

RECESSED MEETING CITY COUNCIL

September 12, 2022

The City Council of the City of Albemarle met in a recessed session on Monday, September 12, 2022 at 6:00 p.m. in the EE Waddell Community Center at 642 Wall Street in Albemarle. Mayor Ronnie Michael presided, and the following members were present, to-wit: Mayor Pro Tempore Martha Sue Hall and Councilmembers Martha E. Hughes, Chris Whitley, Benton Dry, Dexter Townsend, Bill Aldridge, and Shirley D. Lowder.

Mayor Michael called the meeting to order.

The Mayor called a motion to approve the submission of a grant application to the Golden Leaf Foundation.

Upon a motion by Councilmember Hughes, seconded by Councilmember Townsend and unanimously carried, the motion passed.

The Mayor announced to the audience what Council just passed and introduced the agenda for tonight's meeting, which would be a presentation by Public Housing Director Dr. Kim Scott reviewing the following topics, followed by a comment period:

- Review Public Housing Plan of Action and how the department will address all of the issues residents raised at the August 15th meeting;
- Report on what Capital Funds have been spent on for the last 3 years;
- Report on what is included in the new Annual Plan;
- Report on what is included in the new 5 Year Plan.

Dr. Scott came in front of Council for his presentation. He first thanked Public Housing residents for attending then read Public Housing's mission statement.

Councilmember Benton Dry entered the meeting.

Highlights of his presentation included:

- Recapping from the September 6th Council meeting how the Public Housing Department would address Public Housing residents' concerns about sewer/plumbing issues, HVAC issues, missing or malfunctioning appliances, mold in units, bedbugs, lack of voice on resident council, safety and security issues, and residents afraid to speak out for fear of reprisal by the department.
- For sewer/plumbing repairs Dr. Scott stated that Stogner Architects told him it wouldn't be until February 2023 before they would have a design plan ready and begin repair/replacement work,

and explained what imaging showed so far with the pipes. He noted that since the pipes were galvanized steel rather than PVC they have degraded over time and may have collapsed, thus creating the issues residents are seeing. He also specified the units impacted so far per inspections and pipe imaging work completed thus far.

- To realign the department with HUD policies, Dr. Scott explained the late payment process up through eviction via court hearing. He also stated that there was a change to security deposit requirements per HUD which he claimed hadn't been followed previously. He noted changes in the pet policy, with the addition of use of support animals as permissible now. Finally he talked about safety and security of residents and his meeting with Police Chief Bollhorst to address issues of nonresidents coming into the complex after regular hours and causing issues.
- Dr. Scott then highlighted the Capital Funds projects and funding briefly referring to a handout distributed in meeting. He stated that he discussed use of Capital Funds with regional HUD representatives, who told him that HUD Capital Funds could not be used for HVAC rehabilitation work since the understanding on HUD's side was that there should have been maintenance work being done on HVAC systems over time. For major rehabilitation work, Dr. Scott stated that his research into architects that had HUD public housing contracting experience showed that only 19 architects in the US covered all Public Housing building/design/repair contracts across the 50 states.
- Dr. Scott reviewed the focus on sewer/plumbing repair/replacement work and mold abatement for the 5 Year Plan.

Councilmember Aldridge entered the meeting during Dr. Scott's presentation.

- Dr. Scott reviewed maintenance cost updates per Council action on September 6th equating higher costs with the expectation that there would be greater resident accountability for replacement items and higher costs of items now due to inflation.
- Dr. Scott also reviewed the revised waiting list policy per Council approval at the September 6th meeting, noting that HUD expects that public housing is a transitional step for households to ultimately become independent and able to afford housing in standard rental/housing markets.

The Mayor inquired about Dr. Scott's previous statements at the September 6th meeting about bedbug extermination, and noted that an exterminator was hired to go check and revisit all units and confirm that bedbugs were no longer in units.

The Mayor asked if Council had questions for Dr. Scott. Council posed the following questions which generated the following discussions among Council and Dr. Scott, and in some cases Public Housing Department Section 8 Inspector Eric Allsbrook who was in attendance.

- Councilmember Whitley inquired about the HVAC work – was HVAC work contracted or serviced by in-house staff? Dr. Scott replied that his focus was trying to hire staff with specialized skills for maintenance work, but since that hasn't occurred yet expects to hire a contractor but wondered aloud how to pay for it. The Mayor advised Dr. Scott that a HVAC contractor would need to go out to bid, to which Dr. Scott responded that he has researched possible contractors

and thought that Next Level Mechanical would be better to retain because they have a better warranty on parts. The Mayor reminded Dr. Scott that it is the department's responsibility to build an RFP on specifications (specs) required for the work to be done to which contractors could respond with a bid packet based on the specs, and to work with the Finance Department to build the process according to state law. The Mayor also noted that Dr. Scott could use the HUB state contractor lists to perform the work.

- Councilmember Townsend inquired about stove replacement noting that per Dr. Scott's presentation materials, there were 30 stoves to be replaced. Eric Allsbrook came in front of Council to respond. He stated that he recently purchased stoves and refrigerators, as well as some hot water heaters at Lowe's Home Improvement Store in Albemarle per Dr. Scott's approval. Councilmember Townsend then asked specifically if all units now had functioning refrigerators and stoves. Mr. Allsbrook replied that as far as he knew yes all units had functioning stoves and refrigerators.
- Mayor Pro Tem Hall stated that she was aware that Council approved replacement of HVAC systems (per the Public Housing work order history handout Dr. Scott provided in meeting) fairly recently with HUD Capital Funds, and reiterated Mr. Allsbrook's claim from the August 15th Council meeting that the systems haven't been serviced in 6-7 years.

Mr. Allsbrook came in front of Council again to address Mayor Pro Tem Hall's comments. He stated that HEMCO has been paid to service the units, however claimed that someone in the department in the past had been entering incorrect information on HVAC servicing of units in the TENMAST system. He noted that Jennifer Jurnigan and Darlene Hughes discovered the inconsistencies and notified Dr. Scott. Mr. Allsbrook went on to claim that someone in the City had to know about this issue before now, but didn't pay attention to it. He also claimed that the Public Housing units haven't passed required REAC inspections since 2010 until this year. In response Councilmember Townsend asked who was told and who was supposed to know? The Mayor asked if there was documentation of these discrepancies in the TENMAST system, and Mr. Allsbrook replied that he would supply that documentation to Council.

There was a discussion between Council and Mr. Allsbrook about the details of his claims about lack of maintenance on HVAC units to clarify the scope and seriousness of the current situation of the HVAC issues in the units. Mr. Allsbrook asked if any Council members were aware of these issues. Councilmember Dry noted that due to his recent inquiry of a resident who was deceased, he knew about issues with HVAC and also due to his remediation company's past work in the complex. He advised Mr. Allsbrook and Public Housing staff that the focus now should be addressing the current issues in front of Council rather than concentrating on errors in the past. Councilmember Aldridge asked who prevented Public Housing staff from doing inspections. Mr. Allsbrook called out the most recent Public Housing Directors prior to Dr. Scott.

Councilmember Shirley D. Lowder entered the meeting.

- Dr. Scott came back in front of Council to address other questions. Why is Stogner Architects starting the plumbing/sewer work in February 2023? After discussion with Stogner, Dr. Scott stated that the contractor was stretched by projects among other Public Housing communities

in the region right now, and couldn't get Albemarle on the schedule until that time. Council and Dr. Scott had a discussion about relocating units impacted by the issue, determining that there were 19 units affected, but that ongoing work on the burned units prevented Dr. Scott from relocating affected households now.

There was a sidebar discussion about the burn unit contract and punch list completion and whether timelines for completion of work were included in the contract. Council asked the City Attorney's legal opinion on the City's ability to uphold completion time clauses if present in the contract. The City Attorney replied that if such clauses were in the contract/scope of work then it is incumbent on the contractor to stick to those timelines. Council asked if that contract could be reviewed by the City Attorney for presence of timeline clauses and she replied that she would review it.

Following the discussion about the status of the burn unit work, Council and Mr. Allsbrook had a lengthy discussion about the contractor DWA. Mr. Allsbrook stated that the contractor told him last week that they weren't doing work because they haven't been paid yet. Mr. Allsbrook claimed that paperwork was submitted to HUD by Public Housing Department staff, but that HUD found a discrepancy in the funds and requested that City Finance Department correct paperwork and re-submit in order to release the funds. He stated that funds were released today. Dr. Scott added the claim that there were issues with the procurement process and confusion between state requirements and HUD requirements and that Finance needs to submit paperwork.

The Mayor asked if Council had any other questions for Dr. Scott or Public Housing staff. Hearing none, the Mayor opened the floor to hear Public Housing resident comments.

- The first speaker, not providing his name, stated to Council that he was evicted earlier this year for nonpayment of rent but he had paid an installment by check the day before it was due but was told he would be evicted anyway via court hearing. He claimed that the Public Housing staffer managing the Public Housing side of the department operations stole his check and he was removed from Public Housing for no reason. The mayor asked if the check had cleared to which the resident stated it was. Dr. Scott said this went to court because the check was provided after the cut-off date and was only partial payment, which does not suffice to maintain the unit. Councilmember Dry asked about the current status of the case. Dr. Scott replied that the former resident had paid on the 28th of the month and the court date was already scheduled for the 29th where Public Housing Department staffer told the court the rent wasn't paid. The court sided with the Public Housing Department. The Mayor reminded Council that the court decision stands, and that Council cannot make any decisions in cases of nonpayment of rent.
- Ms. Denise Miller residing at 315 South Bell Avenue stated that she had a sewage problem which she said took 2 days to fix. She said that when she calls Public Housing they provide band aid fixes, so things aren't being taken care of. She has missing kitchen tiles on the floor and the kitchen sink leaks. Mr. Allsbrook responded by stating that when the complaint came into maintenance he and maintenance staff had to get on the roof and lower a snake into the pipes

to fix the sewage issue because there is not a clean out area with the units. Councilmember Dry asked Ms. Miller to clarify the time it took Public Housing staff to recognize her issue versus the time it took to fix it. She said because she lodged the complaint on the weekend it was the next day that Public Housing came out to investigate the problem and that it took 2 days to resolve the problem. Dr. Scott added that he sat down with Stogner Architects, and Mr. Allsbrook and 1 of the other maintenance staffers to discuss the scope of work for addressing the sewer/plumbing issues appropriately within the funding dedicated for the project.

- Ms. Alfeta Miller residing at 1446 Inger Street, complained about a few unaddressed items in her unit. She has feces in both tubs, had her toilet broken for 2 months. She is diabetic and the feces which she has to clean up puts her health at risk, as well as her children's health. Council and Dr. Scott discussed the feasibility of relocating Ms. Miller's family into the 5-bedroom unit in the Family Life Center. Dr. Scott stated that some repairs need to be done on that unit first. Council inquired about the status of the Family Life Center unit repairs to which Dr. Scott replied that he tried to get funds for this earlier in the year but said he was told by Finance to check his funds expenditures and that he couldn't draw down repair funds because he was almost totally out of funds for the fiscal year. Mr. Allsbrook added that unit repairs for that unit were also falsified in TENMAST.

Council asked about a 4 bedroom unit and whether that was feasible to move the family into, to which Dr. Scott replied that there now is a mold problem in that 4-bedroom unit. The Mayor asked what the hold up was for completing the 4 bedroom unit to which Dr. Scott replied that the procurement process had stopped the process from moving forward. Council asked about the HUD position for housing more than one same/different genders of children in bedrooms, inquiring whether it is a requirement or recommendation, and wondering if the City can get a temporary exception from HUD on this to accommodate the family for an emergency situation such as this.

The Mayor and Dr. Scott engaged in a discussion around whether demolition of units was considered as a method of determining the scope of the plumbing/sewer issue. The Mayor walked through the process, noting that it started by submitting a purchase order, and if needed a change order, and if the change order was over \$5,000 then 3 bidders would be required.

The Mayor then asked if any Public Housing maintenance staff could do some of the work needed on the units in question. Mr. Allsbrook replied that for himself, because he is the Section 8 inspector he has been helping out in the Public Housing side for a while, but felt that he should receive a pay increase for the extra work. He submitted such a request to HR and was denied. However he is capable of performing demo work on the Public Housing side if needed.

Councilmember Townsend revived the dialogue about possibly bringing the 5 bedroom unit in the Family Life Center into good condition. Dr. Scott replied that plumbing issues and other issues are there to contend with since the unit hasn't been occupied in a while.

The Mayor asked about HUD stipulations related to renting a Section 8 property for Ms. Miller's family. Ms. Darlene Hughes responded to the Mayor's questions by citing the following reasons why such a request is difficult currently: 1). Difficult to obtain a rental property due to criminal and credit checks of prospective renters, and landlords selling properties in the current in-

demand market; 2). The City's Public Housing Department only gets a fixed amount of HAPs (housing assistance payments) for the different levels of numbered bedroom rentals; 3). Although she is about ready to clear the waiting list, when she opens it again she is likely to get 300-400 applications for use of a voucher for 3 months (which HUD extended to 6 months) but considering the tight rental market in the region, unlikely that voucher holders will find rental housing even in the extended timeframe. Ms. Miller responded by saying that she was on the Section 8 voucher list for years but then when came up on it she was given a list of section 8 landlords none of whom ended up saying they would take Section 8 and was upset by that. Ms. Hughes replied that the older Section 8 list was standard and kept for years and wasn't updated, but in her current experience she has found that if a family finds a landlord to take them to ask the landlord to apply for Section 8 landlord status.

Dr. Scott added that Public Housing is losing revenue with all of the offline units which haven't been repaired yet for over 60 days, and contended that the Finance staff and the procurement process are holding up rehab/repair projects.

- Ms. Gina Coble who previously resided in 414 South Bell Avenue but whom is currently in 422 South Bell Avenue, stated that due to leaking pipes and mold, she moved from 1 unit to the other but was downsized from a 3 bedroom unit to a 2 bedroom unit. She complained because of the downsizing she had to buy large ticket items for her family to accommodate the smaller unit which she believes to be unfair to her. There was a brief exchange between Council and Public Housing staff on the source of the mold which was found to be occurring due to the leaking pipes.
- Ms. Victoria Ingram residing at 432 South Bell Avenue spoke of the need to replace the stove and refrigerator immediately, as well as the water heater. She also has mold in her unit. She placed a request to fix the water heater last week, to which Dr. Scott replied that he has placed a work order for it to be fixed. As a tenant she also has had to deal with the bedbug issue and molding floor issues, stating that she had to spend a lot of money to replace furniture and bedding due to the bedbug problem but still has to come up with money to pay rent.

The Mayor, Dr. Scott, and Mr. Allsbrook engaged in a discussion around acquiring needed appliances and materials on state contractor websites versus being able to purchase them locally at Lowe's Home Improvement as an emergency purchase. Dr. Scott claimed further that due to a "difficult" procurement process, he believes that the Finance Department has not helped address the issue.

The Mayor, Mayor Pro Tem Hall, Dr. Scott and Mr. Allsbrook further discussed the need to acquire refrigerators and stoves according to state law and expeditiously, with Dr. Scott contending that Finance told him to stop the purchasing process due to not having the funds dedicated for that available, and that he is just following the process.

Mr. Chuck Nance came forward and stated that he was trying to alleviate the rental market problem by purchasing a property in 2015 as an affordable rental option with the intent of offering 70 units for Section 8 vouchers outside of the Public Housing complex. He said that the City sued him and called him a slumlord.

- Ms. Erica Williams residing at 1504 Inger Street stated that there is a bat problem in the complex. She said that her children have had health issues since the bats located there. She also said that floorboards and steps are not secure, and that these are problems she observed over the years as a longtime Public Housing resident. Addressing Council she said that they can't say that they didn't know there were problems in Public Housing units and wondered if there has been lack of communication between the Public Housing Director and Council. Regarding the bat infestation comment, Mr. Allsbrook replied that he has reached out to animal control about this issue.
- Angelina Kelder residing at 416 Grigg Street told Council she thought they weren't being held accountable and were passing the buck for Public Housing issues. She said that none of the Public Housing residents deserve to live in "less than" housing.

Councilmember Dry commented that he hates that Public Housing residents are living like this, and offered to sit down with Mr. Allsbrook to develop a protocol for demolition and remediation of units which could go to Finance as specifications for an RFP. He commented that Council does not get involved in department director actions. He finished his comments by saying that is about the people in the room all working to solve the problems.

- A resident who did not state her name spoke up on behalf of Dr. Scott, Ms. Hughes, and Mr. Allsbrook. She said that she has had holes in her walls of her unit for 4 years and everybody talks about doing something but no one does anything. She does believe in Dr. Scott to do something about it.

The Mayor noted that the 2018 REAC inspection and the 5 year plan at the time focused on door replacement and grounds maintenance issues, which came in front of Council to approve and was implemented. Mr. Allsbrook commented again that Public Housing hadn't passed REAC inspection since 2010.

The Mayor asked Dr. Scott if he had researched any other alternatives for financing the units for rehab with HUD. Dr. Scott replied that he did have a discussion with HUD and that they told him if he took out a 20-year loan to rehab more units, HUD would take the entire capital funds budget as collateral for the length of the loan.

Mayor Pro Tem Hall asked Dr. Scott to talk about rent fluctuations and the recertification process change. Dr. Scott explained that when a resident comes up for recertification there are a series of documents the resident needs to supply in order to upload that into the HUD system to calculate rent either monthly or biweekly. Mayor Pro Tem Hall followed up by stating that in Dr. Scott's remarks about resident recertification procedures, 200 units had been all recalculated annually in July, but then he more recently stated that recertification process now is being performed at the anniversary date of the resident's initial move in date. She asked Dr. Scott if residents are aware of

this shift in the recertification cycle. Dr. Scott replied that this notification will depend on each household's anniversary date instead of alerting residents generally to this now.

Ms. Heather Kilde, Director of Stanly Christian Community Ministry came in front of Council. She asked if when a resident has a change in income do they have the right to request a review? Dr. Scott replied yes a resident can request that Public Housing perform a review. Ms. Kilde responded that she knows this hasn't been done in the past.

Councilmember Whitley followed up by asking if a resident has a change in income in the middle of their cycle of residency, is he/she supposed to alert Public Housing to this income change when it happens or during the recertification process. Dr. Scott replied that it should be done at the time of the income change.

The Mayor called for a motion to adjourn the meeting until Monday, September 19, 2022 at 6:30 pm in Council Chambers of City Hall.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Townsend and unanimously carried, the motion was passed.