

CITY OF MANISTEE HOUSING COMISSION
Regular Meeting Minutes
Postponed from June
July 12, 2011

The Regular Meeting of the City of Manistee Housing Commission was held on Tuesday, July 12, 2011 at 4:00 p.m. in the City Council Chambers at City Hall.

The meeting was opened at 4:10 p.m. by President Dale Priester.

Members present: President, Dale Priester, Vice-President Doug Parkes, Treasurer Elbert Purdom, Commissioner Donna Korzeniewski and Commissioner Lawrence Bacon.

Members absent: None

Also present: Clinton McKinven-Copus, Executive Director/Commission Secretary, Beverly Pahoski, Accounts Manager and Lorna Perski, Housing Coordinator.

Approval of Minutes

The Regular Meeting Minutes of May 24, 2011 were reviewed by commissioners. There were no corrections or additions in the minutes. **Donna made a motion to approve the Regular Meeting Minutes of May 24, 2011 as written.** Commissioner Bacon seconded the motion. All members voted in favor. Motion carried.

Amendments to the Agenda

Under New Business – The Regular Meeting of the Housing Commission scheduled for August 24, 2011 will be changed to August 30, 2011. Should the Regularly scheduled meeting for July 28th be held as scheduled, as there is not much for business.

Old Business

Resolution 2011-07 Ombudsman Resolution for Financial Policies – The Cash Management and Internal Control Policies have been edited by Clint. The purpose of this resolution is the adoption of four financial policies. On page two under Procedure for Maintaining Internal Control of Assets, #2 c has been changed. Item #4 on page 3 was added. Item #17 on top of page 4 is regarding the Postage Meter. On page 5 item #3 under Cash Management was deleted. Donna asked if the Postage Meter Report will be able to track the usage of the Postage Meter? **Donna made a motion to approve Resolution 2011-07 Ombudsman Resolution for Financial Policies.** Doug seconded the motion. All members voted in favor. Motion carried.

Resolution 2011-08 Proposed Scope of Services for Special Legal Counsel/Financial Consultant for Developer Services – At the April 2011 Meeting Commissioners reviewed information regarding Special Legal Counsel/Financial Consultant for Developer Services and approved the resolution to enter into negotiations with Reno & Cavanaugh. Negotiations have proceeded to the point of the development of the proposed scope of services. It outlines the

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work and three potential development approaches CMHC may take. The cost to complete their work is \$25,000.00 which would be covered through Capital Funds, Fees and Costs. Resolution 2011-08 would formalize the contract and authorize the work to proceed. If this resolution is not approved it is the recommendation of the Executive Director that the commission dispose of the property and return any funds received to Capital Funds. Clint also noted that we are faced with the environmental due care on the property as long as it is in our possession. We can delay this for approximately a year. We don't have any public funds that can be used for this due care. Reno & Cavanaugh could possibly find a developer for this property, as well as, upgrading our other properties if we invest the \$25,000.00 for the initial work. For \$25,000.00 we would be getting \$50,000.00 in legal advice. El and Doug both said they didn't think we can afford the \$25,000.00 at this time. Clint said the property now belongs to HUD and we would need HUD approval to sell it. We can put it up for sale and see what happens with the economy. If it sells, okay, but we could still look for a developer. Clint said that at this time we need to award the bid and then put it on hold. **Doug made a motion to approve Resolution 2011-08 Proposed Scope of Services for Special Legal Counsel/Financial Consultant for Developer Services and then put it on hold at this time.** Donna seconded the motion. Elbert Purdom was opposed to the motion. Other members voted in favor. Motion carried.

Resolution 2011-09 Award of RFP 2011-02 Physical Needs Assessment and Environmental Review – HUD requires that public housing authorities perform a Physical Needs Assessment (PNA) and an Environmental Review (ER) every 5 years. Through the process of the American Recovery and Reinvestment Act of 2009 (ARRA) it was determined that CMHC must perform both in order to continue to receive Capital Funds. Compliance is required. CMHC issued RFP 2011-02 on April 5, 2011 to procure services to perform the PNA and ER. We received 7 proposals for the PNA and 4 for the ER. Federal guidelines require the award be given to the best qualified, not necessarily the lowest bidder. The CMHC evaluation team of Doug Parkes, T. Eftaxiadis and Clinton McKinven-Copus evaluated the quality of work and the e-procurement system scored the cost of the proposed. Resolution 2011-09 authorizes the awarding of the Physical Needs Assessment to EMG at a cost of \$7,000.00 and the Environmental Review to the Spicer Group at a cost of \$2,700.00 with both to be paid from Capital Funds. The required information is due to HUD by the end of October 2011. **Doug made a motion to approve Resolution 2011-09 Award of RFP 2011-02 Physical Needs Assessment and Environmental Review.** Elbert seconded the motion. All members voted in favor. Motion carried.

Resolution 2011-10 Utility Allowances – The Siemens Corporation is contracted with CMHC as part of the Energy Performance Contract to review and update CMHC resident utility allowances through the end of the contract in 2029. Clint received information from Siemens to ensure that residents are provided all the utility allowance available to them and all of the captured subsidy from the frozen rolling base utility subsidy for the housing commission. This resolution adopts the utility allowances for residents for the next year. **Doug made a motion to approve Resolution 2011-10 Utility Allowances.** Donna seconded the motion. All members voted in favor. Motion carried.

Resolution 2011-11 Welfare Benefit Plan for Employee Insurance Benefits – The

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Welfare Plan describes the type of insurance coverage provided to employees and who is eligible for those benefits. Plan 501 describes the coverage and eligibility for non-union employees. If an employee chooses to opt out of the insurance there is a \$100.00 monthly incentive paid to the employee. Under the 501 Plan employees spouse will be covered only if they have no insurance benefits through his/her employer, Medicare or Medicaid, and Children/Dependents will be 50% paid if not eligible for insurance through the other parent, Medicare or Medicaid. The change will be effective September 1, 2011. The impact of changes made to Plan 501 will be a savings of \$9,286.92. However, the Union Employees Insurance will increase \$6,144.72. There is also a bill in the legislature that will require all public employees to pay 20% of their own insurance costs if approved. **Doug made a motion to approve Resolution 2011-11 Welfare Benefit Plan for Employee Insurance Benefits.** Elbert seconded the motion. All members voted in favor. Motion carried.

The Regular August 2011 meeting scheduled for the 23rd will need to be changed as the HUD team will be here for their review. The meeting will be held on August 30, 2011.

Clint asked if the board wanted to have the regularly scheduled meeting for July, since the meeting today was for the postponed Regular June meeting. There is not much business for a second meeting this month. There will be no Regular July Meeting.

Director's Report

Clint has instituted bi-weekly management team meetings to work on Management Improvement Implementation. During these meetings a one-page Wait List Application has been created to replace the currently used 17 page full application, ACOP was reviewed with staff to be sure we were in compliance with our policy, verified current information of applicants on waiting list, updated waitlist letter in preparation for a purge in early July, reviewed Annual and Interim Reexamination Procedures in our ACOP, updated reexamination packet given to tenants and investigated procedural changes of our reexamination procedures for increased efficiency.

Public Housing Assessment System (PHAS) Interim Rule – 97% Occupancy Rate required. To reach this goal, Clint has instituted weekly all staff meetings to review vacant units and determine what must be done to lease-up units, establish rental date targets for all units, maintain oversight of progress on rent units, place an advertisement in the Manistee News Advocate and Shoppers Guide for vacancies in our one bedroom units.

ROSS Grants – There are no additional funds for the ROSS Grants to continue. We were not approved for the 2010 Grant. We have also applied for the 2011 Ross Grant and will not know until later this fall if it is approved. Bids are out for a playground for the Scattered Sites. Doug asked if we could set aside funds out the grant to pay the coordinator's unemployment. Linda is now looking for work.

Finances

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The 2010 Annual Actuarial Valuation Report for MERS of Michigan is on page 6 in the Director's Report. The minimum required monthly employer contribution now is \$0.00. It is currently funded at 131% based on 10-year smoothing. We have currently been putting in a \$6,540 per year employer contribution.

April and May Financial Statements were review by commissioners. There was a casualty loss in one of our houses due to breaking of the water pipes in the unit. This loss has affected our bottom line in April (showing a very high profit) and May (showing a deficit). Once the casualty loss is removed from the equation, our profit/loss is \$2,173.11 for April and \$251.87 for May. Elbert commented that our budget is full of holes. Clint said that the accountant should be revising this budget throughout the year. **Elbert made a motion to accept the April and May Financial Statements and place them on file.** Doug seconded the motion. All members voted in favor. Motion carried.

Clint talked to AT&T about reduced rates for the Entra Guard System, Cell Phone usage and questions about the phone bills. AT&T talked to him about getting off the Centrix System. They should be able to get us some reduced rates on the Entra Guard System. There is currently a per call charge.

The accountants in Georgia did us a disservice and we should pursue a lawsuit against them. Clint needs to find out if HUD will allow us to sue them.

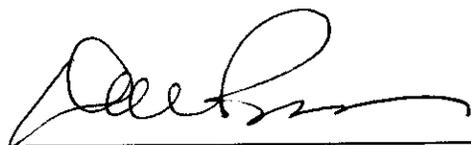
Public Comment

Dorothy Sielski of Harborview said she is being abused by Opal Anderson and the office. Opal called the office and said there was an odor coming from Dorothy's apartment and there was cat hair in the hallway.

Commissioner Comments & Concerns

Donna asked if there was a way for the board packets to be put on-line for commissioners. Clint said he would talk with Ed or John at the city to see if he could put documents on the city's computers in the Council Chambers.

There was no additional business to discuss, **Donna made a motion to adjourn the meeting at 5:34 p.m.** Doug seconded the motion. All members voted in favor. Motion carried.



Dale Priester
President



Clinton McKinven-Copus
Executive Director
Commission Secretary