

City of Manistee Housing Commission
Special Meeting Minutes
August 10, 2010

The Special Meeting of the City of Manistee Housing Commission was held on Tuesday, August 10, 2010 in the Community Room at Harbor View Apartments. The meeting was called to order by President Dale Priester at 4:05pm.

Members Present: President Dale Priester, Vice-President Doug Parkes, Commissioner Donna Korzeniewski and Commissioner Harvey Good.

Members Absent: Treasurer Elbert Purdom

Also Present: Clinton McKinven-Copus, Executive Director/Commission Secretary, and Brandon Jensen, Deputy Director, Derek Decker, Performance Assurance Engineer (Siemens Industries), Frank Gagliardi, Operations Manager (Siemens Industries).

Discussion Items

Manistee Housing Commission Action Items for the Energy Performance Contract (EPC)

Clinton started by explaining the performance assurance guarantee that was provided by Siemens during the Construction Period. The guaranteed savings during the construction period was not apparent due to scheduling issues. Siemens issued a check to the CMHC for the construction period savings amount to "make the Commission whole" as Frank put it, and honor the guarantee in the contract signed by the Board President, Executive Director, and Siemens. Frank explained that it was the fault of Siemens and its sub contractors for not meeting the construction deadlines. Frank also explained that the utility guarantee savings period has begun as of July 1st despite all systems not being installed as of August 10, 2010. He said that Siemens is at risk and any lost utility dollars due to systems not being installed will be reimbursed to the CMHC. There was no further discussion from Siemens or the board on this matter so Clinton moved onto the action item list from the meeting with CMHC representatives and Siemens on August, 3, 2010.

Clinton started by explaining the requested revision to Exhibit F in the contract and that it match the amended project price stated in the contract addendum. Frank had no problem in doing this and it will be completed immediately. Dale asked why the contract price was amended and Frank clarified that this was due to financing and interest rate numbers. The goal was to ensure that the project cash flowed per the HUD approved EPC model.

Clinton next discussed the toilet seat height issues staff have encountered after the first month of installation. There are many tenant complaints about toilets being too low. Doug asked if the toilet seats were replaced like for like and asked if they met all required ADA and codes. Frank and Brandon discussed this at the 8/3/2010 meeting and confirmed that all units were replaced like for like and that all toilets meet the required codes. Tenants however, have voiced their opinion on the seats being lower. Frank stated that the toilet seats are molded in a different way which may appear and feel slightly lower. Frank continued by saying Dave Evancho with Siemens will be brining raised toilet seat samples to Brandon for testing this week. Doug asked if tenants could purchase their own raised toilet seats. Brandon said this would not

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be a problem, and would even offer maintenance to install it free of charge. The discussion on toilet seats ended with the general consensus that seats would remain the same and that tenants would be allowed to purchase higher seats if they choose to do so.

The next discussion item is in regards to the new lower flow shower head fixtures. Tenants at Century Terrace have signed a petition and have stated that their flow pressure has reduced and cannot get clean and are spending twice as long in the showers as they previously did. Brandon stated that the existing shower heads were 2.5 GPM shower heads and Siemens were to reduce this to 2.0 GPM. In fact the shower heads that were installed were also 2.5 GPM and a reducer was installed at the outlet reducing the flow rates. Brandon has investigated the tenant complaints thoroughly and found that while the pressure appears fine, the stream is very fine which would make it difficult to get soap out of tenants hair (as the complaint has been). Brandon questioned why the shower heads were even changed if they were only going to install a reducer. Frank was not certain to this matter and said he would investigate. Clinton asked if the old shower heads were still available for reinstallation. Brandon was told by Water Management that they have been discarded at the time of replacement. Doug asked if the tenants could purchase their own showerheads. Brandon stated that he would, like the toilet seats, offer free installation by the CMHC maintenance staff to install new shower head wands. This would not only ensure proper installation, but this would also ensure that the flow reduction valve was still installed and working properly. Clinton asked about Harbor View shower heads, and the status of these, as no reduction valve has been installed yet. Brandon stated that all shower heads have been replaced with the new 2.5 GPM fixtures, but no reduction valves have been installed because of pipe fitting issues encountered by Water Management. Frank asked what the preference of the CMHC would be at HV in terms of water reduction. Brandon stated he would prefer the reduction valves be installed (similar to Century Terrace) and offer free installation to tenants who wish to purchase new shower heads. Frank said he would look into where Water Management was at in the installation and finding of these reduction valves.

Dale asked about the next action item being the Styrofoam particles being drawn into the window mounted (resident owned) A/C units at Century Terrace. Dale along with commissioners were concerned about the correct operation of these units as Manistee is currently experience high heat. Frank said that the Styrofoam was not effecting the A/C units at Century Terrace. Brandon corrected him by stating that the first unit checked by Superior Design (EFIS contractor) where EFIS work has already occurred was clogged and substantial quantities of Styrofoam was blown out of the system. Frank made note of this to verify and check into the cleaning process for these effected units. Brandon stated he had discussed the schedule with Ken (Superior Design), Dave (Siemens), and clean up at the end of the project will also include the blowing out of all window mounted A/C units. Brandon also stated that condensation in the systems catches the blown particles of Styrofoam, and 48 hour shut down of these units will be highly recommended in order to ensure their complete cleaning. Clinton was concerned that completion in late August will put Manistee in one of the hottest times of the summer and could be hard on tenants. Brandon stated he will send notification to all tenants, and stating the problems with the Styrofoam, and that if tenants do not comply with the shut off timing, it will be their responsibility and liability if their A/C unit does not function properly. All A/C units will be blown out regardless.

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The issue of CMHC maintenance overtime was brought up regarding problems with systems installed by Siemens. Frank assured the Commissioners and staff that they would be reimbursed in full for overtime paid out to CMHC maintenance.

Clinton discussed the Performance Assurance Program (PASP) and the work that the CMHC will be doing with Siemens, specifically Performance Assurance Engineer, Derek Decker. Derek explained the process of how the PASP would work. Harvey asked what would happen if more utilities were being used because of alteration or modification of day to day activities or CMHC practices. Derek and Brandon explained that they would be working together to keep each other informed on any modernization issues or major alteration so the baseline could be adjusted accordingly to reflect the change in utility use.

No further issues were discussed regarding Siemens and the Energy Performance Contract at this time. **Dale moved into executive session at 4:49pm** to discuss Union Contract Issues.

Dale moved out of executive session at 5:00pm

Doug made a motion to authorize the Executive Director and Board President to sign the negotiated amendment to the Labor Agreement between the United Steelworkers Local Union 14758-04 and the City of Manistee Housing Commission. Donna seconded. All members voted in favor. Motion Carried.

Donna made the motion to adjourn at 5:01pm. Doug Seconded. All voted in favor. Motion Carried.



Dale Priester
President



Clinton McKinven-Copus
Executive Director/Commission Secretary