

CITY OF MANISTEE HOUSING COMMISSION

Regular Meeting Minutes

November 24, 2009

The Regular Meeting of the City of Manistee Housing Commission was held on Tuesday, November 24, 2009 in the City Council Chambers at City Hall. The meeting was called to order by President Dale Priester at 4:04 pm.

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

Members Absent: None.

Also Present: Clinton McKinven-Copus, Executive Director; Brandon Jensen, Project Manager and Lorna Perski, Housing Coordinator.

Approval of Minutes

There were no additions or corrections in the Regular Meeting Minutes of October 27, 2009. **Donna made a motion to approve the Regular Meeting Minutes of October 27, 2009.** Al seconded the motion. All members voted in favor. Motion carried.

Amendments to the Agenda

There were no Amendments to the Agenda.

Old Business

There was no Old Business to discuss.

New Business

Resolution 2009-21 Written Investment of Security Deposit Funds - Tenant Security Deposits are in a Twelve Month Certificate of Deposit at National City Bank in a separate fund. For the past two years we have rolled it over with National City Bank. This resolution gives Clint and Dale the authority to price 12 Month Certificates of Deposit at other area banks. We are currently making a little over \$2,000.00 per year interest which the Housing Commission retains. We have this account in case we go out of business. **Doug made a motion to approve Resolution 2009-21 Written Investment of Security Deposit Funds.** Donna seconded the motion. All members voted in favor. Motion carried.

Resolution 2009-22 Pandemic Flu Business Continuity Plan – This plan is required by HUD to be in place in case of a Pandemic Flu Outbreak, and addresses procedures to be observed in case of such an outbreak. **Doug made a motion to approve Resolution 2009-22 Pandemic Flue Business Continuity Plan.** Al seconded the motion. All members voted in favor. Motion carried.

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Resolution 2009-23 No Smoking Policy for New Construction – All newly constructed units or units that are remodeled at a cost of \$10,000.00 or more will be no smoking units. CMHC will offer incentives to allow us to complete regular inspections of the unit during the first year. After the first year of compliance with the inspections, we will install a new washer and dryer in the unit. **Donna made a motion to approve Resolution 2009-23 No Smoking Policy for New Construction.** Doug seconded the motion. All members voted in favor. Motion carried.

Resolution 2009-24 Exemption of Units from CMHC Pet Policy – This policy will also apply to new construction or newly remodeled units. There will be no pets allowed in these units. **Doug made a motion to approve Resolution 2009-24 Exemption of Units from CMHC Pet Policy.** Donna seconded the motion. Most of the members voted in favor, Dale was opposed to this motion. Motion carried.

Century Terrace Corridor/Common Spaces Carpet Replacement Bid Award – Brandon reported that Carpet Galeria LTD has a wide array of former jobs for federal agencies and municipalities. They let Brandon know that there is asbestos tile under the carpet. The tile should be fine throughout the hallways, but will need to be removed outside of the elevators where tile will be installed. We may not be able to complete first and second floors due to the cost to remove asbestos tile on each floor outside of the elevators. Brandon recommended that we accept the bid from Carpet Galleria LTD. When we remove the old carpet if 50% or more of the tiles come up with the carpet, we will have to complete asbestos abatement. The tile is non-friable so that is less expensive to abate. The Carpet Galeria LTD bid is for carpet for Century Terrace Corridors and Common Spaces for a total cost of \$25,897.00. Brandon budgeted approximately \$39,500.00 for this project so there is extra money if needed for asbestos abatement. **Doug made a motion to accept the low bid from Carpet Galeria LTD for \$25,897.00 for carpet for the Century Terrace Corridors/Common Spaces.** Donna seconded the motion. All members voted in favor. Motion carried. Harvey mentioned that with each project we are getting more out of town people. Brandon noted that with federal dollars he has to have three bids and he could only get one bid from Manistee, so he had to re-bid the project. We have held contractor educational events to help the local contractors get through the paperwork in the past, and offered Brandon's services, but they just don't respond because of the amount of paperwork. Local contractors are also not being competitive with their suppliers and their bids are higher than out of town contractors.

Director's Report

The Energy Performance Contract financing resolution was approved October 13, 2009 pending approval of legal counsel. One last change was made in the contract. The governing body was changed to CMHC so it was not confused with the City of Manistee. Clint cannot proceed with the financing contract until we receive a letter from Bruce Gockerman. We have done the appropriate due diligence, it is a 20 year 1.2 Million Dollar Contract. The financing contract needs to be approved by November 30, 2009. Clint will let board members know by e-mail what happens with the contract by Monday.

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The Manistee Plating Property is now waiting for Mr. Penta to remove the leases and liens that are on the property for oil and gas. HUD told Clint that these leases and liens will need to be removed before they will approve the sale of the property. George spoke to HUD and told them that the leases have technically expired so the owner would have to authorize any drilling at this point. HUD will not authorize the sale without removal of the leases and liens. There is also a no drilling ordinance for the City of Manistee and the river. Al asked what the leases were. Clint explained that oil/gas companies purchase the rights to the property for oil and gas drilling.

Project Manager's Report

The Vine Street Development is progressing with windows being installed today. They are about one week behind schedule due to the gas companies installation schedule. Brandon has been doing a great deal of paperwork with reporting on the ARRA Stimulus Funds, and the CMHC is in full compliance.

Finances

Clint has received the August 2009 Financial Report including a Reconciliation Transaction Listing for Cleared Checks and Cleared Deposits. He is satisfied with the work Tenmast has completed with a couple of exceptions. Clint should have had September Reports today as well, but decided to hold off until the August Reports had been reviewed and corrected. Al noted that the August Report is on target and on budget and that we will have a better product in these new reports. Clint also noted that these are General Fund Reports only and do not include CFP Grants, MSHDA Domestic Violence Grants, etc. Al said that we need updated reports even if it is a simple report and comparison. Al said he is disappointed that our books are not in better shape, but feels we will have a better product with Tenmast. The issue with Tenmast was a mapping software issue. Clint reported that we are making significant progress with them. They have worked hard to correct this issue and have given us credit for the extra accounting costs due to the software mapping issue. They have also agreed to provide extra training to Brandy who completes our accounting. Clint noted that he will not be changing software again while he is the Executive Director. **The August 2009 Financial Reports were accepted and placed on file.**

Doug had questions on the 2008 Consolidated Audit. On page 11 Operating Revenues including Federal Grants, Dwelling Rental and Other Revenue is one amount. On page 4 and page 12 there are different numbers for the same categories, primarily cash receipts. He wanted to know if there were other things included in that cash amount. The bottom line comes out okay. It may be the way some of items were classified. Clint said that there were a few adjustments in the books. The auditor has not supplied the adjustments to us yet. There are a significant amount of journal entries because of the way our accounting is performed. We have entries when payroll is added, etc. The findings that we received from the auditors have never been seen before by our accountants who are also HUD auditors.

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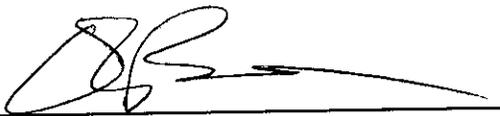
Resident Council

There were no Resident Council Members present at the meeting.

Public Comment

There were no Public Comments.

There was no additional business to discuss, **Donna made a motion to adjourn the meeting at 4:55 p.m.** Al seconded the motion. All members voted in favor. Motion carried.



Dale Priester
President



Clinton McKinven-Copus
Executive Director
Commission Secretary