

THE HOUSING AUTHORITY
OF THE CITY OF
WOONSOCKET, RHODE ISLAND

1. Call to order: 4:00 p.m. Regular Meeting May 20, 2010 at the Woonsocket Housing Authority, 679 Social Street, Woonsocket, RI 02895

Pledge of Allegiance

Roll Call:

Chairwoman Lucienne L. Cote
Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux
Commissioner Gerard Remillard

Robert Kulik, Executive Director
Deputy Director, Duncan Speel
David Odeh, Principal, Odeh Engineers, Inc.
Edward Rowse, Edward Rowse Architects
Attorney Howard Croll

A motion was made by Commissioner Frappier to move New Business item 9A "Presentation by Odeh Engineers, Inc. regarding the exterior façade at Crepeau Court and St. Germain Manor" to the start of the meeting for the convenience of the presenter. The move was seconded by Vice Chairman Baldelli.

There was no further discussion. A roll call vote was taken; the following were the "Ayes" and "Nays".

AYES

NAYS

Chairwoman Lucienne L. Cote
Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux
Commissioner Gerard Remillard

Ted Rowse summarizes the issue, then introduces David Odeh to report on the investigation of Crepeau Court and St. Germain Manor. Mr. Odeh reports that the buildings were not built to what the original construction documents showed, which is a big part of the problem. The two principles of brick veneer systems are 1) prevent driving rain and water from getting into the building and 2) prevent the brick veneer from cracking. On these two buildings we have the opposite; the brick veneer systems are failing because the veneer cannot move, which is causing it to crack. The weeps were designed wrong and then built wrong; all of the insulation is missing; the flashing is defective, not properly installed; and the weep holes are completely clogged with solid mortar. The problem is the same at Crepeau Court and St. Germain Manor and the problem cannot be corrected without removing the brick from the buildings.

Mr. Odeh indicates that he is surprised that the problem did not surface before 40 years. Mr. Rowse says that water is getting into the cavity of the building and Mr. Odeh says that the sealant around the windows and sills is not properly applied. Commissioner Lemieux asks if the windows have ever been replaced. Deputy Speel says about 15 years ago. Commissioner Frappier asks if there is evidence of mold in the units. Deputy Speel says no, only on the exterior of some sills. There is no indication of water penetration into the units. Commissioner Frappier asks how long the problem has been going on. Mr. Rowse indicates that it has been going on over some 40 years and went undetected until it reached its current state.

Vice-Chairman asks what the remedy is. Mr. Rowse says the buildings need to be fully staged, the windows need to be removed the brick needs to be removed and the buildings need to be fully flashed. A repair leaving the brick on the building can be done but it will be very costly because that is a very labor-intensive approach. The second approach is to take the brick off the building and replace it with Dryvit which has been used very effectively in the South for over 30 years. Dryvit can be installed using a panelized system working from the top of the building down, two floors at a time. Take the bricks off the building, waterproof it, put on a steel stud with Dryvit. The prep work can be done off site which will expedite the labor. Then the windows will be reset, and the next two lowest floors will be done.

Mr. Rowse states that Kennedy Manor at the Pawtucket Housing Authority and Donovan Manor at the Newport Housing Authority and a few buildings at the Providence Housing Authority have needed similar repairs over the years. The Executive Director states that HUD will not allow a "limited" repair; we must fully repair the buildings. Mr. Rowse indicates \$1.5 - \$2 million per building for the full repair.

Commissioner Laliberte asks if the faulty construction was intentional; what is the statute of limitations; is there any possibility we can go after the original contractor. Mr. Rowse indicates that there is no proof of intent, the statute is 10 years, J.J. Marshall is no longer in business. Deputy Speel indicates that we have

filed a claim under our property insurance company. Attorney Croll indicates that there will have to be research done to determine if there is any recourse, with the statute of limitations being 10 years, and as to whether or not there were any agreements to modify the original plans. An exception to the 10 years is if it is a hidden or latent defect in which case the statute is a short period of time. The documents are probably long gone. The Deputy indicates that we have the original plans and specifications; he is not sure about how detailed the contract documents are, if they can be located in the storage unit. The Deputy adds that our property insurance company has already asked for engineering reports, so there is some action underway.

Commissioner Frappier asks about safety issues for the residents. The Director says there are none; Mr.Odeh adds that there are no safety problems “today.” There is discussion about the staging that will be installed in areas that the engineers feel might be a safety issue before repairs can be made. The lower level will be kept masonry or brick so that it cannot be damaged; Dryvit will be used from there up. A final presentation will be made to the Board regarding material colors, etc. Mr. Odeh states that Crepeau Court and St. Germain are priorities for repair; Kennedy Manor is a relatively easy concrete restoration issue; Parkview Manor issues are not as wide-spread and we may chose to repair the problems and extend its life that way. Parkview could wait about five years.

Commmisioner Laliberte asks about stimulus money; the Deputy responds that the stimulus funds are already committed and expended. Letters have been sent to HUD, Senator Reed and Congressman Kennedy appealing for emergency funds. Bill Blanchette at HUD Boston has indicated that there are no funds available. Commissioner Lalaiberte asks to be kept abreast of this matter. Finance Director asks the repair timeframe for one building. Mr. Rowse indicates about one year per building. Commissioner Lahousse asks about Kennedy Manor; Mr.Odeh responds that there is some concrete repair necessary. Commissioner Laliberte asks about a Project Manager for these projects; the Deputy says yes.

The Chairwoman calls for a 5-minute recess at 4:52.

The meeting resumes at 4:57.

2. Good and Welfare for the Audience - None

3. Chairwoman Cote asked for a motion to approve the accept the minutes of the meeting of April 15, 2010. A motion was made by Commissioner Laliberte and seconded by Vice-Chairman Baldelli.

There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”.

AYES

NAYS

Chairwoman Lucienne L. Cote
Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux - Absent
Commissioner Gerard Remillard

- 3A. Chairwoman Cote asked for a motion to approve the accept the corrected minutes of the meeting of March 18, 2010. A motion was made by Commissioner Frappier and seconded by Commissioner Laliberte.

There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”.

AYES

NAYS

Chairwoman Lucienne L. Cote
Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux - Absent
Commissioner Gerard Remillard

4. Chairwoman Cote asked for a motion to approve the bills paid for the month of April 2010. A motion was made by Commissioner Frappier and seconded by Commissioner Laliberte.

There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”.

AYES

NAYS

Chairwoman Lucienne L. Cote
Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux
Commissioner Gerard Remillard

5. Chairwoman Cote asked for a motion to accept and place on file the Communications and Interest of the Authority, A – G. A motion was made by Commissioner Laliberte and seconded by Commissioner Lemieux.

Commissioner Lemieux asked if there had been any response to the letters sent requesting emergency financial assistance; the Deputy responded no. There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”.

AYES

NAYS

Chairwoman Lucienne L. Cote
Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux
Commissioner Gerard Remillard

6. Report of the Secretary

Chairwoman Cote asked for a motion to receive and place on file, the report of the Secretary, for purposes of discussion. A motion was made by Commissioner Laliberte and seconded by Commissioner Frappier.

The Director discusses the SAC & HUD visit; explains that we are finalizing the requests from these two agencies regarding the demo/dispo application for Veteran's Memorial. At this point we are delaying our request for the demo/dispo at Morin Heights per the request of the SAC who indicated that we are trying to take on too much at once. Commissioner Lemieux asks if SAC/HUD has said they would allow the demo at Veteran's. The Director says we have not gotten any report yet; we are still furnishing them with requested info. The inspection did indicate that the interior of many of the units is outdated and obsolete. This indication combined with our meeting all of the other criteria should result in their determination that we can go forward with the demo/dispo. Commissioner Lemieux asks for a clarification on updating the units or demo-ing them. We will never get approval to renovate them because HUD does not have the money to do that. Commissioner Lahousse asks about a letter of support from the Mayor to be presented to SAC & HUD. The Director says yes, we got the letter from the Mayor and presented it to HUD and the SAC. Commissioner Laliberte asks about the dispo of the land; the Director says we may look to partner with RI Housing to provide housing that pays full taxes. Commissioner Laliberte asks about selling of the 15 acres of land for industrial or retail use which would not burden our school system. The Director indicates that the land is not conducive to industrial or retail use. Deputy explains that we are looking for the highest and best use of the 15 acres of land, possibly affordable housing (Section 8) that pays taxes. Vice-Chairman states that Woonsocket is land poor and he does not agree with replacing low-income housing with low-income housing. Commissioner Laliberte agrees. Director states that there has been no response from Senator Reed, Congressman Kennedy or HUD Secretary Donovan. The Director has asked the high-rise manager to ask residents to write letters of request to repair their housing. We will continue to seek assistance from the above mentioned sources as well as from NAHRO.

Regarding the satellite offices' TARs, there are different reports in this month's package. The Director states that he is satisfied that the manager at Morin Heights is doing a good job catching fraud cases and managing the receivables. Vice-Chairman Baldelli questions why then are there five pages of troubled accounts at Morin Heights on the attorney's report. Vice-Chairman says he wants to see the 90+ day delinquent figure go down substantially. Attorney Croll explains that when they go to court, Judge Ovalles allows the Housing the win, but gives the tenant a break, which expands the original time frame. This judge is very pro-tenant.

The Director, Mapplan and Valley Affordable Housing met with RI Housing. He is asking that there not be public comments made about the fact that Woonsocket has 17-18% public housing, because it is hurting us. He states that the first comment that RI Housing made was 'we already know how the administrations in Woonsocket feel about poor people.' These comments are getting back to SAC they are hurting us. We should simply be stressing that we are seeking the options we are due to the fact that our current housing stock is obsolete. Period.

Vice-Chairman Baldelli strongly disagrees; calls this the height of hypocrisy stating that those who claim those in Woonsocket do not like poor people leave their offices at the end of the day and go home to their affluent communities like Barrington and East Greenwich, which have 1% or 2% poor.

Commissioner Laliberte asks about the role of RI Housing. We are just trying to explore all options to put a plan together for the Board to decide on.

Commissioner Laliberte asks if selling the land for more low-income housing would sweeten the deal for the SAC; The Director says yes.

There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”.

AYES

NAYS

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Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
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Commissioner Janet Lemieux
Commissioner Gerard Remillard

6B. Report of the Deputy Director

Chairwoman Cote asked for a motion to receive and place on file, the report of the Deputy, for purposes of discussion. A motion was made by Vice Chairman Baldelli and was seconded by Commissioner Frappier.

The Deputy submits his report as written, highlighting that the positive side of the necessary high-rise repairs is that we do have the money to go ahead with a number of the repairs, waterproofing and caulking, etc. As far as the brick façade, we have sufficient funds to go ahead with one building right now. The architect will proceed with the plans and specifications, and we will come back to the Board with a final design for selection and authorization to move forward with a bid. In 6-9 months we will go the same route with the second building. The Deputy reports that he feels it is too risky to go forward with both buildings at the same time as it stretches our financial reserves unnecessarily.

There is considerable conversation between the Finance Director, Commissioner Lemieux, and Deputy Speel regarding the financing for these two high-rise projects and other pending projects. Commissioner Lemieux asks for the next meeting to have a summary of pending projects, the estimated cost of each, where the money is coming from, and the timeline (a cash flow analysis, by project).

Capitalization appraisal from John Beauchaine is part-of this picture; we had originally projected \$5 million for the scattered sites; in today's market it is closer to \$2.5 million. That money is ear-marked for the demo of the buildings at Veteran's which will be \$1 - \$1.5 million, provided the asbestos trenches do not come into play, which could add another \$2 million to the project.

We have requested an appraisal from John Beauchaine on Crepeau Court. Due to the fact that the wait list is so low, we may at some point want to consider selling off one of these buildings. The Deputy says he is looking to meet with Charlesgate next week to discuss an RFP to bring in the nursing services, the food services, and housekeeping if we provided 34 units on 2 floors. If there does not seem to be any value to this option, we may want to consider selling a building. Commissioner Lemieux asks if the Crepeau capitalization appraisal will be before or after the façade repair; before. Commissioner Lahousse asks how the police department is working out at the high-rise; good. He also asks for an executive session at the next meeting to discuss the salary of the Security Director.

There was no further discussion. A roll call vote was taken; the following were the "Ayes" and "Nays"

AYES

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6C. Reports of Direct Staff, Legal and Financial

Chairwoman Cote asked for a motion to receive and place on file, the reports of Direct Staff, Legal and Financial, for purposes of discussion. A motion was made by Commissioner Laliberte and seconded by Commissioner Frappier.

Commissioner Lemieux asks about a 'sources of funding' item, and asks for a P&L and balance sheet by site at the next meeting. There was no further discussion.

A roll call vote was taken; the following were the “Ayes” and “Nays”

AYES

NAYS

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Vice Chairman Charles Baldelli
Commissioner Gerard Frappier
Commissioner David Lahousse
Commissioner Normand Laliberte
Commissioner Janet Lemieux
Commissioner Gerard Remillard

7. Report of Committees

None

8. Unfinished Business

None

Vice-Chairman Baldelli request an agenda item to change the start of all future meetings to 5:00 p.m. to accommodate Commissioner Laliberte. Commissioner Laliberte says he would compromise with 4:30 p.m.

Commissioner Lemieux questions the need for an executive session to discuss salary, as requested by Commissioner Lahousse. Attorney Croll explains that all matters of personnel information are always in executive session. Any matter that comes out of the executive session must be voted on in open session.

9. New Business

A. Presentation by Odeh Engineers, Inc. regarding the exterior façade at Crepeau Court and St. Germain Manor.

Moved to start of meeting.

B. Update on Information requested regarding tenants’ security deposits being placed in interest bearing accounts.

A motion was made by Commissioner Laliberte and seconded by Vice Chairman Baldelli.

There is a bill. If the bill goes anywhere in the House of Representatives, it will not go anywhere in the Senate. There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”

AYES

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Commissioner Gerard Remillard

C. Approval of updated Maintenance Charge List

A motion was made by Commissioner Laliberte and seconded by Commissioner Lahousse.

Commissioner Lemieux asks what the charges are for. The Deputy explains that these charges are direct costs for labor and materials beyond the normal wear and tear.

There was no further discussion. A roll call vote was taken; the following were the “Ayes” and “Nays”

AYES

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10. Adjournment

Chairwoman Cote asked for a motion to adjourn. A motion was made by Commissioner Laliberte, seconded by Commissioner Lahousse at 6:10 p.m.

Roll call vote was unanimous.

Robert Kulik, Executive Director