

**MINUTES OF THE REGULAR MEETING
OF THE HOUSING AND REDEVELOPMENT
AUTHORITY OF AUSTIN, MINNESOTA**

October 18, 2006

1.) Roll Call.

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, October 18, 2006, at the HRA Office. The meeting was called to order by Vice-Chairman Hecimovich. Present were Commissioners Lang, Pacholl, Christopherson, Schlieve, and Nordin. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, Deputy Director of Housing Volstad, and HRA Finance Director Detloff. Chairman Nelson was absent.

2.) Approval of the meeting minutes of September 20, 2006.

It was moved by Commissioner Christopherson and seconded by Commissioner Pacholl to approve the minutes of the regular meeting of September 20, 2006. All present voted in favor thereof, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

3.) Approval of Claims for Payment.

It was moved by Commissioner Christopherson and seconded by Commissioner Pacholl to authorize payment of the list of claims for payment. All present voted in favor thereof, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

4.) Redevelopment Business:

- a. **Railroad Property - Review proposed sale of property to Groh Construction:** Craig Hoium reported a proposal from Groh Construction to purchase a 1.3 acre parcel in the northwest corner of the Milwaukee

Roundhouse Addition redevelopment site. The sale price of the land is set at \$26,400.00. The purchaser will also be responsible for \$22,738.27 in assessments in conjunction with the development of 4th Ave. NE. Groh Construction plans to construct a 50' x 100' shop on the site. The building will be a steel structure with a concrete foundation and brick wainscot on two sides.

It was moved by Commissioner Lang and seconded by Commissioner Christopherson to authorize the execution of a purchase agreement. All present voted in favor of the motion, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

b. **Certificate of Completion - Groh Depot Project.**

Attorney Craig Johnson contacted the City and HRA requesting the execution and filing of a Certificate of Completion on the remodeling of the old Milwaukee Depot building on 10th St. NE. The remodeling was done in 1997 and the requirements of the redevelopment contract were met.

It was moved by Commissioner Christopherson and seconded by Commissioner Nordin to authorize the Chairman and Executive Director to sign the Certificate of Completion as presented. All present voted in favor of the motion, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

5.) Public Housing & Market Rate Housing:

a. 1. **Review bids for Property, Liability and Auto Insurance.**

At the September meeting the Commissioners rejected all the bids for property, liability and auto insurance for public and market rate housing. Differences in the proposals made it difficult to make an award at that time. Further discussions with the bidders have clarified the bid discrepancies.

2. **Motion to rescind the rejection of bids at the 9/20/06 Board Meeting.**

It was moved by Commissioner Pacholl and seconded by Commissioner Christopherson

to rescind the motion rejecting all bids at the meeting of September 20, 2006. All present voted in favor of the motion, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

3. Motion to award bids for insurance coverage. The Housing Authority Insurance Group proposal stipulates a 1% deductible based on building value for wind or hail damage events. They refuse to bid a flat deductible rate as requested in the bid documents. Therefore their bid is rejected.

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to award the contract for property, liability, and auto insurance coverage for both Public and Market Rate Housing to the League of Minnesota Cities, the lowest bidder meeting bid specifications. All present voted in favor of the motion, none in opposition thereto, the Vice-Chairman declared the motion passed and carried.

6.) Executive Director Reports:

a. Adjust one employee's wages to meet HUD minimum as per wage determination. The HUD Wage Rate Determination setting minimum rates for maintenance staff was received on October 11, 2006. One employee's hourly rate fell below the wage rate minimum. It was moved by Commissioner Christopherson and seconded by Commissioner Nordin to adjust the pay rate for Twin Towers Janitor from \$10.85 to \$11.01 effective 10/1/06. All present voted in favor of the motion, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

b. Discussion on discontinuing the HOME Buyers Club. Funding for administration the Home Buyers Club has been drastically reduced along with the benefits to participants. Program changes and fund reductions make continuing the Home Buyers Club impractical. The Home Buyers Club loan product will remain available for program graduates until May of 2007.

It was moved by Commissioner Nordin and seconded by Commissioner Christopherson to discontinue the Home Buyers Club. All present voted in favor of the motion, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

7.) Adjourn. There being no further business it was moved by Commissioner Lang and seconded by Commissioner Christopherson to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

Norman Hecimovich, Vice-Chairman

SEAL

Gloria M. Nordin, Secretary