

## MINUTES OF THE READING HOUSING AUTHORITY

The Regular Meeting of the Reading Housing Authority for the month of February was held at William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania on Tuesday, February 28, 2012.

Members of the staff attending were as follows: Mr. Ronald J. Fioravanti, Deputy Executive Director; Mr. David C. Talarico, Maintenance Superintendent; Mrs. Audrey L. Wenrich, Administrative Assistant; Mrs. Sherryann I. Sughrim-Fonseca, Comptroller; Mr. George F. Eisenhauer, Purchasing Agent; Ms. Gloria J. Guard, Property Manager; Mr. Josh K. Smith, Property Manager; Mrs. Leonilda Feliciano, Resident Selection Supervisor; Mr. Charles K. Huckstep, Administrative Assistant; Mrs. Carolyn K. Bower, Section 8 Coordinator; Mrs. Stacey J. Keppen, Social Services Director; Mr. Frederick Prutzman, Building Construction Inspector; Ms. Janice M. Eickhoff, Clerk Typist 2 and Mrs. Elaine K. Adesso, Executive Secretary. Attorney Edwin L. Stock, Solicitor for the Authority; Mr. Valdis Lacis, Reading Eagle Reporter and Mr. Francis Acosta, City of Reading Council President, were also present.

Mr. Belinski, Chairman, called the regular meeting to order at 5:25 p.m., and upon roll call those present and absent was as follows:

Present:           Mr. Steven E. Belinski  
                      Mrs. Rebecca Acosta  
                      Mr. Nelson A. De Leon

Absent:            Mr. Eligio C. Colon, Jr.  
                      Mrs. Lillie Mathies

A motion was made by Mrs. Acosta and second by Mr. De Leon approving the minutes of the Regular Monthly Meeting held January 24, 2012. The motion was carried unanimously.

A motion was made by Mrs. Acosta and second by Mr. De Leon approving the bills as submitted by Mr. Fioravanti for the period of January 14, 2012 to February 17, 2012. The motion was carried unanimously.

There was one Communications from Michael Lee, President and CEO of Miller-Keystone Blood Center, in regards to Reading Housing Authority's recent blood drive. Mr. Belinski read it as follows:

February 3, 2012

Dear Mr. Luckey:

“On behalf of Miller-Keystone Blood Center's Board of Directors and staff, as well as our regional hospitals and the patients they serve, I would personally like to express our appreciation to Reading Housing Authority for its commitment to giving the gift of life.

I would also like to thank Reading Housing Authority for hosting its most recent blood drive, and acknowledge the dedicated efforts of Jack Knockstead in ensuring the success of this drive.

We recognize that hosting a blood drive is not always an easy task. However, more than 450 units of blood are needed every single day by the hospitals in our region to care for premature infants, accident/trauma victims, surgical patients, burn victims and cancer patients. Since there is no substitute for blood, the only way we can continue to provide this life-saving resource is through the commitment of dedicated, community-minded donor groups such as Reading Housing Authority.

Once again, thank you for your continued support of our mission, and for doing your part to ensure that a safe, stable and constant blood supply is available for all of our families, friends and neighbors when they are in need.”

The following balances in bank and on account were reported for the month of January 2012:

Fund	Cash or Checking	Investments	Escrow	Total
W-66 General	\$6,103,894.98	\$4,866,524.97	\$302,297.80	\$11,272,717.75
P-4628 General	120,823.60	198,008.30	0.00	318,831.90
P-15 General	5,521.69	1,029,865.41	76,417.00	1,111,804.10
Payroll	0.00	0.00	0.00	0.00
River Oak Apts.	33,359.99	0.00	40,627.54	73,987.53
Total	\$6,263,600.26	\$6,094,398.68	\$419,342.34	\$12,777,341.28

A motion was made by Mrs. Acosta and second by Mr. De Leon that the Treasurer’s Report be accepted and filed. The motion was carried unanimously.

The Executive Director submitted the following report:

**COMPREHENSIVE GRANT PROJECTS**

**220 – 2011 CAPITAL FUNDS** – RHA received our Capital Fund allocation. It is just over 2 million dollars. We are preparing the listing of various work items, which we plan to do with the funds.

We have completed the revisions to the Capital Fund and have reprogrammed this year’s work items. This includes the buildings at Glenside and the waterproofing of the High Rises. The rest of the funding will be going to administrative costs and some will be used for operating expenses as we have done in the past and some other smaller projects.

Please note, we have a few dollars available from past year’s funding and will be using the majority for the installation of fencing, at Oakbrook and Glenside as requested by residents and will complete all of our developments. This work has started and we are pleased with the progress they are making.

**221- 2012 CAPITAL FUND** – RHA was notified last week that we will be getting our 2012 Capital Fund and is the earliest we have ever received notification of the funding. We have submitted the required information to HUD and hope they will release the funding for this capital fund just as quickly. By receiving this funding so early and last years so late, we will be able to combine the funding to complete the Glenside buildings.

**OFFP PROGRAM** – This has been implemented and we are paying for the construction of the units from funds we have borrowed and will pay back as soon as the construction is completed. Currently, the work is on schedule.

Our request for \$1,200,000 to be excluded from the Public Housing Operating Fund balance for the cost to construct the 504 units has been approved. As a result, we would expect HUD to take back less of our operating reserve to fund the HUD budget needs.

**CO-GENERATION PLANT AT GLENSIDE** – The co-generation plant is now complete and running as it was intended and we are very happy with the results. As a matter of fact, I believe Dave T. was speaking to representatives at UGI about the Co-Gen plant and they were interested in seeing it. On February 16<sup>th</sup> representatives from UGI met with Dave and I to look at the Co-Gen plant and wanted to include it in a UGI newsletter they put out on new and innovative programs.

It appeared they were impressed with our operation at Glenside and the Co-Generation plant we have in operation. We are looking forward to the article and will share it with the Board when and if it comes out. Though, one never knows if something will be preempted by another article. However, it was nice to show off our system at Glenside.

**PARK PLACE ON PENN STREET PROJECT**- We are still waiting for the economic climate and consumer interest to increase so we can sell more of these units. Unfortunately, the economic climate has not changed enough whereby people are beginning to purchase homes again, at least at the same pace as before this all started.

So while this is a bother, we are not paying out much in the way of monies for this project as everything has been paid to date. We do have hopes when the hotel construction begins that we see a little more interest in the condos, so we can only hope.

Staff have met with a builder and their real estate agent. Because of the economic climate and other factors determined at this time, the value of the units in the City of Reading are not at the level we need to cover our costs. Given this situation and the market status, it might be better to wait it out till it changes. In any event, we have looked into this. It really appears waiting till the market turns around is the prudent thing to do.

**RIVER OAK APARTMENTS** – The occupancy rate at River Oak is good and bodes well for the future. At the moment, we do have some of the kitchens scheduled for this year and the remaining ones to be done next year. As we still have twenty or so kitchens to complete and may or may not do some this year depending on how our finances go during the year.

We have received feedback from some residents regarding the rent increase. While most understand, there are some who feel it is not reasonable. We looked into this and these people have one or more of the following issues. They do not have a new kitchen, new carpeting is needed (we agree they are sad and need replacing), and their units have not been painted in a long time. As we are in agreement with these issues, we will be looking at ways to fit these in as funding permits, but it may be a while before we are able to complete all of these units. But, we will do our best in the coming years.

**BERKS COUNTY REDEVELOPMENT AUTHORITY (BCRA) REQUEST** – RHA has received a request from the Berks County Redevelopment Authority for help in building these units for MH/MR. This includes, but is not limited to the following:

1. Possibly purchase land we have available up in the Sylvania Homes section.
2. Want RHA to advertise for project based vouchers for MH/MR for the tenants.
3. Concern about who owns and or manages the property.

The last I heard from the County was they were looking at a property in another area and would be in touch with us if they wanted to go through the RHA and to date I have not heard from them.

**CITY OF READING POLICE PATROLS** – The Police are working very hard to ensure our developments are well taken care of and hope you agree. There was a meeting with the Officers to go over the various issues and/or activities with RHA staff. Overall things are going well.

On February 24<sup>th</sup> I will be meeting with the City of Reading Police Chief to talk about the RHA officers to make sure the City was and still is interested in RHA Community Policing. I am sure they are and I would just like to meet and discuss the issues and see if there are any concerns.

**FHEO/DOJ STATUS** – Construction of the five handicapped units is nearing completion and is going fairly well. Once these units are complete, we will have fulfilled the most onerous of the requirements of our agreement with the DOJ. There were some issues regarding the use of a certain size of piping and the Judge gave a tentative approval unless the City could provide any health or safety issues on why it could not be approved within two weeks. I sent an email to Ed Stock to find out if any had been submitted and perhaps he will report on that at the Board meeting.

There is one issue outstanding which the Codes Inspectors have indicated they want to require and one which we feel is essentially being required to harass us and the builder. I have indicated to Ed Stock, if that is the case, we need to file an appeal with the Courts and go on from there. If everything goes as planned, we will have all of the units filled before the end of March.

**GOGGLE WORKS APARTMENTS** – Construction has started and is expected to be completed in June or July of 2012. Due to RHA's responsibility regarding the building and the Section 8 Vouchers, we are attending the construction meetings as part of our responsibilities.

We also have close to forty people who have expressed interest in an apartment at the Goggleworks. As the Managing Agent, we have sent letters acknowledging their interest and informing them that they should keep their contact information up to date, so we will be able to contact them when the times comes for leasing the units. If this is any indication, I do not believe we will have any problems with leasing up these units.

In support of this project, we have developed a Goggleworks Apartment Handbook and a Resident Selection Plan. We had a meeting with Our City Reading (OCR) for their review all of the documents and are in the midst of revising them as discussed.

In addition, an application form has been developed. Once it is approved, we will send it to people who have expressed interest in an apartment to complete and send in with a deposit for an apartment. The next step is to evaluate the applications accordance with the selection criteria

and then begin the leasing process. We hope to have all of this done prior to construction completion so the units can be filled as quickly as possible.

**NSP/ARTIST HOUSING** – There has been no change in the status of this program as yet, though, there has been discussion that some of the housing for the NSP program can be used for artist housing in some way. This will be an ongoing program as we go forward.

RHA is still looking for criteria for selecting potential artists which was used in Peekskill, NY, when selecting “artist” for the rental housing in the NSP program near the Goggleworks.

**SYLVANIA HOMES ANNUALIZED OCCUPANCY RATE %**

2007				2008				2009				2010				2011			
Mar	Jun	Sept	Dec																
96.1	95.9	95.1	94.0	93.8	94.9	96.2	97.8	97.8	96.9	97	96.6	96.6	96.9	97.3	97.2	97.0	97.1	97.5	97.7

Sylvania is 97.7% leased up and are doing well in this area.

**SECTION 8 ANNUALIZED UTILIZATION (%) RATE**

2007				2008				2009				2010				2011			
Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec
100.5	99.2	97.9	96	95.7	94.2	94.4	96.2	98.1	98.2	99.5	97.9	95.8	94.5	93.2	92.1	90.3	90.0	88.3	90.2

The leasing rate for the last quarter is 90.2%.

**PUBLIC HOUSING ANNUALIZED OCCUPANCY RATE (%)**

2007				2008				2009				2010				2011			
Mar	Jun	Sept	Dec																
97.5	98.1	98.2	98.3	98.4	98.4	98.4	98.4	98.5	98.6	98.7	98.8	98.8	98.8	98.9	98.8	98.7	98.5	98.6	98.8

The annualized vacancy rate for the last quarter shows a good leasing rate and translates into vacancy rate of 1.2% for RHA. This continues to be a decent occupancy rate. We continue to monitor our progress in this area and work towards improving the leasing rate, while everyone strives to attain 100% leasing rate, it is difficult to attain.

**ACCOUNTS RECEIVABLE (ANNUALIZED QUARTERLY) – PUBLIC HOUSING**

2007				2008				2009				2010				2011			
Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec
2.9	1.8	2.5	2.5	1.8	1.7	1.9	2.3	2.10	2.3	2.5	3	3	2.90	2.80	3	2.6	3.2	3.5	3.1

Staff is working hard to reduce these amounts in hopes to get them to a more reasonable level.

**NEIGHBORHOOD STABILIZATION PROGRAM (NSP)** – The City of Reading is the lead agency and RHA and Our City Reading Inc., (OCR) are partners in this project. At the moment, this project is starting to move along as RHA has now acquired some properties through OCR. RHA is not involved in the construction of the units as OCR is doing this on our behalf. They are able to follow the federal procurement regulations, and have a \$100,000 small purchase level. OCR can do the entire project by just getting three prices for work, whereas our small purchase is at \$10,000.

Currently, 201 North 3<sup>rd</sup> Street, 331 Elm Street and another unit at 460 Centre Avenue are in the mix for units that are owned by RHA for the NSP program. At the moment, 460 Centre Ave. is nearing completion; this building has three units and I am happy with the progress they are making.

**Vacant Unit Report for the Current Month**

	<u>Units Scheduled To Be Leased</u>	<u>Unit Accepted By Eligible Applicant</u>	<u>Unit Scheduled Transfer</u>	<u>Unassigned Units</u>	<u>Total Vacant Units</u>
Glenside	3	2	2	0	7
Hensler	0	0	0	0	0
Oakbrook	2	0	2	0	4
Franklin	0	0	0	0	0
Kennedy	0	0	0	0	0
Rhodes	0	0	0	0	0
Eisenhower	0	4	0	0	3
Hubert	1	0	0	0	1
<b>Total Conventional</b>					
Public Housing	6	3	5	1	15
Scattered Sites	0	0	0	1	1
Sylvania Homes	0	0	1	2	3
River Oak	2	1	0	0	3
726 N. 11 <sup>th</sup> Street	1	0	0	0	1
<b>Total</b>	<b>9</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>23</b>

Our current occupancy rate is high at 99.1% for Public Housing. This is an excellent occupancy rate for the most part. However, the leasing rate for all of our units we manage (a total of 1800+) comes to 98.73%. In addition, of the 23 vacant units, 9 are scheduled to be leased, 4 have been accepted by applicants, 6 are transfers and 4 remaining units are unassigned.

Please note the transfer units are ones, which in most cases the occupants are either over-housed or under-housed and need to be moved to a more appropriate size unit. In some cases, there may be other factors whereby a unit transfer is appropriate and done on a case-by-case basis. But this also means, we are creating another vacant unit and will now have to rehabilitate the unit and fill it. As I mentioned before, these unit transfers are required and is the reason we have to do these to ensure people are in the correct size units and are not over or under housed.

**DEVELOPMENT WAITING LIST STATUS**

<u>Bedroom Size</u>	<u>P/H</u>	<u>Contacting</u>	<u>Waiting Period</u>	<u>Sylvania</u>	<u>River Oak</u>
Studio	243	05/11	6-12 months	N/A	N/A
One Bedroom-Family/Elderly	269	05/11	6-12 months	8	N/A
Two Bedroom Family	567	05/11	6-12 months	34	7
Three Bedroom Family	64	06/08	36 months	15	21
Four Bedroom Family	51	05/11	6-12 months	7	N/A
Five Bedroom Family	32	05/11	6-12 months	N/A	N/A
<b>Total</b>	<b>1226</b>			<b>64</b>	<b>28</b>

Our Public Housing waiting list is still fairly long and we still have a long wait for most unit sizes. Considering we only have 15 vacant units for people to move into, it is not surprising.

**ENERGY SAVINGS PROGRAM WITH HONEYWELL** – This project is now being put into operation and all of the contractors and sub-contractors are being set up by Honeywell and some work should begin in the coming months.

**RHA PAINTING PROGRAM FOR OCCUPIED UNITS** – The painting program has been completed for this fiscal year as we managed to do far more units than originally planned.

We will be starting the painting program up in the next fiscal year and if everything goes well, we will be very close to having all of our units painted within ten years.

**SYLVANIA REFINANCING** – RHA has been approached by Concord on the possibility of a better interest rate on the monies we borrowed for the work we did at Sylvania and save money. As a result, we agreed they could look to see if RHA could benefit from the low interest rate. Concord is contacting Banks and also advertised our interest in refinancing our current loan amount.

I should point out that while we are looking at the possibility of refinancing, this in no way shape or form requires RHA to do anything until the responses are received and reviewed to determine if they are advantageous to RHA. I expect, if everything is acceptable and can show a savings over the life of the loan to either present something at the February Board meeting or announce we could not get a better rate.

A resolution will be going before the Board. At the time of preparing this report, the details were being worked out.

**MARCH BOARD MEETING** – I have put this on the agenda to discuss as this is when the NAHRO Congressional meeting is in Washington DC and we either need to have it before that week or in April. I am not sure if we have any important resolutions we would need as yet but should have a good idea by next week when we discuss this item. Preliminary thoughts are we could skip that months meeting if the Board would like.

**MEETINGS**

- Housing Meetings.

A motion was made by Mr. De Leon and second by Mrs. Acosta to accept the report of the Executive Director. The motion was carried unanimously.

The following Resolution was read and considered:

RESOLUTION NO. 5601

RESOLUTION AUTHORIZING THE HIRING  
OF A CLERK TYPIST 2.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT Marilyn Guzman be hired as a Clerk Typist 2 at an hourly rate of \$18.56, for a probationary period of 180 days in accordance to the rules and regulations of the State Civil Service Commission of Pennsylvania.

2. THIS Resolution shall be effective February 13, 2012.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted:

The following Resolution was read and considered:

RESOLUTION NO. 5602

RESOLUTION APPROVING A REGULAR STATUS  
CLERK TYPIST 2.

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WHEREAS, probationary period of 180 days for Michele A. Morales ends February 10, 2012, in accordance with the rules and regulations of the Civil Service Commission of the State of Pennsylvania.

NOW, THEREFORE, BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT Michele A. Morales is approved as a regular status Clerk Typist 2.
2. THIS Resolution shall be effective February 11, 2012.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted:

The following Resolution was read and considered:

RESOLUTION NO. 5603

RESOLUTION APPROVING TRAVEL TO HARRISBURG, PA,  
TO ATTEND PAHRA'S 2012 LEGISLATIVE CONFERENCE  
TO BE HELD MARCH 4 – MARCH 7, 2012.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT approval be given to Daniel F. Luckey for travel to Harrisburg, PA, to attend PAHRA's 2012 Legislative Conference to be held March 4 – March 7, 2012.

2. THIS Resolution shall be effective February 28, 2012.

Mr. De Leon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted:

The following Resolution was read and considered:

RESOLUTION NO. 5604

RESOLUTION APPROVING TRAVEL TO WASHINGTON, D.C.,  
TO ATTEND NAHRO'S 2012 LEGISLATIVE CONFERENCE  
TO BE HELD MARCH 25 – MARCH 28, 2012.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT approval be given to Stacey J. Keppen, Daniel F. Luckey, Attorney Edwin L. Stock, Steven E. Belinski and Sherryann I. Sughrim-Fonseca for travel to Washington, D.C., to attend NAHRO's 2012 Legislative Conference to be held March 25 – March 28, 2012.

2. THIS Resolution shall be effective February 28, 2012.

Mr. De Leon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta, and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5605

RESOLUTION RESCINDING RESOLUTION NO. 5590  
WHICH AUTHORIZED THE EXECUTION OF A  
CONTRACT WITH OMEGA SYSTEMS TO  
PROVIDE A COMPUTER SYSTEMS UPGRADE.

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WHEREAS, Omega Systems, was not successful in agreeing to the terms of RHA's Professional Services Agreement (PSA).

SO BE IT RESOLVED AND IT HEREBY IS RESOLVED, by the Reading Housing Authority, that Resolution No. 5590, is hereby rescinded.

THIS resolution shall be effective February 28, 2012.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon, and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5606

RESOLUTION APPROVING THE TERMS AND  
AUTHORIZING THE EXECUTION OF A CONTRACT WITH  
LANTEK TO PROVIDE A COMPUTER SYSTEMS UPGRADE.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the terms of the contract with LANtek (Kutztown, PA) to provide a computer systems upgrade, are hereby approved, the said Contract to be in substantially the following form:

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CONTRACT ON FILE IN THE COMPTROLLER'S OFFICE.

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2. The said Contract in the amount of \$109,010.00 is the lowest acceptable bid and has been reviewed and approved by the Solicitor.

3. This Resolution shall be effective February 28, 2012.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5607

RESOLUTION APPROVING CHANGE ORDER NO. 1 TO  
THE CONTRACT WITH SPOTTS BROTHERS.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 1 submitted by Spotts Brothers, (Schuylkill Haven, PA), in the amount of **\$10,036.29**.

**Description of Change:**

- 10% price increase from March 1, 2011 to July 21, 2011. **\$ 5,825.00**
- Credit work order breakdown for A1 to B6 work credited: **\$(-631.22)**  
42.9CY excavating, 580' of 4" PVC, 290' secondary conductors, and 80' of 2" PVC.
- Extra work: Site lighting; install exterior receptacles; add **\$4,842.51**  
lights, switches and receptacles to the attic; add TV cable.

**Statement of Justification:** This change is due to an increase of overhead costs and material cost increases.

Spotts Brothers is the Electrical Contractor for the construction of five (5) 504 Handicap Accessible Units.

2. THIS Resolution shall be effective February 28, 2012.

Mr. De Leon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5608

RESOLUTION APPROVING CHANGE ORDER NO. 2 TO  
THE CONTRACT WITH BALTON CONSTRUCTION, INC.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 2 submitted by Balton Construction, Inc., (Ephrata, PA), in the amount of **\$44,944.67**.

**Description of Change:**

- Add stud wall @ units 1&2 for laundry supply piping. \$ 293.58
- Change kitchen/laundry partition from 2x4 to 2x6 stud. \$ 119.43
- Additional construction costs for not being able to back fill water distribution lines due to compression fitting use for water service installation approval. \$ 16,259.06
- Change ADA sidewalk route to units 1&2 due to elevation discrepancies. \$ 27,008.66
- Extended General Conditions for sewer and water issues with the City of Reading. \$ 31,107.51
- Add to fabricate backer and mounting blocks for light fixtures. \$ 985.53
- Add brick veneer panel for the mounting of the building switch gear. \$ 675.44
- Install additional plywood walkway in the attic for HVAC unit access. \$ 659.46
- Credit allowance bulk earth and trench rock excavation \$ (- 7,000.00)
- Credit the original specified meter pit and use a smaller 2" residential pit and delete the new water tap in the street to use the existing 6" lateral within the right-of-way. \$ (-25,164.00)

**Statement of Justification:** All work items were reviewed and negotiated by Muhlenberg Greene & RHA.

Balton Construction Inc., is the General Contractor for the construction of five (5) 504 Handicap Accessible Units.

2. THIS Resolution shall be effective February 28, 2012.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5609

RESOLUTION APPROVING CHANGE ORDER NO. 3 TO  
THE CONTRACT WITH DOMMEL PLUMBING AND HEATING, INC.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Commissioners of the Reading Housing Authority do hereby approve Change Order No. 3 submitted by Dommel Plumbing and Heating, Inc., (Pequea, PA), in the amount of **\$5,498.70**.

**Description of Change:**

- Delete the requirement of the \$325.00 per unit for gas meters as they are not being installed. Use these savings toward the required water meters. **\$1,741.00**
- Wolverine Brass lavatory faucet #33332 in lieu of original specified #85250 lavatory faucet. **\$ 467.70**

**Statement of Justification:** All changes were reviewed and negotiated by Muhlenberg/Greene and RHA.

Dommel Plumbing & Heating, Inc., is the Plumbing Contractor for the construction of five (5) 504 Handicap Accessible Units.

2. THIS Resolution shall be effective February 28, 2012.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5610

RESOLUTION APPROVING AND AUTHORIZING  
THE ADOPTION OF THE SYLVANIA HOMES OPERATING  
BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2013.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Sylvania Homes Operating Budget, in the amount of \$1,148,085.00 for the fiscal year ending March 31, 2013, is hereby approved and adopted.

2. THIS Resolution shall be effective April 1, 2012.

Mr. De Leon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5611

RESOLUTION ACCEPTING THE  
FY 2012 CAPITAL FUND PROGRAM GRANT.

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BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Commissioners of the Reading Housing Authority:

1. ACCEPT the FY 2012 Capital Fund Program Grant in the amount of \$2,000,490.00.

2. THIS Resolution shall be effective February 28, 2012.

Mr. De Leon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5612

RESOLUTION AUTHORIZING THE REFINANCING/REISSUING  
OF THE READING HOUSING AUTHORITY'S REVENUE BOND  
SERIES OF 2006 (SYLVANIA HOMES).

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WHEREAS, the READING HOUSING AUTHORITY (the "Authority") has been incorporated under and is governed by the Pennsylvania Housing Authorities Law, approved May 28, 1937, P.L. 955, as amended and supplemented (the "Act"); and

WHEREAS, the Authority by virtue of the Act, has the power and authority, among other things to acquire, hold, construct, reconstruct, restore, rehabilitate, improve, maintain, operate, own and lease, safe and sanitary dwelling accommodations for persons of low income, such as the Sylvania Apartments (the "Sylvania Apartments"); and

WHEREAS, the Authority, pursuant to the power vested in it by law, has determined to modify certain of its outstanding indebtedness related to the expansion of the Sylvania Apartments; and

WHEREAS, the Authority, in accordance with such powers desires to undertake a project (the "Project") consisting of (i) the modification and amendment of the Authority's \$2,398,000.00 Revenue Bond, Series of 2006, dated June 20, 2006 (the "2006 Bond"), of which \$1,950,000 is currently outstanding; and (ii) the payment of certain costs and expenses related to the modification and amendment of the 2006 Bond; and

WHEREAS, in order to complete the Project, the Authority has determined to accept the proposal from the financial institution (the "Bank") named on the winning proposal attached hereto as Exhibit "A", which proposal was received from the Bank (the "Proposal") in response to a Request for Loan Proposals (the "RFP") distributed to local financial institutions by the Authority, as the same may be amended and supplemented from time to time (the Proposal and the RFP, together the "Commitment"); and

WHEREAS, the Commitment requires, among other things, that the Authority authorize, execute and deliver that certain bond modification agreement (the "Modification Agreement") which would amend and modify certain of the terms of the 2006 Bond ; and

WHEREAS, the Authority desires to accept the terms of such Commitment; and

WHEREAS, the Authority desires to authorize and approve such actions as shall be necessary and appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of this Authority, as follows:

1. This Board hereby approves and accepts the terms of the Commitment in the form attached hereto as Exhibit "A" (which is fully incorporated herein by reference) and authorizes and directs the Chairman or Vice Chairman and Secretary or Assistant Secretary or any other member or officer of the Authority to take any and all action which may be necessary, on behalf of the Authority, to evidence such approval and acceptance and to modify the terms of the 2006 Bond. This Board specifically chooses option II. as set forth in the Commitment, and elects to retain the existing amortization schedule for the 2006 Bond.

2. The terms of the Modification Agreement, including the maximum amount, rates of interest, terms and repayment provisions shall be as set forth in the Commitment as are hereby approved.

3. The Chairman or Vice Chairman and Secretary or Assistant Secretary or in their absence, any other member or officer of the Authority are authorized, empowered and directed, to execute, acknowledge, attest and/or deliver, as appropriate, any and all such documents, agreements, certificates and instruments as may be necessary, proper or desirable, in the discretion of such member or officer to effectuate the modification of the 2006 Bond and to accomplish the requirements and transactions contemplated in the Commitment, all of which shall be subject to the review and approval (as to both form and substance) by the Authority's Solicitor. The execution and delivery of such documents, instruments, agreements and certificates will constitute conclusive evidence of their authorization, delivery and acceptance. This Board hereby expresses its intent that the Authority's appropriate officers, subject to review and approval of the Authority's Solicitor, shall have full power and authority to take all actions and to do all things necessary and desirable to modify the 2006 Bond, and to accomplish the requirements and transactions contemplated in the Commitment.

Specifically, in addition to any and all other documents, agreements, certificates and instruments as may be necessary, proper or desirable, all of which are hereby approved, the Authority approves the execution, acknowledgement, attestation and/or delivery, as appropriate, of the following, as applicable: (a) the General Certificate of the Authority; (b) the Information Return on the IRS Form 8038-G; (c) any necessary UCC Financing Statement; and (d) the Modification Agreement.

4. The Authority hereby authorizes, empowers and directs its appropriate officers and/or members, as identified in Section 3 above, to take any and all action and to execute and/or deliver any documents, instruments, agreements, and certificates necessary or desirable to accomplish the transactions contemplated in the Commitment.

5. The Authority hereby authorizes and approves the payment of all expenses incurred in connection with the modification of the 2006 Bond and the transactions contemplated in the Commitment, which expenses may be paid from funds of the Authority.

6. This Board approves, ratifies and confirms all action heretofore taken, by the officers, employees, representatives and other authorized persons, in the name or on behalf of the Authority in connection with the undertakings herein contemplated.

7. In accordance with the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), this Authority hereby finds, determines, designates, ratifies and confirms the 2006 Bond as a "qualified tax-exempt obligation", as defined in Section 265(b)(3)(B) of the Code, for the purposes of Section 265(b) of the Code.

8. This Resolution shall become effective immediately.

9. This Board authorizes and directs the Bank to act as a sinking fund depository/paying agent and Bond registrar/transfer agent, to the extent applicable or necessary.

10. In accordance with the Bylaws of the Authority and notwithstanding the foregoing, the Executive Director of the Authority shall have the authority to execute all documents and to take all actions necessary to bind the Authority and to effectuate the intent of this Resolution.

11. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not effect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of this Board that such remainder shall be and shall remain in full force and effect.

12. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are hereby repealed.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. De Leon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Nelson A. De Leon  
Mrs. Rebecca Acosta  
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

There being no further business to come before the Commissioners, a motion was made by Mrs. Acosta and second by Mr. De Leon to adjourn the meeting. The motion was carried unanimously.

The next regular meeting and the Annual Meeting of the Reading Housing Authority is scheduled to be held at William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania, on Thursday, March 29, 2012.

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Recording Secretary