

MINUTES OF IN PERSON MEETING OF THE
ADMINISTRATION AND FINANCE COMMITTEE OF
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
AT 600 EAST BROAD STREET
5TH FLOOR CONFERENCE ROOM
IN RICHMOND, VIRGINIA
WITH OPTION VIA GOTOMEETING
ON TUESDAY, FEBRUARY 20, 2024

Committee Members In Attendance:

Commissioner Veronica Blount, Chair
Commissioner Gregory Lewis
Commissioner Charlene Pitchford, Vice Chair

Committee Members Absent:

Commissioner Harold Parker, Jr.

Other Commissioners in Attendance:

Commissioner Barrett Hardiman

Commissioners Attending Virtually:

Commissioner William "Bill" Johnson, Chair

RRHA Staff:

Steven Nesmith, Chief Executive Officer
Precious Washington, Sr. VP and Chief Financial Officer
Sabrina Civils, Deputy Chief Financial Officer
Tonise Webb, Associate General Counsel
Priscilla Bartee, VP Human Resource
Jackie Salaam-Hicks, VP of Information Technology
Colene Orsini, VP, Procurement & Contract Administration
Alnisa Miller, HCVP
Pamela Thompson, Executive Assistant to the SVP-CFO

Staff Attending Virtually:

Mike Kelly, Chief Operating Officer,
Jessica M. Clarke, Deputy Director of Human Resource

Call To Order

Chair Veronica Blount called the meeting to order at 6:02 p.m. A quorum was present.

Meeting called to order at 6:02 p.m.

Approval of Minutes

The minutes from the November 13, 2023, *Administration and Finance Committee Meeting* were approved.

Motion: (Pitchford/Lewis) Move to adopt the Minutes from the November 13, 2023, Administration and Finance Committee Meeting

Motion carried unanimously.

Citizens' Comment Period

No citizen requested to speak during this period.

December 2023 Financials (Monthly)

Ms. Civils explains that there are quite a few variances regarding the revenues and expenses and can be explained further if needed. Areas highlighted during her review were COCC/CFG -The admin fees were not drawn down until the month of January so those are showing in the red. This was due to capital fund reconciliation process. HCVP Admin - The 4½% of \$200,000 was not budgeted at the time so there has been an increase there. HCV-HAP - The revenue was short due to cash management. HUD does not like extra cash, so we will not receive additional funds until we draw funds down.

As far as total expenses there are also variances. The COCC had unbudgeted salaries in the category of professional services, contracts, advertising, and temp labor. With those unbudgeted salaries the salary allocations need to be validated to make sure they are equitable across the board for all positions. The HCV admin expenses increased, professional services, unbudgeted management fees for mainstream and EHV and potential call center miss postings which are being corrected.

The net operating income for COCC is in the red as well as the HCVP-HAP, and LIPH. The actual total for those should be turning the corner for the January financials. As far as reserves for COCC there are about a month of reserves, HCVP admin there are 13 months and LIPH there are three. The biggest is HAP which is due to cash management.

Commissioner Pitchford asked if this will be in compliance with HUD, or just operational and it is just operational. There are a lot of things being corrected as they are found, and numbers will be maneuvered and will be reflected in the January financials.

Commissioner Hardiman asked if the reimbursement rate was where it was thought to be or below. Ms. Civils advised, again, the information wasn't pulled out until January so the difference will be reflected on the next set of financials.

Agency Vacancies /Section 3 Hires

For the month of February 2024 there are 26 open vacancies and 29 were reported in January. Strides have been made and since the last board meeting five new employees were hired (real estate urban planner, two real estate senior project managers, a senior construction project manager, and deputy director of HR). A few internal employees were also promoted. Interviews are currently being accepted for several positions (maintenance specialist, vacancy maintenance specialist, HCVP supervisor/recertifications, and talent acquisition specialist). All vacancies are currently posted in several places such as the website, Zip Recruiter, LinkedIn, and Indeed. Section 3 hires are 2 in the fiscal year 2024.

Steven Nesmith discussed things he is looking at in some areas/departments, such as staff needed to be doubled to be responsive to the needs of clients. The number of call center employees needs to be increased, as well as the maintenance staff, so that we do not overburden the employees. If we improve our turn times we will get more fees from HUD. Mr. Nesmith made a presentation to the City Council Land Use Committee about the strides made in 2023 and what is planned for 2024 which includes generating unrestricted funds to hire more people outside of what admin fees allows, especially when it comes to retention. A new salary survey will be conducted to look at the housing authorities that are of our size in the Commonwealth. We want to make sure that on the retention side we are aligned in terms of what our employees are being paid, and not just senior staff.

Commissioner Pitchford brought up the point of healthy reserves and how we stand and the need to stay as a healthy organization, especially in the political climate that we are in. Mr. Nesmith explained we have healthy reserves, and we are good for almost a year, and we would be able to sustain things that would come our way such as a government shutdown.

IT Q&A

Ms. Salaam-Hicks advised that Darktrace is working, there were only three computers that had to be cleaned and was done so by the app itself, so Darktrace is well worth the money it costs.

A new telephone system with the latest technology is being investigated and will be a great cost savings for us. We are looking at having the cloud and not having to purchase servers as well as no SIP trunk will be needed to bring calls into RRHA as is being done currently with Windstream. Our current system is not a reliable source, and the system has gone down twice in the last week and a half. With the cloud no matter where you are if you have internet access you will have access to your work phone. The system will also use Webex, which will allow 1,000 people on a call and 3,000 people in the webinar. As long as you have the app on your cell phone, iPad, laptop you can get your call. No phones will have to be purchased, just headsets, and long distance comes with the system. However, international calling is not included. Updated to the system are done automatically. Should a disaster occur such as on the West Coast for instance, our data is still working somewhere else. She is awaiting a final quote.

Commissioner Pitchford raised the question of whether it will be a good tracking system, such as supervisors can track calls, etc.

Mr. Nesmith expressed that leveraging technology to advance efficiency in operations is a huge deal.

Ms. Salaam-Hicks explained that calls can be pulled and listened to investigate complaints, etc. and phone numbers can also be tracked, not recorded, just who called in and who called out. Also, another benefit will be voicemails can not only be listened to but will also be able to be read. Currently we have Notivate, and we are looking to get staff cell phone numbers added to have the availability to send out text messages for things like opening delays, closings, etc.

Announcement of New Vice President for Procurement

CEO, Steven Nesmith announced the addition of a new Vice President for Procurement, Colene Orsini. She comes from the Jacksonville Housing Authority, and we are very blessed and honored to have her join our team.

Ms. Orsini spoke to the committee and gave a little background about where she lived and how excited she was to be joining the team.

Procurement Reporting

Ms. Orsini reported that MBE contractor payment services is lower than the 30% goal, however discussions with Mr. Nesmith have been had concerning opportunities to increase those numbers. There are quite a few procurement opportunities coming out and these numbers will increase. There are five senior site renovations which will increase opportunities there.

As far as the women owned contractor payments, we have surpassed the goal of 10% and are at 18.57%. Section 3 is also above target, currently sitting at 16.3% with a goal of 10%. These numbers will continue to increase over time.

Mr. Nesmith thanked Commissioner Blount and Pitchford for being at the event at the hotel. Mr. Nesmith wanted to increase the vendor “playbook” so to speak to give more opportunities for women owned businesses and minority owned businesses. So, in essence you would have your own sort of network of vendors.

A question concerning the HUD procurement rule was brought up and Mr. Nesmith says they will definitely be within those parameters as well as state parameters.

Resolutions

Resolution #1 – Approval to Executive Multiple Contracts for Vacancy Reduction Services.

Ms. Orsini advised an invitation for bid went out October 5, 2023, and a pre-bid held virtually on October 17, 2023, for all contractors to ask questions and the bid closed on November 1, 2023. Seven bids were submitted. Six out of the seven were chosen. We chose the lowest, most responsive, most responsible bidders. Those chosen were Jefferson Interior Systems, DE Contractors, Graham Palmier LLC, H&H Real Estate Development and Holmes Janitorial Services LLC and United Unlimited Construction, Inc. Some bids were not for all services, some were just for cleaning services. These bids were for one-year with four-year options to renew for a total of five years. The bids will have to

come back for review if it exceeds the small purchase threshold. Typically, these would not have to come back for approval if the bid is approved in full.

Motion: (Lewis/Pitchford) Move to adopt Resolution #1

Motion Carried Unanimously

Resolution #2 – Approval to Execute Job Order Contracts for all RRHA Public Housing Communities. Ms. Webb discussed resolution #2 which is approval from the board to approve job order contracts that will not exceed for each contract \$500,000 and a total of all of our contracts not to exceed the \$6,000,000 mark which is Virginia law. So, this is essentially for goods. IF a company already has a state contract, we will provide a list of goods of what is needed, and all the companies can provide a price book for the agency which alleviates having to go out for quotes. There are businesses onboard (6) that meet our requirements and that have been set forth by the board such as SWAM, minority businesses and HUD3.

Mr. Kelly brought up that he wanted to clarify the job order contracting system. He stated this is a type of contracting system that expedites the rehabilitation and modernization work as was described. It would be brought to Gordian who administers the contract, and we would approach the contractor who's doing the actual work and clarify what their responsibilities are as it relates to SWAM, MBE and HUD-3.

Ms. Blount advised that more information is needed before bringing this to the board for a vote. The issue is we are not sure how many contractors are available and if it is a sufficient amount available for us to use.

It was asked what further information was needed and Ms. Blount explained that a list of current contractors is needed and whether they are SWAM, MBE, etc.

Mr. Nesmith explained that he was trying to get this information but was unable to procure it for today's meeting. He is going to try to obtain this information before tomorrow's board meeting. This needs to be accomplished and voted on as there is a big announcement about the modernization of all our senior sites coming up and if this isn't accomplished it will impact our ability to spin down

the federal dollars for our announcement. If this is held off until next month it will not allow us to hit that deadline. Mr. Nesmith is going to speak to Gordian and give them a list and see if they can meet that. Mr. Nesmith recommended that it be sent to the board with the caveat in place that they have a robust list, or I have given them a list and they have accepted a list. If not, the board should not vote on it.

Ms. Blount explained that companies cannot be on the list if they aren't already certified or real businesses. They will be bidding even though they are on the list.

Motion: (Pitchford/Lewis) Move to go to the board to adopt Resolution #2 for a vote only, if the CEO can provide a report in writing or verbally whether Gordian has agreed to add the recommended vendors to the list (SWAM and certified companies) that they would use for us.

Motion Carried Unanimously

Next Meeting Date

The next Committee meeting date will be Monday, March 18, 2024.

Adjournment

There being no further concerns, the chair adjourned the meeting at 7:20 p.m.