

## CITY OF MANISTEE HOUSING COMMISSION

Regular Meeting  
September 17, 2007

The regular meeting of the City of Manistee Housing Commission was held on Monday, September 17, 2007 in the Council Chambers at City Hall. The meeting was called to order at 3:04 p.m. by Vice-President Doug Parkes.

Members Present: Vice-President Doug Parkes, Treasurer Elbert (Al) Purdom, Commissioner Donna Korzeniewski and Commissioner Harvey Good.

Members Absent: President Dale Priester. It was noted that President Priester is representing us at the Housing Authority Insurance Group Board Meeting in Connecticut.

Also Present: George Saylor, Attorney; T. Eftaxiadis, Consultant; Clinton McKinven-Copus, Executive Director/Secretary and Lorna Perski, Housing Coordinator.

There were no additions or corrections to the minutes. **Donna made a motion to approve the Regular Meeting Minutes of August 20, 2007.** Harvey seconded the motion. All members present voted in favor. Motion carried.

### Amendments to the Agenda

Finances – August Bills & Disbursements, August Financial Reports  
Corrected Set of Contracts from Charter for the Cable TV Service  
The Generator at Century Terrace  
The ACOP Binders

### Finances

The July 2007 Bills and Disbursements were reviewed. Al asked about the credit amount for the Yardi check on page 1. Al thought it was a voided check. Doug asked if there were any questions on the July 2007 Budget Comparison. He noted that we are a little off budget and asked Clinton if he felt it was reconcilable. Clinton said that there have been a lot of over due maintenance issues in the past year on family units, boilers, furnaces, roofs, etc., and that he needs to check on whether attorney fees need to be re-categorized from general to business activities. He felt some of the Energy Performance Funds may assist with some of these issues. Donna asked about what is included in Administrative Service Contracts. Clinton said Virus Protection Software and the Copier Contract were included, and that he would get a listing of the breakdown for the next meeting since he did not have a list of all items with him. Al asked what the check to Peach Tree Company was for. We purchase rent payment envelopes and a new rent payment box for Century Terrace from them. Doug asked if we should have a separate account for the three months operating reserve that we need to set aside. Clinton said he was not sure how the new accountant felt about this. **Al made a motion to approve the July Bills and Disbursements.** The motion was seconded by Donna. All members present voted in favor. Motion carried.

The August Bills and Disbursements were reviewed. Harvey asked about Check #651 for Troy Tech in August. That was for equipment, cameras, the new server and transferring equipment to the new offices. We also added a barracuda to the system because there were malicious programs invading our server. **Donna made a motion to approve the August Bills and Disbursements.** The motion was seconded by Harvey. All members present voted in favor. Motion carried.

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The July 2007 and August 2007 Financial Statements were accepted and placed on file.

### Communications

The Century Terrace and Harborview Newsletters are included in communications.

### Reports of the Director

Everything that is in the Reports of the Director will be covered elsewhere in the current business except the generator at Century Terrace and ACOP information.

The generator is not functioning at the moment and we have a temporary generator that is installed outside in front of the building. Clinton talked to the company and found that there is a difference of opinion on whether our generator can be repaired or not. The temporary generator will give us the same type of service as our old installed generator for now. Clinton said he and T would like to have some time for competitive bids for a new generator if we need one. They would like to have at least a month. T. Eftaxiadis noted that they have spoken with Siemens Building Technologies, Inc., who will likely will be contracted for the Energy Performance Contract. If we contract with them they will immediately go to work on assessing the need and cost of a generator. Perhaps the cost of the generator could be part of the Energy Performance Contract. Doug noted that we should possibly add the generator to the Special Meeting Agenda for September 26, 2007.

The second item was the ACOP Binders. Clinton said that he was updating the ACOP and if commissioners want the updated portions and want to keep their copies of the ACOP he will provide the updates. If you do not want a copy of the ACOP you may return your binder to the office for recycling.

### Old Business

Energy Performance Contract Recommendation and Engagement of Contractor - T. Eftaxiadis provided a document that summarizes the procurement of the Energy Performance Contractor and also a draft of a memorandum of agreement between the City of Manistee Housing Commission and Siemens Building Technologies, Inc. The format for the memorandum of agreement was provided by Siemens and was used with another housing authority. We made some revisions and want it to be very clear that we will only authorize them to proceed with Phase 1 of the contract which is the comprehensive audit. It is customary and normal that the firm that completed the Phase 1 Audit will be contracted to complete the main work. If for some reason we do not want to enter into Phase 2, which can be 2-20 years, we can stop with Siemens at the end of three months. If you approve the contract Clinton will be able to sign right away and Siemens can start next week. We may take up to twenty years with reimbursement being made from Capital Funds for the Energy Performance Updates. The references that were received for Siemens were very positive. **Donna made a motion to enter into a contract with Siemens to perform Phase 1 of the Energy Performance Audit, to be performed within 90 days at a cost not to exceed \$9,900.00. The motion includes permission for Clinton to sign the contract.** The motion was seconded by Al. All members present voted in favor. Motion carried. Doug noted that once we have paid for the Energy Performance Audit it becomes our property whether we continue with Phase 2 or not.

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### New Business

Resolution 2007-12 Revision of CFP for Updated 2007 Allocation was first under new business. HUD allocated \$9,475.00 more than we had budget for the 2007 Capital Funds. We need to make a budget adjustment for this amount. Clinton has placed the additional \$9,475.00 on line 1411 Audit Expenses, this does not cover the full price of the 2006 audit, but comes close. **Al made a motion to revise the CFP Budget to include the Updated 2007 Allocation.** The motion was seconded by Harvey. All members present voted in favor. Motion carried.

Resolution 2007-13 Modification of Credit Card Policy. Clinton noted that we need to make several changes to the original Credit Card Policy that had been approved. George Saylor has reviewed the resolution. We need to add a signature behind the name of each officer, rather than just typing the name, and change the title of Assistant Director to Housing Coordinator. Clinton also discovered that each card would have \$5,000.00 credit limit for a total credit limit of \$15,000.00, instead of \$5,000.00 total for the three cards. We do not need this type of limit, but it seems that is the minimum amount available. There are enough safeguards put in place, with a full statement of credit card being expenses included with the monthly financial reports. Two of the cards will be kept in the file safe most of the time unless Clinton or Lorna are out of town for training. **Harvey made a motion to approve Resolution 2007-13 to modify the Credit Card Policy.** Al seconded the motion. All members present voted in favor. Motion carried.

Engagement of New Accountant – As Clinton listed in his Directors Report we received notification in August that Michelle Rayfield our current accountant was moving to Atlanta as her husband had taken a new position with Yardi. Soon thereafter they offered Michelle a position with Yardi, which put her in conflict with being our accountant. Michelle arranged for a new accountant to complete her present contract. The company is Rector, Moffit and Lindsay out of Atlanta. They have already begun to take over our September accounts. Clinton just wanted to bring it to the attention of the commission, it is kind of a forced choice at this point. We could RFP at this point, Al and Clint felt that we should complete this year and one additional year before we complete an RFP. Harvey asked if everything will be in the same format. Clinton is not sure at this point, but will request a sample copy of their Financial Statements to review. We will be having a conference call with office staff and the new accountant this week. **Donna made a motion allowing Clinton to sign an Engagement Letter with the firm of Rector, Moffit and Lindsay for accounting.** Harvey seconded the motion. All members present voted in favor. Motion carried.

Rewiring of Television Cable at Century Terrace and Harborview – Clinton gave a brief history of the contract which was passed out to commissioners. It came to Clinton's attention that we were getting poor reception particularly at Century Terrace. The wiring comes in at the top floor and the signal filters down to the other floors. There is a repeater on each floor, however the state of the wiring itself had deteriorated. There is also a demand beyond the basic Cable TV we provide, additional channels, the internet, cable phone service, etc. Some tenants have contracted for additional service and when the cable hits a room that has additional service it causes poor service for tenants beyond that point. Clinton asked Charter Communications to look at both Century Terrace and Harborview. Clinton discovered that if we enter into a five year contract for them to provide cable service to our buildings they will pay for the cost of the re-wiring. As they were looking at the contracts they noticed that the person who was taking care of our franchise contracts were about 2½ years behind in processing our rate increases.

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The Basic Expanded Service increase will go to \$17.99 for Century Terrace and \$17.49 for Harborview, plus administrative fees. Keep in mind that if the tenants were to purchase Cable TV directly from Charter Communications it costs \$49.99 on the street. We need to raise the Cable TV effective November 1, 2007. Our actual increase will be effective on October 1, 2007. It is Clinton's recommendation that we increase the Cable TV to \$25.00 a month which will include the current increase, the administrative fees and an additional increase at our normal contract expiration of February 2008. George Saylor mentioned that he has some issues with the contract. He feels that we may have to amend our lease as well to allow access for Charter to tenant apartments. One concern in the agreements is an easement for Charter Communications. It was an easement that would have been an encumbrance on our real estate indefinitely, it had no ending date. The easement allows Charter the right to be on the property and full access to the building. Although Charter has changed the language in the easement, George will ask Charter for additional clarification of the language before entering into the easement agreement. He felt that the easement agreement should not continue if we don't renew the contract after 5 years. After much discussion Doug asked for a motion on the Cable TV increase. Donna made a motion to increase the Cable TV to \$25.00 per month. There was no second for the motion. The Cable TV increase was tabled, a decision will be made at the Special Meeting on Wednesday, September 26, 2007.

### Public Comment

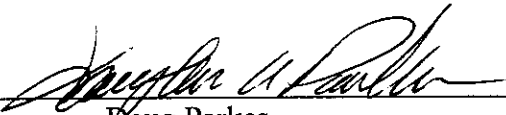
Clinton noted that he met with Dave Bachman, Chief of Police about security at Century Terrace. The Manistee City Police Department will be issued master keys for the Century Terrace Building and will begin to make unannounced patrols of the building. Clinton reported that HUD allows us to give a unit free of charge to a police officer in exchange for general policing of a building. Clinton will check into this possibility.

There was a complaint by a resident who is unable to register his vehicle and park in the Century Terrace Tenant Parking Lot. It was noted that this is because the vehicle is not being claimed as property by the tenant and is not supposed to be on our property.

### Commissioner Comments and Concerns

Harvey asked about the old office. Is it going to be turned into an apartment? We have some renderings being completed by Spicer, but we have to consider the size and use of the lobby, the mailroom, emergency pull chain alarms in the area, the entrance into the building and the privacy of a prospective tenant. Harvey also asked about the manager at Century Terrace. Clinton said he would go into Executive Session to discuss the issue, but not in public session.

There being no further business, **Donna made a motion to adjourn the meeting at 4:45 p.m.** The motion was seconded by Harvey. All members present voted in favor. Motion carried.

  
Doug Parkes  
Vice-President

  
Clinton McKinven-Copus  
Executive Director/Secretary