City Manager's Bits & Pieces

TO: St. Joseph City Commissioners

FROM: Richard I. Lewis, City Manager

DATE: January 23, 2015

Welcome to 2015. The year started with a blast regarding the weather during the first week, but has been in our favor in completing those odds and ends around the City. In addition to the general day-to-day activity, the following are other activities going on:

Lighthouse Graffiti

Unfortunately, two weeks ago painted graffiti was discovered on the roof of the inner lighthouse. As the steward of the lights, addressing these issues is the City's responsibility. We were able to promptly obtain permission from the State Historic Preservation Office (SHPO) and National Park Service (NPS) to paint over the graffiti as an interim measure, understanding the rehabilitation work planned for this summer will treat the entire structure in accordance with the required historical standards. We thank the SHPO and NPS for their understanding and quick response. A historic contractor familiar with the lights was able to paint over the graffiti on Thursday, January 22. We feel fortunate that there was a break in the weather that allowed this work to take place before spring.

Inspection Department

With the end of January still another 10 days away this report will not include the permit quantities or fees collected. Instead this will be a status report of a number of projects now underway. Already this month, basement wall pours have been completed for the Brown and Mayberry residences; day spas Maddog 5/1 and Revive have both opened for business; Buffalo Wild Wing and United Federal Credit Union within the next month and structural steel for the elevated dining room at Silver Beach Pizza begins on Monday, January 26th. We will be advertising for a new Code Enforcement officer by the first week of February.

Public Safety

RSVP Candidate-Department of Public Safety. The department of public safety is in the process of completing the hiring process for new member, Gordon Grams of Stevensville. With the addition of Mr. Grams, there will be 18 members of the unit.

Training-Department of Public Safety. As a component of on-going training toward the goal of having all patrol members fully cross trained, six patrolmen have completed the necessary levels allowing them to be eligible to work in the fire station. This will reduce the need to call in off duty personnel to fill in when fire station staffing falls below minimum levels. The training will continue for the remaining members of patrol when weather conditions permits.

Evaluations-Department of Public Safety. Annual evaluations of patrol staff have been completed. Review of the evaluations with each staff member is underway and will complete in the near future.

Summer Reserve Officers-Department of Public Safety. The Hiring process for summer police reserves has begun. As in the past several years, these reserves will work full time during the summer months to provide security at the Whirlpool Centennial Fountain, public art overnight and parking enforcement at the City parks.

Retirement. Public Safety Officer Deniece Fisher has submitted her letter of intent to retire effective April 3, 2015 after 26 years with the department. We will be starting the process to fill the position.

Legion Baseball

Mayor Garey, Commissioner Heugel and staff meet with Jeff Bradford and Dr. Bob Stephen regarding their efforts to reestablish a Legion ball team in St. Joseph. They, rightfully so, would like to use the field at Riverview as their home field. They will continue to develop their plan and will be making a presentation to the City Commission in March. They are aware of the inquiry regarding minor league baseball.

Downtown Parking Request for Proposal (RFP)

We are working on the scope of work for the RFP and plan to have bullet points for you to review either Monday or Tuesday next week. I have also spoken to the City Manager of Rochester regarding their parking structure. He will be providing me a copy (which will also be provided to you) of the parking study they undertook which showed the need for the structures.

Board and Commissions

Attached are agendas, minutes and reports for the Benton Harbor – St. Joseph Joint Wastewater Treatment Plant and St. Joseph Housing Commission. As a reminder, you can access the agendas and minutes of the other Boards and Commissions from the WeGovern app.

Closing Thought

Share of yourself. Don't hold your feelings, your thoughts, your hopes. Share them with your friends and family. People who hold things inside tend to feel isolated, believing that other do not understand them. Those who share feel both supported and more content, even if events do not go exactly as they wish.

Have a great weekend.

JOINT BOARD OF COMMISSIONERS

Benton Harbor - St. Joseph
Joint Wastewater Treatment Plant

REGULAR MEETING

JANUARY 15, 2014

AGENDA

CALL TO ORDER.

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA.

1. APPROVAL OF THE AGENDA.
2. APPROVAL OF MINUTES DECEMBER 18, 2014 REGULAR MEETING.
3. APPROVAL OF VOUCHERS.
4. QUARTERLY FINANCIAL REPORTS.
5. CORRESPONDENCE.
6. MATERIAL & SERVICES BIDS.
7. CREDIT CARD POLICY.
8. MONTHLY OPERATION REPORTS.
9. MANAGER'S REPORT.
10. OLD BUSINESS.
11. NEW BUSINESS.
12. COMMISSIONERS' COMMENTS.
13. PUBLIC COMMENTS.
14. ADJOURNMENT.

DATE: JANUARY 15, 2015

TIME: 11:00 A.M.

PLACE: JOINT WASTEWATER TREATMENT PLANT
269 ANCHORS WAY
ST. JOSEPH, MI 49085

A regular meeting of the Joint Board of Commissioners of the Benton Harbor - St. Joseph Joint Wastewater Treatment Plant was held at the plant on December 18, 2014.

A record of attendance follows:

Name	Position	Community	Present	Absent
Ray Mak	Chairman	LMSW&STA	x	
Tim Zebell	Vice-Chairman	St. Joseph	x	
Steve Archibald	Secretary	Benton Harbor	x	
Tom Baldwin	Treasurer	Benton Township	x	
Darwin Watson	Member	Benton Harbor	x	
Lorraine Thomas	Member	St. Joseph	x	
Richard Lewis	Member	St. Joseph	x	

Also in attendance: John Hodgson - St. Joseph Alternate, Randy Hyrns – Board Attorney and Timothy Lynch, Plant Manager.

1. **Call to Order & Pledge of Allegiance:** Mr. Mak called the meeting to order at 11:00 a.m. The Pledge of Allegiance was recited. Mr. Mak asked for additions and/or corrections to the minutes of the November 20, 2014 regular meeting. There being none, the minutes were approved as mailed.

2. **Approval of Agenda:** On a motion by Baldwin, seconded by Thomas and unanimously carried; the Board approved the meeting agenda.

   11:05 a.m., Mr. Hodgson entered the meeting.

   11:07 a.m., Mr. Watson entered the meeting.

3. **Approval of Vouchers:** The following vouchers were presented for approval:

November 24, 2014	Vouchers # 33220-33242	$175,165.50
December 10, 2014	Vouchers # 33243-33264	14,955.19
November 26, 2014	ACH Payment – Synagro	34,783.35

   Moved by Zebell, seconded by Archibald to approve the vouchers as presented. The motion carried unanimously.

4. **Correspondence:** Correspondence from William Rauch of KAR Laboratories relating to a protest for a recent bid award was reviewed and discussed (see attached). The Board concurred the subject award was proper and no further action was necessary. Correspondence from the U.S. Army Corps of Engineers relating to a potential Section 129 Grant was reviewed. The Unemployment Compensation Merit Rate for 2015 as determined by Michigan Municipal League was reviewed.

5. **Local Discharge Permit Issuances:** Moved by Lewis, seconded by Watson and unanimously carried; the Board approved, effective January 1, 2015, the issuance of Local Discharge Permits to Tech Nickel, Sandvik Materials, Alutech/Chassix - Stevensville, Custometal Products, Siemens VAI Services and Freedom Finishing(see attached). Mr. Lynch reported all firms are in good standing. The five year permits will expire on December 31, 2019.

6. **Material & Services Bids:** Mr. Lynch presented laboratory supply bids based upon a specified quantity of supplies with pricing good through June 2016. On a motion by Lewis, seconded by Zebell and unanimously carried; the Board awarded the laboratory supply bid to Thomas Scientific, the low bidder. The bid results are as follows:

Thomas Scientific	$ 24,756.78 (plus $20 Hazardous Material fee per order)
Jade Scientific	25,006.18 (plus $80 S&H fee per order)
VWR	28,812.52 (No shipping included)
North Central Labs	31,086.13
Fisher Scientific	35,833.61

7. **Monthly Operation Reports:** The monthly operating reports were reviewed. The plant met all NPDES permit requirements for the month of November 2014.

8. **Manager's Report:**
   a) **Credit card policy:** Mr. Lynch reported he has been working on a revised credit card policy that includes recommendations from Plante Moran's latest financial audit. The revised policy will be brought to the Board for consideration in January.
   b) **Joint Plant featured on local television:** A segment relating to non-flushable wipes was presented on WSBT Channel 22 and featured comments from Mr. Lynch and video of the Joint Plant.
   c) **Headworks project:** The drawings and specifications are scheduled to be finalized by AECOM in mid-January. Upon final review the project should be ready for bidding.
   d) **Aeration blower replacement project:** A selection process is underway to determine the selection of the manufacturer and model of the new aeration blower.
   e) **Strategic Capital Improvement Plan update:** A meeting was held December 4th with AECOM Engineers at the Joint Plant and a final report is expected in the Spring 2015.
   f) **Aeration Gallery tunnel deck concrete repairs project**: Contract drawings and specifications are being finalized and the project is scheduled for bidding in late January/early February.
   g) **Thickener Basement painting project**: Specifications are being developed by plant staff and Mr. Lynch indicated he hopes to bring bids for the project to the Board in January.

9. **Old Business:** None

10. **New Business:** Tom Baldwin announced this would be his last meeting as a Joint Board member. He indicated a new member from Benton Township would be appointed prior to the January meeting. He reported he is proud to have served on the Board and finished by saying "Thank You" for allowing him to serve. Several Board members complimented Mr. Baldwin and thanked him for serving as well.

11. **Commissioners' Comments:** None

12. **Public Comments:** None

On a motion by Watson, seconded by Archibald and unanimously carried; the meeting was adjourned at 11:28 a.m.

_____
Steve Archibald, Secretary

Date: _____

BENTON HARBOR – ST. JOSEPH
JOINT WASTEWATER TREATMENT PLANT

MONTHLY OPERATIONAL REPORT
DECEMBER 2014

SAFETY MEETING / ACTIVITIES:

THE JOINT PLANT'S GENERAL SAFETY RULES WERE REVIEWED AND DISCUSSED. A COPY OF THE RULES WAS MADE AVAILABLE TO ALL EMPLOYEES. A WRITTEN COMPREHENSION TEST WAS ADMINISTERED TO ALL EMPLOYEES UPON COMPLETION OF THE SAFETY MEETING.

A FACILITY HOUSEKEEPING/SAFETY INSPECTION WAS PERFORMED BY A LABORER AND THE MAINTENANCE SUPERVISOR. NO SIGNIFICANT ISSUES WERE NOTED.

PRIMARY MAINTENANCE:

A SCHEDULED OIL AND FILTER CHANGE WAS COMPLETED ON RAW WASTEWATER PUMP GAS ENGINES #1 AND #2. NEW SPARKPLUGS WERE INSTALLED ON EACH ENGINE.

RAW WASTEWATER PUMP #2 WAS REMOVED FROM SERVICE FOR A SCHEDULED INSPECTION. IT WAS DETERMINED THE SHAFT SLEEVE, IMPELLER WEAR RING AND VOLUTE WEAR RING WERE WORN AND IN NEED OF REPLACEMENT. A NEW SLEEVE AND WEAR RINGS FROM SPARE INVENTORY WERE INSTALLED. ALL NEW PACKING WAS ALSO INSTALLED. THE STUFFING BOX WAS FOUND IN SERVICABLE CONDITION. NEW BOLTS WERE REQUIRED FOR THE INSTALLATION OF THE IMPELLER WEAR RING. THE WEAR RING CLEARANCES WERE ADJUSTED AND THE PUMP WAS RETURNED TO SERVICE.

THE STAINLESS POLYMER STORAGE TANK UTILIZED IN THE DISSOLVED AIR FLOTATION THICKENER PROCESS WAS REMOVED FROM SERVICE FOR A SCHEDULED CLEANING. THE TANK WAS EMPTIED, PRESSURE WASHED AND WIRE BRUSHED TO REMOVE ANY SOLIDS THAT HAD ACCUMULATED ON THE SIDES AND BOTTOM OF THE TANK. NEW FITTINGS AND FEED HOSES WERE INSTALLED ON THE TANK. UPON COMPLETION OF THE WORK, THE TANK WAS RETURNED TO SERVICE.

RAW SLUDGE PUMPS #1 AND #2 WERE REPORTED TO NOT BE PUMPING. THE PUMPS WERE REMOVED FROM SERVICE TO CHECK FOR OBSTRUCTIONS. THE PUMPS WERE ISOLATED AND FLUSHED WITH WATER. UPON INSPECTION, IT WAS DISCOVERED THAT BOTH PUMPS HAD RAGS LODGED IN THE VOLUTES. THE OBSTRUCTIONS WERE REMOVED AND THE PUMPS WERE RETURNED TO SERVICE.

ANIONIC POLYMER FEEDER #1 TO THE PLANT INFLUENT WAS FOUND NOT PUMPING. THE FEEDER WAS REMOVED FROM SERVICE, FLUSHED WITH WATER, THOROUGHLY CLEANED AND RETURNED TO SERVICE.

CATIONIC POLYMER FEEDER #2 TO THE DISSOLVED AIR FLOTATION THICKENER WAS FOUND NOT OPERATING PROPERLY. THE FEEDER WAS REMOVED FROM SERVICE, FLUSHED WITH WATER, THOROUGHLY CLEANED AND RETURNED TO SERVICE.

THE PROTECTED WATER TANK FLOAT VALVE LOCATED IN THE DIGESTER CONTROL BUILDING WAS FOUND LEAKING. THE VALVE WAS DISASSEMBLED, CLEANED, ADJUSTED AND RETURNED TO SERVICE.

FREEDOM LIFT PERFORMED A SCHEDULED QUARTERLY INSPECTION ON THE SOLIDS HANDLING BUILDING ELEVATOR. NO ISSUES WERE NOTED DURING THE INSPECTION.

THE INFLUENT COMPOSITE SAMPLER WAS FOUND NOT PROPERLY SAMPLING. THE HOSE SERVING THE SAMPLER WAS REMOVED AND FOUND TO BE CLOGGED WITH DEBRIS. THE HOSE WAS CLEANED AND THE SAMPLER WAS RETURNED TO SERVICE.

A SCHEDULED LUBE, OIL AND FILTER CHANGE WAS PERFORMED ON THE CHEVROLET MALIBU AT LEVALLEY CHEVROLET. WHILE THE CAR WAS IN FOR THE SERVICE, A RECALL ASSOCIATED WITH THE IGNITION SWITCH WAS ADDRESSED BY THE DEALER. THREE NEW KEYS WERE SUPPLIED.

THE WATER FOUNTAIN LOCATED IN THE POLYMER ROOM WAS FOUND LEAKING AT THE CONNECTION BETWEEN THE WATER SUPPLY LINE AND THE WATER VALVE. A NEW PUSH BUTTON VALVE WAS PURCHASED FROM R.A. MORT SUPPLY AND INSTALLED TO CORRECT THE SITUATION.

SECONDARY MAINTENANCE:

THE PISTON SCUM PUMP SERVING FINAL TANKS #1, #2, AND #3 WAS REMOVED FROM SERVICE FOR A SCHEDULED INSPECTION. UPON INSPECTION, IT WAS DETERMINED THE CONNECTING ROD, BUSHING AND WRIST PIN WERE WORN AND IN NEED OF REPAIR. REPAIR OPTIONS ARE BEING EVALUATED ALONG WITH PURCHASING NEW PARTS. THE PUMP HAS BEEN RETURNED TO SERVICE.

THE RETURN ACTIVATED SLUDGE PUMP #1 SEAL WATER SYSTEM WAS FOUND LEAKING. THE SEAL WATER PIPING WAS DISASSEMBLED AND INSPECTED. UPON INSPECTION, THE PRESSURE REGULATOR WAS FOUND CLOGGED. IT WAS CLEANED AND REASSEMBLED. THE SEAL WATER SYSTEM WAS REINSTALLED AND THE PUMP WAS RETURNED TO SERVICE.

ELECTRIC BLOWER #3 WAS REPORTED AS HAVING PROBLEMS DURING START-UP. MEAD & WHITE INVESTIGATED BY CHECKING THE MAIN ELECTRICAL PANEL AND THE ELECTRICALLY OPERATED AIR DISCHARGE BYPASS VALVE LOCATED IN THE BLOWER BUILDING BASEMENT. NO MOTOR OR ELECTRICAL PROBLEMS WERE DETECTED. THE DISCHARGE AIR PRESSURE GAUGE AND ITS ASSOCIATED FITTINGS WERE FOUND TO BE NOT FUNCTIONING PROPERLY. THE GAUGE AND FITTINGS WERE REPLACED. THE BLOWER EQUIPMENT APPEARS TO BE OPERATING NORMAL AND IS BEING MONITORED. NO OTHER INCIDENTS HAVE BEEN REPORTED.

SIX SURFACE FLIGHT COLLECTOR PIPES ON DISSOLVED AIR FLOTATION THICKENER #1 WERE FOUND IN NEED OF REPLACEMENT. THE SUBJECT PIPES WERE REMOVED AND SIX NEW PIPES FROM SPARE INVENTORY WERE INSTALLED. THE UNIT WAS RETURNED TO SERVICE.

THICKENER BOTTOM SLUDGE COLLECTOR #1 WAS FOUND LEAKING EXCESSIVELY AT THE WALL PENETRATION IN THE BASEMENT OF THE THICKENER BUILDING. THE PACKING GLAND WAS ADJUSTED AND THE COLLECTOR WAS RETURNED TO SERVICE.

ELECTRICAL MAINTENANCE:

ELECTRIC BLOWER #3 ELECTRIC PANEL, MOTOR AND AIR DISCHARGE BYPASS VALVE WERE DIAGNOSED.

HIGH PRESSURE SODIUM LAMPS AND FLUORESCENT LAMPS IN THE THICKENER TANK ROOM WERE REPLACED.

HIGH PRESSURE SODIUM LAMPS LOCATED OUTSIDE AT THE GALLERY BUILDING AND AT THE OVERFLOW TANKS WERE REPLACED.

THE ENGINE COOLANT TEMPERATURE SWITCH-GAUGE ON RAW WASTEWATER PUMP GAS ENGINE #2 WAS REPLACED.

THE NEW HOUR METER FOR ELECTRIC BLOWER #1 WAS REPORTED AS NOT WORKING PROPERLY. THE METER WAS CHECKED AND IT WAS DETERMINED THAT IT WAS FAULTY. THE METER WAS RETURNED TO SIMPSON ELECTRIC FOR REPAIR. UPON RETURN TO THE JOINT PLANT, THE REPAIRED METER WAS INSTALLED.

AGENDA
ST. JOSEPH HOUSING COMMISSION
REGULAR MEETING

COMMUNITY ROOM
LAKE VIEW TERRACE HIGHRISE

Thursday, January 8, 2015, at 8:30 a.m.

1. Approval of Minutes.

    a. Regular meeting of November 13, 2014.

2. Executive Director:

    a. November 2014 Previously Paid Liabilities
    b. December 2014 Previously Paid Liabilities
    c. Financial Report for November 2014
    d. Financial Report for December 2014
    e. Vacancy Report for November/December 2014
    f. Resolution 2014-20 – Records Retention Policy Changes
    g. Resolution 2015-1 - Adoption of Budget FYE 3/31/2016
    h. Resolution 2015-2 – Chemical Bank Change

3. Public Hearing for 5-Year Plan

4. Resolution 2015-3-Adoption of Five Year Plan 2015-2019

5. Guests: None

6. Comments from Audience.

7. Housing Commission Comments.

MINUTES OF A REGULAR MEETING
OF THE ST. JOSEPH HOUSING COMMISSION
OF THE CITY OF ST. JOSEPH, MICHIGAN
HELD ON THURSDAY, NOVEMBER 13, 2014

President Silverthorn called the meeting to order at 8:40 a.m.

Present: Commissioners Meyer (late), Moss and Silverthorn.

Absent: Commissioners Hutchinson (ill) and Titus (snow).

Also Present: Executive Director Nancy and Office Manager Bunni Wheeler). Residents: Muriel Adams (201), Tina Casper (507), Frank Byrd (601), Wilma Enix (801), Esther Cornelius (808), Alderida Coleman (901), Joan Wolfe (1102), Rita Quinn (1203), Deborah Daisy (1301), William Astropenia (1302) and James Ivey, Jr. (1506).

Guests: None.

The minutes of the regular meeting held on September 11, 2014 were reviewed. Commissioner Meyer, supported by Commissioner Moss, moved that the minutes be approved as presented. Motion carried unanimously.

The September 2014 List of Previously Paid Liabilities was presented to the St. Joseph Housing Commission for review. A motion was made by Commissioner Meyer, and supported by Commissioner Moss, to approve the September 2014 List of Previously Paid Liabilities in the amount of $25,168.37. Motion carried unanimously.

The October 2014 List of Previously Paid Liabilities was presented to the St. Joseph Housing Commission for review. A motion was made by Commissioner Meyer, supported by Commissioner Moss, to approve the October 2014 List of Previously Paid Liabilities in the amount of $44,219.45. Motion carried unanimously.

The Financial Report for September 2014 was presented to the St. Joseph Housing Commission. The benchmark for September is 50%. Revenues were $287,453.45 (54%) and operating expenses totaled $207,937.74 (39.4%), for a net gain of $79,515.71. A motion was made by Commissioner Meyer, supported by Commissioner Moss, to accept the September 2014 financial report. Motion carried unanimously.

The Financial Report for October 2014 was presented to the St. Joseph Housing Commission. The benchmark for October is 58.3%. Total revenues were at $329,317.70 or 61.9% and expenditures at $263,255.24 or 49.9% - a net gain of $66,062.46. There was a motion by Commissioner Meyer, supported by Commissioner Moss, to accept the October 2014 financial report. Motion carried unanimously.

Director Walker presented the Housing Commission with a Vacancy Report as of October 31, 2014. There were three vacant units entering September, four units vacated in

September and we filled four of the total seven units. This left three vacant units entering October (408-E, 1204-L, 1501-L). We filled these three but had another three vacancies in October. One of these vacancies was filled (601-2B), leaving two vacant units at the end of October (505-L, 1206-S). There are 54 people on the waiting list. There was a motion by Commissioner Meyer, supported by Commissioner Moss, to accept the Vacancy Report as of October 31, 2014 as presented. Motion carried unanimously.

Director Walker presented the following resolution to the Housing Commission

ST. JOSEPH HOUSING COMMISSION

Resolution 2014-20

RESOLUTION APPROVING CHANGES TO THE RECORDS RETENTION AND DISPOSITION POLICY

WHEREAS, the Federal Register for the Public Housing Capital Fund Program has clarified the length of records retention for that category; and

WHEREAS, records from Capital Fund Program are to be retained for five (5) years from the date of HUD approval of the actual development or modernization cost certificate; and

WHEREAS, this information needs to be added to the St. Joseph Housing Commission Records Retention and Disposition Policy;

NOW THEREFORE BE IT RESOLVED, that the St. Joseph Housing Commission approves to accept the addition of the retention period of five years for Capital Fund Program documents to the Records Retention and Disposition Policy.

During the discussion regarding the change to the Records Retention policy, Commissioner Moss asked if our attorney had reviewed the policy change and was alright with disposal of documents in five years. Director Walker stated that he hadn't been consulted – the change came through HUD guidelines. Commissioner Moss requested that we consult the attorney before adopting a change, as he may have different views pertaining to litigation and the statute of limitations. There was a motion by Commissioner Moss, supported by Commissioner Meyer, to table Resolution 2014-20 until the January 2015 meeting - after the Director has had a chance to discuss the change to the policy with the attorney. Motion carried unanimously.

The Housing Commission was presented with the Resolution 2014-21 – a resolution to adopt changes to the dwelling lease regarding the resident's responsibility to report infestation and inoperable smoke detectors. After a short discussion, the following resolution was acted upon:

ST. JOSEPH HOUSING COMMISSION
Resolution 2014-21

RESOLUTION TO AMEND THE DWELLING LEASE

WHEREAS, The St. Joseph Housing Commission has membership with The Schiff Group, a housing industry policy professional; and

WHEREAS, The Schiff Group keeps abreast of changes in HUD regulations, policies, guidelines, documents, etc. and, has suggested changes to the St. Joseph Housing Commission Dwelling Lease; and

WHEREAS, these changes are offered to strengthen and clarify the Lease regarding the resident's responsibility to immediately notify St. Joseph Housing Commission staff regarding inoperable smoke alarms and pest infestation; and

WHEREAS, failure to notify staff can result in lease termination by the St. Joseph Housing Commission; and

WHEREAS, these changes have been provided to the residents of Lake View Terrace Highrise for a 30-day review and comment period, and no comments were received by the St. Joseph Housing Commission staff;

NOW THEREFORE BE IT RESOLVED, that the St. Joseph Housing Commission adopt the proposed changes to the Dwelling Lease regarding resident responsibility of notification of inoperable smoke alarms and pest infestation to staff or face possible lease termination, effective immediately.

Commissioner Meyer **MOVED** that the foregoing Resolution be adopted as introduced and read. Commissioner Moss **SECONDED** the motion. After discussion and upon roll call vote the "ayes" and "nays" were as follows:

Ayes: 3 **Nays: 0** **Abstain: 0** **Absent: 2**

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 13th day of November, 2014.

The following resolution to accept a proposal for an elevator maintenance agreement was presented for action:

ST. JOSEPH HOUSING COMMISSION
RESOLUTION 2014-22

RESOLUTION TO AUTHORIZE SIGNING OF A THREE-YEAR ELEVATOR MAINTENANCE CONTRACT

WHEREAS, the St. Joseph Housing Commission's contract with Otis Elevator for elevator maintenance expires on December 31, 2014, and

WHEREAS, St. Joseph Housing Commission requested sealed proposals for elevator maintenance services for a three-year contract beginning January 1, 2015 and extending through December 31, 2017, with the proposals being due Friday, October 31, 2014, at 2:00 p.m., and

WHEREAS, three proposals were received and reviewed,

NOW, THEREFORE, BE IT RESOLVED, that the St. Joseph Housing Commission allow the Executive Director to enter into a three-year contract with Otis Elevator, at a price of $480.00 per month for the first year with consecutive increases and decreases in that cost be dependent directly on any labor rate adjustment under Otis' contract with the International Union of Elevator Constructors (IUEC Contract) in material and labor costs.

Commissioner Meyer **MOVED** that the foregoing Resolution be adopted as introduced and read. Commissioner Moss **SECONDED** the motion. After discussion and upon roll call vote the "ayes" and "nays" were as follows:

Ayes: 3 **Nays: 0** **Abstain: 0** **Absent: 2**

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 13th day of November, 2014.

Director Walker explained that the flat rents that were adopted in July were for CY 2014 and HUD had been late in getting Fair Market Rents (FMRs) distributed. HUD presented the FMRs for CY 2015 on time, requiring the St. Joseph Housing Commission to act upon the new figures. These changes will be effective January 1, 2015 and are reflected in the following resolution:

ST. JOSEPH HOUSING COMMISSION
Resolution 2014-23

RESOLUTION APPROVING CHANGES TO THE FLAT RENTS FOR CY 2015

WHEREAS, the Fair Market Rents (FMRs) have been established and released on by HUD October 1, 2014 for FFY 2015; and

WHEREAS, pursuant to these new provisions, the St. Joseph Housing Commission must charge no less than 80% of the Fair Market Rent (FMR) determination for this area; and

WHEREAS, this change must be implemented no later than January 1, 2015;

NOW THEREFORE BE IT RESOLVED, that the St. Joseph Housing Commission approves to accept the changes in flat rents based on the 2015 Fair Market Rent (FMR) as follows: 1) Efficiency Apartment - $394.00; 2) Small One Bedroom Apartment - $448.00; 3) Large One Bedroom Apartment - $516.00; and 4) Two Bedroom Apartment - $584.00.

Commissioner Meyer **MOVED** that the foregoing Resolution be adopted as introduced and read. Commissioner Moss **SECONDED** the motion. After discussion and upon roll call vote the "ayes" and "nays" were as follows:

Ayes: 3 **Nays: 0** **Abstain: 0** **Absent: 2**

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 13th day of November, 2014.

Director Walker presented the Housing Commission with an outstanding balance for Roger Mazigian, a former resident, to be written off of tenant accounting. Correspondence regarding this balance was forwarded to Mr. Mazigian but the envelope was returned as undeliverable. The amount is $189.78. She explained that the overdue balance will be entered into a nationwide HUD database; and, the balance is required to be paid to us before the resident is allowed to reside in low income housing again. There was a motion made by Commissioner Meyer, supported by Commissioner Moss, to write off the balance of $189.78 from the tenant account of former resident Roger Mazigian. Motion carried unanimously.

Director Walker explained to the Housing Commission that we had received fourteen new Energy Star refrigerators to replace old refrigerators. These refrigerators were obtained through an energy efficiency program between Efficiency United and various utility companies. We received a $352 rebate on each refrigerator, bringing their cost down to $241 each. The old refrigerators were recycled and need to be written off of inventory. There was a motion by Commissioner Meyer, supported by Commissioner Moss, to write off fourteen Whirlpool refrigerators – models ranging from 1982-2005. Motion carried unanimously.

The Board President asked if there were any comments from the audience. William Astopenia (1302) stated that he had a couple of issues that he had gotten no resolution while working with Housing Commission staff. He mentioned that when the heat was on in the summer it was so hot in his apartment and now that it was winter, he had no heat and that there were others with the same problem. He was told that the heat boilers are not on in the summer and that staff checks out each and every issue when told about it. Joan Wolfe (1102) also stated that she was cold all the time. Director Walker explained that utility costs continue to rise and the Housing Commission cannot afford to provide the 80-90 degree heat of the past anymore. She also stated that the Housing Commission was well within the guidelines of HUD and the Department of Energy by providing 70-74 degree heat. There are other Housing Commissions that are individually metering apartments so that the resident is responsible for paying their own utility usage. Numerous times staff is called to apartments and numerous times staff finds the heat right where it should be. We cannot raise the heat any higher or our efforts to conserve energy through

the Energy Performance Contract would be for nothing. She stated that the residents need to take some responsibility to help conserve energy, such as wearing appropriate clothing for the weather, using throw blankets, not using space heaters, etc. Deborah Daisy (1301) commented that the residents should be happy with what they have here and that the staff always goes out of their way to help her when needed. Tina Casper (507) said that she turned her heat off completely because it was too hot. Mr. Astopenia (1302) also requested that the three lease violations in his file be expunged. There was a heated exchange whereby President Silverthorn stated that these items should be taken up elsewhere.

Being no further business, the meeting was adjourned by President Silverthorn at 9:40 a.m.

Respectfully submitted,

Margaret Silverthorn
President

Nancy E. Walker
Secretary

MEMORANDUM

TO: St. Joseph Housing Commissioners

FROM: Nancy E. Walker, Executive Director

SUBJECT: Meeting of January 8, 2015

DATE: January 2, 2015

November 2014 List of Previously Paid Liabilities

The total of the November List of Previously Paid Liabilities is $41,956.72. We made an EPC loan payment in the amount of $5,200; received Longevity checks this month ($4,951.90); did asphalt maintenance at a cost of $1,200; paid the remainder to Anstey Precision Welding for the dumpster repair ($1,000); and paid the boiler repair bill that we were expecting from Suburban Mechanical ($2,255.44). The rest of the bills are normal expenditures.

December 2014 List of Previously Paid Liabilities

The total of the December List of Previously Paid Liabilities is $38,283.40. There are three payroll transfers even though the pay date for the final one is January 2, 2015. There were also charges in the amount of $1,650 to PC Services for repairs on both office computers. All other expenses are normal.

November 2014 Financial Report

The benchmark for November financials is 66.7%. Revenues are $371,964.91 (69.9%) and operating expenditures are $305,545.43 (57.8%). There is a net operating gain of $67,419.48.

Revenues are primarily in line with where they should be at this time.

Overall, expenses are in line at this time but there are some individual line items that are over-budget. We have discussed the majority of them in the past, e.g. Maintenance Materials (HUD inspection), Heating & Cooling (boiler repairs), Plumbing (4" sewer line repair), Electrical (installation of heater over rear door), Other Contract Costs (painted boiler room floor, replaced

a portion of sidewalk in front, repair dumpster, asphalt maintenance), etc. The Interest Mortgage Payable is high due to payment of three EPC interest payments with the fourth due in February.

December Financial Report

The benchmark for December financials is 75%. Revenues are $415,051.49 (78%) and operating expenditures are $359,746.40 (68.2%). There is a net operating gain of $55,305.09.

There are two revenue line items that are under-budget. One is Investment Income but it is a minimal amount compared to the whole budget – about $41. The second is Other Miscellaneous Revenue. This is actually a change in posting dividends that we have received ($2,996.86) from our insurance company. We normally post this item to Other Miscellaneous Revenue but our fee accountant posts it to the expense Property Insurance. You will notice that expense line item is only at 51.9% due to the credit applied against it.

Over-budget expense line items have been discussed in the past and are listed in the November financial report.

Overall the budget is in good shape. I will be presenting the budget amendment to correct the under/overstated line items at the March Housing Commission meeting – just before our year-end on March 31st.

Vacancy Report

There were two vacancies entering November (1206-S, 505-L). One of these was filled in November (1206-S). There were no vacancies in November. This left one vacant apartment entering December (505-L).

We entered December with one vacant unit (505-L). There were no vacancies in December and we filled Apt. 505-L, leaving no vacancies entering January.

We have a waiting list of 54 people: 17 pending, 2 for an efficiency apartment, 29 requesting large one-bedroom apartments, 6 for a small one-bedroom apartment, 0 for a handicapped apartment and 0 for a two-bedroom apartment.

Resolution 2014-20 – Resolution to Adopt Change to Records Retention Policy

In November, I introduced Resolution 2014-20 – to adopt a change to the Records Retention Policy. It was tabled as Commissioner Moss requested that I discuss the change to the Records Retention and Disposition Policy with Attorney Smith. We did discuss it and Attorney Smith

concurs that the time should be set at 7 years for destruction of Capital Fund documents. I have made the change and I am reintroducing it as corrected.

Resolution 2015-1 - Adoption of Budget FYE 3/31/2016

Enclosed in your packets please find Resolution 2015-1 – a resolution to adopt the fiscal-year end March 31, 2016 budget. There is also a spreadsheet comparing the FYE 2016 budget to the FYE 2015 budget and the budget document itself.

The budget that is presented to the Housing Commission for adoption has a revenue budget of $534,940 and an expense budget of $522,870 – leaving an anticipated net increase of $11,720 for the fiscal year end.

There is little change in Revenues from FYE 2015 to FYE 2016 – an increase of $2,200. The primary changes are as follows:

Dwelling Rentals -	An increase of $4,310
Operating Subsidy -	An increase of $4,840
CFP Operations-	A decrease of $8,000

Dwelling Rentals was increased due to the 1.7% increase in Social Security income of the residents. The increase to Operating Subsidy is based on actual receipts to date in FYE 2015 and the anticipated 83% proration by the Federal government. Due to these increases, I decreased the amount that I usually budget for Operations from the CFP grant to $12,000. This is also to help prevent a higher increase to Unrestricted Net Assets.

There is a decrease of $4,350 to Expenses from FYE 2015 to FYE 2016. The major changes are as follows:

Administration -	A decrease of $420
Utilities -	An increase of $4,800
Maintenance -	A decrease of $6,730
Insurance -	An increase of $670
General Expenses -	A decrease of $2,670

The Administrative budget changes are primarily in Salaries, Auditing, Employee Benefit Contributions, Telephone and Accounting Fees. The Salary increases are outlined in the budget (Executive Director – 1.5%, Office Manager – 3%. Auditing Fees are increased because in the last couple of years, we expensed the charges to the CFP grant. We found out that we were receiving operating subsidy for this expense so it was moved to the Operations budget. The decrease in Employee Benefit Contributions is due to the Michigan law instituted this year that requires the employees to pay 20% of their health insurance costs. Telephone expenses are decreased because we participate in the State MiDeal program – that cut our telephone expenses by over one third. The State contracted a discounted price with AT&T and those that use the

program receive the same benefit. The decrease in Accounting Fees is due to the change in fee accountants this year. The contract with Urlaub cuts our monthly accounting fees by a little over $100 a month.

Utilities were increased by $4,800. This is mostly in the Gas line item. The costs for gas for FYE 2014 were $34,218. The costs for this year are anticipated to be at $32,000 or less. The winter in FYE 2014 was an exceptionally cold and long winter so I left this budget a little lower.

The main Maintenance expense changes are in Salaries, Extermination and Employee Benefit Contributions. Salary increases are outlined in the budget (3% for two employees). Extermination expenses dropped considerably when we bid out for a new contract this year. The decrease in Employee Benefit Contributions is also due to the fact that employees now pay 20% of their health insurances costs.

The General expenses are decreased due to nothing being budgeted in the Extraordinary Maintenance and Replacement of Nonexpendable Equipment line items. There is also a decrease of $670 in interest payments for the EPC loan.

This budget projects an increase of $11,720 to the Unreserved Net Assets at the end of Fiscal Year 2016. The projected balance of that account at March 31, 2016 is $354,585.

Resolution 2015-2 – Chemical Bank Change

Enclosed in your packet is Resolution 2015-2 – a resolution authorizing the change on bank account records to remove Michelle Agay as a signatory and replacing her with Commissioner Patricia Moss. I have also enclosed a copy of the bank required paperwork for your review.

Resolution 2015-3 - Five-Year Plan for the Years 2014-2016

Enclosed in your packet are the PHA Five-Year and Annual Plan (Form HUD-50075) and related documents. This document outlines the Mission, Goals and Objectives, Five-Year Capital Plan, and the progress in meeting previous goals and objectives for the St. Joseph Housing Commission. This Plan is for the years 2015-2019.

The document immediately following the Form HUD-50075 explains each category listed on the Form HUD-50075 from 5.1 on. In reading the document, it should be self-explanatory and fairly easy to understand. Please contact me with any questions as you review the document.

Also, included in the document are Forms HUD-50075.1 (Annual Statement /Performance and Evaluation Report) for CFPs 2013 and 2014. These documents show the current budget of those CFPs and the progress we have made with those funds. For CFP 2013, we have expended

$77,774.93 of $87,620 funds received. We replaced the old metal bi-fold doors in the apartments with sturdy wooden doors ($57,566). We have funds left for Management Education, Refrigerators and a Sewer Rodding Machine. These funds must be obligated by September 9, 2015 and expended by September 9, 2017. The funds should be expended this year.

We have expended $54,213.88 of $91,221 funds received for CFP 2014. These funds must be obligated by May 12, 2016 and expended by May 12, 2018. We have transferred $20,000 into the Operations budget for this year. The common areas of the building were painted this year ($25,075), which had not been done since 2002 or 2003. There is also $9,138.88 in architect/engineer fees for projects. Of the remaining funds, we are planning a cement project. This is to repair the undermining of the rear patio, damaged cement areas within the building (maintenance area), and outside repair of damaged sidewalks, curbs, etc. We plan to release this project for proposals soon so that it is ready to begin as soon as weather permits in the spring. There are Management Improvement funds that can be used when we exhaust the 2013 Management funds.

The next forms – Forms HUD-50075.2 (Capital Fund Program – Five-Year Action Plan) – outline the budgets for capital needs for the years 2015-2019. As we do not know exactly what amounts we will receive for those years, we are instructed to design budgets based on the last amount that we received - $91,000 for CFP 2014. The first part of Form HUD-50075.2 is a summary of yearly budgeted expenses per category, e.g. physical improvements, operations, management improvements. All five budgets have grand total of $91,200. As you can see for the 2015 budget, there is $12,000 budgeted for Operations. This is where I get funds from the CFP to transfer to the Operations budget. Actually as a small housing commission, we are allowed to transfer 100% to Operations if we choose. We do not need that much money transferred to Operations so I leave it where it is most needed – capital improvements. I have cut the amount normally transferred to Operations through the year 2019. In the past, I have generally transferred $20,000.

Page 3 of 6 of the Five-Year Action Plan begins to itemize the planned projects for each year. The capital improvements budgeted for CFP 2015 includes replacing 2007 refrigerators with Energy Star refrigerators ($3,300). We have already been approved for the 2015 refrigerator rebate program with CLEAResult; and, this would replace 11 refrigerators. We also plan to install privacy screens ($30,000) on the balconies to afford the residents with privacy to enjoy their portion of the balcony and are included in the Capital Needs Assessment. There is an additional amount budgeted for the cement work project. We can combine money from more than one year as long as the funds are obligated and expended in the proper time frame. We also have a parking lot repair, sealcoat and striping project planned with these funds ($20,000). The timing of these projects depends on when we receive the funding. We have gotten funds as early as April and as late as September. A parking lot project in this year may not be feasible due to

weather if the funds are not received until fall, but they are available during the next calendar year.

The physical improvements budget for CFP 2016 includes replacing 6 refrigerators (2008 models) with Energy Star refrigerators. There is also money budgeted for installing drop ceilings in the laundry room and back parking lot entry area. This project would include placing a door at the end of the hallway entering the back foyer. This is planned as an energy saving initiative. By placing a door at the end of the hallway, it would help prevent the constant cold air from that area from entering the other common areas (Kitchen, Community Room, and Beauty Shop). Putting a ceiling in the laundry room would also lessen the amount of heat needed to keep that room at an acceptable temperature.

The CFP 2017 physical improvements budget includes replacing 2011 refrigerators (11) and is budgeted anticipating participation in energy efficiency programs. If there are no programs at that time, it would lessen the number of refrigerators we could get. The majority of the funds are budgeted for geo-guarding the roof ($75,000). The warranty for the last geo-guard project has recently expired and we have already had a couple of small areas recovered due to small leaks.

For CFP 2018, we have budgeted replacement of eight refrigerators. We received 66 new refrigerators in 2012 through an energy program with no cost to the St. Joseph Housing Commission. As these refrigerators should last considerably longer than 2017, we have budgeted for eight refrigerators in case we have to replace a defective one. We usually keep 6-8 additional refrigerators on hand in case one cannot be repaired. The majority of CFP 2018 grant is budgeted for an outdoor project – landscaping, new outdoor furniture, lighting and signage replacement or repair ($60,800). We have included this project in the past budgets but more important capital improvements were needed at the time so it keeps getting pushed back. The yard could definitely use some improvements to include shoring up the slate wall on the State Street side of the building.

The final physical improvement budget is for CFP 2019. We have included a budget for a project to replace the bathroom vanities, lavatories and faucets in all apartments at an estimated cost of $75,000. There are also architect/engineer fees of $10,000 budgeted for this project.

Pages 5 and 6 are the Management Needs Work Statement for each year. There are no funds budgeted for Management Improvements in 2015. There is a budget of $3,000 for Management Education in CFP 2016 and $2,800 in CFP 2017. CFP 2018 includes $3,000 for Management Education and $2,000 for a new computer. CFP 2019 includes $2,200 for Management Education and $2,000 for a new computer.

Also, there are the copies of required certifications and documents that must be submitted with the new Plan.

For the physical improvement budgets, I use a 25 Year Capital Needs Assessment that was performed in 2003. It is a guideline of physical improvements that should be done in five-year increments. It is very helpful as a guide but often repairs or replacements are needed that circumvent those suggested, e.g. boiler replacement, elevator replacement, etc. Also, sometimes there are suggested replacements that are unnecessary at that time or are done differently. Examples would be: 1) The Capital Needs Assessment (CAN) has the replacement of metal interior doors but upon examination, the doors are in good shape and replacement is not needed. 2) The CNA suggests replacing the garage door at this time but it is not needed. 3) The CNA suggests replacement of all refrigerators in years 6-10 but we replace refrigerators as needed annually or with energy programs when available. A copy of the CNA is also included to give you an idea of what we use to help budget the physical needs for the plan. I concentrated on the column highlighted in yellow and labeled 2014-2018 (Years 11-15).

After the normal business of the Executive Director, we will close the regular meeting and enter into the Public Hearing for the new Five-Year and Annual Plan for the Years 2015-2019. We will listen to any public comments. After comments, we will close the Public Hearing and take action on the Five-Year and Annual Plan for the Years 2015-2019. This document must be electronically submitted to HUD by January 15th.

PHAS SCORE/HUD REAC Inspection

Enclosed in your packet is a copy of an email advising us of our Public Housing Assessment System (PHAS) score for the year 2014. We are graded in four categories – Physical, Financial, Management and Capital Fund. As you can see from the report, we received the maximum points available in three categories – Financial, Management and Capital Fund. The Physical score is based on the HUD REAC inspection that we had in June. Our score was originally 68/100 but after I appealed some of the items, we were given 13.5 points back. When we received notification of the new score, I noticed there was an error in the score. We were only given 78/100, instead of 82/100 as it should be. I have asked for a correction to the score but I have not received a reply yet.

Even with the low physical inspection score, we received a total of 91/100 on the overall PHAS score – which continues to give us a High Performer status. As a High Performer, we are allowed relief in some reporting requirements and we receive an additional bonus amount in capital funds. There is a chance that the physical inspection score will not be changed at this time as it would not affect our overall PHAS standing.

I am pleased with the PHAS score. It reflects the efforts of staff in performing their duties in a timely and conscientious manner. Timely turnover of vacant apartments (20 days or less), timely performance of work orders (within 1.3 days), proper and timely usage of capital funds, timely

payment of payables and responsible financial management are only a portion of the duties reflected in these scores.

DISH Television Situation

There is no change to the television situation. The 90-day termination of contract period ends on February 4, 2015. The Satellite Store has not removed their equipment nor have they made an attempt to pay the outstanding charges with DISH network. I will continue to work on this issue with Attorney Smith.

Commissioner Howard Hutchinson

Commissioner Hutchinson has been in Caratel Inn for the past couple of months. He has informed us that he will be doing a home visit on January 7th with medical personnel, and if all goes well with that, should be home within a week after that. He had gotten an infection from the hospital and was in quarantine for a couple of weeks. He is feeling much better and walking much better with physical therapy. Hopefully, he will have recovered enough to join us for the March Housing Commission meeting.

As always, please contact me if you have any questions.