

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Dunedin Hi-Rise Exterior  
Brick Repair – Phase IV  
MN 1-9A; AMP 8  
Contract No. 15-097

**DATE** April 22, 2015

Staff requests Board approval to award a contract for Exterior Brick Repair Phase IV at Dunedin Hi-Rise (MN 1-9A, AMP 8) to the lowest responsible bidder, A & M Construction, Inc., Oak Grove, Minnesota for the unit bid prices shown on the attached February 25, 2015 bid tabulation. Multipliers in the bid documents were used to calculate the total bid amount of \$719,810, as shown on an attachment. Using that method the second low bid was \$741,940. One lower bid was submitted by Advanced Masonry Restoration; however, they asked to withdraw their bid due to not including Addendums 1 or 2 in their bid. The PHA's Contracting Officer approved their request.

This contract is to repair brick defects on the southeast corner wall elevations at Dunedin Hi-Rise, continuing the corrective work that has been underway since 2009. The corrective work includes applying a protective coating over the concrete parapet wall, replacing and tuck-pointing damaged bricks, replacing sealants and rebuilding the exterior brick piers. Earlier phases of the brick repair at this hi-rise were completed on the southwest elevation in 2014, the northeast elevation in 2012 and 2013, the north, south and west end wall caps in 2011, and the east end wall cap in 2009. Added to the previous contracts for engineering consultants and construction, this contract will bring the brick repair costs to \$2,296,149. The remaining phase is estimated at \$623,060, for a total cost of almost \$3 million.

A & M Construction, Inc. has not done any work for the PHA. Staff checked their references for completing similar work throughout the Twin Cities and received favorable responses. Copies of the Employer Information Report for A & M Construction, Inc., and the second lowest responsible bidder, Innovative Masonry Restoration, LLC, are attached. A & M Construction, Inc. is a business enterprise owned by a person with a disability (DBE).

Because this is a unit-price contract, it is not subject to the Section 3 Policy's requirement for contributing to the PHA's Section 3 Training Fund.

The low bid is under the consultant's estimate. There are sufficient 2014 and 2015 Capital Fund Program funds to accomplish this work.

JPR/mlp

Attachments: Bid Tabulation  
Employer Information Reports – EEO-1

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Construction of Twelve-Plex Townhomes  
At McDonough Homes,  
AMP 13, MN 1-1,  
Contract No. 15-106

**DATE** April 22, 2015

Staff requests Board approval to award a contract for construction of two, six-plex townhomes at McDonough Homes (AMP 1, MN 1-1), to the lowest responsible bidder, Weber, Inc., of North Saint Paul, Minnesota, for the base bid amount of \$2,839,000. A copy of the March 10, 2015 bid tabulation is attached.

The base bid is for construction of two buildings at 1586 and 1606 Jackson Street. One building (“Building A”) at 1606 Jackson will contain three two-story, two-bedroom apartments and three single-level two-bedroom apartments. “Building B” at 1586 Jackson will contain four two-story, two-bedroom apartments and two single-level two-bedroom apartments. All five single-level units will be accessible for persons with disabilities. The two-story units will have full basements and the accessible units will be built on concrete slabs on grade level, with no basement or steps.

A loan from Minnesota Housing (MFHA) will provide \$1,080,000 toward the construction cost (award letter attached) and the balance of the funding will come from the 2014 and 2015 Capital Fund Program grants.

The Board approved submitting the development application to HUD for the construction of these buildings on May 28, 2014. HUD approved the development application on February 25,

2015 (approval letter attached). Although the contract cost exceeds HUD's Housing Construction Cost (HCC) limit by \$1,130,104, HUD will approve the award because the MHFA funding covers most of the amount in excess of the HCC limit.

The contract cost exceeds the HCC limit due to the following reasons:

- Making five of the units slab-on-grade and fully accessible increased the complexity of the work and the cost.
- All units are fully protected by fire suppression sprinklers.
- Units are being built to a higher standard to meet the Green Communities Standards required by Minnesota Housing as part of their loan requirements.
- Units have security screens on the first floor windows to reduce future window breakage and increase security.
- Units have cementitious siding (like Hardi-Plank) on the exteriors to provide extra durability and reduced maintenance costs.
- The location of the project site requires extensive soil correction work (25-foot excavation) to adequately support the building foundations.
- Local storm water regulations along with site constraints require the construction of a large underground storm water retention facility for runoff rate and water quality control.

Although the bid amount exceeds the architect's original estimate, the architect has reviewed the cost and states that it is reasonable.

Weber, Inc. has not previously performed work for the PHA. Weber, Inc. was interviewed by Maintenance Contracts staff and the project architect to verify their bid amount and project plan. Maintenance Contracts staff also interviewed project references supplied by Weber, Inc. and received mostly positive feedback on their past performance on similar type projects. Weber, Inc. intends to perform 12% of the contract work and will subcontract approximately 15% of the contract work to minority business enterprises (MBE) and 10% of the contract work to women-owned business enterprises (WBE). Weber, Inc. intends to comply with Section 3 requirements

by contributing 2.5% of the total contract amount to the PHA's Section 3 Training Fund. The contractor will also participate in the Step-Up pre-apprenticeship program. Copies of the Employer Information Reports for Weber, Inc. and the second low bidder, Project One Construction Inc. are attached.

DAL/BNF/mlp

Attachments: Bid Tabulation  
Employer Information Reports (EEO-1)  
HUD Approval of Development Application dated February 25, 2015  
MHFA Grant Award Letter dated October 23, 2014  
McDonough Twelve-Plex Site Plan  
McDonough Twelve-Plex Exterior Elevation Plans

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Mt. Airy Homes Exterior Modernization,  
AMP 5, MN 1-3, Phase 1  
Contract No. 15-107

**DATE** April 22, 2015

Staff requests Board approval to award a contract for Mt. Airy Homes Exterior Modernization (AMP 5, MN 1-3), Phase 1 to the lowest responsible bidder, Minnesota Construction Inc., Rosemount, Minnesota, for the base bid of \$1,189,000. A copy of the March 11, 2015 bid tabulation is attached.

In Phase I this contractor will modernize the exteriors of 30 dwelling units in 12 buildings and correct the damage caused by water infiltration into the exterior walls and windows. The work includes the following:

- 1) Removing all exterior stucco,
- 2) Correcting deteriorated sheathing, studs and window frames,
- 3) Replacing windows,
- 4) Replacing shingle roofs,
- 5) Replacing soffits, fascia, gutters and downspouts, and
- 6) Installing new board insulation, cement board siding and new plastic trim boards.

Minnesota Construction has performed satisfactorily on previous work for the PHA, including the prototype for this work. Copies of the Employer Information Reports for Minnesota Construction and the second lowest bidder, Crossroad Construction, are attached. Minnesota Construction will meet the Section 3 requirement by subcontracting at least 25% percent of the total contract to Section 3 subcontractors. The Contractor will also participate in the Step-Up pre-apprenticeship program.

The bid amount is within the PHA's available budget for the work. There are sufficient funds to accomplish this work from the 2014 and 2015 Capital Fund Program grants.

JPR/mlp

Attachments: Bid Tabulation  
Employer Information Report (EEO-1)

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Refuse Hauling Services at  
McDonough Homes, AMP 1,  
Contract No. 16-001

**DATE** April 22, 2015

Staff requests Board approval to award a two-year contract for refuse hauling services for the 580 family units at McDonough Homes to the lowest responsible bidder, Advanced Disposal Services Solid Waste Midwest, LLC of St. Paul, Minnesota for a bid amount of \$6,311.71 per month, or approximately \$2.51 per unit per week. The price includes 90-gallon plastic trash containers on wheels provided by the contractor. The present contract amount is \$2.54 per unit.

As stated in the bid documents, the low bid was determined by summing the four contract bid items. Using that method Advanced Disposal's bid was \$6,311.71 and the second low bid, from Waste Management of Minnesota, was \$12,221.76. A copy of the bid tabulation dated April 9, 2015 is attached.

Staff anticipates that approximately \$75,740.52 will be spent during each year of this contract. Employer Information Reports for Advanced Disposal, and the second low bidder, Waste Management, are attached. Because this contract is based on unit prices, it is not subject to the Section 3 Policy's requirement for contributing to the PHA's Section 3 Training Fund.

Sufficient funds for this contract are in the current Operating Budget and will be included in the proposed budget for next year.

KY/mlp

Attachments: Bid Tabulations  
Employer Information Reports

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Refuse Hauling Services at  
Roosevelt Homes, AMP 4,  
Contract No. 16-002

**DATE** April 22, 2015

Staff requests Board approval to award a two-year contract for refuse hauling services for the 320 family units at Roosevelt Homes to the lowest responsible bidder, Advanced Disposal Services Solid Waste Midwest, LLC of St. Paul, Minnesota for a bid amount of \$3,482.32 per month, or approximately \$2.51 per dwelling unit per week. The price includes 90-gallon plastic trash containers on wheels provided by the contractor. The present contract amount is \$2.54 per weekly dwelling unit pick-up.

As stated in the bid documents, the low bid was determined by summing the four contract bid items. Using that method Advanced Disposal's bid was \$3,482.32 and the second low bid, from Republic Services of Minnesota, was \$4,187.60. A copy of the bid tabulation dated April 9, 2015 is attached.

Staff anticipates that approximately \$41,787.84 will be spent during each year of this two-year contract. Employer Information Reports for Advanced Disposal, and the second low bidder, Republic Services, are attached. Because this contract is based on unit prices, it is not subject to the Section 3 Policy's requirement for contributing to the PHA's Section 3 Training Fund.

Sufficient funds for this contract are in the current Operating Budget and will be included in the proposed budget for next year.

KY/mlp

Attachments: Bid Tabulations  
Employer Information Reports

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Refuse Hauling Services  
Mt. Airy Homes, AMP 5,  
Contract No. 16-003

**DATE** April 22, 2015

Staff requests Board approval to award a two-year contract for refuse hauling services for the 302 family units at Mt. Airy Homes to the lowest responsible bidder, Advanced Disposal Services Solid Waste Midwest, LLC of St. Paul, Minnesota for a bid amount of \$3,286.44 per month, or approximately \$2.51 per dwelling unit per week. The price includes 90-gallon plastic trash containers on wheels provided by the contractor. The present contract amount is \$2.54 per weekly dwelling unit pick-up.

As stated in the bid documents, the low bid was determined by summing the four contract bid items. Using that method Advanced Disposal's bid was \$3,286.44 and the second low bid, from Republic Services of Minnesota, was \$3,952.05. A copy of the bid tabulation, dated April 9, 2015 is attached.

Staff anticipates that approximately \$39,437.28 will be spent during each year of this contract. Employer Information Reports for Advanced Disposal, and the second low bidder, Republic Services, are attached. Because this contract is based on unit prices, it is not subject to the Section 3 Policy's requirement for contributing to the PHA's Section 3 Training Fund.

Sufficient funds for this contract are in the current Operating Budget and will be included in the proposed budget for next year.

KY/mlp

Attachments: Bid Tabulation  
Employer Information Reports

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Refuse Hauling Services at  
Scattered Site Homes, Areas 1 & 4,  
AMP 9, Contract No. 16-004

**DATE** April 22, 2015

Staff requests Board approval to award a two-year contract for refuse hauling services for the 191 scattered site homes located in Management Areas 1 & 4 to the lowest responsible bidder, Advanced Disposal Services Solid Waste Midwest, LLC of St. Paul, Minnesota for a bid amount of \$2,078.51 per month, or approximately \$2.51 per unit per week. The price includes 90-gallon plastic trash containers on wheels provided by the contractor. The present contract amount is \$2.53 per weekly dwelling unit pick-up.

As stated in the bid documents, the low bid was determined by summing the four contract bid items. Using that method Advanced Disposal's bid was \$2,078.51 and the second low bid, from Republic Services of Minnesota, was \$2,210.06. A copy of the bid tabulation dated April 9, 2015 is attached.

Staff anticipates that approximately \$24,942.12 will be spent during each year of this contract. Employer Information Reports for Advanced Disposal, and the second low bidder, Republic Services, are attached. Because this contract is based on unit prices, it is not subject to the Section 3 Policy's requirement for contributing to the PHA's Section 3 Training Fund.

Sufficient funds for this contract are in the current Operating Budget and will be included in the proposed budget for next year.

KY/mlp

Attachments: Bid Tabulations  
Employer Information Reports

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Refuse Hauling Services at  
Scattered Site Homes, Areas 2 & 3  
AMP 9, Contract No. 16-005

**DATE** April 22, 2015

Staff requests Board approval to award a two-year contract for refuse hauling services for the 170 scattered site homes located in Management Areas 2 & 3 to the lowest responsible bidder, Advanced Disposal Services Solid Waste Midwest, LLC of St. Paul, Minnesota for a bid amount of \$1,873.40 per month, or approximately \$2.54 per unit per week. The price includes 90-gallon plastic trash containers on wheels provided by the contractor. The present contract amount is also \$2.54 per weekly dwelling unit pick-up.

As stated in the bid documents, the low bid was determined by summing the four contract bid items. Using that method Advanced Disposal's bid was \$1,873.40 and the second low bid, from Republic Services of Minnesota, was \$1,967.07. A copy of the bid tabulation dated April 9, 2015 is attached.

Staff anticipates that approximately \$22,480.80 will be spent during each year of this contract. Employer Information Reports for Advanced Disposal, and the second low bidder, Republic Services, are attached. Because this contract is based on unit prices, it is not subject to the Section 3 Policy's requirement for contributing to the PHA's Section 3 Training Fund.

Sufficient funds for this contract are in the current Operating Budget and will be included in the proposed budget for next year.

KY/mlp

Attachments: Bid Tabulations  
Employer Information Reports

# **PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Automobile Liability Insurance

**DATE** April 22, 2015

Staff requests approval to extend the contract with Housing Authority Insurance (HAI) for automobile insurance coverage for one year. The annual premium is estimated to be \$56,100 with a \$1,000 deductible on collision and a new coverage limit of \$1.5 million. This is the first time that staff has requested Board approval for renew the automobile insurance, since in the past the annual premium has not exceeded \$50,000.

The estimated premium represents an increase of \$9,934 from the current premium of \$46,166, including \$1,461 to raise the coverage limit from \$1,000,000 to \$1,500,000 (the PHA's maximum tort liability) and \$8,473 based on claims experience and adding an additional vehicle to the policy. (The number of covered vehicles fluctuates during the year and the premium varies accordingly.) The biggest factor driving the increase is a three year loss ratio of 88%. The loss ratio compares the PHA's premiums paid to the insurance company to the claims settled by the company. Agency vehicles were involved in two significant accidents last year, and although neither involved a significant personal injury, one caused property damage to an office building. Staff has arranged for HAI to provide training sessions to drivers of PHA vehicles to help decrease accidents, and in doing so, reduce insurance costs.

HAI qualifies under federal regulations as a "qualified PHA-owned insurance entity" and therefore is exempt from the competitive bidding requirement. HAI provided excellent claims service. There are sufficient funds in the operating budgets for this contract.

RPM

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Capital Fund Program:  
2012, 2013, 2014 and 2015  
Budget Revisions

**DATE** April 22, 2015

Staff requests Board approval of Resolution No. 15-04/22-01 approving revisions to the budgets for the four open Capital Fund Program (CFP) grants, awarded in 2012-2015. The revised budgets adjust line items to match actual obligations and expenditures but do not change the total amount of the grants, which are shown below. The budget revisions include contract awards recommended for approval at this Board meeting.

As shown below, staff continues to obligate the CFP grants promptly. As of March 31, 2015 the 2012 CFP grant is 100% obligated and the 2013 CFP grant is 95.59% obligated. As of April 22 (including contract awards recommended for approval at this Board meeting) the 2014 CFP grant will be 85.70% obligated and the 2015 CFP grant will be 65.63% obligated. The PHA gained access to the 2015 CFP grant funds on April 13, 2015.

The table below shows the CFP grant amounts, the dates when the PHA gained access to the funds (when HUD signed the ACC amendments), and the timelines for expenditure. The PHA routinely meets or exceeds all of HUD's goals for timely obligation of CFP grant funds (90% obligated within 24 months), and expenditure (fully expended within 48 months).

**REPORT TO COMMISSIONERS – APRIL 22, 2015**  
**BUDGET REVISIONS: CFP GRANT BUDGETS**  
**PAGE 2 OF 2**

	<b>2012 CFP Funds</b>	<b>2013 CFP Funds</b>	<b>2014 CFP Funds</b>	<b>2015 CFP Funds</b>
<b>Grant Amount</b>	\$5,962,239	\$6,024,889	\$6,725,092	\$6,786,832
<b>ACC Date</b>	3/12/12	9/9/13	5/13/14	4/13/15
<b>Percent Obligated</b>	100.00% (2/13/15) Met 90% goal by 3/11/14	95.59% (3/31/15) Met 90% goal by 9/8/15	85.70% (4/22/15) 90% goal by 5/12/16	65.63% (4/22/15) Goal: 90% by 4/12/17
<b>Percent Expended</b>	98.36% (3/31/15) Goal: 100% by 3/11/16	79.82% (3/31/15) Goal: 100% by 9/8/17	18.85% (3/31/15) Goal: 100% by 5/12/18	0% (2/13/15) Goal: 100% by 4/12/19

Summary spreadsheets of these budgets are attached for Board review.

DAL/mlp

Attachments: Resolution No. 15-04/22-01  
 Summary Spreadsheets of CFP Grant Budgets

**PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**

**RESOLUTION NO. 15-04/22-01**

**REVISIONS FOR 2012, 2013, 2014 & 2015 CAPITAL FUND PROGRAM BUDGETS.**

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has awarded the Public Housing Agency of the City of Saint Paul (PHA) the following grants:

- FFY2012 Capital Grant Program Grant No. MN46P00150112
- FFY2013 Capital Grant Program Grant No. MN46P00150113
- FFY2014 Capital Grant Program Grant No. MN46P00150114
- FFY2015 Capital Fund Program Grant No. MN46P00150115; and

WHEREAS, HUD requires the PHA to establish a budget for the expenditure of funds under each grant provided under the Capital Fund Program; and

WHEREAS, staff drafted the attached Capital Fund Program budget revisions, dated March 31, 2015 and April 22, 2015:

- Budget Revision for the FFY2012 Capital Grant Program Grant No. MN46P00150112
- Budget Revision for the FFY2013 Capital Grant Program Grant No. MN46P00150113
- Budget Revision for the FFY2014 Capital Grant Program Grant No. MN46P00150114
- Budget Revision for the FFY2015 Capital Grant Program Grant No. MN46P00150115

WHEREAS, the Board of Commissioners finds that these CFP grant budget revisions are necessary and appropriate to comply with HUD requirements and to best serve the needs of PHA residents;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of Saint Paul as follows:

1. The following budgets are approved as presented:
  - a. March 31, 2015 Budget Revision for the FFY2012 Capital Grant Program Grant No. MN46P00150112;
  - b. March 31, 2015 Budget Revision for the FFY2013 Capital Grant Program Grant No. MN46P00150113;
  - c. April 22, 2015 Budget Revision for the FFY2014 Capital Grant Program Grant No. MN46P00150114;
  - d. April 22, 2015 Budget Revision for the FFY2015 Capital Grant Program Grant No. MN46P00150115;
2. Staff is authorized to execute and submit all required documents relating to these grants and budget revisions; and
3. The Agency Plan will be amended accordingly.
4. Pursuant to HUD notice dated January 11, 1990, the PHA certifies that no employee is serving in a variety of positions that will exceed 100 percent of his or her work time.

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Disposition of PHA Equipment

**DATE** April 22, 2015

Staff requests Board approval to dispose of PHA equipment valued at more than \$10,000 at the May 16, 2015 auction conducted by the State of Minnesota's Department of Administration.

The PHA's Disposition Policy, Section II states: "Disposition of goods with a value of \$10,000 or more requires the approval of the Executive Director and the Board of Commissioners."

The equipment to be sold is at the end of its useful life and is hard to maintain. The items to be auctioned and their estimated values are as follows:

1.	2004 Chevrolet Silverado Pickup Truck	\$8,200
2.	2003 Dodge Ram Cargo Van	\$2,900
3.	2003 Chevrolet Astro Cargo Van	\$4,400
4.	2000 Chevrolet Astro Cargo Van	\$3,500
5.	1999 Dodge One-Ton Dump Truck	\$2,500
6.	1995 Chevrolet 3500 Series Pickup Truck	\$2,500
7.	Miscellaneous items include one John Deere utility vehicle, three Snapper lawn mowers, one plow blade, two salt spreaders, and one car hoist.	\$2,300

The estimated vehicle values were taken from Kelley Blue Book "trade in" values.

Administration Department auction personnel provided estimates for the miscellaneous items' values.

The sale proceeds, minus the 10 percent auction fee, will be available for capital equipment purchases during FY 2016 for the same Asset Management Projects (AMPs) where the old items were assigned.

TDB/mlp

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

REPORT TO COMMISSIONERS

FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR

REGARDING Renew Blue Cross/Blue  
Shield Medical and Delta Dental  
Insurance Policies

DATE April 22, 2015

Staff recommends Board approval to renew the contract with Blue Cross and Blue Shield of Minnesota (BCBS) for the Agency's medical insurance policy and the contract with Delta Dental for the Agency's dental insurance policy, effective July 1, 2015 to June 30, 2016. Staff also requests Board approval of the medical insurance premium costs of the Basic, Standard, Premium and High Deductible Plan options and the dental insurance premium costs shown below. The premium costs proposed by BCBS for medical insurance and by Delta Dental for dental insurance remain unchanged for the coming year.

Staff is recommending that the Agency's medical insurance plan continue to include the four levels of coverage (Basic, Standard, Premium and High Deductible). Both the medical and dental insurance plans include in-network and out-of-network coverage.

## **MEDICAL INSURANCE**

In January, 2014 the Agency issued a Request for Proposals (RFP) for medical insurance and selected Blue Cross/Blue Shield. BCBS' proposal included a 5% premium increase effective July 1, 2014 and guarantees that rates would increase by no more than 12% effective July 1, 2015 and 15% effective July 1, 2016.

With no increase, the following current premium amounts for the BCBS Basic Plan, Standard Plan, Premium Plan and High Deductible Plan will stay in effect for the next plan year.

<b>High Deductible Plan</b>	<b>SINGLE</b>	<b>TWO-PARTY</b>	<b>FAMILY</b>
Current Total Premium	\$644.00	\$1,248.00	\$1,674.00

<b>Basic Plan</b>	<b>SINGLE</b>	<b>TWO-PARTY</b>	<b>FAMILY</b>
Current Total Premium	\$735.00	\$1,425.00	\$1,909.00

<b>Standard Plan</b>	<b>SINGLE</b>	<b>TWO-PARTY</b>	<b>FAMILY</b>
Current Total Premium	\$793.00	\$1,539.00	\$2,063.00

<b>Premium Plan</b>	<b>SINGLE</b>	<b>TWO-PARTY</b>	<b>FAMILY</b>
Current Total Premium	\$835.00	\$1,618.50	\$2,170.00

With various levels of coverage offered, employees can choose the one that best fits their financial and medical insurance needs. The co-payment for doctors' office visits remains at \$20; and the co-payment for prescription drugs remains at 20% of the cost, with a minimum cost to the employee of \$10 and a maximum of \$25.

**DENTAL INSURANCE**

The rates for dental insurance effective July 1, 2015 will also remain the same as last year, as follows:

**Employees (30+ hours / week)**

	<b>SINGLE</b>	<b>SINGLE + 1</b>	<b>FAMILY</b>
Current Total Premium	\$38.10	\$76.30	\$100.05

**AMOUNT PAID BY AGENCY AND BY EMPLOYEE**

For the new plan year beginning July 1, 2015 the amounts paid by the Agency have already been approved by the Board for the Supervisory and Confidential employees (policy revisions approved March 26, 2014) and Local 363, City Employees' Union (contract approved August 23, 2013) ). The sharing of premium costs between the Agency and the employees covered by the AFSCME agreement will be included in the contract for which negotiations will begin soon, for the contract period beginning June 1, 2015. That AFSCME contract will be

brought to the Board for approval once tentative agreement between the two parties is reached.

The amounts the PHA pays toward employee medical and dental insurance premiums were included in the Operating Budget approved by the Board on March 25, 2015.

With the Board's approval of the recommended contract with Blue Cross and Blue Shield of Minnesota and the premium costs, an open enrollment period will be offered to employees to provide them the opportunity to choose between the four medical insurance options (Basic Plan, Standard Plan, Premium Plan and High Deductible Plan).

DMM/AAG/MGB

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Approval to Submit Funding Request to  
Minnesota Housing for Mt. Airy Homes  
Exterior Modernization; AMP 5

**DATE** April 22, 2015

Staff requests Board approval of Resolution No. 15-04/22-02 authorizing staff to apply to Minnesota Housing (Minnesota Housing Finance Agency, MHFA) for a loan of approximately \$8,870,830 to pay part of the Phase II cost to modernize the exteriors of the remaining 242 family dwelling units at Mt. Airy Homes. The loan would have 0% interest and re-payment deferred until the end of the 30 year term. The loan application would be submitted under Minnesota Housing's 2015 Consolidated Request for Proposals by the June 2, 2015 deadline, in the category of preservation of affordable rental housing with "critical physical needs".

Also included on this meeting's agenda is staff's recommendation to award a contract (No. 15-107) for Phase I of the Mt. Airy Homes exterior modernization at a cost of \$1,189,000. Using Capital Fund Program grants that contract will modernize the exteriors of 30 of the 272 Mt. Airy Homes family dwelling units in the original MN 1-3 development. The MHFA loan would allow the Phase II exterior modernization of the remaining 242 dwelling units starting in 2016.

Both phases of this modernization project are necessary to correct serious water infiltration that has damaged wall sheathing, studs and window frames. The work will include the following:

- 1) Removal of existing wall stucco,
- 2) Repair of wall sheathing and studs,
- 3) Replacement of windows,
- 4) Replacement of roof shingles,
- 5) Replacement of soffits, fascia, gutters and downspouts, and
- 6) Installation of new cementitious siding and trim.

On September 24, 2014 the Board approved a consulting contract (No. 15-033) for architectural and engineering services with Braun Intertec for the investigation and repair of the Mt. Airy Homes unit exteriors. (A copy of that Board report is attached.) The consultant found widespread damage to the exterior walls and components.

The attached spreadsheet illustrates that the Phase I and II of the Mt. Airy Homes exterior modernization is estimated to have a total cost of \$11,541,535 or \$42,432 per dwelling unit. Staff is recommending that the PHA use \$2,670,705 of Capital Fund Program funds to cover the difference between the \$11,541,535 total cost and the \$8,870,830 MHFA loan amount. Staff estimates that without the MHFA loan it would take 8 years, starting in 2016, to complete the total exterior modernization with future Capital Fund Program grants alone. Braun Intetec's attached Mt. Airy Homes Modernization Summary, Solutions and Costs indicates that the modernization work cannot be deferred until 2024 and that the work needs to be completed now to insure the continued viability of the Mt. Airy Homes family public housing units.

DAL/BLA

Attachments: Resolution No. 15-04/22-02  
September 24, 2014 Board Report Mt. Airy Arch/Eng. Contract 15-033  
Estimated Costs for Mt. Airy Family Unit Exterior Modernization  
Braun Intertec Mt. Airy Homes Modernization report

**SAINT PAUL PUBLIC HOUSING AGENCY**

**RESOLUTION NO. 15-04/22-02**

**AUTHORIZATION TO SUBMIT FUNDING APPLICATION TO  
MINNESOTA HOUSING FINANCE AGENCY;  
MULTIFAMILY RENTAL HOUSING COMMON APPLICATION FOR  
PHASE II OF THE MT. AIRY FAMILY EXTERIOR MODERNIZATION (AMP 5)**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) administers a Public Housing Program under an Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD), that currently includes 4,262 units, which includes 272 family dwelling units at Mt. Airy Homes (AMP 5, originally MN 1-3); and

WHEREAS, after spending Capital Fund grants to repair water infiltration damage at 30 of the units, there will still be a need for additional funding to repair the same damage at the remaining 242 family dwelling units; and

WHEREAS, the completion of the Exterior Modernization in a timely manner is necessary to insure the continued viability of the 242 Mt. Airy Family Public Housing units; and

WHEREAS, obtaining a loan in the approximate amount of \$8,870,830 is necessary to allow the completion of the Phase II Exterior Modernization of the 242 Mt. Airy Family Public Housing units; and

WHEREAS, Minnesota Housing (Minnesota Housing Finance Agency, MHFA) has issued a Consolidated Multifamily and Single Family Request for Proposals (RFP) that offers various grants and loans to assist the construction, rehabilitation and operation of low income rental housing; and

WHEREAS, staff has estimated the cost to complete the Phase I and Phase II Mt. Airy Family Exterior Modernization, to be approximately \$11,541,535, of which \$8,870,830 would be from Minnesota Housing and the balance from the Capital Fund Program; and

WHEREAS, Minnesota Housing may be able to provide the \$8,870,830 of additional funding in the form of an interest free loan to enable the PHA to complete the Phase II Mt. Airy Family Exterior Modernization; and

WHEREAS, Minnesota Housing requires the submittal of a Proposal for the Consolidated Multifamily and Single Family funding to determine if they will allocate the requested funding to the PHA; and

WHEREAS, the application for Minnesota Housing funding requires that the PHA commit to using Capital Fund Program grant funds, as a match to the Minnesota Housing funds;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of St. Paul as follows:

**RESOLUTION 14-5/28-3 – MHFA LOAN APPLICATION FOR MCDONOUGH HOMES**  
**PAGE 2 OF 2**

1. Staff are authorized to prepare and submit an application to Minnesota Housing under the 2015 Consolidated Request for Proposals, requesting funding in the amount of approximately \$8,870,830 for the completion of Phase II of the Mt. Airy Family Exterior Modernization; and
2. The Executive Director, or his duly authorized agents, are authorized to execute all documents required to request the Minnesota Housing funding, and
3. The Executive Director, or his duly authorized agents, are authorized to execute the Minnesota Housing grant and loan documents to accept the Minnesota Housing funding if it is approved.

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Approval to Submit Funding Request to  
Minnesota Housing for Ravoux Hi-Rise  
Plumbing Replacement; AMP 7

**DATE** April 22, 2015

Staff requests Board approval of Resolution No. 15-04/22-03 authorizing staff to apply to Minnesota Housing (Minnesota Housing Finance Agency, MHFA) for a loan of approximately \$4,685,148 to pay part of the \$5,765,716 estimated cost to replace the plumbing and waste lines at the Ravoux Hi-Rise. The loan would have 0% interest and re-payment deferred until the end of the 30 year term. The loan application would be submitted under Minnesota Housing's 2015 Consolidated Request for Proposals by the June 2, 2015 deadline, in the category of preservation of affordable rental housing with "critical physical needs".

Ravoux Hi-Rise was built in 1970. For several years it has experienced plumbing problems that have become increasingly serious and frequent, causing inconvenience to residents and some damage to the building. Staff has determined that it is necessary to replace all of the original galvanized hot and cold water plumbing supply lines because they are clogged with sediment and are failing at the threaded joints in the building's common areas and in the 220 apartments.

Complete replacement of the plumbing supply lines will stop the leaks and improve water pressure for the residents. The cast iron drain lines and galvanized vent lines throughout the building will be replaced at the same time because they have exceeded their life span, and are deteriorated.

Recent leaks in two of the plumbing supply risers required extensive work to correct and highlighted the need to complete this work within the next one to two years. Staff estimate that

current Capital Fund Program grants and the anticipated 2016 CFP grant will be able to pay approximately \$1,080,568 of the engineering and construction costs but will be inadequate to cover the full \$5,765,716 estimated cost. Staff is recommending applying for \$4,685,148 of MHFA funding which would allow the work to begin in 2016.

Staff contracted with the engineering firm of Martin Pevzner to investigate the plumbing system at Ravoux Hi-Rise, estimate the replacement cost and prepare the documentation needed for the Minnesota Housing application. A copy of Martin Pevzner's cost estimate is attached. Staff will issue a separate Request for Proposals (RFP) for engineering services in the future to select a consultant to prepare the construction documents and provide construction administration services to complete the work.

DAL/BLA

Attachments: Resolution No. 15-04/22-03  
Martin Pevzner report

**SAINT PAUL PUBLIC HOUSING AGENCY**

**RESOLUTION NO. 15-04/22-03**

**AUTHORIZATION TO SUBMIT FUNDING APPLICATION TO  
MINNESOTA HOUSING FINANCE AGENCY;  
MULTIFAMILY RENTAL HOUSING COMMON APPLICATION FOR  
THE RAVOUX HI-RISE PLUMBING REPLACEMENT (AMP 7)**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) administers a Public Housing Program under an Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD), that currently includes 4,262 units; and

WHEREAS, there is a large need for funding to allow the complete replacement of the plumbing supply lines at the Ravoux hi-rise; and

WHEREAS, the replacement of the plumbing supply lines at the Ravoux hi-rise in a timely manner is necessary to insure the continued viability of the 220 Ravoux hi-rise Public Housing units; and

WHEREAS, obtaining a loan in the approximate amount of \$4,685,148 is necessary to allow the completion of the Ravoux hi-rise plumbing supply, drain line and vent replacement; and

WHEREAS, Minnesota Housing (formerly known as Minnesota Housing Finance Agency, MHFA) has issued a Consolidated Multifamily and Single Family Request for Proposals (RFP) that offers various grants and loans to assist the construction, rehabilitation and operation of low income rental housing; and

WHEREAS, staff has estimated the cost to complete the Ravoux hi-rise plumbing supply line replacement to be approximately \$5,765,716, of which \$4,685,148 would be from Minnesota Housing and the balance from the Capital Fund Program; and

WHEREAS, Minnesota Housing may be able to provide the \$4,685,148 of additional funding in the form of an interest free loan to enable the PHA to complete the Ravoux Hi-Rise Plumbing Replacement; and

WHEREAS, Minnesota Housing requires the submittal of a Proposal for the Consolidated Multifamily and Single Family funding to determine if they will allocate the requested funding to the PHA; and

WHEREAS, the application for Minnesota Housing funding requires that the PHA commit to using Capital Fund Program grant funds, as a match to the Minnesota Housing funds;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of St. Paul as follows:

1. Staff are authorized to prepare and submit an application to Minnesota Housing under the 2015 Consolidated Request for Proposals, requesting funding in the amount of

approximately \$4,685,148 for the Ravoux Hi-Rise Plumbing Supply, Drain and Vent Line Replacement; and

2. The Executive Director, or his duly authorized agents, are authorized to execute all documents required to request the Minnesota Housing funding, and
3. The Executive Director, or his duly authorized agents, are authorized to execute the Minnesota Housing grant and loan documents to accept the Minnesota Housing funding if it is approved.