



Delray Beach Housing Authority

MARCH 19, 2015 BOARD MEETING MINUTES

I. CALL TO ORDER

Meeting called to order at 8:50 a.m.

II. ROLL CALL

Joseph Hepp – Absent

Guarn Sims - Present

Christel Silver – Present

Choli Aronson – Absent

Sylvia Morris – Present

Marcia Beam – Absent

Gaston Joseph – Present

III. APPROVAL OF AGENDA

A motion to approve the Agenda was made by Commissioner Silver. Motion seconded by Commissioner Morris. All in favor. Motion passed.

IV. APPROVAL OF THE MINUTES OF FEBRUARY 19, 2015

A motion to approve the minutes of February 19, 2015 was made Commissioner Joseph Motion seconded by Commissioner Silver. All in favor. Motion passed.

V. RECOGNITION OF VISITORS

- Larry Zabik, Zabik & Associates

- Clifton Phillips, Roundstone Development

VI. PUBLIC COMMENTARY

None

VII. CONSENT

A motion to approve consent agenda was made by Commissioner Silver. Motion seconded by Commissioner Joseph. All in favor. Motion passed.

VIII. CORRESPONDENCE

None

IX. OLD BUSINESS

A. Chief Financial Officer's Report

Section 8

The CFO reminded the Board that in CY 2014, HUD informed the DBHA that they were going to hold reserves of \$886,504, which was the NRA amount at 12/31/13. In the DBHA's agreement with HUD dated June 17, 2014, it was agreed that HUD would withhold \$500,000 from the July HAP payment and DBHA agreed to pay the remaining balance of \$386,504 by March 31, 2015. The DBHA intended to meet that commitment by having DHG pay a large portion of the amount owed Section 8 from the developer fees received from Delray Village Square. Although, the Delray Village Square project was not completed in the time period anticipated, Clifton Philips of Roundstone Development Co. agreed to pay \$250,000 of developer fees in February which would allow DHG to repay a substantial amounts owed to Section 8 ensuring that the DBHA would be able to make the commitment to HUD.

The CFO reported that he was able to confirm with the HUD financial analyst that HUD-held DBHA reserves were \$538,562 as of 12/31/2014 which meant that DBHA owes \$347,942 of the original commitment. The financial analyst was not able to tell the CFO if this was going to be recovered from the April payment or at some later time.

B. Chief Operations Officer's Report

In the COO's absence the Chief Executive Officer reported that the Section 8 Department was in order.

C. Zabik & Associates' Update

Mr. Zabik reported that the Elderly Phase continued to move along. Klewin was increasing manpower and provided a new schedule tracking towards an August 2015 completion. Mr. Zabik reported that Davis Bacon was in compliance.

Mr. Zabik reminded the Board that Klewin had filed a lien on the Phase II Family project and he and Mr. Phillips (Roundstone) were still trying to resolve it.

D. Roundstone Development Update

Klewin's Lien

At this time there was a discussion regarding the Lien that Klewin had filed. Mr. Phillips informed the Board that he did agree with some minor change orders totaling somewhere between \$20,000 or \$30,000 but some of the other charges listed were never submitted and therefore never approved. Mr. Phillips noted that he was currently working with Klewin to resolve the matter.

Mr. Philips requested permission from the board to negotiate with Klewin the lien issues and allow Mr. Phillips to proceed with the negotiations should the numbers be reasonable and bring back to Board for ratification if needed.

A motion allowing Clifton Phillips of Roundstone Development to negotiate and enter into an agreement with Klewin per the MDA to resolve the Lien issue was made by Commissioner Silver. Motion seconded by Commissioner Morris.

At this time Commissioner Morris asked what the Status was on Phase III. Mr. Phillips informed the Board that he needed to get with the Architect regarding the cost. Mr. Phillips reported that Florida Housing Finance Corporation had pre-development cost possibilities. In response the CEO reported that the predevelopment cost for Phase III needed to be determined in order to seek funding.

The CEO asked the Attorney if the DBHA could do a change order to Zabik's Contract allowing Zabik to monitor this Phase. The Attorney noted that he would need to see the contract and check with Gilberto Pastoriza (DBHA's regular attorney). Mr. Zabik recommended that a waiting list for this Phase be created.

X. New Business

None

XI. COMMENTS

a. President/CEO:

The CEO suggested that due to several Commissioner's busy schedule, the Board may want to consider meeting every other month instead of meeting monthly.

Vice Chairman Sims noted that due to several Commissioners being absent, this item should be brought back for Board's approval at the next meeting.

XII. ADJOURNMENT

9:25a.m.