



City Manager's Bits & Pieces

TO: St. Joseph City Commissioners

FROM: Richard I. Lewis, City Manager

A handwritten signature in black ink, appearing to be "R. Lewis", is written over the printed name of the City Manager.

DATE: July 10, 2014

We hope everyone had a great holiday weekend and looking forward to the Krasl Art Fair this weekend. I want to thank the Public Works and Services employees for all the effort in the clean-up efforts from the June 30 storm and having everything ready for the July 4th weekend, both downtown and Riverview Park.

A few items of interest.

Additional Road Funding

With the State's budget adoption, there was a one-time increase in road funding to local communities. For the City of St. Joseph that amounted to \$48,920.07. Three-fourths of that we will see our current fiscal year and the remainder next year.

Inspection Department

Included in this packet is the activity report for the month of June, 2014. In spite of the good quantity of 89 permits issued during the month and pushing the 6 month totals to a respectable 376, only a couple of garages were the new structures for the month. The most significant commercial work are permits for a major repair/residing project at Shoreview Condos on Shoreview Way. However, vertical progress is expected yet this month at the Buffalo Wild Wings site and red-iron going up at the United Federal Credit Union site. The residential activity seems to be the typical re-roofing, re-siding, window replacement and deck projects.

Property Maintenance

Dan will be completing 800+ of Target Area II inspections sending out their correction notices by the middle of this month as planned. He has also posted 150 lawns for tall grass during the month which resulted in 40 lawns having to be mowed by our contractor.

Driver Training-Department of Public Safety

The department of public safety participated in joint fire apparatus drivers training with the Benton Harbor Department of Public Safety on June 18, 19 and 20. The training took place in Benton Harbor and is designed to train both reserve and public safety officers according to National Fire Protection Association (NFPA) standards.

Camp 911

As you will recall, several years ago the St. Joseph Police Department created Camp 911 as an outreach to local 4th and 5th graders. Under the direction of Sgt. Rothrock, Camp 911 was held on June 12 and 13 in Riverview park. Camp 911 is designed to give the kids inside exposure to all the public safety careers. This year, 37 kids joined the camp. The St. Joseph Department of Public Safety, St. Joseph Township Police, Berrien County Sheriff's Department, the U.S. Coast Guard and Medic I participated.

Annual Ladder Testing

Thursday morning, June 26, 2014, First Alarm Testing was at the St. Joseph Fire Station performing testing on all fire service ladders, as required under NFPA, to ensure they are in safe condition for use on the fire ground.

New Laptops

The Department of Public Safety has received new laptops to replace the ones currently in use in the squad cars. The old laptops, over seven years old, were in constant need of repair. The laptops have become an essential tool for the officers over the past several years, even more so since the transition to Central Dispatch.

Fire Reserves

In an effort to increase reserve firefighter numbers, save equipment expenditures and reduce overtime costs, the St. Joseph and Benton Harbor Public Safety Departments have initiated a program to share reserve firefighters. In so doing, each department pays half the cost to equip each reserve, provides training and is able to use them for firefighting and fill in when needed due to the absence of full time staff. It also brings more experience to the fire ground which is always beneficial for officer safety.

Library

- (1) Attached is the June 24th Agenda, May 27th minutes and the Directors Report for your review.
- (2) All of the repairs have been completed and there was one small additional repair to replace a compressor (\$2,478) which I authorized to take place.

- (3) Meetings with St. Joseph Charter Township to discuss the current agreement will be taking place most likely by the end of the month or early August.

Other Boards

Attached are the agendas, minutes and reports for the St. Joseph Water Services Joint Operating Board, St. Joseph Recreational Harbor Authority and St. Joseph Housing Commission.

Closing Thought

Try to think less about the people and things that bother you. There are an infinite number of things you could spend your time thinking about, but many of us concentrate great attention on those things that we find most upsetting. Don't ignore what bothers you, but don't focus on it to the exclusion of the things you enjoy.

Have a great weekend.

\$144.5 Million in One-time Road Funding for FY 2015

Notice of Calculations for SMMA Members

Municipality/Road Agency	Estimated Monthly	Estimated Annual
Allegan City	2,740.66	32,887.86
Allegan County	64,979.82	779,757.84
Bangor	1,160.42	13,925.08
Benton Harbor	5,468.65	65,623.83
Berrien County	80,310.91	963,730.90
Bridgman	1,281.88	15,382.52
Buchanan	2,533.53	30,402.31
Cass County	34,955.09	419,461.07
Cassopolis	1,012.89	12,154.71
Constantine	1,206.53	14,478.33
Decatur	1,070.48	12,845.71
Dowagiac	3,297.48	39,569.81
Galesburg	949.28	11,391.34
Hartford	1,409.74	16,916.91
Kalamazoo	39,383.33	472,599.96
Kalamazoo County	102,740.19	1,232,882.23
Lawrence	708.27	8,499.18
Mendon	595.13	7,141.55
New Buffalo	1,420.24	17,042.87
Niles	5,839.82	70,077.79
Otsego	2,082.02	24,984.25
Parchment	935.50	11,225.99
Paw Paw	1,824.57	21,894.84
Plainwell	1,951.62	23,419.40
Portage	26,338.48	316,061.77
Saugatuck	652.66	7,831.87
Schoolcraft	949.45	11,393.42
South Haven	2,847.25	34,168.98
St. Joseph	4,076.67	48,920.07

St. Joseph County	36,094.59	433,135.07
Stevensville	785.15	9,421.83
Sturgis	5,513.39	66,160.62
Three Oaks	825.28	9,903.41
Three Rivers	3,993.24	47,918.89
Van Buren County	45,213.38	542,560.55
Vicksburg	1,692.92	20,315.04
Totals for SMMA Members	488,840.51	5,866,087.80

**DEPARTMENT OF INSPECTIONS
MONTHLY REPORT FOR:
JUNE, 2014**

TYPE	# OF PERMITS	EST. COST	FEE	TOTALS
BUILDING PERMITS:				
Residential	46	\$ 390,002.00	\$ 8,650.00	
Commercial	7	\$111,793.00	\$ 2,125.00	
		<u>\$ 501,795.00</u>	<u>\$ 10,775.00</u>	
				\$ 10,775.00
ELECTRICAL	16		\$ 4,307.00	
MECHANICAL	12		\$ 1,925.00	
PLUMBING	7		\$ 1,196.00	
DEMOLITION			\$ -	
SIGN PERMITS	1		\$ 432.00	
PLAN REVIEWS	0		\$ -	
TOTAL PERMITS:	<u>89</u>		<u>\$ 7,860.00</u>	<u>\$ 7,860.00</u>
				<u>\$ 18,635.00</u>
 MISC. CATEGORIES:				
ZONING PERMIT/FENCE	6		\$ 180.00	
BOOKS	1		\$ 91.50	
DUMPSTERS	8		\$ 240.00	
SPECIAL USE PERMITS	2		\$ 600.00	
RENTAL REGISTRATION & FEES	33		\$ 1,750.00	
BOARD OF APPEALS FEES			\$ -	
LAND DIVISION FEES			\$ -	
			<u>\$ 2,861.50</u>	<u>\$ 2,861.50</u>
 TOTAL FEES COLLECTED				 \$ 21,496.50

Respectfully submitted,

Rhonda Fryer
Department of Planning/Zoning/Inspections

MEMORANDUM

To: Honorable Mayor and City Commissioners
From: Rhonda Fryer – Planning/Zoning/Inspections/Property Maintenance
Subject: Monthly Report –June, 2014
Date: July 1, 2014

INSPECTION DEPARTMENT: Following are the number of new homes and conversions from multi-family to single-family for 2014.

NEW HOMES:	1 st Quarter	=	1	}	<input type="text" value="1"/>
	2 nd Quarter	=	0		
	3 rd Quarter	=	0		
	4 th Quarter	=	0		
CONVERSIONS:	1 st Quarter	=	0	}	<input type="text" value="0"/>
	2 nd Quarter	=	0		
	3 rd Quarter	=	0		
	4 th Quarter	=	0		

RENTAL INSPECTIONS: 52 rental inspections were completed by the Fire Department and 31 by the Inspection Department during the month.

MEETING WILL BEGIN AT 6:00 P.M.

**MAUD PRESTON PALENSKE MEMORIAL LIBRARY
BOARD OF TRUSTEES
June 24, 2014**

AGENDA FOR THE MEETING

President	Call to order Announcements
President	Approval of Minutes
Treasurer	Approval of Bills Financial Report
Director	Statistical Reports Directors Report
President Comments	
Old Business	Handicap parking follow up
Fundraising	
New Business	
Board Comments	
Public Comment	
Adjournment	

Next meeting date: July 22, 2014
Annual Meeting date: July 22, 2014

Our Public Library: creatively serving the community with
diverse resources and learning opportunities

**Maud Preston Palenske Memorial Library
Meeting of the Board of Trustees
May 27, 2014**

President, Rebecca Sanford, called the meeting to order at 6:01pm. Other board members present were Ren Baldwin, Kate Cravens, Liz Darato, Bill Engeln, Diana Flora, Michael Moon and Director Stephanie Masin.

Also Present: Administrative Assistant Marsha Ammeson and Assistant Director Paula Stakely, and friends of the library's Norma Nisbett.

Absent: Mimi Elwell

Announcements: Introductions to the two newest board members, Ren Baldwin and Bill Engeln were made.

Minutes: It was moved by Darato, seconded by Flora to approve the minutes of April 2014 board meeting. Motion carried.

Treasurer's Report: Board members reviewed the bills for April 2014. It was moved by Moon, seconded by Cravens to approve the bills of April 2014. Motion carried.

Financial Report: The financial report was reviewed. A journal entry has been made to move the gas line expense from the general fund to capital improvements, as the city will pay that bill.

Statistical Report: Sanford asked Assistant Director Stakely why the numbers were down. She said that people are getting up to speed on the new system. Computer usage is down by the change in the guest usage limit of 1 hour. Also, Stakely said that she has seen more people bringing their own computers to the library, just using the library's WiFi.

Director's Report: The city has agreed to pay for the air conditioner(installed), gas line repairs, and gas valve replacement. The library also had some software expenditures, upgrading operating systems on all the computers, as well as upgrading to Office 2013. Masin and Stakely are working to get the new A/C system accessible form their computers, noting that was lost during the A/C replacement. Late fees, rentals, and photocopier income has been affected by all the library closures in the recent months.

President's Comments: Sanford reported that she had emailed Fran Chickering about questions on non-profit status. Also, she said that Julie Beck had contacted St. Joseph Twp. about her resignation, but they have not appointed anyone to replace her yet.

Old Business: Wednesday, June 11, 2014 at 10am is the scheduled union grievance meeting.

Fundraising: The Heritage museum wants to have another trivia night with the library possibly in the summer. Sanford will talk to Dar Davis about reimbursemnt for library usage during the Concours event. The library cannot sell during the event, per the agreement with Concours and the city.

New Business: The board reviewed a proposed agreement from Director Masin that the side door, now only a staff entrance, be open on election days. Darato made a motion to approve this request, Flora seconded. Motion carried.

A proposal to request an additional handicapped spot from the City of St. Joseph in front of the main entrance was tabled until next month. The library has to talk to the city about who is in charge of such requests.

Public Comment: Friends of the Library are having their used book sale June 4-7, 2014.

Adjournment: It was moved by Cravens, seconded by Darato to adjourn the meeting at 6:57pm. Motion carried.

Respectfully submitted,

Kate Cravens

Kate Cravens
Board member

Maud Preston Palenske Memorial Library

Director's Report

June 24, 2014

To: Members of the Library Board

From: Stephanie Masin, Director of the Library

The spring portion of the inventory project ended on Thursday, May 29, though we do have a few volunteers who have been helping with the project who have said they want to continue working on portions of the collection during the summer. We are all looking forward to completing the full inventory this fall. Once completed we will work on a two-year rotating cycle of ongoing collection assessment to keep the collection looking good and up to date.

INTRODUCTION

Better World Books came and picked up the last of the boxed up spring inventory weeded items as well as the remains from the Friends Book Sale that was held the first week of June. As our volunteers continue to work on parts of the inventory project during the summer I will be contacting Better World Books on an "as needed" basis instead, while planning on reinstating the bi-weekly pick-ups when we begin the project in earnest again in the fall.

Summer Reading at the St. Joseph Library officially began on Monday, June 16, and has kicked off to a great start. We usually see an increase in the number of people coming in to get set up with their library cards when summer reading starts and this year is no exception. The Deep Fried Pickle Project came and started us off with the first "Music in the Garden" program on June 12. Close to one hundred people brought blankets and chairs and sat in the garden and along the bluff enjoying the music. We are truly thankful for our many summer reading sponsors who have provided funding or donated prizes for our programs this year. Our sponsors help us bring outstanding programming to our area and that, in turn, keeps our summer reading program interesting and helps keep kids reading which is vital during the summer. I have included a summer reading flyer that shows all of the programs we're hosting this year and highlights the sponsor of each program. We've also noted our prize donors on all of our reading logs. All in all, our sponsors have provided \$5,450 in program coverage and \$10,000 in estimated prize donations. A HUGE thank you to our sponsors!!!

We are at the tail end of our fiscal year. At the City Commission meeting held on May 27, 2014, the Commissioners voted unanimously to transfer \$67,250 from the City's account into the Library's general fund reserves as reimbursement for the roof repair costs that were incurred back in 2011. At the time of the roof repairs the Library Board voted to pay for the repairs from the library reserve funds, so this transfer will help bring the library general fund reserves back to where they should be. However, Deb Koroch, Finance Director for the City of St. Joseph, suggested we put \$5,000 of that amount back into the current fiscal year general fund to help cover some of the repair expenditure overages that have occurred. We've also had a loss of estimated revenue that can be attributed to having been closed for inclement weather, gas line repairs, and the inventory project, as well as changes to reciprocal borrowing with the elimination of Michicard. Though some of that sounds a

BUDGET

bit bleak, I am happy to report that state aid and penal fines came in a bit higher this year than I had originally estimated when preparing the FY13-14 budget. Our private contributions were also up. Last, but not least, we saw a noticeable (if temporary) increase in miscellaneous revenues starting in January as some residents in communities that didn't support their home library through taxes had chosen to purchase non-resident fee cards to be able to continue to check out materials from our library. I say temporary because many of those communities did end up working out agreements with their home libraries in the intervening months and now provide funding support directly to their home libraries, allowing us to modify our reciprocal agreements with their home libraries to once again include them.

Though the number of borrowers is significantly lower than this time last year, you'll notice that the average number of items borrowed per borrower is up significantly. The lower number of borrowers is expected because of some of the changes over the last few months. With that said, the inventory project and clean-up of the collection is having the anticipated effect of making the collection more accessible and appealing, resulting in increased circulation even though we have fewer items in the collection as a whole. Web page hits are down, but I expect that will change when we upgrade our website.

TLC (our current website and catalog provider) would have liked us to upgrade our website when we got the new shared catalog, but I asked for a little time for everyone, staff and public alike, to adjust to the many changes that had already occurred. However, now that we've settled into the new system a bit and are back to our normal operating hours, it's time to look at improving the library web site. Staff are reviewing other TLC library sites for layout ideas and we will be working with TLC soon to get our new and improved site up and running. The upgrade will be free – TLC wants our site to look good just as much as we do!

I was contacted by John Hodgson at the City a couple of months ago about having the library host a Lake Michigan shoreline exhibit that was done by the University of Michigan College of Urban Planning. The exhibit consists of two informational panels that are 4'X8' and a lighted panel of Lake Michigan that is also 4'X8'. Originally we had planned on setting up the exhibit in the Solarium for viewing, but due to some unforeseen setbacks in the timeline and the fact that we will have to set up the Dome Theater in the Solarium for our family summer reading program in July, we will be hosting the display in the Norris Room instead.

Respectfully submitted,



Stephanie Masin – Library Director

STATISTICS

FYI

Richard Lewis

From: Stephanie Masin
Sent: Tuesday, June 17, 2014 3:09 PM
To: Richard Lewis
Cc: ckcravens@aol.com; Sanford.LawOffice@gmail.com; mimie2008@gmail.com; daratoliz@att.net; Stephanie Masin; dflora@brandywinebobcats.org; engeln@sjblackacre.com; mmoon.ittg@comcast.net; mpmoon2@msn.com; ren.baldwin@gmail.com
Subject: New Compressor needed for Solarium AC Unit
Attachments: St. Joe City Library Solarium Air Conditioner (1).pdf

Hi Richard --

As we discussed at the Department Manager meeting today, I've attached the estimate for the replacement of the blown air compressor unit that cools the Solarium area. When I spoke with Steve at BER he noted that the unit is from 1999.

Thank you,

Stephanie Masin
Library Director
Maud Preston Palenske Memorial Library
500 Market Street
St. Joseph, MI 49085
(269) 983-7167
www.stjoseph.lib.mi.us

Find us on Facebook

PROPOSAL

Proposal # _____

B.E.R. Refrigeration, Heating, Cooling & Plumbing

205 Palladium Drive

St. Joseph, MI 49085

Phone: 269-428-2711 Fax: 269-428-2213

Proposal Submitted to City Of St. Joseph	Phone (269) 983 - 7167 ext.	Date 6/16/2014
Address 700 Broad St.	Job Name Solarium Air Conditioner	
City, State, Zip St. Joseph	Job Location	
Architect	Date of Plans	Job Phone () - ext.

We hereby submit specifications and estimates for:

B.E.R. to supply labor and materials to replace the compressor on the Solarium air conditioner.**Includes:****(1) Trane Compressor****(1) Contactor****(1) Liquid Filter Drier****20 Pounds R-22****Labor****We Propose** hereby to furnish material and labor – complete in accordance with above specifications, for the sum of:**Two Thousand Four Hundred Seventy Eight Dollars** dollars (\$ **2,478.00**).

Payment to be made as follows:

Upon Completion

We Guarantee all material to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration of deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature _____

Date _____

Note: This proposal may be withdrawn by us if not accepted within 10 days.

Acceptance of Proposal The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do work as specified above. **Payment will be made as outlined above.**

Signature _____

Date _____

Signature _____

Date _____



St. Joseph Water Services Joint Operating Board
St. Joseph Water Plant
Lion Park Drive, St. Joseph, MI 49085

AGENDA
June 18, 2014
4:00 PM

Call to Order

Order of Business

1. Approval of June 18, 2014 Agenda
2. Minutes of the May 21, 2014 Regular Meeting
3. May 31, 2014 Financial Report

Old Business

4. Fairplain Acceptance
5. Post Card Billing - Report

New Business

Reports

6. Superintendent Report - April 2014

Public Comment

Board Member Comment

Adjournment

Minutes of the St. Joseph Water Services Joint Operating Board Meeting held in the St. Joseph Water Plant, Lion Park Drive, St. Joseph, MI 49085 on May 21, 2014.

Call to Order

The meeting was called to order at 4:03 PM by Chairman John Hodgson

Attendee Name	Title	Status	Arrived
Deborah S. Koroch	Secretary/Treasurer	Present	
Tim Zebell	Trustee	Present	
John Hodgson	Chairman	Present	
Bob Basselman	Trustee	Present	
Ray Mak	Vice-Chairman	Present	
Charles Garlanger	Trustee	Present	

Order of Business

1. Approval of the May 21, 2014 Agenda

MOTION: To approve the May 21, 2014 Agenda as presented.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Deborah S. Koroch, Secretary/Treasurer
SECONDER:	Ray Mak, Vice-Chairman
AYES:	Secretary/Treasurer Koroch, Trustee Zebell, Chairman Hodgson, Trustee Basselman, Vice-Chairman Mak, Trustee Garlanger

2. Minutes of the April 16, 2014 Regular Meeting

MOTION: To approve the Minutes of the April 16, 2014 Regular Meeting as presented.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Charles Garlanger, Trustee
SECONDER:	Bob Basselman, Trustee
AYES:	Secretary/Treasurer Koroch, Trustee Zebell, Chairman Hodgson, Trustee Basselman, Vice-Chairman Mak, Trustee Garlanger

3. April 30, 2014 Financial Report

MOTION: To accept the Financial Report for the period ending April 30, 2014 as presented.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Tim Zebell, Trustee
SECONDER:	Bob Basselman, Trustee
AYES:	Secretary/Treasurer Koroch, Trustee Zebell, Chairman Hodgson, Trustee Basselman, Vice-Chairman Mak, Trustee Garlanger

Old Business

4. Water Service Agreement Addendum 1 - SJCT East System Expansion

Discussion ensued regarding a proposal from Wightman and Associates for system modeling; there was consensus that although there may be value to conducting a comprehensive system modeling at some future date, it was not necessary with regard to this project. The SJCT East System Expansion Agreement (Addendum 1 to the 2009 Water Service Agreement) stipulates that only one interconnect would be maintained and that it would be metered. After reviewing the locations of the four remaining interconnects, there was consensus that the Nickerson/Colfax location would be most beneficial to the system and should therefore be maintained and that a meter should be installed at this interconnection in accordance with the Agreement.

MOTION: To authorize Trustee Zebell to issue a letter to St. Joseph Charter Township requesting the SJCT East System Expansion project be completed and that a meter be installed at the interconnection located at Nickerson and Colfax and that all other remaining interconnections (Elmside/Colfax, Napier/Colfax and Woodward/Empire) be eliminated in accordance with the Agreement.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Charles Garlanger, Trustee
SECONDER:	Bob Basselman, Trustee
AYES:	Secretary/Treasurer Koroch, Trustee Zebell, Chairman Hodgson, Trustee Basselman, Vice-Chairman Mak, Trustee Garlanger

New Business

5. Proposal - Security

MOTION: Approval of the proposal from Simplex Grinnell in the amount of \$34,627 for the purchase and installation of security equipment including access control and video surveillance at the Water Plant.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Charles Garlanger, Trustee
SECONDER:	Deborah S. Koroch, Secretary/Treasurer
AYES:	Secretary/Treasurer Koroch, Trustee Zebell, Chairman Hodgson, Trustee Basselman, Vice-Chairman Mak, Trustee Garlanger

Reports

6. Strategic Capital Improvement Plan

Superintendent Alimenti updated member of the Board on the progress that had been made on the development of the SCIP. He stated that water plant staff had met with CH2M Hill. He added that an Asset Hierarchy was complete and that work was proceeding on a Risk Matrix which would be composed of Consequence and Likelihood of Failure matrices. He noted that the completion date was October.

7. Superintendent Report - April 2014

Mr. Alimenti reviewed the Monthly Water Plant Report for April 2014, which was provided as part of the Agenda Packet.

Public Comment

There was no public comment.

Board Member Comment

Trustee Mak reminded members of the Board that he had suggested consideration be given to metering water used during routine hydrant flushing to more accurately reflect the actual unaccounted for water quantity; he asked for an update regarding the proposal. Discussion ensued.

There was consensus that a Mr. Alimenti would develop a log sheet to be used by all personnel, including city and township firefighters and DPW staff and administered by water plant staff.

Adjournment

The meeting was closed at 5:04 PM

Presiding Officer

City Clerk/ Recording Secretary

Attachment: May 2014 Minutes (1591 : Minutes of the May 21, 2014 Regular Meeting)

JOINT BOARD OF COMMISSIONERS

Benton Harbor - St. Joseph
Joint Wastewater Treatment Plant

REGULAR MEETING

JUNE 19, 2014

AGENDA

CALL TO ORDER.

PLEDGE OF ALLEGIANCE.

- 1. APPROVAL OF THE AGENDA.**
- 2. APPROVAL OF MINUTES MAY 15, 2014 REGULAR MEETING.**
- 3. APPROVAL OF VOUCHERS.**
- 4. CORRESPONDENCE.**
- 5. JOINT PLANT RATE STORY - HERALD PALLADIUM.**
- 6. MATERIAL & EQUIPMENT PROPOSALS.**
- 7. ENGINEERING SERVICES PROPOSALS.**
- 8. MONTHLY OPERATION REPORTS.**
- 9. MANAGER'S REPORT.**
- 10. OLD BUSINESS.**
- 11. NEW BUSINESS.**
- 12. COMMISSIONERS' COMMENTS.**
- 13. PUBLIC COMMENTS.**

DATE: JUNE 19, 2014

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 May 15, 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	
John Hodgson	Alternate Member	St. Joseph	x	

Also in attendance: Timothy Lynch, Plant Manager.

- 1. Call to Order & Pledge of Allegiance:** Mr. Mak called the meeting to order at 11:03 a.m. The Pledge of Allegiance was recited. Mr. Mak asked for additions and/or corrections to the minutes of the April 17, 2014 regular meeting. There being none, the minutes were approved as mailed.
- 2. Approval of Agenda:** On a motion by Hodgson, seconded by Archibald and unanimously carried; the Board approved the meeting agenda.
- 3. Approval of Vouchers:** The following vouchers were presented for approval:

April 25, 2014	Vouchers # 32912-32938	\$ 176,855.88
May 9, 2014	Vouchers # 32939-32955	31,563.99

Moved by Thomas, seconded by Watson to approve the vouchers as presented. The motion carried unanimously.

- 4. Correspondence:** Mr. Lynch reviewed the Declaration Page relating to the Joint Plant's worker's compensation fund annual billing, noting the experience modifier (less than 1.0) which provides a favorable billing rate.

11:16 a.m., Mr. Baldwin entered the meeting.
- 5. Local Discharge Permit Issuance:** Moved by Lewis, seconded by Thomas and unanimously carried; the Board approved, effective May 15, 2014, the issuance of a Local Discharge Permit to AUSCO Products, Inc. (see attached). The permit will expire on December 31, 2018.
- 6. Construction Update:** Mr. Lynch provided information on several current and planned improvement projects (see attached) including the Headworks and Miscellaneous Improvements, Blower #4 Replacement, and a planned update to the Strategic Capital Improvement Plan. He also reported on progress made with digester gas improvements, reporting that expected costs would range from \$10,000 to \$15,000. The status of the Blower/Gallery Tunnel deck replacement project was also discussed.
- 7. Electric Blower #4 Claim/Settlement:** Mr. Lynch provided information relating to a proposed settlement with the Joint Plant's insurance carrier (Michigan Municipal League/Hartford Steam Boiler) relating to replacement of Blower #4 that experienced a catastrophic failure in August 2013 . On a motion by Lewis, seconded by Hodgson and unanimously carried; the Board authorized acceptance of the proposed settlement of \$177,417.77. This amount will be reduced by \$25,000 for the plan deductible and \$13,524 for depreciation holdback resulting in a net reimbursement of \$138,893.77. The depreciation holdback will be provided to the Joint Plant upon order of a replacement blower. The deductible and other expenses incurred due the blower failure will be forwarded to the subrogation attorney for consideration as additional damages.

8. **Fiscal Year 2014-15 Budget:** The proposed Operating, Maintenance and Capital Improvement Budget for Fiscal Year 2014-15 was presented by Mr. Lynch and reviewed. Operating revenues and expenses for the fiscal year were projected at \$3,939,100 and \$2,951,250, respectively. In addition, new/replacement equipment expenses were budgeted at \$105,000. Expenditures for capital improvements were budgeted at \$3,145,000 including design & construction relating to the Headworks Improvements Project, Electric Blower #4 Replacement and an update to the Joint Plant's Strategic Capital Improvement Plan. The plant's 10-year capital improvement plan calling for expenditures of approximately \$24.9 million was reviewed. Other items specifically discussed during the budget presentation were flow and revenue projections, staffing and wages for union and supervisory staff. Mr. Mak excused Mr. Lynch to discuss the manager evaluation.

11:52 a.m., Mr. Lynch left the meeting.

11:55 a.m., Mr. Lewis left the meeting.

After distributing the evaluation, the board discussed and agreed to provide Mr. Lynch with a one-time merit performance payment of \$3,500, a 1% salary increase to \$100,480 for 2014-15 and a \$4,800 annual automobile allowance for 2014-15.

12:30 p.m., Mr. Lynch returned to the meeting.

On a motion by Thomas and seconded by Baldwin, the FY 2014-15 budget with projected operating revenues of \$3,939,100, expenses of \$2,951,250 (including manager's compensation), new/replacement equipment expenses of \$105,000 and capital improvement expenditures of \$3,145,000, was unanimously approved.

9. **Monthly Operation Reports:** The monthly operating reports were not reviewed due to time constraints. The plant met all NPDES permit requirements for the month of April 2014.
10. **Manager's Report:**
- a) **Meeting with master planner:** Mr. Lynch reported he met with the City of St. Joseph's master planner and provided information on the Joint Plant. He also reported he would be on vacation through Memorial Day but would be in the area and available if necessary.
11. **Old Business:** None
12. **New Business:** None
13. **Commissioners' Comments:** Mr. Mak thanked the Board for their efforts in the past year and added that he felt the Plant had one of its best operating years considering the financial savings accomplished and another year with no rate increase despite rising operation costs. He credited the Board for playing a large part in the Joint Plant operating so well this past year, adding that it could not have been done without the cooperation of the members of the Board. He also commented that though some may feel the Plant has not moved fast enough in making decisions, it has always been this Board's approach to move cautiously and to cover all bases when making such decisions. He added that the last time the Board made a quick decision was in the selection of Blower #4 and that unit was a problem since its installation. Mr. Watson indicated a new board member from the City of Benton Harbor should be appointed soon to fill the open City position on the Joint Board. Mr. Baldwin reported an alternate for Benton Township should be appointed in the near future as well.

14. **Public Comments:** None

The meeting was adjourned at 12:48 p.m.

Steve Archibald, Secretary

Date: _____

BENTON HARBOR – ST. JOSEPH JOINT WASTEWATER TREATMENT PLANT

MONTHLY OPERATIONAL REPORT

MAY 2014

SAFETY MEETING / ACTIVITIES:

THE JOINT PLANT'S RIGHT TO KNOW/HAZARD COMMUNICATION PROGRAM WAS REVIEWED. INFORMATION WAS PRESENTED RELATING TO MATERIAL DATA SAFETY SHEETS, THE MAJOR COMPONENTS OF "RIGHT TO KNOW" PROGRAM AND THE SPECIFIC REQUIREMENTS OF CONTAINER LABELS AS WELL AS THE JOINT PLANT'S WRITTEN HAZARD COMMUNICATION PROGRAM. A WRITTEN COMPREHENSION TEST WAS ADMINISTERED TO ALL EMPLOYEES IN ATTENDANCE.

A SCHEDULED FACILITY HOUSEKEEPING/SAFETY INSPECTION WAS PERFORMED BY A PLANT RELIEF OPERATOR 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.

RAW SLUDGE PUMP #2 WAS REMOVED FROM SERVICE FOR A SCHEDULED INSPECTION. THE PUMP WAS ISOLATED AND FLUSHED WITH WATER. UPON INSPECTION, IT WAS DETERMINED THAT THE SLEEVE, VOLUTE AND IMPELLER WERE IN SERVICEABLE CONDITION. THE PACKING WAS FOUND TO BE IN NEED OF REPLACEMENT. NEW PACKING FROM SPARE INVENTORY WAS INSTALLED AND THE PUMP WAS RETURNED TO SERVICE.

REQUIRED ANNUAL INSPECTION AND TESTING WAS PERFORMED ON THE PLANT'S BACKFLOW PREVENTION DEVICES BY D.A. DODD. A TOTAL OF FIVE (5) DEVICES WERE INSPECTED AND TESTED. TWO (2) DEVICES WERE FOUND TO BE IN NEED OF REPAIRS AND PARTS RELATING TO SAME WERE ORDERED AND INSTALLED UPON RECEIPT. THE TWO REPAIRED DEVICES WERE RETESTED AND PASSED. ALL FIVE (5) DEVICES WERE RETURNED TO SERVICE.

RAW WASTEWATER PUMP GAS ENGINE #1 WAS FOUND TO BE OVERHEATING. MEAD & WHITE WAS CALLED TO DETERMINE WHY THE HIGH TEMPERATURE SHUTDOWN SWITCH (TATTLETALE) DID NOT ACTIVATE. UPON INSPECTION, IT WAS DETERMINED THAT THE SWITCH RELAY WAS FAULTY. A NEW SWITCH FROM SPARE INVENTORY WAS INSTALLED AND THE ENGINE WAS RETURNED TO SERVICE. THE TATTLETALE RELAY ON RAW WASTEWATER PUMP GAS ENGINE #2 WAS CHECKED AND IT WAS DETERMINED TO BE FAULTY ALSO. A NEW RELAY WAS PURCHASED FROM PALMER JOHNSON AND INSTALLED. THE ENGINE WAS RETURNED TO SERVICE.

AN OIL LEAK WAS DISCOVERED ON THE COTTA TRANSMISSION ON RAW WASTEWATER PUMP GAS ENGINE #1. THE TRANSMISSION WAS REMOVED TO FIND THE SOURCE OF THE LEAK. UPON INSPECTION, IT WAS DETERMINED THAT THE OIL SEALS ON THE SHAFT WERE DETERIORATED AND IN NEED OF REPLACEMENT. NEW SEALS WERE PURCHASED FROM APPLIED INDUSTRIAL TECHNOLOGIES AND INSTALLED. THE TRANSMISSION WAS REINSTALLED AND THE ENGINE WAS RETURNED TO SERVICE.

RAW SLUDGE PUMPS #1 AND #2 WERE FOUND NOT PUMPING PROPERLY. BOTH PUMPS WERE REMOVED FROM SERVICE TO CHECK FOR OBSTRUCTIONS IN THE VOLUTES. 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.

SLUDGE RECIRCULATING PUMP #1 WAS FOUND TO BE LEAKING AT THE BACK PLATE. THE PUMP WAS TAKEN APART, INSPECTED AND A PINHOLE IN THE PLATE WAS FOUND. THE HOLE WAS WELDED OVER, THE PUMP WAS REASSEMBLED AND WAS RETURNED TO SERVICE

A NEW GAS PRESSURE REGULATOR AND ASSOCIATED PIPING AND VENTING WAS INSTALLED BETWEEN THE DUAL FUEL BOILERS AND THE WASTE GAS TORCH LINE. THE WORK WAS PERFORMED BY ALLIED MECHANICAL. THE PURPOSE OF THE INSTALLATION WAS TO DIRECT EXCESS METHANE GAS TO THE WASTE GAS TORCH AFTER GAS REQUIREMENTS AT THE DUAL FUEL BOILERS HAVE BEEN MET.

ALLIED MECHANICAL SERVICES, INC. CONDUCTED THE SEMI-ANNUAL MAINTENANCE SERVICE ON DUAL FUEL BOILERS #2 & #3 LOCATED ON THE GROUND FLOOR OF THE DIGESTER CONTROL BUILDING. EACH BOILER WAS INSPECTED, THE TUBES WERE CLEANED, AND THE BURNERS AND DAMPERS WERE CHECKED FOR PROPER OPERATION. ALL COMPONENTS WERE FOUND TO BE OPERATING AS INTENDED.

IT WAS DISCOVERED THAT THE SEPTAGE RECEIVING PIT HAD BECOME PLUGGED AND WAS NOT DRAINING PROPERLY. ACE PLUMBING WAS RETAINED TO JET-ROD THE PIPING BETWEEN THE SEPTAGE PIT AND THE GRIT CHANNEL. PLANT PERSONNEL WORKED WITH ACE PLUMBING AND DETERMINED THAT THE OBSTRUCTION WAS LOCATED IN THE PIPING IN THE MAIN EQUIPMENT BUILDING BASEMENT. THE PIPE WAS TAKEN APART ENOUGH TO REMOVE THE OBSTRUCTION FROM THE LINE. IT WAS DISCOVERED THAT A PIECE OF WOOD HAD BECOME LODGED IN THE PIPE, BLOCKING THE LINE. AS AN ADDITIONAL MEASURE, THE BAR SCREEN LOCATED AT THE SEPTAGE HAULER'S DUMP PIT WAS TACK WELDED TO ITS FRAME TO ENSURE IT COULD NOT BE REMOVED AND ALLOW RAGS TO BYPASS THE SCREEN IN THE FUTURE. UPON COMPLETION OF THE WORK, THE SEPTAGE RECEIVING PIT WAS CLEANED AND RETURNED TO SERVICE

AMERICAN PRIDE OF BENTON HARBOR REPLACED THE ROPE, FLAG HOOKS AND THE UPPER PULLEY ON THE ADMINISTRATION BUILDING FLAGPOLE. THE GLOBE LOCATED AT THE TOP OF THE POLE WAS ALSO POLISHED.

APPROXIMATELY 275 LINEAL FEET OF FENCE SCREENING WAS INSTALLED BY PLANT PERSONNEL ON THE PERIMETER FENCING AT THE STORAGE AREA LOCATED ON THE EAST SIDE OF THE PLANT SITE NEAR THE CITY BOAT LAUNCH. ALSO, APPROXIMATELY 75 LINEAL FEET OF SCREENING WAS INSTALLED AT THE ACCESS GATE AT THE SOUTHWEST CORNER OF THE PLANT SITE.

THE RIGHT REAR TIRE ON THE KUBOTA LAWN MOWER WAS FOUND TO BE FLAT. THE TIRE WAS REMOVED AND SUBSEQUENTLY REPAIRED AT CITY AUTO AND TIRE OF BENTON HARBOR.

SECONDARY MAINTENANCE:

TWO NEW DRIVE BELTS WERE INSTALLED ON EXHAUST FAN #28 LOCATED ON THE ROOF OF THE DIGESTER BUILDING.

DURING A SCHEDULED INSPECTION, IT WAS DISCOVERED THAT THE LOW WATER ALARM LOCATED IN THE SUMP PUMP PIT LOCATED IN THE SOLIDS HANDLING BUILDING BASEMENT WAS NOT WORKING PROPERLY. MEAD & WHITE CHECKED THE OPERATION OF THE SUMP PUMP COMPONENTS AND DETERMINED THAT THE ALTERNATING COMPONENT AND THE LOW WATER LEVEL FLOAT NEEDED REPLACEMENT. PRICES ARE BEING OBTAINED FOR THE NECESSARY PARTS.

REAERATION TANK #1 WAS TAKEN OUT OF SERVICE FOR A SCHEDULED INSPECTION AND CLEANING. THE TANK WAS CLEANED AND THE ACCUMULATED SOLIDS WERE REMOVED. THE AERATION SHEATHS WERE REMOVED AND CLEAN SHEATHS WERE INSTALLED. THE HOOPS THAT SUPPORT THE SHEATHS WERE INSPECTED AND REPLACED AS NEEDED. THE TANK IS READY FOR SERVICE WHEN NEEDED.

ELECTRICAL MAINTENANCE:

THE CONTROLS FOR SUMP PUMPS #12 AND #13 LOCATED IN THE SOLIDS HANDLING BUILDING BASEMENT WERE CHECKED FOR PROPER OPERATION.

THE MURPHY TATTLETALE RELAYS ON RAW WASTEWATER PUMP GAS ENGINES #1 AND #2 WERE REPLACED.



St. Joseph St. Joseph Recreational Harbor Authority
St. Joseph River Yacht Club
Marina Drive, St. Joseph, MI 49085

AGENDA
June 25, 2014
12:00 PM

Call to Order

Order of Business

2. Approval - Minutes - May 28, 2014
3. Financial Report - May 31, 2014

Old Business

4. Gazebos
5. Fuel Pumps

Reports

6. Manager Report
7. Public Works Director Update
8. City Manager Update
9. Five Year Plan

Public Comments

Board Member Comments

Adjournment

Minutes of the St. Joseph St. Joseph Recreational Harbor Authority Meeting held in the St. Joseph River Yacht Club, Marina Drive, St. Joseph, MI 49085 on May 28, 2014.

Call to Order

The meeting was called to order at 12:00 PM by Board Member Richard I. Lewis

Attendee Name	Title	Status	Arrived
Richard I. Lewis	Board Member	Present	
Glenn Zerler	Chairman	Present	
Michael Dumke	Board Member	Present	
William Marohn	Board Member	Present	
Tom Zellers	Board Member	Present	
Allan Westmaas	Secretary	Present	
Ken Zimmerman	Board Member	Present	

Order of Business

1. 2014-192: Election of Officers

Election of Chairman

MOTION: That Glenn Zerler be re-elected Chairman of the Harbor Authority.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Dumke, Board Member
SECONDER:	William Marohn, Board Member
AYES:	Board Member Lewis, Chairman Zerler, Board Member Dumke, Board Member Marohn, Board Member Zellers, Secretary Westmaas, Board Member Zimmerman

Election of Vice Chairman

MOTION: That Mike Dumke be re-elected as Vice Chairman of the Harbor Authority.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	William Marohn, Board Member
SECONDER:	Tom Zellers, Board Member
AYES:	Board Member Lewis, Chairman Zerler, Board Member Dumke, Board Member Marohn, Board Member Zellers, Secretary Westmaas, Board Member Zimmerman

Election of Secretary

MOTION: That Allan Westmaas be re-elected as Secretary of the Harbor Authority.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	William Marohn, Board Member
SECONDER:	Michael Dumke, Board Member
AYES:	Board Member Lewis, Chairman Zerler, Board Member Dumke, Board Member Marohn, Board Member Zellers, Secretary Westmaas, Board Member Zimmerman

Glenn Zerler conducted the rest of the meeting.

2. Approval - Minutes - April 30, 2014

The minutes of the previous meeting were approved as presented except for the date on the minutes in the packet, which was incorrect. The date of the meeting was April 30, 2014.

RESULT:	APPROVED [UNANIMOUS]
AYES:	Board Member Lewis, Chairman Zerler, Board Member Dumke, Board Member Marohn, Board Member Zellers, Secretary Westmaas, Board Member Zimmerman

Attachment: Minutes HA 20140528 (1624 : Approval - Minutes - May 28, 2014)

3. Financial Report

The financial report for the ten months ended April 30, 2014 was reviewed. Cash on hand was \$242,070. Revenue was \$574,531. Expenses were \$308,269. Debt service was \$80,409. Cash flow was a positive \$185,853. Mike Dumke questioned the unpaid slip rentals. Brian Dwan reported that all but one has been collected. The remaining slip is available to rent and he is in the process of renting it. Several boaters delay paying for storage until they launch their boats. One storage cradle has probably been abandoned. A letter will be sent to the last available address to start the process of disposing of that cradle.

Glenn Zerler noted that the debt for our capital projects will be paid off in November.

Richard Lewis reported that the City Commission adopted our budget.

RESULT:	APPROVED [UNANIMOUS]
AYES:	Board Member Lewis, Chairman Zerler, Board Member Dumke, Board Member Marohn, Board Member Zellers, Secretary Westmaas, Board Member Zimmerman

Old Business

4. Gazebos

Motion: That three bids for Gazebos with cement pads, including one on the west wall be obtained.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	William Marohn, Board Member
SECONDER:	Allan Westmaas, Secretary
AYES:	Board Member Lewis, Chairman Zerler, Board Member Dumke, Board Member Marohn, Board Member Zellers, Secretary Westmaas, Board Member Zimmerman

New Business

5. Five Year Plan

The possibility of proper boat tie-ups along the Margaret Upton Arboretum wall was again discussed. There will be a meeting in the City Manager's office on June 5 with representatives from the Army Corps of Engineers and the DEQ to explore their thoughts on the feasibility of that project. Glenn Zerler and Mike Dumke will attend.

Glenn Zerler is working on a five-year capital expenditure plan which could be incorporated as part of the City's Six Year Capital Improvement and the Master Plan. As agreed, additional dock boxes are not in the plan. Richard Lewis suggested we should set aside funds for replacing major items as they wear out (such as docks, boardwalks, and equipment). Glenn Zerler said he believes we will have the funds to do that in future years.

Reports

6. Manager Report

Glenn Zerler said the ticket booth at the City Boat Launch (and Fish Cleaning Station) should be moved to help maximize revenue. Derek Perry will investigate the costs and feasibility of moving it to the entrance. He also agreed to have a traffic counting strip

Attachment: Minutes HA 20140528 (1624 : Approval - Minutes - May 28, 2014)

installed temporarily to help us evaluate the usage of the site. Having security cameras installed was also discussed. Some fishermen have been seen driving in from other marinas to clean their fish and not paying the parking fee.

The four fuel pumps we own are very slow. Brian Dwan said it took nearly four hours to pump 200 gallons of diesel recently. The pumps cost about \$10,000 each. There was general consensus that we need at least two new pumps. Brian will investigate the exact cost of the pumps, as well as the cost of improving our credit card handling equipment. We have budgeted \$50,000 for capital spending. The Gazebos and fuel pumps will come from that budget.

Public Comments

Board Member Comments

Richard Lewis will bring a recommendation for Ship Store hours to the next meeting. Regular posted hours need to be maintained so our customers know when they can get fuel and other items.

Adjournment

The meeting was closed at

Presiding Officer

City Clerk/ Recording Secretary

AGENDA
ST. JOSEPH HOUSING COMMISSION
REGULAR MEETING

COMMUNITY ROOM
LAKE VIEW TERRACE HIGHRISE

Thursday, July 10, 2014, at 8:30 a.m.

1. Election of Officers.
2. Approval of Minutes.
 - a. Regular meeting of May 8, 2014.
3. Executive Director:
 - a. May 2014 Previously Paid Liabilities
 - b. June 2014 Previously Paid Liabilities
 - c. Financial Report for May 2014
 - d. Financial Report for June 2014
 - e. Vacancy Report
 - f. Resolution 2014-15 – Anti-Bullying Policy
 - g. Resolution 2014-17 – Chemical Bank Signature Card Change
 - h. Resolution 2014-18 – Acceptance of Audit for FYE 3/31/14
4. Public Hearing
 - i. Resolution 2014-16 – Changes to Admission and Continued Occupancy Policy
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, MAY 8, 2014

President Silverthorn called the meeting to order at 8:30 a.m.

Present: Commissioners Agay, Hutchinson, Meyer and Silverthorn.

Absent: None.

Also Present: Executive Director Nancy Walker and Bunni Wheeler. Residents: Frank Byrd (505), Wilma Enix (801), Ruth Strine (803), Mary Wein (804), Sherry Gaynor (805), Leah and Alderida Coleman (901), Joan Wolfe (1102), Rita Quinn (1203), Dorothy Steffey (1405), Evelyn Brown (1501) and Carol Pendergrass (1507).

Guests: Marian Titus and Brian Kuemin, Griffin Pest Solutions.

The minutes of the regular meeting held on March 13, 2014 were reviewed. Commissioner Agay, supported by Commissioner Hutchinson, moved that the minutes be approved as presented. Motion carried unanimously.

The March 2014 List of Previously Paid Liabilities was presented to the St. Joseph Housing Commission for review. A motion was made by Commissioner Hutchinson, and supported by Commissioner Meyer, to approve the March 2014 List of Previously Paid Liabilities in the amount of \$41,817.95. Motion carried unanimously.

The April 2014 List of Previously Paid Liabilities was presented to the St. Joseph Housing Commission for review. A motion was made by Commissioner Agay, supported by Commissioner Hutchinson, to approve the April 2014 List of Previously Paid Liabilities in the amount of \$62,345.47. Motion carried unanimously.

The Financial Report for March 2014 was presented to the St. Joseph Housing Commission. The benchmark for March is 100%. Director Walker explained that we would revisit this end-of-year report when the audit was complete. Revenues were \$545,841.36 (100.8%) and operating expenses totaled \$509,145.34 (95.6%), for a net gain of \$36,696.02. A motion was made by Commissioner Hutchinson, supported by Commissioner Meyer, to accept the March 2014 financial report. Motion carried unanimously.

The Financial Report for April 2014 was presented to the St. Joseph Housing Commission. The benchmark for April is 8.3%. Total revenues are at \$44,508.53 or 8.4% and expenditures at \$22,449.624 or 4.3% - a net gain of \$22,058.91. There was a motion by Commissioner Hutchinson, supported by Commissioner Agay, to accept the April 2014 financial report. Motion carried unanimously.

Director Walker presented the Housing Commission with a Vacancy Report as of April 30, 2014. There were two vacant units entering March 2014 (402-S, 408-E). We had one vacancy due to the resident entering a nursing home (901-L) and one due to a reasonable accommodation transfer (202-SH). Three of these were filled in March (202-SH, 402-S, 408-E), leaving one vacancy entering April (901-L).

There was one vacancy entering April (901-L). We filled that apartment in April with a reasonable accommodation which vacated another apartment (1402-S). We filled Apartment 1402-S in April. Two apartments became vacant at the end of April (404-L and 1204-L) due to both residents moving in with families. This left two vacant units entering May (404-L and 1204-L). The occupancy percentage at the end of April was 98.3%. There are 44 people on the waiting list. There was a motion by Commissioner Meyer, supported by Commissioner Agay, to accept the Vacancy Report as of April 30, 2014 as presented. Motion carried unanimously.

Director Walker presented the Housing Commission with a copy of the sole proposal that was received for legal services. This proposal was from our current attorney and the base price was lower than his current hourly rate. After a discussion, the following resolution was presented for action:

ST. JOSEPH HOUSING COMMISSION
RESOLUTION 2014-10

**RESOLUTION TO AUTHORIZE SIGNING OF A TWO-YEAR
LEGAL SERVICES CONTRACT**

WHEREAS, the St. Joseph Housing Commission entered into a legal services contract with the Law Offices of Justin Smith for two-years, and

WHEREAS, that contract expires in May 31, 2014, and

WHEREAS, St. Joseph Housing Commission requested sealed proposals for legal services for a two-year contract beginning June 1, 2014 and extending through May 31, 2016, with the proposals being due Friday, March 25, 2014, at 2:00 p.m., and

WHEREAS, one proposal was received and reviewed,

NOW, THEREFORE, BE IT RESOLVED, that the St. Joseph Housing Commission allow the Executive Director to enter into a two-year contract with the Law Offices of Justin L. Smith, at a base price of \$120.00 per hour.

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

Ayes: 4

Nays: 0

Abstain: 0

Absent: 0

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 8th day of May, 2014.

Director Walker explained to the Housing Commission that she had advertised for proposals for pest control services, as the current contract with Griffin Pest Solutions expires on May 31, 2014. There were five proposals received. There was a tabulation sheet and a copy of each proposal included in the Housing Commission packets for their review. After discussion, the following resolution was acted upon:

**ST. JOSEPH HOUSING COMMISSION
RESOLUTION 2014-11**

**RESOLUTION TO AUTHORIZE SIGNING OF A TWO-YEAR
PEST CONTROL CONTRACT**

WHEREAS, the current contract for pest control services expires on May 31, 2014, and

WHEREAS, St. Joseph Housing Commission requested sealed proposals for pest control services for a two-year contract beginning June 1, 2014 and extending through May 31, 2016, with an option to add a third year, with the proposals being due Friday, April 25, 2014, at 10:00 a.m., and

WHEREAS, five proposals were received and reviewed,

NOW, THEREFORE, BE IT RESOLVED, that the St. Joseph Housing Commission allow the Executive Director to enter into a two-year contract with Arrow Pest Control, at a price of \$6,466 per year – which includes the regular pest control, bed bug monitoring and summer spider treatment combined.

Commissioner Hutchinson **MOVED** that the foregoing Resolution be adopted as introduced and read. Commissioner Agay **SECONDED** the motion. After discussion and upon roll call vote, the “ayes” and “nays” were as follows:

Ayes: 4 Nays: 0 Abstain: 0 Absent: 0

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 8th day of May, 2014.

The Housing Commission was informed that we had received the information for the 2014 Capital Fund Program and the amount of the grant was \$91,221. This is a bit better than what was given to us in 2013. The following resolution authorizes acceptance of this grant and the addition of Amendment Number 27 to the Annual Contributions Contract C-3056.

ST. JOSEPH HOUSING COMMISSION

RESOLUTION 2014-12

**AMENDMENT NO. 27 TO ANNUAL CONTRIBUTIONS
CONTRACT NO. C-3056, PROJECT NO. MI046001**

WHEREAS, the St. Joseph Housing Commission (MI046) (herein called the “PHA”) and the United States of America, Secretary of Housing and Urban Development (herein called “HUD”) entered into Consolidated Annual Contributions Contract (ACC) Number C-3056, dated March 29, 1971:

WHEREAS, HUD has agreed to provide CFP assistance, upon execution of this Amendment, to the PHA in the amount to be specified below for the purpose of assisting the PHA in carrying out development, capital and management activities at existing public housing projects in order to ensure that such projects continue to be available to serve low-income families. HUD reserves the right to provide additional CFP assistance in this FY to the PHA. HUD will provide a revised ACC Amendment authorizing such additional amounts. \$91,221 for Fiscal Year 2014 to be referred to under Capital Grant Number MI33P04650114, PHA Tax Identification Number (TIN) 38-6004649, DUNS Number 025239034

WHEREAS, HUD and the PHA are entering into this CFP Amendment Number 27.

NOW THEREFORE, the ACC is amended as follows:

1. The ACC is amended to provide CFP assistance in the amount specified above for development, capital and management activities of PHA projects. This amendment is a part of the ACC.
2. The PHA must carry out all development, capital and management activities in accordance with the United States Housing Act of 1937 (the Act), 24 CFR Part 905 (the Capital Fund Final rule) published at 78 Fed. Reg. 63748 (October 24, 2013), as well as other applicable HUD requirements.
3. The PHA has a HUD-approved Capital Fund Five Year Action Plan and has complied with the requirements for reporting on open grants through the Performance and Evaluation Report. The PHA must comply with 24 CFR 905.300 of the Capital Fund Final rule regarding amendment of the Five Year Action Plan where the PHA proposes a Significant Amendment of the Capital Fund Five Year Action Plan.
4. For cases where HUD has approved a Capital Fund Financing Amendment to the ACC, HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization scheduled will be made directly to a designated trustee within 3 days of the due date.

5. Unless otherwise provided, the 24 month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the Act and 48 month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.
6. Subject to the provisions of the ACC and paragraph 3, and to assist in the development, capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of funding assistance specified herein.
7. The PHA shall continue to operate each development as low-income housing in compliance with the ACC, as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for each public housing project or portion thereof and for a period of forty years after the last distribution of CFP assistance for development activities for any public housing project and for a period of ten years following the last payment of assistance from the Operating Fund to each public housing project

However, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC and which is not eligible for forgiveness, and provided further that, no disposition of any project covered by this amendment shall occur unless approved by HUD.
8. The PHA will accept all CFP assistance for this FY. If the PHA does not comply with any of its obligations under this CFP Amendment and does not have its Annual PHA Plan approved within the period specified by HUD, HUD shall impose such penalties or take such remedial action as provided by law. HUD may direct the PHA to terminate all work described in the Capital Fund Annual Statement of the Annual PHA Plan. In such case, the PHA shall only incur additional costs with HUD approval.
9. Implementation or use of funding assistance provided under this CFP Amendment is subject to the attached corrective action order. NO.
10. The PHA is required to report in the format and frequency established by HUD on all Capital Fund grants awarded, including information on the installation of energy conservation measures.
11. If CFP assistance is provided for activities authorized pursuant to agreements between HUD and the PHA under the Rental Assistance Demonstration

Program, the PHA shall follow such applicable statutory authorities and all applicable HUD regulation and requirements. For *total conversion* of public housing projects, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC and which is not eligible for forgiveness, and provided further that, no disposition or conversion of any public housing project covered by these terms and conditions shall occur unless approved by HUD. For *partial conversion*, the PHA shall continue to operate each non-converted public housing project as low-income housing in accordance with paragraph 7.

12. CFP assistance provided as an Emergency grant shall be subject to a 12 month obligation and 24 month expenditure time period, respectively. CFP assistance provided as a Safety and Security or Natural Disaster grant shall be subject to a 24 month obligation and 48 month expenditure time period, respectively. The start date shall be the date on which such funding becomes available to the PHA for obligation. The PHA must record the Declaration of Trust within 60 days of the effective date or HUD will recapture the funds.

The parties have executed this Agreement, and it will be effective on May 13, 2014. This is the date on which CFP assistance becomes available to the PHA for obligation.

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

Ayes: 4 Nays: 0 Abstain: 0 Absent: 0

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 8th day of May, 2014.

Proposals were requested for a hallway painting project from several contractors by Alliance Architects. There were three proposals submitted. Mark Leblang, Alliance Architects, provided a letter of recommendation for accepting the proposal of Ziolkowski Construction, in the amount of \$24,750. The following resolution was presented to the Housing Commission for action:

**ST. JOSEPH HOUSING COMMISSION
RESOLUTION 2014-13**

**RESOLUTION TO AUTHORIZE SIGNING OF A
CONTRACT FOR THE HALLWAY PAINT PROJECT**

WHEREAS, the St. Joseph Housing Commission has requested proposals for painting the hallways and some common areas, an item budgeted in the 2010-2014 Annual Plan, and

WHEREAS, the proposals were due to Alliance Architects, by Friday, April 25, 2014, at 5:00 p.m., and

WHEREAS, three responses were received and reviewed, and

WHEREAS, Alliance Architects has reviewed these proposals and recommends that the St. Joseph Housing Commission accept the proposal of Ziolkowski Construction, in the amount of \$24,750, and

WHEREAS, the funds for this project will be taken out of the 2014 CFP grant,

NOW, THEREFORE, BE IT RESOLVED, that the St. Joseph Housing Commission accept the proposal of \$24,750 from Ziolkowski Construction and allow the Executive Director to enter into a contract with Ziolkowski Construction, for the hallway paint project, with funds coming from the 2014 CFP Grant.

Commissioner Hutchinson **MOVED** that the foregoing Resolution be adopted as introduced and read. Commissioner Agay **SECONDED** the motion. After discussion and upon roll call vote the “ayes” and “nays” were as follows:

Ayes: 4 Nays: 0 Abstain: 0 Absent: 0

President Silverthorn thereupon declared said motion carried and said Resolution adopted this 8th day of May, 2014.

The Housing Commission was presented with the following resolution. Director Walker explained that the most recent notice, regarding filing Declaration of Trusts for modernization funds, stated that the Declaration must be filed within 60 days of accepting modernization funds (CFP). This Declaration of Trust is for the 2014 CFP funds that were acted upon in Resolution 2014-12.

**ST. JOSEPH HOUSING COMMISSION
RESOLUTION 2014-14**

**RESOLUTION APPROVING ADOPTION OF THE DECLARATION OF TRUST
FOR MODERNIZATION FUNDS THROUGH
FISCAL YEAR END MARCH 31, 2014**

DECLARATION OF TRUST

**US Department of Housing
and Urban Development
Office of Public and Indian
Housing**

Whereas, the St. Joseph Housing Commission (herein called the Public Housing Agency (PHA), a public body corporate and politic, duly created and organized pursuant to and in

accordance with the provisions of the laws or ordinances of the State of Michigan, and the United States of America, Secretary of Housing and Urban Development (herein called HUD) pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624) entered into a certain contract binding the parties, and as amended (herein called the Annual Contributions Contract), providing for a grant to be made by HUD to assist the PHA in financing a lower income housing project; and

Whereas, as of the date of the execution of this Declaration of Trust and the Annual Contributions Contract cover the lower income housing project located in: The City of St. Joseph, County of Berrien, State of Michigan, which will provide several dwelling units; and which lower income housing project will be known as: Project No. MI049000001; and

Whereas, said PHA has accepted and received grant assistance on or during the year 2014 for the purposes of **modernization of said project, grant number MI33P004650114.**

Now Therefore, to assure HUD of the performance by the PHA of the covenants contained in the Annual Contributions Contract, the PHA does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of HUD, for the purposes hereinafter stated, the following described real property situated in: The City of St. Joseph, County of Berrien, State of Michigan.

To Wit:

Parcel Number 11-76-0340-0218-00-2, commonly known as "Lake View Terrace Highrise," 601 Port Street, St. Joseph, Michigan 49085 and legally described as:

See Attached Exhibit A

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The PHA hereby declares and acknowledges that during the existence of the trust hereby created, HUD has been granted and is possessed of an interest in the above described Project property, **To Wit:**

The right to require the PHA to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts there from or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Annual Contributions Contract, or any interest in any of the same except that the PHA may (1), to the extent and in the manner provided in the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in the Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of the Project, or (c) convey or dedicate land for use as streets, alleys, or other public right-of-way, and grant easements for the establishment, operation, and maintenance of public utilities; or (d) enter into and perform contracts for the sale of

dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, 42 U.S.C. 1437, et seq., or (2), with the approval of HUD, release the Project from the trust hereby created; Provided, That nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery of possession of the Project to HUD pursuant to the Annual Contributions Contract.

The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the PHA of any real or personal property which is determined to be excess to the needs of the Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public right-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family, or (4) upon any instrument of release made by the PHA of the Project shall be effective to release such property from the trust hereby created.

The individual projects covered by the Modernization Grant Amendment shall be subject to this Declaration of Trust for a period of twenty (20) years beginning on the date of the Modernization Grant Amendment. Each individual project shall also be subject to this Declaration of Trust for a period of twenty (20) years after the date of the most recent Modernization Grant Amendment applicable to that project. Upon expiration of the period during which the PHA is obligated to operate the Project in accordance with the Annual Contributions Contract, the trust hereby created shall terminate and no longer be effective.

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

Ayes: 4 Nays: 0 Abstain: 0 Absent: 0

President Margaret Silverthorn thereupon declared said motion carried and said Resolution adopted this 8th day of May, 2014.

Frank Byrd (505) said that the residents wanted to know why the 15th Floor Lounge was locked and when it would be opened again. Director Walker explained that she had put a lock on the door when candy and Cheetos were found in the ceiling light fixtures, crushed into the carpet and on the tables. She stated that if the residents were going to act like children, then we would treat them like children. She also stated that she was looking into cameras for that area and on the elevators. Mr. Byrd stated that it was unfair to punish all residents for what some had done. She commented that staff was unsure of who did it this time, but that it was not unlikely to see common areas left littered and unclean. People always point their fingers at everyone else. Also, comments had been made by residents “to not clean it up because it was Maintenance’s job.” She went on to comment about the actions of several residents lately, e.g. cursing and arguing in common areas, calling police unnecessarily, harassing people, etc. She also informed Mr. Byrd that he had been mentioned in several complaints. Director Walker explained that the only individuals authorized to take care of issues were Housing Commission staff. No one else has the

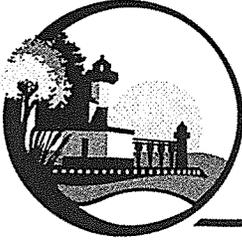
authority to tell other residents what they can and can't do. Nor do they have the authority to tell people where they can and can't park. Sometimes staff gives vacant parking spots to visitors of residents to use while they are here. Too many people are getting involved in things that are not their concern and all that it does is exacerbate the situation. Any concerns should be taken to the office and staff will review and investigate them. If any resident wants to know the policies and procedures, they need to ask the office. Too many residents are listening to other residents that are not providing correct information. President Silverthorn stated that we (Director and a couple of Housing Commissioners) could call a meeting or come to a resident meeting and answer questions that the residents may have. She would leave it up to the Director to organize the meeting.

Being no further business, the meeting was adjourned by President Silverthorn at 9:45 a.m.

Respectfully submitted,

Margaret Silverthorn
President

Nancy E. Walker
Secretary



St. Joseph Housing Commission

Lake View Terrace Highrise
601 Port Street
St. Joseph, MI 49085
A Special Place on the Lake

Nancy E. Walker
Executive Director
PHONE (269) 983-2814
FAX (269) 983-2340
TDD/TTY (800) 545-1833 ext. 942

MEMORANDUM

TO: St. Joseph Housing Commissioners

FROM: Nancy E. Walker, Executive Director *new*

SUBJECT: Meeting of July 10, 2014

DATE: July 3, 2014

Election of Officers

July is the month for appointing the officers of the Housing Commission – which consists of nominating and appointing the President and Vice-President. Please come prepared to nominate and act on this item.

May 2014 List of Previously Paid Liabilities

The total of the March List of Previously Paid Liabilities is \$75,060.85. We paid the PILOT expense to the City (\$26,195.93), architect fees for Alliance Architects for the paint project (\$6,482.48) and the third EPC payment (\$5,200). All other expenses are normal.

June 2014 List of Previously Paid Liabilities

The total of the June List of Previously Paid Liabilities is \$75,613.25. There are several large payments this month, listed as follows:

- Alliance Architects - \$2,656.40 – A/E services for paint project.
- Bank of America - \$1,768.82 – New rugs for basement/under front awning.
- BH Awning - \$935.00 – Repair of front awning – ripped from wind.
- First Contracting - \$12,302.00 – Final payment for closet door project.
- Peachtree - \$2,327.00 – new interior signs – when removing some of the old signs during the paint project, some just cracked, etc. from old age.
- TPC Technologies - \$1,012.00 – TV equipment repair.
- Ziolkowski Construction - \$25,075.00 – paint project expense.
- Rob's Professional Painting - \$1,300.00 – Painted boiler room floor with epoxy paint.

All other payments are normal monthly expenses or additional items needed for preparation for the REAC Physical Inspection.

May 2014 Financial Report

The benchmark for May financials is 16.7%. Revenues are \$87,742.61 (16.5%) and operating expenditures are \$55,658.51 (10.6%). This leaves a net operating gain of \$32,084.10. Maintenance Materials is a little high due to extra supplies that we have ordered for the HUD inspection. We are high on the Plumbing line item because D.A. Dodd was here several hours investigating the water pressure problem that is occurring in the upper floors. We are expecting a quote for a fix for this problem at any time. If it is over \$2,000 (which I am sure it will be), I will have to obtain two more quotes. The Interest Expense line item is high because we make four payments a year and this is the first one. The rest of the line items have been explained before or are fine.

June 2014 Financial Report

The benchmark for June financials is 25%. Revenues are \$155,163.05 (29.1%) and operating expenditures are \$90,089.46 (17.1%). There is a net operating gain of \$65,073.59.

Revenues are a little above the benchmark of 25%. This is primarily due to receiving the CFP Operations money (\$20,000) that was budgeted in the 2014 CFP Grant. Tenant Revenue-Other is the line item for excess utility for those who have air conditioners in the summer. This is lower than normal at this time of the budget because many people did not have air conditioners installed in May because of the cool weather.

Overall expenditures are at 17.1% of the budget. There is one line item that is extremely over-budget – Maintenance Materials (75.1%). I explained in the past that we would expend a lot during preparations for the REAC Physical Inspection. There are a couple of costs that may be re-categorized – after discussion with the fee accountant – new rugs and signage. But, this line item will still be over.

Other Contract Costs is a 50.3%. We paid for our front awning to be repaired at \$935. It was ripped by high winds. We also paid \$1,300 for an epoxy floor in the boiler room. This should make it easier to maintain. There will be another high expense paid in July. This was \$2,575 to replace a 50' section of sidewalk along the front circle drive. It had sunk considerably from the extreme winter and caused a trip hazard. This is something that most definitely would have cost us considerable points on the inspection. We still have several areas that need attention but we were unable to get bids together for the complete job as many companies are booked from other peoples' issues from the bad winter. Due to the high cost of the concrete repair work, we will

have to go through the proper bidding process. We have an area in the back patio area that has been undermined by groundhogs, etc. and will be a very expensive fix. I will begin working on a concrete project when things calm down a bit. The Other Insurance line item is high due to obtaining a notary bond for Bunni. There are times when having a notary in the office would be beneficial. All other expense line items are within budget or have been discussed in previous reports.

Vacancy Report

There were two vacant apartments entering May (404-L and 1204-L). We had two vacancies in May due to the resident moving elsewhere (1006-S) and one move due to a change in family composition to Apartment 1204 (306-SH). We filled two of these apartments (404-L, 1205-L), leaving two vacant entering June (306-S and 1006-S).

There were two vacancies entering June (306-S and 1006-S). We filled those two apartments and had no other vacancies in June, entering July with no vacancies.

We have a waiting list of 46 people: 14 pending, 0 for an efficiency apartment, 28 requesting large one-bedroom apartments, 4 for a small one-bedroom apartment, 0 for a handicapped apartment and 0 for a two-bedroom apartment.

Resolution 2014-15 – Resolution to Adopt Anti-Bullying Policy

Enclosed in your packet is Resolution 2014-15 and the proposed Anti-Bullying Policy for your review. This policy is designed to clarify the definition of bullying, illustrate prohibited conduct and outline reporting procedures for residents and investigative procedures for Housing Commission staff.

Bullying continues to be a vast problem – not only in school-age children but in groups of all ages to include elderly/seniors. Bullying is defined as aggressive behavior – which is often an intentional and hurtful action. Bullies humiliate their victims to gain power themselves. It can be in the form of harassment, obscene gestures, spreading gossip, whispering behind someone's back, cyber-bullying, loud arguments, name-calling, etc. In a lot of cases, people will ostracize individuals that have mental and physical disabilities or people that are just simply what *they* consider different from *their* perception of the norm. More often than not, if a person was a bully at a young age, they will continue to bully as they grow older.

I wanted to create a policy that will make people understand what is bullying, what won't be tolerated and outline procedures to follow, if they are bullied or see someone be bullied. This will not be an easy policy to administer because a lot of the complaints result in he said/she said! But, hopefully, knowing that a strong policy is in place will help curtail some of it.

This proposed policy has been provided to the residents for their 30-day review. There were few comments but the individuals that did, expressed their approval of the policy.

Since the last Housing Commission meeting, this type of behavior has decreased considerably. I truly believe much of the previous conflict was caused from being trapped inside the building together for such a long winter/spring and having nothing but time on their hands. I have not been to a resident meeting nor have I called a meeting yet. These past two months have been geared toward some very important issues - audit, inspection, preparations for the new fee accountant, paint project, policy changes, etc. We simply have not had time for anything extra. I know that the residents were told that we would attend or have a meeting but I think we should leave well enough alone at this time. Also, I believe that bringing the Housing Commission into a resident meeting undermines the staff's authority to deal with the operations themselves. If this is done, I think there are some individuals that would continue to come to the Housing Commission meetings for different results simply because they are unhappy with what staff has directed. The Housing Commission provides the policies that staff administers. Much of the complaining is simply about personality conflicts and people not staying out of other people's business. These things will not be settled by talking them out at a meeting because the personalities remain the same.

Resolution 2014-16 – Resolution to Approve Changes to the ACOP – Flat Rents

Enclosed in your packets are Resolution 2014-16, PIH Notice 2014-12, Fair Market Rent schedule for 2014, and the changes to the Admission and Continued Occupancy Policy.

With the passage of the 2014 Appropriations Act by the Federal government this year, there are changes to the guidelines for flat rent. Flat rent is the maximum that a Housing Commission will charge for an apartment – dependent on size, amenities, etc. At each yearly resident rent recertification we are required to offer a choice to the resident of paying a percentage-based rent or the flat rent. Some people that are close to the flat rent will choose to pay it rather than gather the paperwork each year for the recertification. Obviously, a resident will choose the flat rent if the percentage-based is higher than the maximum flat rent for that apartment. A resident's flat rent choice remains in effect for three years unless the resident's income or expenses change by a considerable amount.

The new guidelines require us to set the minimum flat rent for each sized apartment at 80% of the Fair Market Rent (FMR) for the area. The FMR figures are normally received around the beginning of October. FMRs are based on figures that the government provides.

We must also perform a yearly survey of unassisted housing facilities in the area to determine a

cost. This is called rent reasonableness methodology. If the survey shows that the rent is lower than 80% of the FMR, we must use 80% of the FMR figure. If it shows an amount higher than 80% of the FMR, we must use the higher amount.

At the meeting, we will need to open the Public Hearing by roll call and allow residents and others to comment on the change. Then, we must close the Public Hearing; and then, adopt the Resolution and Flat Rent amounts. We must adopt the change regardless of the comments. This is a Federal mandated change but they still want to hear any comments that are received.

We have always maintained one flat rent (\$500) for all apartments but as seen on the FMR documentation, there are different FMRs for different sized apartments. I am changing from the old process to have different flat rents for different sized apartments as it should be. It is unfair to charge an individual the same flat rate for smaller apartments. The change in flat rents will affect our revenues by a small amount (based on current rents – less than negative \$3,000). This is because we have some people paying over what the flat rent will be and we will adjust them downward when the new flat rents are adopted. There are only three families whose rent will increase because of this new procedure.

There is also another addition to the Glossary that does not pertain to flat rent– HUD's definition for Homeless that is listed on the HUD Form 50058. We were advised to add this to our ACOP. I have included it for action in Resolution 2014-16. There is a sheet showing the addition.

I will provide updated sheets for your policy book with the September packet.

Resolution 2014-17 – Chemical Bank Signature Card Resolution

Resolution 2014-17 authorizes a change in signatories on the bank accounts at Chemical Bank. With the resignation of Derek Perry and the City Commission approval of Marian Titus to replace him, we need to remove Derek and add Marian to the accounts.

Resolution 2014-18 – Resolution Approving Audit for FYE March 31, 2014

Enclosed are Resolution 2014-18, the completed audit for FYE March 31, 2014, and the final Trial Balance and Profit/Loss Budget vs Actual reports.

The audit was held on June 23-24. Barry Gaudette was our auditor again - he has won the contract for the audit for the last six years. He is a great auditor to work with. Once again, we had a very good audit. There were no findings and we ended the year with a very small increase to our Unrestricted Reserves - \$2,215. HUD likes to see about 6 months of expenses in Unrestricted Reserves but we have a little over 7 months' worth. We have heard nothing more about the Federal government recapturing excess money at this time.

The Management's Discussion and Analysis (MD&A) begins on Page 4 of the audit and covers the financial highlights and analysis of the changes from FYE March 31, 2013 as compared to FYE March 31, 2014.

Current and other assets increased by \$16,853. This is a net increase in cash flows. Capital Assets increased by \$265,875. Long-term liabilities increased due to the Energy Performance contract loan that we received for energy improvements.

On Page 7 is the Condensed Statements of Revenues, Expenses and Changes in Net Assets which shows a comparison between FY 2013 and FY 2014 and the percentage of change. Revenues and Contributions increased by \$162,980. The greatest increases come from increased rents – primarily due to making a concerted effort to prepare and rent vacant apartments as quickly as possible. Operating Grants increased by \$64,085 from receiving more operating subsidy than the year before when the Federal government recaptured \$93,000. Capital Contributions is the money used during this fiscal year from the CFP grants. The expenses also increased from the previous year by \$38,998 – for the most part in salary line items, plumbing issues, close to \$8,000 in heat and water boiler issues, more snow removal than normal, payment in lieu of taxes (paid to the City of St. Joseph), and depreciation.

Capital Assets increased by \$402,796. The projects of replacing patio storm doors, replace bi-fold doors in the apartments, replacing heat system valves in each apartment, replacing an awning and installing Water./Energy conserving equipment led to the majority of this increase.

Paint Project

The paint project went very well. Ziolkowski originally gave us a completion date of June 26th, but the job went much quicker for them than they expected. They were finished on June 6th. I was very impressed with the quality of work and the job went so smoothly. It has improved the halls considerably since they had not been painted (other than touch-up) in about 9-10 years. It saved us a lot of prep time for the HUD inspection.

HUD REAC Inspection

Our HUD REAC physical inspection will be held on Tuesday, July 8th. I hope to may have an idea of how we did by the HC meeting, although scores do not come out until sometime later. This is a very intense inspection and we work months to prepare for it. We inspect everything in each and every apartment, and inspect and repair anything that need's it in the common areas and outside grounds. It is probably the one time that the entire building is cleaned, painted and repaired at the same time.

St. Joseph Housing Commission
July 3, 2014
Page 7

Vacation

I will be out of state from July 18 through July 27, returning to work on July 28th. If you have any questions or concerns please contact Bunni. She can always get ahold of me if she is unable to help.

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