

SUDBURY HOUSING AUTHORITY

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MINUTES OF THE REGULAR MEETING

February 11, 2014

The SHA met in open session at 55 Hudson Road, Sudbury, at 7:30 p.m. Those present were: Chair: Judith Deutsch; Vice Chair: Lydia Pastuszek; Treasurer: Steven Swanger; Assistant Treasurer: Kaffee Kang; Member: Sherrill Cline; Executive Director: Sheila Cusolito.

The Board discussed the possibility of establishing its own website. At a minimum the Board agreed by consensus that the SHA should not be listed on the Town website under 'Committees'.

1. MINUTES: Tabled.

2. FINANCIAL REPORT/CHECKS: A motion to approve the checks written in January 2014 was made by L. Pastuszek, seconded by S. Swanger, and unanimously approved.

NEW BUSINESS:

3. Home Purchase:

A motion to ratify the purchase 16 Willis Lake Drive, Sudbury for \$365,000.00 ("Property"), and to ratify the execution of all documents in furtherance of this purchase by Judith Deutsch as Chairperson and/or Sheila Cusolito as Executive Director was made by S. Swanger, seconded by L. Pastuszek, and unanimously approved.

A motion to ratify the acceptance of \$180,000.00 in Community Preservation Funds for the acquisition of the Property was made by S. Swanger, seconded by K. Kang, and unanimously approved.

A motion to ratify the borrowing of \$190,000.00 from Marlborough Savings Bank evidenced by a promissory note, and secured by a mortgage lien and other security instruments on the Property was made by L. Pastuszek, seconded by S. Swanger, and unanimously approved.

A motion to execute a Regulatory Agreement and Declaration of Restrictive Covenants in favor of DHCD was made by L. Pastuszek, seconded by K. Kang, and unanimously approved.

A motion to undertake and enter into any and other contracts, agreements, restrictions and transactions as are necessary or desirable to complete the acquisition and financing of the Property was made by S. Cline, seconded by L. Pastuszek, and unanimously approved.

A motion in connection with the foregoing, that Judith Deutsch, acting in her capacity as Chairperson and/or Sheila Cusolito acting in her capacity as Executive Director, shall take all such actions, and shall enter into, execute and deliver all documents either of them deems necessary or desirable, in their sole and continuing discretion, on behalf of the Authority, to ratify any action previously taken by Judith Deutsch, acting in her capacity as Chairperson and Sheila Cusolito, in her capacity as Executive Director in connection with the acquisition and financing of the Property was made by S. Cline, seconded by L. Pastuszek, and unanimously approved.

J. Deutsch and S. Cusolito attended the February 6 closing. S. Cusolito provided an update on the status of the Regulatory Agreement, which was developed by the DHCD and which must be agreed to by the SHA, the Town, and the DHCD before the property can be marketed. At issue is the SHA's proposal for handling tenants whose income increases to greater than 140% of the maximum permitted at some point following initial occupancy. The DHCD is unwilling to allow for the lease to be voided in such instances. S. Cline is concerned that this conflicts with both the SHA's mission to house low-income tenants, as well as with the intent of the CPA. S. Cusolito stated that there are some differences in the regulations governing public and private housing, noting that public housing tenant leases may be voided if a tenant is over income. She agreed to contact the DHCD to relay the Board's specific concerns. As well, the Board agreed by consensus that it does not wish to delay marketing too much longer.

Capital Project Close-Out: A motion to approve an administrative fee, payable to S. Cusolito, for FISH #288031, 2 Beechwood Unit Rehab, in an amount not to exceed 10% of total project costs, such fee currently estimated at \$820.40, was made by S. Swanger, seconded by L. Pastuszek, and unanimously approved.

A motion to approve an administrative fee, payable to S. Cusolito, for the Heat Pump Demonstration Pilot, in an amount not to exceed 10% of total project costs, such fee currently estimated at \$2,493.55, was made by L. Pastuszek, seconded by S. Swanger, and unanimously approved.

New Duplex Mortgage Escrow Coverage: S. Cusolito reported on a successful negotiation with MHP to return more than \$18K in escrow payments, largely for insurance, made since September 2013. She also corrected errors in the payment cycles for PILOT and water, which adjusted the escrows for those payments. MHP could not provide information on the basis for their initial escrow amount for insurances. S. Cusolito has requested that the SHA be allowed to make insurance, PILOT, and water payments directly. MHP will only consider direct payment of the water bills, and only after one year.

HILAPP: S. Cusolito asked the Board to review the criteria listed in the RFP. Proposals are due April 1. The Board must vote at its March meeting if it wishes to submit a proposal. Of note is the apparently low total dollar pool available to fund projects.

Town Report: The Board provided editorial input on the content of the Annual Report submission and ratified its content with their individual signatures

Liaison Reports: Housing Trust: L. Pastuszek stated that Town Planner Jody Kablack asked all CPA fund applicants to consider reducing their CPA fund requests because the total of the requests exceeded the funds available. The SHT agreed not only to reduce its request by \$100,000, but to recommend utilizing the funds for the SHA's proposal. The SHA Board expressed appreciation for these actions. The Board also discussed the need to bring future prospective CPA fund requests to the attention of J. Kablack prior to the deadline. S. Cline noted that she favors the possibility of alternating funding requests by the SHA and SHT year to year, which might be possible with advance discussion.

L. Pastuszek also reported that the Maynard Road RFP is about to be issued. She also reported that she and other Trust Members viewed the Eddy Street property that was sold as an affordable unit last year. The homeowner had engaged the services of a contractor who took payment for a kitchen renovation without executing the work. The homeowner intends to file for damages in Small Claims court. It was suggested that L. Rust be consulted for information about homeowner education programs that were utilized with the Habitat For Humanity families.

UNFINISHED BUSINESS:

New Duplex Warranty Work/Insurance Claim: Insurance has paid on the claim for the water pipe burst at 6 Landham. The ECGI representative reviewed photos of the damage and punch list generated in November. The SHA's Owner's Project Manager Dan DiPalma was consulted and met with the ECGI representative. ECGI does not believe insufficient insulation is the cause of the water pipe burst. ECGI insists cracking on walls is common in modular construction; however, the engineer who rated the energy efficiency of the construction will be consulted. As well, the approval for the concrete foundation will be reviewed. ECGI agreed to return to attend to other itemized repairs.

Heat Pump Pilot: One of the two tenant households with the unit installed requested that the unit be removed. The reinstallation in another unit is pending. The data from the single unit that is up and running is showing a significant cost-savings. The DHCD program coordinator, Betsy Harper, made a site visit and indicated that the installations will be fundable. S. Cusolito shared that the contractor, Gray Company Plumbing and Heating, out of Bedford, was the low bidder on both this and the heat pump water heater installation, but that the SHA has experienced innumerable changes in schedule without notice, other instances of poor quality communications, incomplete work, poorly executed work, and unresponsiveness to service requests and requests for information, including required certified payroll reports. The DHCD Project Engineer, John Donohue, is aware of the issues. The DHCD Project Manager, Ali Makke, has suggested a memo be written to Program Coordinator Deborah Hall, as well as ABCD representative Ken Rauseo.

Heat Pump Water Heaters: As with the Heat Pump heating units, the water heater installations were completed using Gray Company. A unit installed in the maintenance garage leaked from the solder point, causing damage to the carpeting in the adjacent office room. In the hybrid mode, the units are noisy and decrease the surrounding temperature by about 5 °C. The DHCD engineer is assessing how best to ventilate and sound insulate the utility rooms.

DIRECTOR'S REPORT:

Vacancies: There was one vacancy (667) during the period January 15–February 11, 2014. A local resident who has been on the waiting list for three years was qualified for tenancy.

The unit at 47 Old Meadow was granted a waiver by the DHCD because the rehab might not be completed within the required 60 days. The waiver was approved through March 9; however, it is expected that the unit will be ready well before then. S. Cusolito praised the maintenance staff and tenant painting and cleaning contractors for their high-quality work and efforts to turn the unit over in as timely a manner as possible. The tenant for this 3-BR unit is a transfer from a 2 BR unit, approved because of a change in family size. Tenants for the 2-BR unit, as well as the 3-BR unit at 56 Fairbank Circle, have been qualified.

Evictions: None.

Maintenance: A retirement party for long-time Maintenance Supervisor Jim Plourde will be held at 1:00 p.m. on March 6.

Maintenance work resulting from inspections and routine work orders is being addressed.

Personnel: Interviews for the administrative position are underway. J. Howe has volunteered to assist in the office in this interim. Maintenance interviews have not been scheduled.

Adjourn: A motion to adjourn the February 11, 2014 Regular Session was made by S. Cline, seconded by L. Pastuszek, and unanimously approved. The time was 9:25 p.m.

Yes: Sherrill Cline

Yes: Judith Deutsch

Yes: Kaffee Kang
Yes: L. Pastuszek
Yes: Steven Swanger

Minutes prepared by S. Cusolito
Executive Director