

**HAWAII PUBLIC HOUSING AUTHORITY  
NOTICE OF MEETING  
REGULAR BOARD OF DIRECTORS MEETING  
July 21, 2016  
9:45 a.m.\*\*  
1002 N. School Street, Bldg. A  
Honolulu, Hawaii 96817**

**AGENDA - AMENDED**

**I. CALL TO ORDER / ROLL CALL**

**II. APPROVAL OF MINUTES**

Regular Meeting Minutes, June 16, 2016  
Executive Session Minutes, May 19, 2016 (not for public distribution)  
Executive Session Minutes, June 16, 2016 (not for public distribution)

*Executive session minutes will be considered by the Board of Director in executive session scheduled for later in the meeting as a courtesy to the public.*

**III. PUBLIC TESTIMONY**

Public testimony on any item relevant to this agenda shall be taken at this time. Pursuant to section 92-3, Hawaii Revised Statutes (HRS), and section 17-2000-18, Hawaii Administrative Rules, the Board may limit public testimony to three minutes per agenda item.

**IV. FOR ACTION**

**MOTION:** To Authorize the Executive Director to Close the Waiting Lists for the Federally-Assisted Public Housing Projects, the State-Aided Elderly Public Housing Projects and the State-Aided Family Public Housing Projects on Oahu and to Authorize the Executive Director to Reopen the Waiting List(s) in Whole or in Part Pursuant to Applicable Waiting List Rules

**V. APPOINTMENT OF TASK FORCES**

A. Pursuant to section 92-2.5(b), HRS, Appointment of a task force to review the current staffing levels and future staffing needs of the HPHA, including training programs or resources for new and existing employees.

- B. Pursuant to section 92-2.5(b), HRS, Appointment of task forces of the Executive Committee (Chair, Vice Chair, Secretary) and the island representative to investigate the capital improvement and maintenance needs at the properties on Maui, Kauai, and the Big Island and review the projected budgetary needs for future budget requests.

## VI. REPORTS

- Financial Report for the Month of May 2016. The May 2016 Financial Report is provided to the board in the monthly packet. Unaudited FDS is due to HUD on August 31, 2016. HUD financial monitoring August 1 – 5, 2016
- The Report on Contracts Executed During June 2016 and Planned Solicitations for July 2016 are provided to the Board in the monthly packet. No formal report is planned.
- Property Management and Maintenance Services Lease up Status and Eviction Hearings for the Month of May 2016. No formal report is planned.
- Construction Management Activities, including Obligation and Expenditure Status for the Federal Capital Fund Program (CFP) and the State Capital Improvement Program (CIP), Kuhio Park Terrace and Kalihi Valley Homes Construction Activity. No formal report is planned.
- Section 8 Subsidy Programs Voucher Tentative Schedule for Accepting On Line Applications. Status of the Special Rent Supplement Program Targeted to Homeless Families. The Section 8 Report is provided to the Board in the monthly packet.
- Status of Redevelopment at Mayor Wright Homes with MWH Partners: Establishment of the Community Advisory Committee; Design Charrettes Schedule.

## VII. ADJOURNMENT

**\*\* The meeting start time is an approximation and the meeting will start immediately after the conclusion of the HHA Wilikina Apartments Project, Inc Annual Board of Directors Meeting.**

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Jonessa Burns at (808) 832-4694 by close of business three days prior to the meeting date. Meals will be served to the Board and support staff as an integral part of the meeting.

Pages 3-16 were removed because they contained confidential information.

#### IV. For Action Forthcoming

**Hawaii Public Housing Authority  
Report for the Month of June 2016**

**I. Planning**

**A. Redevelopment Activities**

HPHA continues to work with the Hunt Development Group on a master development agreement and related contracts for the redevelopment of Mayor Wright Homes, including establishing the Community Advisory Committee and scheduling design charrettes for August 2016.

HPHA continues to work with the RHF Foundation Inc. on the redevelopment of the HPHA North School Street administrative offices.

The HPHA North School Street project was selected to receive EPA technical assistance, including a Phase I and II Environmental Assessment.

**B. Legislation**

HPHA continues to hold discussions with legislators in preparation for the legislative proposals.

**II. Fiscal Management**

**A. Variance Report for May 2016**

**1. Revenue for the Month of May**

**Dwelling Rental Income \$142,710 greater than budget**

The favorable variances consist of \$146,456 more rental income, of which \$138,934 contributable to Federal Low Rent Program ("FLRP"); the favorable variance is partially offset by \$3,746 less income from rent repayment agreement.

**HUD Operating Subsidies \$1,040,779 greater than budget**

HUD operating subsidies include HUD operating subsidies for FLRP, housing assistance payments from HUD for Section 8 and Section 8 contract administration programs, and administrative fees earned by Central Office Cost Center ("COCC") in managing Section 8 contract administration program.

The favorable variances consist of \$417,771 more operating subsidies for FLRP, \$550,706 and \$70,886 more housing assistance payments for Section 8 and Section 8 contract administration, respectively, and \$1,416 more administrative fees earned by COCC.

**CFP Grant Income \$1,378,271 greater than budget**

The Public Housing Capital Fund Program ("CFP") is a HUD grant for capital and management activities, including the modernization and development of public housing. By HUD rule, a PHA has two years to obligate and two years to spend it after CFP grant is made available annually.

CFP is drawn through HUD's Electronic Line of Credit System ("eLOCCS") based on Budget Line Items ("BLI"). BLIs are further grouped into soft cost (BLI Numbers 1406, 1408 and 1410) for management activities, and hard cost (BLI Numbers greater than 1430) for capital projects.

CFP drawings and expenditures that are not capitalized are reported on this line as operating income. Capitalization of CFP expenditure is reported in Balance Sheet under construction in progress.

The favorable variance is mainly because of drawing of \$1,623,215 soft cost (BLI #1406) credited to FLRP that is \$1,544,906 greater than budget. The favorable variance is partially offset by \$166,635 less revenue for COCC.

**State CIP Fund \$101,660 less than budget**

State Legislature appropriates Capital Improvement Project fund ("CIP"). Spending agency has two or three years to encumber the appropriation before it lapses.

CIP expenditures that are not capitalized are reported on this line as operating income. Capitalization of CIP expenditure is reported in Balance Sheet under Construction in Progress.

Out of May CIP expenditure of \$3,325,686, \$12,140 is for repair and maintenance and recognized as income under this line.

**Grant Income \$164,000 less than budget**

The unfavorable variances consist of \$169,900 less revenue for FLRP; \$27,062 less revenue for state family housing program; and 21,130 less revenue for state elders housing program.

The unfavorable variance is partially offset by \$45,058 more revenue for state rental supplemental program, and \$9,034 more revenue for COCC.

## 2. Expenses for the Month of May

### **Administrative \$171,816 less than budget, a favorable variance**

The \$171,816 variance consists of favorable variances of: \$162,492 less admin salaries and fringe benefits of HPHA employees, of which \$139,046 and \$35,368 contributable to COCC and FLRP, respectively; \$9,038 less admin salaries and fringe benefits of private management companies; \$11,420 less auditing fees; \$5,044 less office expense; \$1,879 less front line service fee, and \$6,393 less other admin expense that captures admin expenses not specified otherwise.

The favorable variance is partially offset by budget overruns: \$12,281 more managing agent fees from privately managed AMPs and Bremerton, the company managing section 8 contract administration program; \$5,878 more admin furniture and equipment; \$1,024 more legal expense, and \$5,267 more travel expense.

### **Tenant Services \$23,590 less than budget, a favorable variance**

Tenant Services include relocation costs, resident participation program costs and tenant service costs for any services directly related to meeting tenant needs.

The \$23,590 variance consists of \$7,417 less relocation costs; \$7,736 less resident participation program cost, and \$8,437 less tenant service cost.

### **Maintenance \$277,338 more than budget, an unfavorable variance**

The \$277,338 unfavorable variance consists of budget overruns: \$138,236 more materials and supplies for building, ground, safety, painting, electric, janitorial maintenances, etc.; \$154,079 more furniture, appliance and equipment, and \$46,732 more repair work done by central maintenance crew and special team members.

The unfavorable variances are partially offset by the following budget savings: \$19,817 less salaries and fringe benefits for HPHA maintenance employees; \$24,554 less salary and benefit for maintenance employees of private management companies, and \$17,338 less repair and maintenance services provided for refuse collection, sewer and plumbing, pest control, building, tree trimming, vehicle and equipment, janitorial,

elevator, fire extinguisher, appliance, electric, heating, ventilation and air conditioning ("HVAC"), etc.

**General Expenses \$4,743 less than budget**

The \$4,743 favorable variance consists of budget savings of \$9,720 for other general expense, and offset by budget overruns of \$1,888 more on motor pool vehicle rental expense, and \$3,089 more for severance expense.

3 Revenue year to date

**CFP Grant Income \$1,271,825 greater than budget**

CFP is a HUD grant for capital and management activities, including the modernization and development of public housing. By HUD rule, a PHA has two years to obligate and two years to spend it after CFP grant is made available annually.

CFP is drawn through HUD's eLOCCS based on Budget Line Items (BLI). BLIs are further grouped into soft cost (BLI Numbers 1406, 1408 and 1410) for management activities, and hard cost (BLI Numbers greater than 1430) for capital projects.

CFP drawings and expenditures that are not capitalized are reported on this line as operating income. Capitalization of CFP expenditure is reported in Balance Sheet under Construction in Progress.

YTD soft costs drawings of \$2,663,650 (BLI 1406), \$4,398 (BLI 1408) and \$906,697 (BLI 1410) totaling \$3,574,745 has been recognized under this line. Also included under this line is \$410,847 for repair & maintenance expenditure out of YTD hard costs drawings of \$5,040,162.

**State CIP Fund \$849,419 less than budget**

State Legislature appropriates CIP fund. Spending agency has two or three years to encumber the appropriation before it is lapsing.

CIP expenditures that are not capitalized are reported on this line as operating income. Capitalization of CIP expenditure is reported in Balance Sheet under Construction in Progress.

The \$849,419 variance is mainly because of timing, as the budgeted State CIP Fund revenue spreads out among 12 months evenly, whereas actual expenditure fluctuates depending on project progress.

\$402,381 out of YTD \$17,855,415 CIP expenditure is not capitalized therefore reported on this line as revenue.

**Grant Income \$2,223,589 less than budget**

The unfavorable variances consist of \$2,179,730 less revenue for FLRP; \$1,064,395 less revenue for COCC mainly because budgeted \$1,168,747 from State CIP appropriation to reimburse associated costs of administering State CIP projects did not happen.

The unfavorable variance is partially offset by \$16,658 more revenue for state rental supplemental program, \$20,119 more revenue for state family housing program, and \$983,759 more revenue for state elders housing program.

**Other Income \$823,393 less than budget**

The \$823,393 variance consists of unfavorable variances of: \$71,147 less tenant payments not directly related to dwelling unit rent, of which \$53,931 contributable to FLRP; \$93 less fraud recovery; \$2,367 less revenue of admin fee earned on port-in; \$46,630 less front line services fee; \$513,711 less work order revenue by central maintenance crew, and \$759,781 less miscellaneous income that captures all types of income not specified otherwise.

The unfavorable variances are partially offset by favorable variances of: \$26,734 more investment income; \$29,428 more FSS coordination fee, and \$514,173 more work order revenue by Special Team members.

**4 Expenses year to date**

**Administrative \$2,358,964 less than budget, a favorable variance**

The \$2,358,964 variance consists of favorable variances of: \$1,903,770 less administrative salaries and fringe benefits of HPHA employees, of which \$1,362,962 and \$408,948 contributable to COCC and FLRP, respectively; \$849 less for managing agent fee charged by private management companies and Bremerton, the company managing Section 8 contract administration program; less \$154,150 less office expenses; \$295,453 less furniture and equipment; \$46,630 less front line services; \$22,144 less legal expense, and \$36,646 less travel expense.

The favorable variances are partially offset by budget overruns of: \$73,160 for administrative salaries and fringe benefits of private management companies; \$18,300 auditing fees, and \$9,218 more other admin cost that captures other administrative expenses not specified otherwise.

**Tenant Services \$531,808 less than budget, a favorable variance**

Tenant Services include relocation costs, resident participation program costs and tenant service costs for any services directly related to meeting tenant needs.

The \$531,808 variance consists of \$237,746 less relocation costs; \$78,100 less resident participation program cost, and \$215,962 less tenant service cost.

**Utilities \$1,539,431 less than budget, a favorable variance**

Utilities include water, sewer, electricity and gas expenses.

The \$1, 539,431 favorable variance consists of; \$1,483,160 less electricity expense of which \$1,074,821 contributable to FLRP, and \$411,343 less gas expense of which \$363,954 contributable to FLRP.

The favorable variances are partially offset by \$142,679 more water expense of which \$129,932 contributable to FLRP, and \$212,393 more sewer expense of which \$154,783 contributable to FLRP.

**General Expenses \$1,150,976 more than budget**

The \$1,150,976 unfavorable variance is mainly caused by an unbudgeted expense of \$1,284,999 incurred in January 2016 as explained for January variance. Additional unfavorable variances include \$8,668 for motor pool vehicle rental expense, and \$7,860 undistributed expense of purchase card (Pcard) charges.

The unfavorable variance is partially offset by budget savings of \$118,416 for other general expense; \$14,906 for payment in lieu of taxes, and \$17,229 for severance expense.

HAWAII PUBLIC HOUSING AUTHORITY

Agency Total

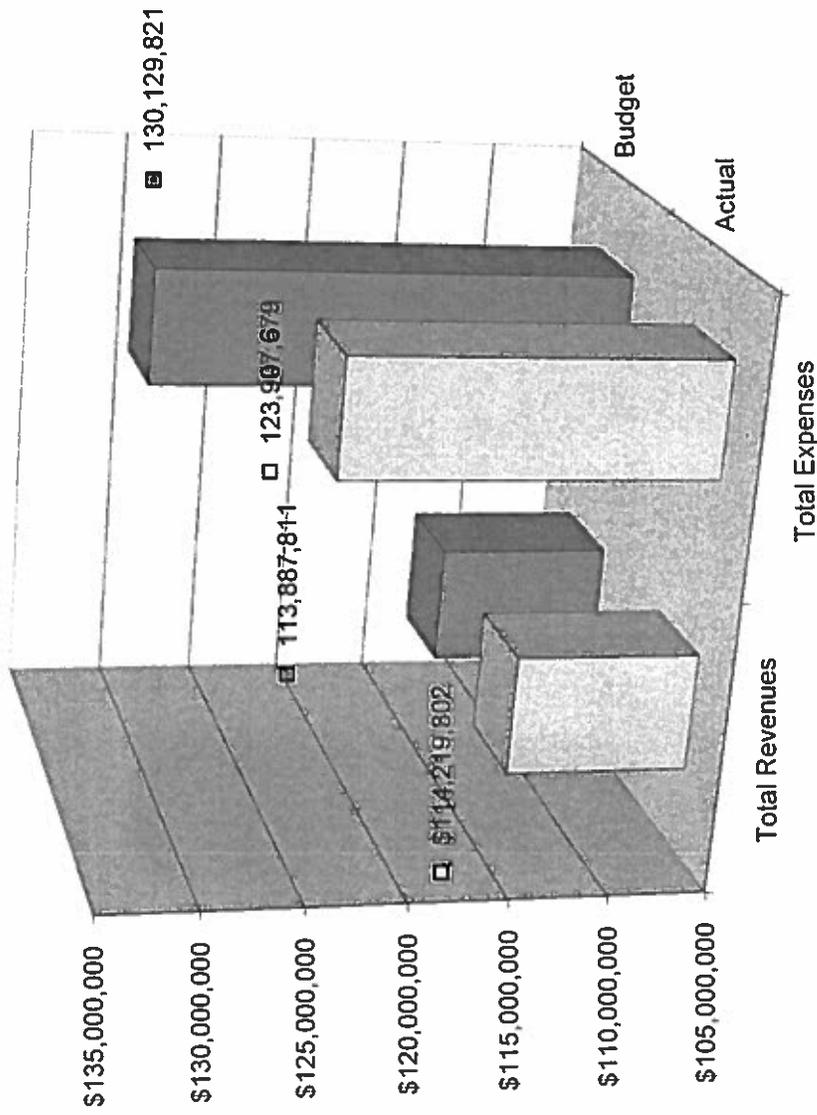
Actual vs Budget Comparison

For the Month of May 2016, and the 11 Months ended May 31, 2016

(Amounts in Full Dollars)

	Month of May 2016			Year to Date ended May 31, 2016			Variance				
	Actual	Budget	Amount	%	Actual	Budget	Amount	%	Variance		
									Amount	%	
<b>REVENUES</b>											
Dwelling Rental Income	1,583,667	1,440,957	142,710	10%	16,971,912	15,839,289	1,132,623	7%	16,013,960	957,952	6%
HUD Operating Subsidies	8,023,395	6,982,616	1,040,779	15%	78,901,951	76,805,246	2,096,704	3%	72,379,465	6,522,486	9%
CFP Grant Income	1,624,977	246,706	1,378,271	559%	3,985,592	2,713,767	1,271,825	47%	62,353	3,923,239	6292%
COCC Fee Income	372,349	399,425	(27,076)	-7%	4,120,414	4,393,675	(273,261)	-6%	4,126,792	(6,378)	0%
State CIP Fund	12,140	113,800	(101,660)	-89%	402,381	1,251,800	(849,419)	-68%	1,090,067	(687,686)	-63%
Grant Income	470,057	634,057	(164,000)	-26%	6,543,821	8,767,410	(2,223,589)	-25%	4,709,488	1,834,333	39%
Other Income	375,271	370,275	4,996	1%	3,293,231	4,116,624	(823,393)	-20%	3,142,424	150,807	5%
<b>Total Revenues</b>	<b>\$ 12,461,855</b>	<b>10,187,836</b>	<b>2,274,020</b>	<b>22%</b>	<b>\$ 114,219,302</b>	<b>113,887,811</b>	<b>331,490</b>	<b>0%</b>	<b>101,524,549</b>	<b>12,694,753</b>	<b>13%</b>
<b>EXPENSES</b>											
<b>Administrative</b>											
Asset Management Fees	1,420,215	1,592,030	171,816	11%	15,181,405	17,540,369	2,358,964	13%	13,910,449	(1,270,956)	-9%
Management Fees	316,822	343,929	27,108	8%	3,510,685	3,782,348	271,663	7%	4,331,665	820,980	19%
Bookkeeping Fees	55,527	55,358	(169)	0%	609,729	608,833	(896)	0%	599,142	(10,586)	-2%
Housing Assistance Payments	4,905,626	5,069,469	163,843	3%	54,293,971	55,464,159	1,170,188	2%	50,350,220	(3,943,751)	-8%
Tenant Services	31,067	54,657	23,590	43%	243,052	774,860	531,808	69%	431,743	188,691	44%
Utilities	1,054,441	1,154,353	99,912	9%	11,157,667	12,697,098	1,539,431	12%	12,109,067	951,400	8%
Maintenance	2,067,184	1,789,847	(277,338)	-15%	18,764,020	20,219,414	1,455,394	7%	16,920,523	(1,843,497)	-11%
Protective Services	192,030	197,949	5,919	3%	2,061,657	2,177,439	115,782	5%	1,990,743	(70,914)	-4%
Insurance	73,217	79,903	6,687	8%	821,885	877,520	55,635	6%	870,727	48,842	6%
Depreciation Expense	1,433,158	1,412,463	(20,695)	-1%	15,672,063	15,537,093	(134,970)	-1%	14,931,234	(740,829)	-5%
Bad Debt Expense	30,680	31,828	1,148	4%	162,056	172,175	10,120	6%	300,445	138,389	46%
General Expenses	16,894	21,637	4,743	22%	1,429,489	278,513	(1,150,976)	-413%	526,858	(902,631)	-171%
<b>Total Expenses</b>	<b>11,596,861</b>	<b>11,803,423</b>	<b>206,563</b>	<b>2%</b>	<b>123,907,679</b>	<b>130,129,821</b>	<b>6,222,142</b>	<b>5%</b>	<b>117,272,815</b>	<b>(6,634,864)</b>	<b>-6%</b>
<b>Net Income(Loss)</b>	<b>\$ 864,994</b>	<b>(1,615,588)</b>	<b>2,480,582</b>	<b>154%</b>	<b>\$ (9,688,377)</b>	<b>(16,242,009)</b>	<b>6,553,632</b>	<b>40%</b>	<b>(15,748,266)</b>	<b>6,059,889</b>	<b>38%</b>
<b>CASH BASIS:</b>											
Net Income(loss) per Above	864,994	(1,615,588)	2,480,582	154%	(9,688,377)	(16,242,009)	6,553,632	40%	(15,748,266)	6,059,889	38%
Add back non cash items:											
Depreciation Expense	1,433,158	1,412,463	20,695	1%	15,672,063	15,537,093	134,970	1%	14,931,234	740,829	5%
Bad Debt Expense	30,680	31,828	(1,148)	-4%	162,056	172,175	(10,120)	-6%	300,445	(138,389)	-46%
<b>TOTAL CASH BASIS</b>	<b>\$ 2,328,832</b>	<b>(171,297)</b>	<b>2,500,129</b>	<b>1460%</b>	<b>\$ 6,145,741</b>	<b>(532,741)</b>	<b>6,678,482</b>	<b>1254%</b>	<b>(516,587)</b>	<b>6,662,329</b>	<b>1290%</b>

HPHA May 31, 2016 Actual vs Budget



	Total Revenues	Total Expenses
Actual	\$114,219,802	123,907,679
Budget	113,887,811	130,129,821

HAWAII PUBLIC HOUSING AUTHORITY  
 Consolidated Balance Sheet  
 Agency Total (Funds 130 To 150, 007, 020, 024, 181, 285, 318 & 337)  
 As of May 31, 2016 and April 30, 2016

	As of May 31 2016	As of April 30 2016	Increase (Decrease)
<b>ASSETS:</b>			
Cash	74,534,236	71,917,489	2,616,747
Receivables:			
Tenant Receivables	1,063,283	1,024,861	38,422
Other	1,197,781	1,300,325	(102,544)
Less Allowance for Doubtful Accounts	(937,748)	(924,050)	(13,698)
Total receivables	1,323,316	1,401,135	(77,819)
Accrued Interest	3,998	4,448	(451)
Prepaid Expenses	2,465,442	2,537,852	(72,410)
Inventories	544,102	538,949	5,154
Interprogram Due From	(552,070)	(429,182)	(122,888)
<b>Total Current Assets</b>	<b>78,319,024</b>	<b>75,970,690</b>	<b>2,348,334</b>
Property, Plant & Equipment:			
Land	23,824,737	23,824,737	-
Buildings	605,784,648	605,644,316	140,331
Furniture & Equipment	5,745,549	5,740,139	5,410
Motor vehicles	1,691,849	1,691,849	-
Construction in Progress	42,387,908	38,978,530	3,409,378
Less: Accumulated Depreciation	(376,646,047)	(375,038,450)	(1,607,597)
Notes, Loans & Mortgage Receivable-Non Current	8,716,630	8,716,630	-
Other Long term assets	3,137,321	3,137,321	-
Deferred Outflows of Resources	392,961,619	388,665,763	4,295,856
<b>Total Assets &amp; Deferred Outflow of Resources</b>	<b>\$ 392,961,619</b>	<b>\$ 388,665,763</b>	<b>4,295,856</b>
<b>LIABILITIES AND NET POSITION</b>			
Accounts Payable	3,449,048	2,877,439	571,609
Accrued Expenses	806,694	806,694	-
Accrued Salaries & Wages	1,567,973	1,486,141	81,832
Accrued Vacation	744,752	745,397	(645)
Tenant Security Deposits	2,168,505	2,938,963	(770,459)
Other Liabilities & Deferred Income	8,736,971	8,854,634	(117,663)
<b>Total Current Liabilities</b>	<b>18,039,316</b>	<b>18,039,316</b>	<b>-</b>
Net Pension Liability	23,355,937	23,355,937	-
Deferred Inflows of Resources	2,903,051	2,903,051	-
<b>Net Assets</b>	<b>302,788,644</b>	<b>300,841,122</b>	<b>1,947,522</b>
Investment in capital assets	371,180	371,180	-
Restricted Net Assets	46,454,896	44,853,894	1,601,002
Unrestricted Net Assets	(9,688,377)	(10,553,372)	864,994
Net Income Year to Date	339,926,343	335,512,824	4,413,519
<b>Total Net Assets</b>	<b>\$ 392,961,619</b>	<b>\$ 388,665,763</b>	<b>4,295,856</b>
<b>Total Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>\$ 392,961,619</b>	<b>\$ 388,665,763</b>	<b>4,295,856</b>

HAWAII PUBLIC HOUSING AUTHORITY  
Federal Low Rent Program  
Actual vs Budget Comparison  
For the Month of May 2016, and the 11 Months ended May 31, 2016  
(Amounts in Full Dollars)

	Month of May 2016				Year to Date ended May 31, 2016								
	Actual	Budget	Variance		Actual	Budget	Variance						
			Amount	%			Amount	%					
<b>REVENUES</b>													
Dwelling Rental Income	1,314,744	1,179,537	135,207	11%	14,064,352	12,963,669	1,100,682	8%	13,191,882	872,470	7%		
HUD Operating Subsidies	2,205,404	1,787,632	417,772	23%	21,807,743	19,660,430	2,147,313	11%	20,562,580	1,245,164	6%		
CFP Grant Income	1,623,215	78,309	1,544,906	1973%	3,075,561	861,402	2,214,159	257%	62,353	3,013,209	4833%		
COCC Fee Income	-	-	-	0%	-	-	-	0%	-	-	0%		
State CIP Fund	5,223	105,500	(100,277)	-95%	378,446	1,160,500	(782,054)	-67%	1,007,618	(629,172)	-62%		
Grant Income	177,829	347,730	(169,901)	-49%	1,752,656	3,932,386	(2,179,730)	-55%	-	1,752,656	100%		
Other Income	46,946	42,863	4,083	10%	403,612	472,662	(69,050)	-15%	2,037,614	(1,634,002)	-80%		
<b>Total Revenues</b>	<b>\$ 5,373,362</b>	<b>3,541,572</b>	<b>1,831,790</b>	<b>52%</b>	<b>\$ 41,482,371</b>	<b>39,051,049</b>	<b>2,431,321</b>	<b>6%</b>	<b>36,862,046</b>	<b>4,620,325</b>	<b>13%</b>		
<b>EXPENSES</b>													
Administrative	466,814	544,156	77,343	14%	5,166,358	5,926,831	760,473	13%	5,115,127	(51,231)	-1%		
Asset Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%		
Management Fees	239,617	253,155	13,539	5%	2,666,981	2,783,834	116,853	4%	2,703,513	36,532	1%		
Bookkeeping Fees	32,970	34,770	1,800	5%	364,440	382,365	17,925	5%	368,325	3,885	1%		
Housing Assistance Payments	3,171	115	(3,056)	-2657%	26,635	1,265	(25,370)	-2006%	3,789	(22,846)	-603%		
Tenant Services	17,133	34,162	17,029	50%	93,669	549,415	455,746	83%	288,176	194,507	67%		
Utilities	836,091	945,672	109,581	12%	9,247,634	10,401,694	1,154,060	11%	10,019,660	772,026	8%		
Maintenance	1,567,920	1,356,903	(211,018)	-16%	14,147,399	15,414,930	1,267,531	8%	12,528,874	(1,618,525)	-13%		
Protective Services	191,205	196,529	5,325	3%	2,049,795	2,161,823	112,028	5%	1,979,456	(70,339)	-4%		
Insurance	55,891	62,792	6,902	11%	615,957	690,548	74,591	11%	704,516	88,559	13%		
Depreciation Expense	1,233,951	1,213,257	(20,694)	-2%	13,480,786	13,345,827	(134,959)	-1%	12,762,405	(718,381)	-6%		
Bad Debt Expense	29,161	30,228	1,067	4%	145,347	154,575	9,229	6%	300,445	155,098	52%		
General Expenses	3,430	7,605	4,175	55%	33,129	91,108	57,979	64%	168,686	135,557	80%		
<b>Total Expenses</b>	<b>4,677,353</b>	<b>4,679,344</b>	<b>1,991</b>	<b>0%</b>	<b>48,038,130</b>	<b>51,904,214</b>	<b>3,866,085</b>	<b>7%</b>	<b>46,942,972</b>	<b>(1,095,158)</b>	<b>-2%</b>		
<b>Net Income(Loss)</b>	<b>\$ 696,009</b>	<b>(1,137,773)</b>	<b>1,833,782</b>	<b>161%</b>	<b>\$ (6,555,759)</b>	<b>(12,853,165)</b>	<b>6,297,406</b>	<b>49%</b>	<b>(10,080,925)</b>	<b>3,525,166</b>	<b>35%</b>		
<b>CASH BASIS:</b>													
Net Income(loss) per Above	696,009	(1,137,773)	1,833,782	161%	(6,555,759)	(12,853,165)	6,297,406	49%	(10,080,925)	3,525,166	35%		
Add back non cash items:													
Depreciation Expense	1,233,951	1,213,257	20,694	2%	13,480,786	13,345,827	134,959	1%	12,762,405	718,381	6%		
Bad Debt Expense	29,161	30,228	(1,067)	-4%	145,347	154,575	(9,229)	-6%	300,445	(155,098)	-52%		
<b>TOTAL CASH BASIS</b>	<b>\$ 1,959,121</b>	<b>105,712</b>	<b>1,853,409</b>	<b>1753%</b>	<b>\$ 7,070,374</b>	<b>647,237</b>	<b>6,423,137</b>	<b>992%</b>	<b>2,981,925</b>	<b>4,088,449</b>	<b>137%</b>		













HAWAII PUBLIC HOUSING AUTHORITY  
Section 8 Contract Administration  
Actual vs Budget Comparison

For the Month of May 2016, and the 11 Months ended May 31, 2016  
(Amounts in Full Dollars)

	Month of May 2016			Year to Date ended May 31, 2016			Variance	
	Actual	Budget	%	Actual	Budget	%	Amount	%
<b>REVENUES</b>								
Dwelling Rental Income	-	-	0%	-	-	0%	-	-
HUD Operating Subsidies	2,643,950	2,573,064	3%	29,659,038	28,303,704	5%	1,355,334	1,172,710
CFP Grant Income	-	-	0%	-	-	0%	-	-
COCC Fee Income	-	-	0%	-	-	0%	-	-
Grant Income	-	-	0%	-	-	0%	-	-
Other Income	18	15	18%	179	165	8%	14	187,036
<b>Total Revenues</b>	<b>\$ 2,643,967</b>	<b>2,573,079</b>	<b>3%</b>	<b>\$ 29,659,217</b>	<b>28,303,869</b>	<b>5%</b>	<b>1,355,348</b>	<b>1,359,747</b>
<b>EXPENSES</b>								
Administrative	87,901	76,959	-14%	849,261	854,049	1%	4,788	(750,053)
Asset Management Fees	-	-	0%	-	-	0%	-	-
Management Fees	-	15,750	100%	-	173,250	100%	173,250	804,015
Bookkeeping Fees	-	1,875	100%	-	20,625	100%	20,625	-
Housing Assistance Payments	2,532,464	2,476,700	-2%	28,568,790	27,243,700	-5%	(1,325,090)	(1,044,244)
Tenant Services	-	-	0%	-	-	0%	-	-
Utilities	-	-	0%	-	-	0%	-	-
Maintenance	-	791	100%	-	8,701	100%	8,701	-
Protective Services	-	-	0%	-	-	0%	-	-
Insurance	-	-	0%	-	-	0%	-	-
General Expenses	-	450	100%	10,256	4,950	-107%	(5,306)	5,261
<b>Total Expenses</b>	<b>2,620,364</b>	<b>2,572,525</b>	<b>-2%</b>	<b>29,428,307</b>	<b>28,305,275</b>	<b>-4%</b>	<b>(1,123,032)</b>	<b>(995,276)</b>
<b>Net Income(Loss)</b>	<b>\$ 23,603</b>	<b>554</b>	<b>4160%</b>	<b>\$ 230,910</b>	<b>(1,406)</b>	<b>16523%</b>	<b>232,316</b>	<b>364,470</b>
<b>CASH BASIS:</b>								
Net Income(loss) per Above	23,603	554	4160%	230,910	(1,406)	16523%	232,316	364,470
Add back non cash items:	-	-	0%	-	-	0%	-	-
Depreciation Expense	-	-	0%	-	-	0%	-	-
Bad Debt Expense	-	-	0%	-	-	0%	-	-
<b>TOTAL CASH BASIS</b>	<b>\$ 23,603</b>	<b>554</b>	<b>4160%</b>	<b>\$ 230,910</b>	<b>(1,406)</b>	<b>16523%</b>	<b>232,316</b>	<b>364,470</b>

**HAWAII PUBLIC HOUSING AUTHORITY**  
**Central Office Cost Center**  
**Actual vs Budget Comparison**  
**For the Month of May 2016, and the 11 Months ended May 31, 2016**  
**(Amounts in Full Dollars)**

	Month of May 2016			Year to Date ended May 31, 2016			Variance Amount	Variance %
	Actual	Budget	Variance Amount	Actual	Budget	Variance Amount		
<b>REVENUES</b>								
Dwelling Rental Income	-	-	-	-	-	-	-	0%
Ongoing Admin Fee Earned	1,416	-	1,416	58,096	-	58,096	58,096	100%
CFP Grant Income	1,762	168,397	(166,635)	910,031	1,852,365	(942,334)	910,031	100%
COCC Fee Income	372,349	399,425	(27,076)	4,120,414	4,393,675	(273,261)	(6,378)	0%
Grant Income	9,034	-	9,034	104,352	1,168,747	(1,064,395)	104,352	100%
Other Income	305,490	258,186	47,304	2,657,229	2,882,646	(225,417)	233,931	10%
<b>Total Revenues</b>	<b>\$ 690,051</b>	<b>826,008</b>	<b>(135,957)</b>	<b>\$ 7,850,122</b>	<b>10,297,433</b>	<b>(2,447,311)</b>	<b>1,300,032</b>	<b>20%</b>
<b>EXPENSES</b>								
Administrative	659,946	757,421	97,475	6,990,367	8,345,936	1,355,570	33,219	0%
Asset Management Fees	-	-	-	-	-	-	-	0%
Management Fees	-	-	-	-	-	-	-	0%
Bookkeeping Fees	-	-	-	-	-	-	-	0%
Housing Assistance Payments	-	-	-	-	-	-	-	0%
Tenant Services	1,392	640	(752)	28,156	7,040	(21,116)	866	-3150%
Utilities	7,537	12,123	4,586	97,142	133,266	36,124	93,335	-4%
Maintenance	294,724	259,047	(35,677)	3,001,550	2,846,760	(154,790)	(157,645)	-6%
Protective Services	1,404	785	(620)	9,585	8,631	(953)	273	3%
Insurance	8,466	3,391	(5,075)	87,459	37,302	(50,157)	38,134	-129%
Depreciation Expense	4,013	4,013	-	44,143	44,143	-	21,655	-104%
General Expenses	7,246	5,282	(1,964)	1,338,996	83,702	(1,255,294)	268,926	-398%
<b>Total Expenses</b>	<b>984,728</b>	<b>1,042,701</b>	<b>57,973</b>	<b>11,597,397</b>	<b>11,506,781</b>	<b>(90,616)</b>	<b>(1,297,132)</b>	<b>-13%</b>
<b>Net Income(Loss)</b>	<b>\$ (294,677)</b>	<b>(216,694)</b>	<b>(77,983)</b>	<b>\$ (3,747,275)</b>	<b>(1,209,348)</b>	<b>(2,537,927)</b>	<b>2,900</b>	<b>0%</b>
<b>CASH BASIS:</b>								
Net Income(loss) per Above	(294,677)	(216,694)	(77,983)	(3,747,275)	(1,209,348)	(2,537,927)	2,900	0%
Add back non cash items:								
Depreciation Expense	4,013	4,013	-	44,143	44,143	-	21,655	104%
Bad Debt Expense	-	-	-	-	-	-	-	0%
<b>TOTAL CASH BASIS</b>	<b>\$ (290,664)</b>	<b>(212,681)</b>	<b>(77,983)</b>	<b>\$ (3,703,132)</b>	<b>(1,165,205)</b>	<b>(2,537,927)</b>	<b>25,388</b>	<b>1%</b>

### III. Contract & Procurement Office

#### A. Solicitation(s) Issued in June 2016:

Solicitation No.	Title	Due Date
RFQ PMB-2016-36	Fencing Material for Puuwai Momi (AMP 3) on the Island of Oahu	June 15, 2016
RFQ PMB-2016-34	Portable Fire Extinguishers for AMP 38 on the Island of Kauai	July 7, 2016
RFP PMB-2016-30	Property Management, Maintenance and Resident Services for Asset Management Project 44 on the Island of Oahu	July 25, 2016

#### B. Contract(s) Executed in June 2016:

Contract No.	Contractor & Description	Amount
CMS 16-12	<b>All Maintenance and Repair, LLC</b> Provide Labor, Material and Equipment for Trash Chute Repair at Punchbowl Homes, Makamae, and Pumehana (AMP 35) on the Island of Oahu Completion Date: 360 Calendar Days from Notice to Proceed	Total Amount: \$1,262,757.00
CMS 16-11	<b>D&amp;C Construction, Inc.</b> Provide Additional Labor, Material, and Equipment for Installation of Backflow Preventers at Paoakalani and Kalakaua Homes (AMP 54) on the Island of Oahu Completion Date: 90 Calendar Days from NTP	Total Amount: \$159,000.00
CMS 16-10	<b>D&amp;C Construction, Inc.</b> Provide Preventive Maintenance Services for Existing and New Boilers, Water Heaters, Heat Pumps, Hot Water Storage Tanks, Booster Pumps, and Backflow Preventers at Hale Poai, Halia Hale, Kamalu, Hoolulu, and Laiola (MU 42) on the Island of Oahu Completion Date: 12-Months from NTP	Total Amount: \$6,473.48

B. Contract(s) Executed in June 2016 (cont.):

Contract No.	Contractor & Description	Amount
CMS 16-09	<b>D&amp;C Construction, Inc.</b> Replace or Upgrade Existing Boilers, Water Heaters, Heat Pumps, Hot Water Storage Tanks, Booster Pumps, and Backflow Preventers at Hale Poai, Halia Hale, Kamalu, Hoolulu, and Laiola (MU 42) on the Island of Oahu Completion Date: 270 Calendar Days from NTP	Total Amount: \$931,750.00
CMS 15-13-SC02	<b>All Maintenance and Repair, LLC</b> Provide Additional Labor, Material and Equipment and Extension of Time of 105 Calendar Days for Accessibility and Site Improvements at Hookipa Kahaluu (AMP 45) on the Island of Oahu Completion Date: August 11, 2016	Suppl Amount: \$62,100.00  Total Amount: \$4,789,844.00
CMS 15-10-SC01	<b>Wade Thode dba O&amp;M Enterprises</b> Continue to Provide Preventive Maintenance Services for the Sewage Treatment Plant at Kupuna Homes O Waialua (AMP 49) on the Island of Oahu End Date: June 30, 2017	Suppl Amount: \$49,296.00  Total Amount: \$96,696.00
CMS 15-09-SC01	<b>Wade Thode dba O&amp;M Enterprises</b> Continue to Provide Preventive Maintenance Services for the Sewage Lift Pump Station at Wahiawa Terrace (AMP 49) on the Island of Oahu End Date: July 15, 2017	Suppl Amount: \$8,890.75  Total Amount: \$17,439.55
CMS 15-04-SC02	<b>T. Iida Contracting, Ltd.</b> Provide Additional Labor, Material, and Equipment, Extension of Time of 95 Calendar Days for Abatement and Modernization of Puahala Homes – Phase I, Buildings 4, 5 & 6 (AMP 31) on the Island of Oahu Completion Date: October 13, 2016	Suppl Amount: \$62,752.00  Total Amount: \$4,999,284.40
CMS 15-03-CO02	<b>StarCom Builders, Inc.</b> No-Cost Extension of Time of 30 Calendar Days for Repair to Trash Chute at Makua Alii (AMP 35) on the Island of LOahu Completion Date: July 5, 2016	Suppl Amount: n/a  Total Amount: \$871,302.49

B. Contract(s) Executed in June 2016 (cont.):

Contract No.	Contractor & Description	Amount
CMS 14-30-SC01	<b>Diède Construction, Inc.</b> Provide Additional Labor, Material and Equipment, Reduction in Scope of Services and Extension of Time of 87 Calendar Days for Modernization of Mayor Wright Homes (AMP 32) on the Island of Oahu Completion Date: June 11, 2016	Suppl Amount: (\$514,043.99) Credit  Total Amount: \$5,128,993.73
CMS 14-30-CO08	<b>Diède Construction, Inc.</b> Provide Additional Labor, Material and Equipment, Reduction in Scope of Services and Extension of Time of 27 Calendar Days for Modernization of Mayor Wright Homes (AMP 32) on the Island of Oahu Completion Date: September 6, 2016	Suppl Amount: (\$23,298.38) Credit  Total Amount: \$4,908,374.79
CMS 14-28-CO05	<b>Diède Construction, Inc.</b> No-Cost Extension of 60 Calendar Days for Accessibility and Site Improvements at Kauhale Ohana (AMP 45) on the Island of Oahu Completion Date: July 19, 2016	Suppl Amount: n/a  Total Amount: \$2,583,067.40
CMS 14-28-CO04	<b>Diède Construction, Inc.</b> Provide Additional Labor, Material and Equipment and Extension of Time of 36 Calendar Days for Accessibility and Site Improvements at Kauhale Ohana (AMP 45) on the Island of Oahu Completion Date: May 20, 2016	Suppl Amount: \$45,522.42  Total Amount: \$2,583,067.40
CMS 14-27-SC01	<b>T. Iida Contracting, Ltd.</b> Provide Additional Labor, Material and Equipment, Reduction in Scope of Services and Extension of Time of 318 Calendar Days for Modernization of Mayor Wright Homes (AMP 32) on the Island of Oahu Completion Date: September 18, 2016	Suppl Amount: (\$409,210.00) Credit  Total Amount: \$5,308,790.00
CMS 14-10-SC06	<b>Heartwood Pacific, LLC</b> Provide Additional Labor, Material and Equipment and Extension of Time of 28 Calendar Days for Site and Building Improvements at Pomaikai (AMP 37) on the Island of Hawaii Completion Date: July 15, 2016	Suppl Amount: \$92,107.00  Total Amount: \$3,637,066.00

B. Contract(s) Executed in June 2016 (cont.):

Contract No.	Contractor & Description	Amount
CMS 14-04-SC05	<b>Hako Plumbing, Inc. dba Hako Construction</b> Provide Additional Labor, Material, and Equipment and Extension of Time of 90 Calendar Days for Modernization of Salt Lake Apartments (AMP 30) on the Island of Oahu Completion Date: October 12, 2016	Suppl Amount: \$21,914.21  Total Amount: \$3,926,936.05
CMS 11-02-SC09	<b>Ralph S. Inouye, Co.</b> Reduction in Scope of Services for Building Improvement at Hale Poai (MU 42) on the Island of Oahu Completion Date: February 1, 2016	Suppl Amount: (\$471,478.66) Credit  Total Amount: \$2,489,277.34
PMB 16-06	<b>Hawaii Affordable Properties, Inc.</b> Provide Property Management and Maintenance Services for the Affordable Rental Housing Property known as Ke Kumu Ekahi on the Island of Hawaii End Date: December 31, 2016	Total Amount: \$203,087.00
PMB 16-05	<b>Hawaii Affordable Properties, Inc.</b> Provide Property Management, Maintenance and Resident Services for Noelani I, Noelani II, Hale Hauoli, Ke Kumu Ekolu, and Ke Kumu Elua (AMP 46) on the Island of Hawaii End Date: December 31, 2016	Total Amount: \$399,918.00
PMB 14-12-SC02	<b>Rolloffs Hawaii, LLC</b> Continue to Furnish Refuse Collection Services for Puuwai Momi, Hale Laulima, Salt Lake Apts, Waipahu I, Waipahu II (AMP 30), and Waimaha-Sunflower, Kauioakalani, Maili I, Maili II, Nanakuli Homes (AMP 44) on the Island of Oahu End Date: June 30, 2017	Suppl Amount: \$89,710.83  Total Amount: \$434,701.35
PMB 14-11-SC02	<b>Maximum Events Security, LLC</b> Continue to Furnish Security Services at Kalakaua Homes, Paoakalani, Makua Alii (AMP 34) on Island of Oahu End Date: June 30, 2017	Suppl Amount: \$96,734.88  Total Amount: \$289,759.56

B. Contract(s) Executed in June 2016 (cont.):

Contract No.	Contractor & Description	Amount
PMB 14-10-SC03	<p><b>Pacific Waste, Inc.</b>            Continue to Furnish Refuse Collection Services for Lanakila Homes, Hale Aloha O Puna, Hale Olaloa, Kauhale O Hanakahi, Pahala, Pomaikai Homes, Punahale Homes, Lokahi (AMP 37) on the Island of Hawaii            End Date: June 30, 2017</p>	<p>Suppl Amount: \$96,869.05             Total Amount: \$425,050.81</p>
PMB 14-09-SC02	<p><b>Aloha Waste Systems, Inc.</b>            Continue to Furnish Refuse Collection Services for Kahelili Terrace, David Malo Circle, Makani Kai Hale, Piilani Homes (AMP 39) on the Island of Maui            End Date: June 30, 2017</p>	<p>Suppl Amount: \$43,700.40             Total Amount: \$127,053.72</p>
PMB 14-08-SC02	<p><b>Honolulu Disposal Service, Inc.</b>            Continue to Furnish Refuse Collection Services for Kaahumanu Homes and Kamehameha Homes (AMP 33) on the Island of Oahu            End Date: June 30, 2017</p>	<p>Suppl Amount: \$103,858.56             Total Amount: \$312,241.44</p>
PMB 14-07-SC04	<p><b>West Oahu Aggregate Co., Inc.</b>            Furnish Refuse Collection Services for Kalihi Valley Homes, Hauiki Homes, Puahala Homes (AMP 31), Mayor Wright Homes (AMP 32), Kalakaua Homes, Paoakalani, Makua Alii (AMP 34), Punchbowl Homes, Pumehana, Spencer House, Makamae Kalanihuia (AMP 35), Kuhio Park Terrace – Low Rise, Kuhio Homes (AMP 40), Kuhio Park Terrace Community Resource Center, Koolau Village, Hookipa Kahaluu, Kaneohe Apts, Waimanalo Homes, Kauhale Ohana (AMP 44), Wahiawa Terrace, Kupuna Home O Waialua, Kauhale Nani (AMP 49), Palolo Valley Homes (AMP 50), Hale Poai, Halia Hale, Kamalu, Hoolulu, Laiola (MU 42) on the Island of Oahu            End Date (AMP 49): September 30, 2016            End Date (AMP 50): November 30, 2016            End Date: June 30, 2017</p>	<p>Suppl Amount: \$311,034.95             Total Amount: \$1,271,941.35</p>

B. Contract(s) Executed in June 2016 (cont.):

Contract No.	Contractor & Description	Amount
PMB 14-05-SC03	<b>Transportation Concepts, Inc. dba Pacific Appliance Group, Inc.</b> Continue to Furnish Gas and Electric Ranges for Various Federal and State Public Housing Properties Statewide End Date: June 30, 2017	Suppl Amount: \$538,172.48  Total Amount: \$1,459,843.68
PMB 12-07-SC09	<b>Realty Laua LLC</b> Temporary Increase of Maintenance Staff for Property Management, Maintenance and Resident Services at AMP 44 on the Island of Oahu End Date: June 30, 2016	Suppl Amount: \$126,510.00  Total Amount: \$3,323,477.00
SPB 16-01	<b>Catholic Charities Hawaii</b> Furnish Special Rent Supplement Program Services Statewide under the HPHA's Special Rent Supplement Program Emergency Rules End Date: June 5, 2017	Total Amount: \$600,000.00

C. Planned Solicitation/Contract Activities for July/August 2016

Solicitation(s):

- Issue Invitation-for-Bids for Laundry Services for AMP 38 on the Island of Kauai.
- Issue Invitation-for-Bids for Refuse Collection Services for AMP 38 on the Island of Kauai.
- Issue Invitation-for-Bids for Provision of Refrigerators for State and Federal Low Income Public Housing Properties Statewide.
- Issue Request-for-Proposals for Property Management, Maintenance and Resident Services for AMP 49 on the Island of Oahu.

Contract(s)

- Execute New Contract to Provide Property Management, Maintenance and Resident Services for AMP 44 on the Island of Oahu.
- Execute New Contract(s) to Provide Laundry Services at AMP 34 on the Island of Oahu and AMP 39 on the Island of Molokai.
- Execute New Contract for HPHA Website Redesign Services.

- Execute New Contract to Administer and Implement the Section 8 Family Self-Sufficiency Program, the Section 8 Homeownership Option Program, and the Federal Low Income Public Housing Family Self-Sufficiency Program.
- Execute Supplemental Contract to Continue to Provide Refuse Collection Services for AMP 39 on the Island of Molokai.
- Execute Supplemental Contract(s) to Continue to Provide Property Management, Maintenance and Resident Services on the Island of Oahu.
- Execute Supplemental Contract to Continue to Furnish Emphasys Elite Software Maintenance, Technical and Training Support Services.
- Execute Supplemental Contract to Continue to Provide Emergency Generator Preventive Maintenance Services for Various AMPs on the Island of Oahu.
- Execute Supplemental Contract to Continue to Provide Elevator Preventive Maintenance Services for Various AMPs on the Island of Oahu.
- Execute Supplemental Contract to Continue to Provide Call-for-Aid Systems Maintenance at Various AMPs on the Island of Oahu.
- Execute Supplemental Contract to Continue to Provide Individual Wastewater System Maintenance at AMP 38 on the Island of Kauai.
- Execute Supplemental Interlocal Agreement to Conduct Management and Occupancy Reviews in Compliance with the HPHA's Annual Contribution Contract.

#### IV. Property Management and Maintenance Services

A.	Total Move Ins for June:	85 units
	<u>Vacancies:</u>	<u>30 units</u>
	Net gain:	55 units

HPHA conducted a mass recertification from June 23 through June 30, to place applicants from the non-preference waitlist in public housing. 30 HPHA staff from the Property Management and Maintenance Services Branch were mobilized to expedite filling of vacant-ready units with needy families. Out of an estimated 1,000 families, approximately 241 families attended the interview and about 50 were successfully placed into homes ranging from studios to 4 bedroom units.

Media coverage by KITV 4 news "*Families Line Up After Waiting Years For Affordable Housing In Hawaii*" can be found on their website: <http://www.kitv.com/story/32295350/families-line-up-after-waiting-years-for-affordable-housing-in-hawaii>.

#### B. Formal Grievance Hearings

Our grievance process is essential whenever a tenant disputes HPHA's action or failure to act, pursuant to their rental agreement with HPHA or under HPHA's regulations.

In the month of June, we have logged and dealt with 46 tenant complaints, sent out 23 response letters to tenants, and 3 to elected officials acting on their behalf. Our HPHA Hearing Officer has conducted 4 grievance hearings and received 2 further requests for future grievance hearings.

Island	Federal Public Housing (number of cases heard in June)	Type of Grievance Hearing Conducted
Oahu	4	Physical violence on the project, grieving bedroom size change, damage to property and misconduct.

#### C. Hearings

7 Eviction cases heard for the month of June 2016, 5 for rent, 2 for non-rent, criminal activities and other violations.

#### D. Program Activities

1. PMMSB staff is actively providing direct technical support to AMP managers and residents to facilitate implementation of duly elected resident associations. A Resident Association helps to enrich the community by providing coordinated and concerted programs that will support or enrich the residents of public housing.
2. PMMSB continues to provide support in assisting the IT department on a range of matters, including assistance with the WebApp Portal (opening page) and Application page to allow quick and easy on-line access for future Section 8 and LIPH (Low-Income Public Housing) applicants, updating HPHA's website, providing necessary information to upload translated documents to EmPhasys and collaborating in a Video training pilot.
3. The Family Self-Sufficiency (FSS) program has 19 active participants for our Federal Low-Income Public Housing residents, with only 11 active escrow accounts. The FSS program rewards a family by creating an FSS savings account; when the family's share of rent increases the FSS will match the increase in rent and make a monthly deposit until the family reaches their goals. The net active balance to date for the 11 families is \$55,429.00.

#### E. Planned Activities for July 2016

PMMSB continues to focus on improving our REAC scores by providing site-visits and technical support to minimize point deductions. HPHA plans to do a hands-on training that will involve managers, maintenance supervisors and Building Maintenance Workers I & II. The training will provide instruction on what an inspector is trained to look for and suggestions on how to avert and abate potential REAC violations with long term solutions.

### V. Construction Management Branch

#### A. Program Activities and Major Projects

##### **Vacant Units Undergoing Modernization as of June 29, 2016**

1. On-going construction and design continues on vacant units undergoing modernization (requiring work beyond that of routine maintenance and repairs) totaling 242 units of which 23 are State units and 219 are Federal units.

2. 11 Construction Management Branch (CMB) assigned vacant units were completed in the month of May as part of larger modernization projects.
3. Status by County of Vacant Units under construction or design:
  - a. O`ahu: 133 units total
    - 1) Demo/dispo: 4
    - 2) Under Construction: 116
    - 3) Bid: 10
    - 4) In Design/About to go out to bid: 3
  - b. Hawai`i: 86 units total
    - 1) Demolished: 62
    - 2) Under Construction: 10
    - 3) In Design/About to go out to bid: 14
  - c. Maui: 7 units total
    - 1) Under Construction: 7
  - d. Molokai: 16 units total
    - 1) In Design: 9
    - 2) Bid: 7

**O`ahu Projects:**

1. Salt Lake Apartments – Major Modernization
  - a. The design for the new water lines, fire booster pump, backflow preventer, pump room and revising the ground floor layout to accommodate new scope is ongoing. The construction is pending drawings and specifications are finalized and price negotiated with contractor. The drawings and specs are almost finalized. Once finalized and permitted, construction completion is approximately 12 months out to completion. HPHA will try to occupy units as they become available once all common areas are complete and it is available for occupancy.
2. Hale Laulima – Major Modernization
  - a. Phase 2 is under construction. Demolition and utility trenching is underway.
3. Pu`uwai Momi – Miscellaneous Repairs and Demolition of Hot Water Tanks

- a. CMB is working on an in-house design to go out for bid.
4. Kalihi Valley Homes – Major Modernization
- a. Through routine inspection another boulder has been sighted in the hillside above Kalihi Valley Homes. HPHA has contacted the Board of Water Supply, BWS, the property owner of the hillside, to investigate and remove the boulder and any other boulders encountered in their investigation. BWS has retained a consultant to investigate and HPHA is awaiting a response from Board of Water Supply as to the result. HPHA sent a formal letter requesting status of the investigation on May 4, 2016. HPHA sent a second formal letter on June 21, 2016 requesting status.
  - b. Work on Buildings 19 and 20 (Phase 4b) continues. Electrical and Plumbing rough in work along. Concrete and rough carpentry work continues. The current issue is a fire hydrant. The contractor is providing a cost to repair the hydrant and associated water lines.
  - c. CMB is reviewing the Phase 5 proposal from the consultant. This work would be to work on the Administration Office, retaining walls, site work, full modernization of the remaining buildings, 2 ADA units to be fully compliant, reroofing of the rest of the buildings that have not been reroofed and repairing the community center. Estimated bid date is spring 2018 when we also hope to have enough construction funds.
5. Kuhio Park Terrace – Roadway and Site Improvements
- a. Construction is on-going. Phase 2 and sidewalk work is on-going.
  - b. HPHA, has submitted for permit, as per discussions with the City and County of Honolulu regarding street ownership and maintenance of Linapuni and Ahonui Streets. The HPHA has met with the Managing Director who has agreed to allow the guard sheds to remain. The Department of Planning and Permitting, DPP, will continue their permit review, what had been placed on hold until the street ownership and maintenance issues could be resolved.
6. Mayor Wright Homes

- a. Exterior & Interior Repairs and Site Improvements – All 78 unit bathrooms have been renovated; asphalt repaving is close to complete; repair of selective solar hot water systems are in progress; exterior concrete spall repairs are close to complete; installation of playground is completed; stairwell roof replacement is completed; selective sections of concrete walkways have been replaced; mailboxes have been installed in front of administrative building.
  - b. Security Camera System – Total of 30 security cameras have been installed at Mayor Wright Homes; Antenna purchased by and to be installed by Central Maintenance at the guard booths to provide wireless connection for security camera viewing.
7. Ka'ahumanu Homes – Site and Building Improvements:
- a. Phase 1 unit renovation is in progress (ADA conversion at 2A, 8A, 9B, 9C; partial mobility at 8B, 10A); asphalt repaving of Parking Lot 3 has been completed; replacing concrete walkways in progress; perimeter wall replacement with picket aluminum fence in progress; spall repair and building exterior painting on-going.
  - b. Upcoming Work: Phases 2, 3 and 4 of unit renovation; building signage; parking lots 1, 2 and 4 to be repaved; solar post lighting; installation of new security camera system and secured access ID system.
8. Kamehameha Homes – Building & Site Improvements
- a. HPHA is considering a reduced design to renovate unit interiors, building exteriors and site improvements.
9. Puahala Homes – Phase 1B Abatement and Modernization to Buildings 4, 5 & 6
- a. Major modernization of sixteen 4 and 5 bedroom units is on-going. Construction is expected to complete in December 2016.
  - b. The proposal to remove large boulder adjacent to Building 6 was approved and the boulder was stabilized. Demolition of the boulder and remaining rock fall protection work is in progress.

- c. Site and Building Improvements Phases I – III – the consultant contract was awarded to Architects Pacific on June 30, 2016.
- 10. Spencer House – Masonry Stabilization and Repairs
  - a. Bids for Spencer House Masonry Stabilization and Repairs were received on June 17, 2016. The CMB is presently reviewing the bids before making a recommendation of award to the lowest responsive and responsible bidder.
- 11. Punchbowl Homes
  - a. Exterior Repairs, Re-roofing, Site and ADA Improvements – The consultant has completed destructive investigations to determine the condition of the existing plumbing pipes and hazardous materials for the beginning of June.
  - b. Alapai Street Sewer Repair – HPHA is evaluating quotes received on 5/20/2016.
- 12. Punchbowl Homes, Makamae, and Pumehana – Repair to Trash Chutes.
  - a. The contract was executed on June 24, 2016 with All Maintenance and Repair LLC.
- 13. State Elderly Projects (MU 42)
  - a. Upgrade to Fire Prevention Systems – The controller for the Ho`olulu fire pump has been ordered and scheduled to arrive beginning of July. The contractor is waiting to schedule with HECO for power shut-off to the building to complete the installation. Currently the fire pump is working with the existing controller.
  - b. Improvement to Major Systems: Water Heaters, Heat Pumps and Booster Pumps – The construction contract was awarded to Doonwood Engineering with notice to proceed was issued for July 1, 2016.
  - c. Repair and Maintenance to Call for Aid Systems at Various Projects: Maintenance service to all systems is on schedule.

14. AMP 34 & 35

- a. Improvement to Major Systems at AMP 34: Water Heaters, Heat Pumps and Booster Pumps – The construction contract has been executed. Notice to proceed was issued for July 1, 2016.
- b. Upgrade to Fire Alarm Systems and Call for Aid Systems at Various Projects: Bids for AMP 34 and Punchbowl Homes (2 bid sets) were opened on June 2, 2016. Bids for Pumehana, Makamae & Kalanihuia, Spencer House (2 bid sets) were opened on June 6, 2016.
- c. Installation of Backflow Preventers (AMP 34) – The construction project was awarded to D&C Construction on May 11, 2016 with notice to proceed issued for July 11, 2016. The Pre-construction meeting is scheduled for July 8, 2016.

15. Hauiki

- a. Site and Building Improvements – The site and building improvements shall be issued as a separate Invitation to Bidders (IFB) from the rockfall mitigation work. Pre-final plans and specs have been submitted for review.
- b. Upgrade to Electrical Distribution System – HECO requires indemnification by the State for HECO's liability of temporarily connecting their electrical system to the HPHA-owned electrical system. HECO has not yet submitted a draft of their indemnification requirements for HPHA review.

16. Palolo Valley Homes

- a. Major Modernization (Phases 1 & 2) – Building 14 and 15 are currently in construction. Electrical and mechanical rough in as well as work on the parking lot and crack and spall work continues. The overall completion date is estimated at November 2016.
- b. Major Modernization (Phase 3) – The project went out to bid for Buildings 10 thru 13. The bid was opened on June 15, 2016. HPHA is currently reviewing the bids to determine the lowest responsive and responsible bidder.

17. Ko'olau Village – ADA Compliance
  - a. Construction is on-going for 5 units, administration office and community center. Units 17E, 1A, and 6A were turned back over to the AMP on or before June 27, 2016.
  
18. Ho'okipa Kahalu'u – ADA Compliance
  - a. Construction is on-going for 6 units, community center, and site improvements.
  
19. Kauhale Ohana
  - a. ADA Compliance – Construction is on-going for 3 units and site work. Units 107 and 201 were turned back over to the AMP on June 24, 2016. Unit 108 had punchlist issues to resolve. CMB will schedule walk-through before turning the unit back in service.
  - b. Maintenance of Lift Station – Maintenance service to sewage pumps is on schedule.
  
20. Makua Ali'i – Trash Chute Repair
  - a. Completion has been delayed due to scheduling fire alarm inspections and testing with the Honolulu Fire Department (HFD). The construction contract has been extended to September 3, 2016 to accommodate the HFD inspection schedule.
  
21. Kau'i'okalani – Site and Building Improvements
  - a. Bids were opened on April 22, 2016. The CMB has recommended awarding the contract to the low bidder, Paradigm Construction.
  
22. Nanakuli Homes – Drainage and Site Improvements
  - a. Bids were opened on April 12, 2016. The CMB has requested AG concurrence regarding a minor informality in the bid proposal of the apparent low bidder before making an award.

23. Maili II – Sewer, Drainage and Site Repairs
  - a. A single quote for the Sewer and Drainage Repairs at Maili II was received on June 17, 2016. The CMB is presently reviewing the quote for responsiveness and responsibility before making a recommendation of award.
24. Wahiawa Terrace – Site and Building Improvements
  - a. The construction contract was executed with Society Contracting, LLC on May 2, 2016. The start of construction is pending finalization of a relocation plan can be finalized.
25. Kupuna Home O`Waiialua – Site and Building Improvements
  - a. The consultant contract was awarded to Mitsunaga & Associates, Inc. on June 29, 2016.
26. Hale Po`ai Site and Building Improvements
  - a. The consultant contract was awarded to Architects Pacific on June 27, 2016. The draft contract is currently in progress.

**Hawai`i Projects:**

1. Lanakila Homes
  - a. Demolition of Phase IIIb (HA 1105) & IV (HA 1004) – The demolition has been halted until the issuance of the final Remediation Action Report (RAR). The 30-day commentary period ended on June 16, 2016 with no public comment submitted. The final RAR can now be issued by the HEER office. Awaiting the issuance of the final RAR.
  - b. Lanakila Public Housing – Phase IIIB & IV (HA 1105) – The construction is awaiting the issuance of the final RAR.
  - c. Lanakila Fair Housing Site Improvements – Bids were opened on May 31, 2016. Possible bid irregularity with the lowest bidder's quote. Awaiting the AG's concurrence to resolve the bid irregularity.
2. Pomaikai – Site and Building Improvements
  - a. Building 925 is 90% completed. Construction delayed due to additional work to replace the CMU infill wall between the bathrooms and obtaining the required electrical and building permit inspections by the County. Completion is anticipated on July 8, 2016.

3. Hale Hau`oli – Installation of New Sidewalk Ramp
  - a. The purchase order was awarded to Wesley D. Whaley on June 7, 2016. The Pre-Construction meeting is scheduled for July 14, 2016.
4. Noelani I & II – Replacement to Waterlines and Solar Installation
  - a. Quarterly maintenance service to the new solar hot water system is on-going.
5. AMP 46 – Investigation and Survey at Noelani I & II, Ke Kumu Ekahi, Ke Kumu Elua, Ke Kumu Ekolu for Unexploded Ordinances.
  - a. A consultant has been selected for the project. HPHA is currently working on fee negotiation and drafting the contract.
6. PHA-Wide Individual Wastewater System (IWS) Maintenance
  - a. Kaimalino: In order for DOH to issue the Permit renewal approval, HPHA needs to uncover the missing wells. A consultant conducted their site investigation on May 10, 2016 and was able to find one well. Further investigation is scheduled.
  - b. Hale Ho`okipa: In order for DOH to approve the Underground Injection Control (UIC) status report, HPHA must uncover the missing well. The consultant's team found the well on May 10, 2016.

**Mau`i County Projects:**

1. David Malo Circle and Makani Kai Hale – Physical Improvements
  - a. Contractor continue to work on Phase II, Buildings 101, 102 & 109. Construction work is on schedule.
2. Pi`ilani Homes – Major Modernization
  - a. The consultant contract was awarded to Architects Pacific on June 14, 2016 and has been signed by the consultant. It is being processed for final execution.

### **Kaua'i Projects:**

1. AMP 38 – Infrastructure and Site Improvements
  - a. The consultant contract was awarded to Mitsunaga & Associates, Inc. on June 27, 2016.
2. Kapa`a Housing – Major Modernization
  - b. The consultant contract was awarded to INK ARCH, LLC on June 28, 2016.
3. Hale Nana Kai O Kea – Bathroom Modifications
  - a. The Invitation for Bids is being prepared for in-house design project.
  - b. A hazardous materials test was conducted on May 6, 2016 for incorporation into the bid documents.
4. Home Nani & Kekaha Ha`aheo – ADA Compliance
  - a. Home Nani contract work has been completed. Closeout documents are in progress.
5. `Ele`ele Homes – Building & Site Improvements
  - a. The consultant contract has been awarded to HDR Engineering, Inc.

### **B. State Capital Improvement Projects (CIP) & Federal Capital Fund Program (CFP)**

1. HPHA fully expended the Capital Fund Program 2012 (CFP 722) by the expenditure deadline. The next Federal obligation deadline is April 12, 2017 for the 2015 (CFP 725).
2. Economic Development Initiative (EDI) Grants have two Expenditure Deadlines: September 30, 2016 for Lanakila and Kalihi Valley Homes; and September 30 2017 for Kahale Mua and Pahala. HPHA just submitted the closeout documents for the KVH EDI grant of \$380,000. HUD approval is expected next month. HPHA is on track to expending the other three EDI grants.

3. Replacement Housing Factor grant funds: There are varying federal deadlines for obligation and expenditure of these grants. The funds are entirely budgeted for the Lanakila demolition. HPHA has already expended most of the funds and is on track with all obligation and expenditure deadlines.
4. The Construction Management Branch has met all deadlines to fully encumber the \$71,643,000 in Biennium 2013 – 2015 CIP funds (\$45,643,00 for FY 2014-2015). 7 construction bids were opened and 7 consultant contracts were negotiated and awarded on time to meet the June 30 encumbrance deadline.

## **VI. Section 8 Subsidy Programs**

HPHA manages the Housing Choice Voucher Program, Project Based Voucher Program, Veteran's Affairs Supportive Housing, Non-Elderly Disabled Vouchers, Performance Based Contract Administration, and State Rent Supplement Program.

### **A. Program Activities**

1. Voucher activity for June 2016:
  - HPHA expended a total of \$2,363,878 (108.2 % of eligible HUD funds received) in housing assistance payments to private landlords for 2230 voucher holders in June 2016.
  - Four families who received a Housing Choice Voucher (HCV) from the waitlist found rental units and moved into the unit in June 2016.
  - HPHA expended \$34,601 for 162 families served under the rent supplement program statewide in June 2016.
  - As of June 2016, 446 veterans were assisted with Veterans Administration Supportive Housing Vouchers (VASH). Rental assistance was \$331,545. Eight veterans who were searching for a home found a rental unit and leased up. Nine veterans received new VASH vouchers in June 2016 and are currently in housing search.

2. Voucher lease up activity for June 2016:

	June 2016		
Voucher Type	# leased	# of vacancies	# in housing search
Housing Choice Vouchers	4		28
VASH	8		39
Kuhio Park Towers	0	0	0
Palolo Homes Project Based Section 8	3	0	5
Port In (from other PHA)	2		6

3. Inspections update:

	June 2016
Housing Quality Standards (HQS) Inspections	183
HQS Failed Inspections	77
Quality Control Inspections	3

4. Family Self Sufficiency (FSS) Program

- The Family Self Sufficiency (FSS) program assisted 51 Section 8 clients in June 2016. There were 35 active escrow accounts with a total deposit of \$5418 in June 2016.

**VII. Compliance Office**

A. Program Activities for June

- A total of Approximately 298 tenant requests for reasonable accommodations have been submitted to the compliance office since January 2016. In June, 2016, approximately 62 were processed with 26 approvals under Section 504 of the Rehabilitation Act and the Fair Housing Act were processed and approved requests were for:
  - a. Transfers to accessible or ground floor units (7);
  - b. Installation of air conditioning (6);
  - c. Approval to keep assistance animal (4);
  - d. Approval of live-in aides (2);

- e. Disability-related unit modifications (4);
  - f. Utility allowances for disability-related medical equipment (2);
  - g. Allowing tenant to remain in larger unit (1).
- Worked with the Department of the Attorney General to respond to various requests for government information;
  - Attended informational session regarding unexploded ordinances on the Big Island that could affect HPHA properties;
  - Coordinated joint effort between the HPHA and the Department of Health to maintain safe soil conditions at HPHA properties;
  - Worked with Department of the Attorney General to respond to threats of litigation and various demands from a litigious tenant;
  - Opened series of discussions with Hawai'i Civil Rights Commission about reducing the time burden associated with discrimination investigations;
  - Responded to two HCRC discrimination complaints (Mashburn v. HPHA & Moore v. HPHA);
  - Worked on Declarations of Trust and requests for procurement of title reports and read through NCHM ADA self-evaluation and transition plans for updating/finalizing.

**B. Planned activities for August/September**

- Attend training for conducting internal investigations;
- Continue to work on declarations of trust project by reviewing releases and declarations of trust forms for additional federally-assisted public housing properties for submission to the United States Department of Housing and Urban Development for execution;
- Continue to pursue changes to the Administrative Rules for the State Elderly Housing Program, State Family Housing Program, Rent Supplement Program, and other programs;
- Work with the Fair Housing Coordinators of the Counties and Hawaii Housing Finance and Development Corporation to continue to administer the joint procurement contract for the update to the fair housing analysis of impediments for the State of Hawaii;

- Complete administration of the contract with National Center for Housing Management for HPHA Self-evaluation and Transition Plan, by working with staff to finalize draft transition plans, and providing to and reviewing draft transition plans from the consultant to finalize the transition plan; and
- Draft revisions to the Admissions and Continued Occupancy Policy for the Federally Assisted Low-income Public Housing Program for the Federally Assisted Low-income Public Housing Program to implement the approved changes to the Hawaii Administrative Rules.
- Begin self-evaluations for LEP compliance under the Sirom settlement.

## **VIII. Information Technology Office**

### **A. Program Activities**

1. WordPress intranet for HPHA initiated (HPHA-HALEWIKI). Skeleton structure and Home Page finalized. Content being selected and introduced. Expected end of project by early August.
2. eSign Users added to the roster of software licenses. Testing and training planned for July. Installation and implementation of licenses and clients soon to commence upon certification.
3. HPHA migration to Office 365.
  - MS Outlook migration at mid phase. Full migration scheduled to end by August.
4. VoIP – Cabling needs for HPHA buildings being reassessed.
5. PC life cycle replacement plan ongoing.
6. Presentation and remote conferencing system implemented and deployed for share to staff.

## **IX. Human Resources**

### **A. Summary of Staffing**

Filled positions (FTE):	282
Positions budgeted (recruit and fill)	45
Other vacancies	47

**B. Program Activities**

1. New addition to HPHA Ohana: Engineer V, System Analyst IV, PMMSB Chief's secretary (temporary hire) and Hearings Assistant, Carpenter and Building Maintenance Workers
2. New addition to Multi-Skilled Worker Pilot Program: 2 electrician employees.
3. Conducted Leave Records training for all new secretaries and support clerical staff.
4. Completed audit for fiscal year leave accruals.
5. Reassessed HPHA's safety manual and year-end workers' compensation to include safety training such as driver's training, fall protection etc., to minimize workplace injury.
6. Worker's Compensation: 2 injuries reported with average lost time of 8 days.