

CITY OF MANISTEE HOUSING COMMISSION
Regular Meeting Minutes
June 22, 2010

The Regular Meeting of the City of Manistee Housing Commission was held on June 22, 2010 at the City Council Chambers at City Hall. The meeting was called to order by President Dale Priester at 4:05 p.m.

Members Present: President Dale Priester, Vice-President Doug Parkes, Treasurer Elbert Purdom and Commissioner Harvey Good.

Members Absent: Commissioner Donna Korzeniewski.

Also Present: Clinton McKinven-Copus, Executive Director/Commission Secretary, Brandon Jensen, Deputy Director and Lorna Perski, Housing Coordinator.

Approval of Minutes

There were no corrections in the Regular Meeting Minutes of May 25, 2010. **Doug made a motion to approve the minutes of May 25, 2010.** El seconded the motion. All members present voted in favor. Motion carried.

Amendments to the Agenda

Under New Business – Review and Adoption of 2010-04 CFP 2010

Finances

The January 2010 Financial Report by Darrin Vieth of Housing Authority Accounting Specialists is included in tab 2 of the packet. Clint said that Darrin has all the materials to produce the Financial Reports through May, and he asked what reports the board members want included in the monthly packet. Harvey asked why the Ross Grant was in the negative. Darrin left the Ross Grant as it was from the last accounting firm. Clint and Bev will be going through that after the 4th of July Holiday to determine if the Ross Grant owes Operating or if Operating owes the Ross Grant. This report shows that the Operating Fund owes the Ross Grant. Doug asked how long it took Darrin to complete the January 2010 Financial reports. Clint said it took one week and he had to make some significant corrections in the financials. Darrin has calculated the PILT payment which was incorrectly calculated. El would like Darrin or someone to explain what happened to the deposits of \$16,000.00 in transit that were listed in the old financial reports from Rector, Moffit and Reader. Have these deposits cleared the bank, or what happened to them? El would also like a report of all the corrections that were made from the Rector, Moffit and Reader Financial Reports. Darrin's e-mail that Clint forwarded to El will explain some of the corrections that Darrin made. Clint reminded the commissioners that Darrin welcomes and receives direct communication from the commissioners. **The January 2010 Financial Reports were accepted and placed on file.**

Old Business

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A copy of the letter sent to Rector, Moffit and Reader, P.C. regarding the ending of our contract with them, was included. The accountants signed the agreement and agreed to our terms. We will make a final payment, and the contract with them will be fulfilled.

New Business

Brandon explained the information for the adoption of 2010-04 the 2010 Capital Fund. The first page is a listing of what general categories will be included in the 2010 CFP Budget. Form 52840-A is the Amendment to the Consolidated Annual Contributions Contract used to accept the Capital Fund Program. On page 2 of the Annual Statement/Performance and Evaluation Report, line 20 is the original amount of \$245,836.00 which is the projected 2010 CFP and the revised (approved) amount of \$242,719.00. This figure is controlled by Congress, and is the amount allotted for 2010. There is a slight decrease because of the ARRA figures that went into the calculation, PHAS differences and a small multiplier difference. There are some differences in the Budget: on Page 1 line 9, \$10,000.00 is slated for Site Improvements for Parking Lot Sealing & Striping, line 14, \$12,500.00 is slated for Demolition of 104 and 104½ Park Avenue which has been approved by HUD in Chicago. The ACC's for the Park Avenue Units will be transferred to the Vine Street Development Units. On page 3 you will see the breakdown of the budget for Modernization, Structures, Dwelling and Equipment Upgrades. You can see the third item from the bottom the MI07802 Comp Mod – Dwelling Equipment Upgrades for \$66,000.00. By putting in new high efficiency stage sequence boilers at Harborview we will realize a great deal of energy savings, and be able increase our cash flow because the Energy Performance Contract freezes our utilities at the current rate. Brandon noted that Boilers and Make-up Air Handlers will give us a great savings over the 20 year loan. An Environmental Review will still take place for this CFP Grant. Doug asked how long we have to spend these funds. Once it is disbursed we have three years to spend the CFP. Funds are generally released by October. **Doug made a motion to adopt Resolution 2010-04 to approve 2010 CFP.** Harvey seconded the motion. All members present voted in favor. Motion carried.

Director's Report

Clint spoke about the payment of the Energy Performance Contract loan that will need to be paid soon. A significant portion of the energy savings that we should have recognized by now has not occurred due to the delay in installation of the water upgrades. There will be a special meeting with Siemen's on August 10, 2010 during which they will report on the delays and future of the Energy Performance Contract. We will be receiving a check from Siemen's by June 30th in the amount of \$31,500.00 to compensate for the loss in savings due to the delays in installation.

Clint reported that employees and board members had each received Guardian Group Insurance Benefit due to the profits realized by Housing Authority Insurance Group. This is a free life insurance policy for \$5,000.00.

The Occupancy Rate has remained about the same. There are move-outs coming up by the beginning of July. We should still remain above 90% occupancy.

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Deputy Director's Report

Brandon reported that delays in ordering put installation of the Water Management portion of the Energy Performance contract behind. They are now moving forward and expect completion by July 1, 2010. The Century Terrace Exterior is now moving ahead and should be completed by the second week of August. The water upgrades will begin in Harborview on June 28, 2010. All construction needs to be complete so we can handle payment of the loans through energy savings.

The Vine Street Development is now complete. In PIC Management System (the HUD Website that has unit listings) they need to remove 104 and 104 1/2 Park Avenue first and then recognize the new developments at Vine Street. It may be the end of July before we get this final approval by HUD. We have the Certification of Occupancy for the new units. This will hopefully be complete by the end of July. Demo of the Park Avenue Units is pending.

There has been a lot of activity regarding the Capital Fund Five Year Planning which include Energy Upgrades to save more energy, Demolition of the Park Avenue Units, New Boilers, New Architectural/Engineering Firm and Security Contracts. Our goal is to get energy retro-fit upgrades into the housing authority as quickly as possible to get a larger return on the Operating Subsidy that is going toward the loan payment for the Energy Performance Contract.

Communications

The Resident Newsletters and the CMHC Newsletter (Produced by ROSS Staff) are included in communications.

Public Comment

There were no Public Comments.

Commissioner Report – Comments/Concerns

Harvey brought up the problems with the New Dryers in the Laundry Room back-drafting and having problems drying. He also said they are not getting the clothes dry. Also he mentioned having to have the door closed to the laundry room. Brandon reported that when we found out that we need to have the door closed due to the fire hazard, he contacted our Fire Protection Company immediately and scheduled them to put in a magnetic automatic door closer tied into Harborview's central fire system so that door to close in case of fire. The problem is we will need to pull permits to change the existing fire system. Great Lakes Laundry is having difficulty getting the permits they need to install the fixes. Permits need to be approved so the work can be done. These dryers are much more powerful than the old ones, causing the back-drafting. Great Lakes Laundry is now specking a fan to stop the back-draft. Harvey asked if there is any way to vent the room. Brandon has already contacted the HVAC supplier to see if there was a way. The way the door is now, a handicapped person cannot get into the laundry. Brandon doesn't know why the correction is going so slowly.

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There was no further business to discuss, **Doug made a motion to adjourn the meeting.** Harvey seconded the motion. All members present voted in favor. Motion carried.



Dale Priester
President



Clinton McKinven-Copus
Executive Director
Commission Secretary