take up work in the other four units after the residents in these units are relocated to the units in which work has been completed.

**RECOMMENDED CONTRACTOR:** General Contractor Services, Inc.

## RECOMMENDATION

Accordingly, I recommend that the Board adopt the following Resolution:

**Resolution:** That the Houston Housing Authority Board of Commissioners authorizes the President & CEO to negotiate and execute a contract, with General Contractor Services, Inc. for the replacement of second floor decking at Forest Green Housing Development in an amount not-to-exceed **\$106,990.00** pursuant to the memorandum dated January 10, 2012 from Bobken Simonians, Vice President of REID, to Tory Gunsolley, President & CEO.



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**REQUEST FOR BOARD AGENDA ITEM**

**1. Brief Description of Proposed Item**

Recognition and appreciation of David Mincberg’s service on the Board of Commissioners

**2. Date of Board Meeting:** January 17, 2012

**3. Proposed Board Resolution:**

**Resolution:**

WHEREAS, David Mincberg was appointed to the Houston Housing Authority Board of Commissioners on October 29, 2009; and

WHEREAS, Mr. Mincberg’s appointment to the Houston Housing Authority Board of Commissioners expires on January 31, 2012; and

WHEREAS, during Mr. Mincberg’s tenure as Chairman of the Houston Housing Authority Board of Commissioners the Houston Housing Authority rebuilt Kennedy Place Apartments; and

WHEREAS, during Mr. Mincberg’s tenure as Chairman of the Houston Housing Authority Board of Commissioners the Houston Housing Authority recruited and retained a nationally recognized Executive team to lead the Agency; and

WHEREAS, during Mr. Mincberg’s tenure as Chairman of the Houston Housing Authority Board of Commissioners the Houston Housing Authority successfully disposed of its scattered sites portfolio; and

WHEREAS, as Mr. Mincberg completes his appointment to the Houston Housing Authority Board of Commissioners, through a combination of increased voucher issuance and decreased vacancies in public housing the Houston Housing Authority is serving more low-income Houstonians that at any time in the Agency’s seventy-four year history.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Houston Housing Authority hereby thanks David Mincberg for his service to the Houston Housing Authority and the tens of thousands of low-income Houstonians who rely upon the Agency for safe, high quality, affordable housing.

RESOLVED FURTHER, that the Board of Commissioners requests that the President and CEO present Mr. Mincberg with a suitably embossed copy of this resolution.

**4. All Backup attached?**

yes  no

*If no, What is missing and when will it be submitted:* \_\_\_\_\_

**5. Department Head Approval** Signature \_\_\_\_\_ Date: \_\_\_\_\_

**6. Statement regarding availability of funds by VP of Fiscal Operations**

Funds Budgeted and Available  yes  no Source Not Applicable

Account # \_\_\_\_\_

**VP of FO Approval** Signature \_\_\_\_\_ Date: \_\_\_\_\_

**7. Approval of President & CEO**

Signature \_\_\_\_\_ Date: \_\_\_\_\_



# FEBRUARY 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1  3:15 - 5:15 Making it Better @ Kennedy Place	2	3	4
5	6  3:15 - 5:15 Making it Better @ Kennedy Place	7	8  3:15 - 5:15 Making it Better @ Kennedy Place	9  HHR Board Meeting	10	11
12	13  3:15 - 5:15 Making it Better @ Kennedy Place	14	15  3:15 - 5:15 Making it Better @ Kennedy Place	16	17	18
19	20  3:15 - 5:15 Making it Better @ Kennedy Place	21	22  3:15 - 5:15 Making it Better @ Kennedy Place	23	24	25
26	27  3:15 - 5:15 Making it Better @ Kennedy Place	28	29  3:15 - 5:15 Making it Better @ Kennedy Place			