



**Minutes of the Educational Housing Corporation Board Meeting**

**November 19, 2020**

**ZOOM Webinar**

<b>Attendees:</b>	<b>Absent:</b>
Dennis McBride, President	Maurice Goodman, Vice President
Peggy Berlese, Treasurer	Karen Schwarz
Michael Pierce	<b>Other Attendees:</b>
Jonathan Wax	Mitchell Bailey
Kate Williams Browne	Michael Kenny
	Caryn Kenny
	Carina Warne
	Bernata Slater
	Mike Claire
	Bryan Besnyi

**Call to Order and Roll Call**

The meeting was called to order at 1:05 pm. Members in attendance are listed above.

**Public Comments on Non-Agenda Items**

None

**ACTION ITEMS**

**Discussion and Approval of Process for Selecting Property Manager**

Mr. Bailey presented the enclosed staff report for discussion and approval of process for selecting a property manager. Mr. Bailey gave general context and historical information regarding the bid process that was originally expected for 2021. He said that Kenny Realty has decided not to extend their current contract and do not plan to bid on future contracts. He said staff will need to plan to initiate a process and establish a timeline for a smooth and expedient transition to a new vendor. Mr. Bailey thanked Kenny Realty for their exceptional 15 years of service.

Mr. Bailey discussed the property manager scope of work including leasing units, collecting rents and deposits, addressing resident concerns and issues, conducting maintenance and repairs, establish and maintain services and utilities, maintain compliance with regulations,

maintain financial accounts, pay necessary expenses, accurately keep necessary records, and prepare monthly and annual financial statements and budgets.

Mr. Bailey also discussed a proposed process and timeline for the Board's discussion and consideration. He said Kenny Realty is proposing to transition around March 1, 2021. Mr. Bailey discussed the bid process for a new property manager including preparing scope of work and bid documents, preparing a list of potential bidders, releasing bid documents, reviewing bids, and award contract. Mr. Bailey also asked for the appointment of a subcommittee to assist staff with the development of the scope of work. He asked that Kenny Realty be involved in the bid process and subcommittee, through a separate contract, because they know the work best.

Ms. Browne asked Kenny Realty about the scope of work and if they had anything significant to add. Mr. Kenny said that they have a more detailed list of assignments and will share that information to assist with the bid documents. Mr. Pierce said the 15-year interface with residents and the District is unique and there are many nuances involved.

Ms. Browne asked about a one-year contract versus a multi-year contract for the new vendor. Mr. Pierce said that his company does not sign agreements longer than one year because multi-year contracts are higher risk. Ms. Berlese asked about an exit clause and if one will be included. Ms. Browne said the subcommittee should look carefully at these items.

The Board discussed forming two committees: 1) A technical review subcommittee to assist with preparing bid documents and 2) A selection review committee to review bid proposals, participate in interviews, and make a recommendation to the Educational Housing Board. Mr. Pierce and Mr. McBride both volunteered to participate in the technical review committee. The Board agreed that a current tenant should participate on the selection review committee. Mr. Bailey said he would also like to include on either committee Ms. Kathy Blackwood, who is the former Executive Vice Chancellor and Chief Financial Officer, as well as Barbara Christensen, former Director of Government & Community Relations.

Mr. Wax noted the importance of having an industry expert on the Educational Housing Board. He asked if there is a plan to fill Ron Granville's vacant Board seat. Mr. Bailey said a Board member appointment update will be given at a future meeting.

In closing, Mr. Bailey informed the Board that Kenny Realty has been overly generous with their compensation rates and a new vendor may not be comparable in cost. Mr. Bailey also said staff plans to present two action items at the next meeting on December 8, 2021, including approval of limited extension of the Kenny Realty contract, and authorization to enter into a Professional Services Agreement (PSA) with Kenny Realty for services relating to transition to new property manager.

## **BOARD MEMBERS' COMMENTS AND/OR REQUESTS FOR FUTURE AGENDA ITEMS**

None

## **ADJOURN**

The meeting was adjourned at 1:50 pm.

