

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

**November 19, 2008**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held November 19, 2008, at 4:30 PM at the HRA Office. The meeting was called to order by Vice-Chairman Hecimovich. Present were Commissioners Christopherson, Lang, Schlieve, Dick Pacholl, and Scott Pacholl. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, Finance Director Detloff, Deputy Director of Housing Volstad, Family Housing Director Mattson, Mower County Coordinator Oscarson, KKE Architect Mike Clark, and Mark Hemstreet representing AT&T. Chairman Nelson was absent.

**2.) Approval of the meeting minutes of September 24, 2008.**

It was moved by Commissioner Christopherson and seconded by Commissioner Scott Pacholl to approve the minutes of the regular meeting of September 24, 2008. All present voted in favor thereof, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

**3.) Approval of the list of Accounts Payable.**

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

**4.) Fiscal year ended 9/30/2008 Financial Statements:**

- a. Public Housing**
- b. Market Rate Housing**
- c. General Fund**
- d. MHFA Programs.**

Sherrri Detloff presented the year-end closing financial statements for the HRA programs identified above. She explained the basic accounting methodology and reported that the programs are in good financial condition.

**5.) Public Housing & Section 8:**

- a. FYI - New Section 8 Payment Standards.** Karen Mattson prepared a memo showing the new HUD determined Fair Market Rents for our area. A resolution was passed last year stating the Section 8 Housing Choice Voucher Payment Standards would be the same as the published fair market rents. The new payment standards will become effective January 1, 2009.
- b. Resolution to close out 2005 Capital Grant Projects.** Sherrri Detloff requested approval of a resolution closing out the 2005 Grant Year of the Public Housing Capital Fund and authorizing submission of the required documentation to HUD. The following resolution was introduced by Commissioner Dick Pacholl and seconded by Commission Christopherson.

**RESOLUTION #468  
RESOLUTION APPROVING THE PERFORMANCE & EVALUATION REPORT  
FOR THE CAPITAL FUND GRANT PROGRAM FOR THE  
FEDERAL FISCAL YEAR ENDING JUNE 30, 2005  
CFP#MN46P08550105**

All present voted in favor of the resolution, none in opposition thereto. The Vice-Chairman declared the resolution passed and adopted.

- c. Twin Towers - AT&T Cell Tower Lease Proposal.** Mark Hemstreet of Buell Consulting requested approval of a lease of space for cell phone equipment on the roof of the Twin Towers. The lease has been reviewed by HRA attorney Steve Hovey and the plans have been approved by Craig Hoium. The requested engineering report certifying the structural soundness of the building for the intended use has been received by

the HRA. It was moved by Commissioner Christopherson and seconded by Commissioner Schlieve to authorize execution of the lease with the following changes. AT&T will pay a fee of \$1,500.00 to cover legal expenses for lease review and the rent increase will be 15% (not 7-1/2% as stated in the original lease language) at the beginning of each five-year renewal term.

- d. Twin Towers - Capital Grant Project - Motion to approve bid for first floor heating and air conditioning units.** Bids to provide and install new heating and cooling equipment to service the first floor of the Twin Towers were publicly solicited. Three bids were received. The low bidder was M.J. O'Connor, Inc. for \$129,600. It was moved by Commissioner Christopherson and seconded by Commissioner Scott Pacholl to award the bid to M.J. O'Connor. All present voted in favor thereof, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

**6.) Executive Director Report:**

- a. Wellness Center - Contribution from economic development partnership funds.** The Austin Medical Center and YMCA are exploring the feasibility of a "Wellness Center" located on YMCA property between the Medical Center and the YMCA. A full feasibility study is estimated to cost \$65,000. Most of the estimated cost will be paid by the AMC and YMCA. Director Hurm requested that \$2,000 be contributed by the HRA to the study. Similar contributions will also be requested from the Port Authority and City Council. It is estimated that the completed project could provide up to fifty full time jobs. The commissioners said they would like more information on the concept, what services will be provided, and who are the likely clients. It was moved by Commissioner Dick Pacholl and seconded by Commissioner Schlieve to table the request until more detailed information on the proposal is available to the commissioners. All present voted in favor thereof, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

**b. Justice Center - Geothermal discussion.** Mower County Coordinator Craig Oscarson requested permission from the HRA for the right to use the HRA parking lot on the Robbins block as a geothermal well field for the Justice Center Project. According to Oscarson using the HRA lot would expand the options for future use of the Robbins Block. Use of the lot would require approval by HUD after a request from the HRA.

The HRA is planning improvements to the heating and cooling systems at the Twin Towers in the future. According to Carl Dirkson with TSP Engineers, it may be feasible and cost effective to utilize geothermal under the parking lot for the Twin Towers in the future. Allowing the County to use the parking lot would eliminate the site as a geothermal resource for the HRA. Commissioner Lang argued for the importance of the HRA and County working together on the project.

It was moved by Commissioner Christopherson and seconded by Commissioner Scott Pacholl to deny the request from Mower County to use the HRA parking lot on the Robbins block for a geothermal well field. Voting in favor of the motion were Commissioners Schlieve, Christopherson, Dick Pacholl, Scott Pacholl, and Hecimovich. Voting against the motion was Commissioner Lang. The Vice-Chairman declared the motion passed and carried.

**c. Proposal to contract for services for market rate housing.** Director Hurm presented information that the full time janitor position serving Austin Courtyard and Chauncey Apartments could be eliminated at a cost savings of \$14,035 to \$23,635 per year. The tasks of cleaning common areas, removing snow, and doing yard work, can be done by independent contractors like apartment turnover work is done now. Contract services will be monitored and re-bid periodically.

It was moved by Commissioner Dick Pacholl seconded by Commissioner Christopherson to support the recommendation of Executive Director Hurm to

eliminate the position of janitor at the Chauncey and Austin Courtyard Apartments. All present voted in favor of the motion, none in opposition thereto. The Vice-Chairman declared the motion passed and carried.

- d. Southeast Service Co-op - Voting for new Board Member.** Ballots to elect a new Board member to the Southeast Service Cooperative were collected from the commissioners.

**Adjournment:** There being no further business it was moved by Commissioner Christopherson and seconded by Commissioner Hecimovich to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

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Norm Hecimovich, Vice-Chairman

SEAL

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Shirley Schlieve, Secretary