



300 Third Avenue NE  
Crosby, MN 56441-1642

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[www.crosbyhra.org](http://www.crosbyhra.org)

## Crosby HRA Board Meeting

**Tuesday, March 24, 2020**

**11:00 a.m.**

**300 Third Ave. NE, Crosby, MN**

## AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Reading and Approval of Minutes** (*Attachment 1*)
- 4. Bills and Communications**
  - a. Financial Report (*Attachment 2*)
  - b. Housing Manager Report (*Attachment 3*)
- 5. Unfinished Business**
  - a. Consider Amendment to the Crosby HRA Bylaws (*Attachment 4*)
- 6. New Business**
  - a. Approve Designation of Official Depository (*Attachment 5*)
  - b. Approve Contract for Dellwood Apartments Kitchen Modernization Project (*Attachment 6*)
- 7. Adjournment**  
Next Meeting: Tuesday, April 14, 2020

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## Minutes of the February 11, 2020, Crosby HRA Board Meeting

The regular meeting of the commissioners of the Housing and Redevelopment Authority of Crosby was held at 11:00 a.m., Tuesday, February 11, 2020, at 300 3<sup>rd</sup> Ave. NE in Crosby, Minnesota.

1. **CALL TO ORDER:** Chair Peeples called the meeting to order at 11: 01 a.m.
2. **ROLL CALL:** Present at the meeting were Chair Linda Peeples and Commissioners Julie McGinnis, Renae Marsh, Buzz Neprud, and Margaret Saba. Also present were Interim Executive Director/Finance Director Karen Young, Housing Manager Shannon Fortune, Executive Assistant LeAnn Goltz, and Housing Specialist Mallory Smith.
3. **READING AND APPROVAL OF MINUTES FROM PREVIOUS MEETING:**

**Commissioner Neprud moved to approve the minutes from the January 14<sup>th</sup>, 2020, board meeting, seconded by Commissioner Saba. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.**

4. **BILLS AND COMMUNICATIONS:**
  - a. **Financial Report:** Young reported that the job posting for the executive director search closed on February 3<sup>rd</sup>. However, due to the candidate pool, the Board subcommittee decided to halt the interview and hiring process. The Brainerd HRA held a special meeting yesterday and decided to repost the position in June and will possibly revise the position profile to have more of a focus on community development and partnerships. The Board feels it is best to wait and find a candidate that is the right fit.
  - Commissioner Marsh made a motion to approve January checks numbered 117534 through 117565 and January ACH payments numbered 109 and 110 and 1343 through 1351. Commissioner McGinnis seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**
  - b. **Housing Manager Report:** Fortune provided building updates and informed the Board that painting will be starting in interior hallways, elevator, and office area this month and is expected to be wrapped up within a few weeks, depending on other scheduled maintenance activities and workload. A new comprehensive monthly report for the period of 1/1/2020 through 1/31/2020 was provided to the Board. Fortune went over each category of information, explaining where it comes from, what it means, and how it may be useful going forward.
5. **UNFINISHED BUSINESS:** Nothing to report.
6. **NEW BUSINESS:**
  - a. **Approval of Budgets:** Young reviewed the 2021 budgets for Public Housing and Edgewood.

**Moved by Commissioner Neprud and seconded by Commissioner Saba to adopt the 2021 Edgewood Budget. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**

**Commissioner Marsh moved to adopt the 2021 Public Housing Budget by approving Resolution 2020-05 PHA Board Resolution Approving Operating Budget. Commissioner McGinnis seconded the motion. Upon roll call vote, all commissioners were in favor of the motion and none were opposed. The motion was approved.**

**b. Approval of Accounts Receivable Write-off:** Per Crosby HRA policy, when an account remains unpaid for 90 days following the tenant's move-out date with no repayment activity, the finance director shall obtain approval from the board of commissioner's to write-off those accounts. As such, staff requested the approval to write-off all balances outstanding at 3/31/2020 in Accounts Receivable that remain unpaid 90 days following the tenant's move-out date. When feasible, these balances will be filed with the State of Minnesota for collection through the Revenue Recapture process. This process allows housing authorities to collect outstanding balances through any state return that the tenant is entitled.

**Commissioner McGinnis moved to approve the write-off of uncollectible Accounts Receivable for 2020. Commissioner Neprud seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**

**c. Approval of Asset Removal:** The Crosby HRA has Edgewood assets that have outlived their useful lives and require removal from the asset listing. Permission from the board of commissioners is required approving the removal of the assets.

Edgewood Assets	Date Entered into Service	Original Value	Depreciation through 1/31/2020
HP 4050 Laser jet	4/10/2000	1634.00	1634.00
Office Equipment	11/3/2006	350.00	350.00
Office Work Station	3/2/2010	2028.49	2028.49
2 Work Stations Server	2/14/2011	4800.65	4800.65
Laser Color Printer	2/29/2012	992.04	992.04
Shop Computer	6/18/2012	841.48	841.48
Computer Work Station	2/28/2014	1948.40	1948.40
Office Computer	12/28/2010	4472.72	4472.72
Parking Lot Seal	9/20/2001	<u>1190.00</u>	<u>1190.00</u>
		18257.78	18257.78

**Moved by Commissioner Neprud and seconded by Commissioner Marsh to approve the removal of obsolete assets from the asset listing. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**

**d. Discussion on Attendance Requirement in Bylaws:** At the last board meeting, there was a question about how the bylaws addressed attendance expectations for commissioners. After a staff review, it was determined that the bylaws were silent on attendance expectations. A similar question regarding the long-term absence of a resident commissioner was recently raised at a Brainerd HRA board meeting which, after discussion, resulted in an amendment to that agency's bylaws. For reference, staff provided the Board with language that was ultimately included in that agency's bylaw amendment.

The Board had a discussion and Chair Peeples asked the Board to take the next month to think about a possible amendment to the bylaws to address attendance expectations.

**Moved by Commissioner McGinnis and seconded by Commissioner Saba to table the discussion on attendance requirements in the bylaws and bring it back on the table at the March meeting. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**

**7. NEXT MEETING:** Tuesday, March 10<sup>th</sup>, 2020

**8. ADJOURNMENT:**

**Moved and seconded by Commissioners McGinnis and Saba, the meeting was adjourned at 11:46 a.m.**

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To: Crosby HRA Board Members  
From: Karen Young, Finance Director  
Date: March 17, 2020  
Re: March Financial Report

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Please find attached the financial information for February 2020.

**Executive Director Search**

We are continuing to work with our consultant Gary Weiers from DDA regarding the executive director search and to establish an updated timeline.

**Action Requested:**

**Approval of February checks numbered 117566 through 117602 and February ACH payments numbered 111 through 113 and 1352 through 1357.**

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## Crosby Housing & Redevelopment Authority 2019-20 Ratios

FASS Ratios	Max Pts	Scoring	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Quick Ratio	12	QR <1 =0, QR >2 =12	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Months Expendable Net Assets	11	MENA <1.0= 0, ME >4 =11	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Debt Svc Coverage	2	DSC < 1 = 0, DSC >1.25 =2	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Total Points</b>	<b>25</b>		25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00

MASS Ratios	Max Pts	Scoring	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Occupancy	16	O <90% =0, O >98% =16	4.00	12.00	12.00	12.00	12.00	12.00	16.00	16.00	16.00	16.00	16.00
Tenant Accounts Receivable	5	TAR <1.5% =5, TAR >2.5% =0	0.00	5.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
<b>Total Points</b>	<b>25</b>		8.00	21.00	16.00	18.00	16.00	16.00	20.00	20.00	20.00	20.00	20.00
<b>Total of Above Ratios</b>	<b>50</b>		33	46	41	43	41	41	45	45	45	45	45

MASS Ratios	Max Pts	Scoring	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Timeliness of Obligation	5	>90% at OED = 5 <90% at OED = 0	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Occupancy Rate	5	OR <93% = 0, OR >96% =5 Must have 5 points or	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
<b>Total Points</b>	<b>10</b>	<b>Capital Fund Troubled</b>	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

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**PH Operating - Board  
Public Housing Operating - Board  
February, 2020**

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	<b>Current Period</b>	<b>Current Year</b>	<b>Year To Date</b>	<b>Budget</b>	<b>Variance</b>
<b>Income</b>					
100-000-3110.000 Dwelling Rental	-23,432.00	-189,398.00	-182,857.62	-6,540.38	
100-000-3120.000 Excess Utilities	-18.00	-564.00	-595.87	31.87	
100-000-3401.000 Operating Subsidy	-6,970.00	-91,883.00	-58,689.62	-33,193.38	
100-000-3402.000 Capital Fund Revenue	0.00	-51,204.00	-10,000.00	-41,204.00	
100-000-3610.000 Interest Revenue	-3.26	-23.04	0.00	-23.04	
100-000-3690.000 Other Income	0.00	-303.11	-6,281.00	5,977.89	
100-000-3691.000 Other Tenant Revenue	-716.52	-12,045.36	-9,166.63	-2,878.73	
100-000-3695.000 Laundry Revenue	-200.50	-2,179.30	-2,108.37	-70.93	
100-000-3699.000 POHP Grant Revenue	-2,337.12	-245,368.52	0.00	-245,368.52	
<b>Total Income</b>	<b>-33,677.40</b>	<b>-592,968.33</b>	<b>-269,699.11</b>	<b>-323,269.22</b>	
<b>Expense</b>					
100-000-4110.000 Administration Salaries	1,344.00	20,591.99	19,882.50	709.49	
100-000-4130.000 Legal	0.00	809.00	1,375.00	-566.00	
100-000-4140.000 Staff Training	0.00	3,547.88	550.00	2,997.88	
100-000-4150.000 Travel	65.09	804.46	742.50	61.96	
100-000-4171.000 Auditing Fees	0.00	3,200.00	3,250.00	-50.00	
100-000-4190.000 Sundry-Other Admin	17.50	197.50	220.00	-22.50	
100-000-4191.000 Management Fees	2,167.00	23,837.00	23,833.37	3.63	
100-000-4194.000 Office Supplies	60.82	1,506.31	595.87	910.44	
100-000-4195.000 Membership Dues	0.00	176.20	247.50	-71.30	
100-000-4196.000 Telephone	57.07	842.62	1,008.37	-165.75	
100-000-4198.000 Advertising	0.00	14.55	114.62	-100.07	
100-000-4199.000 Postage	27.50	256.60	275.00	-18.40	
100-000-4210.000 Tenant Svcs Salaries	297.08	3,587.22	3,845.38	-258.16	
100-000-4230.000 Tenant Services Other	16.25	179.24	183.37	-4.13	
100-000-4310.000 Water	1,257.70	10,605.65	10,789.13	-183.48	
100-000-4315.000 Sewer	1,916.27	17,625.34	17,737.50	-112.16	
100-000-4320.000 Electricity	3,176.37	15,119.45	18,713.75	-3,594.30	
100-000-4330.000 Gas	977.04	4,132.61	8,607.50	-4,474.89	
100-000-4431.000 Garbage & Trash	630.39	6,861.56	7,241.63	-380.07	
100-000-4410.000 Maintenance Labor	3,140.60	37,633.19	37,510.00	123.19	
100-000-4420.000 Materials	305.37	10,429.58	11,916.63	-1,487.05	
100-000-4430.000 Contracts Costs	708.11	8,026.78	14,850.00	-6,823.22	
100-000-4432.000 Decorating Contract	509.60	7,295.62	8,250.00	-954.38	
100-000-4435.000 Grounds Contract	213.76	339.37	916.63	-577.26	
100-000-4440.000 Repairs Contract	0.00	69.98	229.13	-159.15	
100-000-4445.000 Elevator Maintenance	0.00	3,071.62	2,695.00	376.62	
100-000-4450.000 Plumbing/Heating	111.60	1,977.61	4,583.37	-2,605.76	
100-000-4455.000 Snow Removal	0.00	1,014.56	1,695.87	-681.31	
100-000-4456.000 Exterminating	22.00	214.00	1,136.63	-922.63	
100-000-4457.000 Janitor/Cleaning	428.20	5,610.37	6,233.37	-623.00	
100-000-4510.000 Insurance	1,545.26	17,095.36	18,374.51	-1,279.15	
100-000-4520.000 Property Tax	774.61	7,887.10	7,195.87	691.23	
100-000-4540.000 Employee Benefits	2,331.71	25,773.90	28,256.36	-2,482.46	
<b>Total Expense</b>	<b>22,100.90</b>	<b>240,334.22</b>	<b>263,056.36</b>	<b>-22,722.14</b>	
<b>Net Income(-) or Loss</b>	<b>-11,576.50</b>	<b>-352,634.11</b>	<b>-6,642.75</b>	<b>-345,991.36</b>	

Date: 3/3/2020  
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**Crosby HRA  
Edgewood Operating Stmt - Board  
February, 2020**

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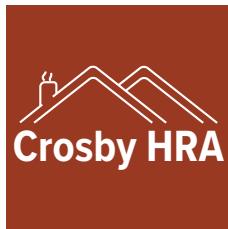
	<b>Current Period</b>	<b>Current Year</b>	<b>Year To Date</b>	<b>Budget</b>	<b>Variance</b>
<b>Income</b>					
700-000-3110.000 Dwelling Rental	-18,307.00	-208,210.00	-207,289.50		-920.50
700-000-3120.000 Excess Utilities	-50.00	-1,730.00	-1,741.63		11.63
700-000-3404.000 Other Government Grant	-8,037.00	-91,481.00	-93,646.63		2,165.63
700-000-3610.000 Interest Revenue	-3,366.89	-29,630.28	-1,375.00		-28,255.28
700-000-3690.000 Other Income	0.00	-323.09	-91.63		-231.46
700-000-3691.000 Other Tenant Revenue	-76.00	-5,845.30	-5,500.00		-345.30
700-000-3695.000 Laundry Revenue	-1,131.00	-7,419.31	-7,608.37		189.06
<b>Total Income</b>	<b>-30,967.89</b>	<b>-344,638.98</b>	<b>-317,252.76</b>		<b>-27,386.22</b>
<b>Expense</b>					
700-000-4110.000 Administration Salaries	2,266.00	39,522.51	32,340.00		7,182.51
700-000-4130.000 Legal	0.00	0.00	916.63		-916.63
700-000-4140.000 Staff Training	0.00	254.50	825.00		-570.50
700-000-4150.000 Travel	46.23	605.95	687.50		-81.55
700-000-4171.000 Auditing Fees	0.00	3,200.00	3,250.00		-50.00
700-000-4190.000 Sundry-Other Admin	12.50	242.50	238.37		4.13
700-000-4191.000 Management Fees	5,333.00	58,663.00	58,666.63		-3.63
700-000-4194.000 Office Supplies	60.83	1,511.95	779.13		732.82
700-000-4195.000 Membership Dues	0.00	176.20	183.37		-7.17
700-000-4196.000 Telephone	57.08	842.76	1,008.37		-165.61
700-000-4198.000 Advertising	0.00	0.00	91.63		-91.63
700-000-4199.000 Postage	27.50	247.50	275.00		-27.50
700-000-4210.000 Tenant Svcs Salaries	445.62	5,380.86	5,765.87		-385.01
700-000-4230.000 Tenant Services Other	16.26	179.31	183.37		-4.06
700-000-4310.000 Water	499.06	5,036.96	6,118.75		-1,081.79
700-000-4315.000 Sewer	848.33	9,283.93	10,789.13		-1,505.20
700-000-4320.000 Electricity	4,041.75	19,803.13	25,240.38		-5,437.25
700-000-4330.000 Gas	1,395.19	5,590.24	9,267.50		-3,677.26
700-000-4431.000 Garbage & Trash	148.59	1,434.14	1,833.37		-399.23
700-000-4410.000 Maintenance Labor	3,231.30	38,664.71	38,628.37		36.34
700-000-4420.000 Materials	250.25	10,496.35	7,883.37		2,612.98
700-000-4430.000 Contracts Costs	1,117.50	7,414.24	11,916.63		-4,502.39
700-000-4432.000 Decorating Contract	165.88	6,031.09	10,083.37		-4,052.28
700-000-4435.000 Grounds Contract	320.63	497.53	550.00		-52.47
700-000-4440.000 Repairs Contract	0.00	104.97	137.50		-32.53
700-000-4445.000 Elevator Maintenance	0.00	2,678.07	2,695.00		-16.93
700-000-4450.000 Plumbing/Heating	131.00	2,844.56	13,291.63		-10,447.07
700-000-4455.000 Snow Removal	0.00	1,521.84	2,539.13		-1,017.29
700-000-4456.000 Exterminating	33.00	321.00	1,375.00		-1,054.00
700-000-4457.000 Janitor/Cleaning	585.04	5,880.46	7,516.63		-1,636.17
700-000-4510.000 Insurance	1,735.26	19,185.36	18,365.38		819.98
700-000-4520.000 Property Tax	571.20	8,230.56	7,608.37		622.19
700-000-4540.000 Employee Benefits	2,577.81	28,824.67	32,573.86		-3,749.19
<b>Total Expense</b>	<b>25,916.81</b>	<b>284,670.85</b>	<b>313,624.24</b>		<b>-28,953.39</b>
<b>Net Income(-) or Loss</b>	<b>-5,051.08</b>	<b>-59,968.13</b>	<b>-3,628.52</b>		<b>-56,339.61</b>

**Housing and Redevelopment Authority of Crosby**  
**Payment Summary Report**  
**February 2020**

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
2/12/2020	111	LeAnn Goltz	\$18.40
2/12/2020	112	Mallory Smith	\$37.72
2/12/2020	113	Shannon Fortune	\$55.20
2/13/2020	1352	Lincoln Financial Group	\$717.24
2/13/2020	1353	Electronic Federal Tax Payment System	\$1,193.82
2/13/2020	1354	Minnesota Dept Of Revenue	\$117.68
2/27/2020	1355	Lincoln Financial Group	\$717.24
2/27/2020	1356	Electronic Federal Tax Payment System	\$1,073.28
2/27/2020	1357	Minnesota Dept Of Revenue	\$118.82
2/11/2020	117566	Adams Pest Control	\$55.00
2/11/2020	117567	Bremer Bank Credit Card	\$18.00
2/11/2020	117568	City Of Crosby	\$4,958.37
2/11/2020	117569	Crosby Ace Hardware	\$222.48
2/11/2020	117570	CTCIT	\$200.00
2/11/2020	117571	Dacotah Paper Co.	\$524.25
2/11/2020	117572	HDS, Inc.	\$120.00
2/11/2020	117573	Handyman's Inc.	\$150.91
2/11/2020	117574	Hd Supply Facilities Maint	\$55.66
2/11/2020	117575	Healthpartners	\$3,476.41
2/11/2020	117576	Hudrlik Carpet Service	\$366.91
2/11/2020	117577	Judy Robinson	\$975.00
2/11/2020	117578	Minnesota Energy Resources	\$2,372.23
2/11/2020	117579	Minnesota Power	\$3,564.91
2/11/2020	117580	Minnesota T's	\$42.55
2/11/2020	117581	Nisswa Sanitation Inc	\$316.09
2/11/2020	117582	PPG Retirement Plan Services, LTD.	\$225.00
2/11/2020	117583	Paper Storm	\$25.88
2/11/2020	117584	Postmaster	\$55.00
2/11/2020	117585	Rental History Reports	\$50.00
2/11/2020	117586	Sherwin-Williams	\$192.62
2/11/2020	117587	Terry Quick	\$37.95
2/11/2020	117588	The Office Shop	\$748.51
2/11/2020	117589	Timber Building Supply	\$20.27
2/11/2020	117590	Tkda	\$458.75
2/11/2020	117591	Verizon Wireless	\$131.38
2/11/2020	117592	Village Electric Motor	\$242.60
2/11/2020	117593	Visa-Unity	\$185.63
2/11/2020	117594	Yde's Major Appliance	\$384.90
2/21/2020	117596	Tenant Refund	\$397.49
2/21/2020	117597	Tenant Refund	\$203.98
2/21/2020	117598	Tenant Refund	\$251.10
2/27/2020	117599	CTC	\$363.93
2/27/2020	117600	DVS of Brainerd	\$19.25

**Housing and Redevelopment Authority of Crosby  
Payment Summary Report  
February 2020**

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
2/27/2020	117601	Holiday	\$62.45
2/27/2020	117602	Minnesota Power	\$3,653.21
		Report Total	\$29,178.07



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To: Crosby HRA Board Members  
From: Shannon Fortune, Housing Manager  
Date: March 18, 2020  
Re: Housing Manager Report

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**MSSA Training**

Shannon attended the three-day Minnesota Social Service Association training conference in Minneapolis on March 11 – 13<sup>th</sup>. It was quite a large training conference (over 3,000 attendees) and is open to anyone that provides any sort of services (social service, economic engagement, education, housing, health, financial development, etc.) to low-income families and individuals. This year there were more than 130 educational sessions and over 200 vendors in the expo hall. Shannon went to trainings related to supervision, de-escalation, mental health resources, and general trends in service provision.

**COVID-19 Planning**

In response to the COVID-19 threat, the attached letters were sent to tenants. Please see attachments 3a and 3b.

Additionally, the indefinite suspension of all social gatherings and building activities made it necessary to suspend Lila Larson's position, which had as its core function the facilitation of tenant activities. Lila's position was suspended effective March 17<sup>th</sup>.

**Monthly Property Performance Report for February 2020**

Please see attachment 3c.

**No Action Requested; Discussion Items**





300 Third Avenue NE  
Crosby, MN 56441-1642

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March 18, 2020

To Edgewood & Dellwood Tenants:

In response to guidance from the Centers for Disease Control and Prevention (CDC), the MN Department of Health, and other federal-level resources, the Crosby HRA has made several important updates to the way we provide service to our residents. Please take a moment to review the changes, which are detailed below. As circumstances change, additional adjustments to our procedures may be necessary and we will do our best to keep you informed as quickly as possible. We appreciate your patience and cooperation over the coming weeks. Our goal is to provide the best service possible while maintaining the safety and health of our residents and our staff.

**Office Closure**

The Crosby HRA office will be modifying how we deliver service to the public. At this time we are not allowing public entry to the office buildings. We will continue to serve the public through telephone, e-mail, U.S. Mail, some online resources, and a system of document exchange using door postings and our drop boxes. Please contact the office via phone or email to discuss options for your specific questions and needs.

**Work Orders/Maintenance Requests**

Work orders and maintenance requests can be reported by calling the office at 218-546-5088 during regular business hours or calling the after-hours/weekend dispatch line at 218-232-1419. Maintenance staff will assess work orders on a case-by-case basis. Non-emergency work orders may potentially need to be rescheduled. Prior to dispatching maintenance staff, you may be asked if you or anyone in your household has flu-like symptoms or has had exposure to the CORVID-19 virus. Staff may need to wear personal protective equipment while conducting their work.

**Closure of Common Areas**

The following common areas are being closed: mail waiting area, community dining room, Edgewood sitting area, all lounge/TV areas, pool table area, game/puzzle areas, and the small lounge/sitting areas by the elevators on each floor. The laundry room and the smoking area have not been closed, however we are reminding all residents to practice social distancing while in these two excluded areas.

**Activities & Building Events**

All events and activities in the building have been canceled until further notice. This includes morning and afternoon coffee, BINGO, sing-a-long service, the monthly dance band, and daily congregate dining. LSS Dining and the Meals-on-Wheels program will be in contact with their participants to arrange for delivery service.

### **Cleaning & Sanitizing**

Maintenance staff will be doing extra cleaning and sanitizing of high-traffic areas repeatedly each day. Residents are asked to do their part by practicing frequent handwashing, covering coughs and sneezes, limiting time out of your apartment if you are sick, and maintaining safe social distancing when around others.

### **Annual Recertification Appointments**

Any in-office appointments this month are cancelled. If you are still working on a recertification, please complete your packet and put it in the drop box along with your required documentation. If you have questions on how to complete your packet or what documentation you need to provide, please email or call the office.

### **Guests & Visitors**

We are asking that residents refrain from having unnecessary guests at this time. This does not include PCA's, social workers, mental health workers, and other essential service providers. Any visitors with fever, cough, sore throat or other flu-like symptoms are NOT permitted to visit. Please note that all common areas are closed. Service providers and critical visitors should proceed directly to the apartment of the resident they are visiting.

### **Locked Front Doors**

To reduce the number of unnecessary visitors, the secure front doors in both buildings will be once again locked. Residents will need their key fob to re-enter the building. If you need a new fob or an additional fob to provide to a service provider, please contact the office.

### **Rent Payments**

Rent payments are still due timely and may be placed in the drop box or mailed in. If you would like to set up automatic payment, contact the office for more information.

### **Drop Boxes**

For your convenience, there is a drop box near the front door nearest to the office.

### **Email Addresses**

For those of you with email access, please feel free to contact us using our email addresses.

[Mallory@crosbyhra.org](mailto:Mallory@crosbyhra.org)

[Shannon@brainerdhra.org](mailto:Shannon@brainerdhra.org)

[Tony@crosbyhra.org](mailto:Tony@crosbyhra.org)

We sincerely appreciate your cooperation and commitment to keeping yourselves, your families, your friends and neighbors safe and healthy. We welcome your questions and look forward to coming up with creative ways to resolve any challenges that arise.

Respectfully,

**Crosby HRA Office & Maintenance Team**





300 Third Avenue NE  
Crosby, MN 56441-1642

PHONE (218) 546-5088  
FAX (218) 546-5041  
[www.crosbyhra.org](http://www.crosbyhra.org)

March 18, 2020

To All Scattered Site Public Housing Residents:

In response to guidance from the Centers for Disease Control and Prevention (CDC), the MN Department of Health, and other federal-level resources, the Crosby HRA has made several important updates to the way we provide service to our residents. Please take a moment to review the changes, which are detailed below. As circumstances change, additional adjustments to our procedures may be necessary and we will do our best to keep you informed as quickly as possible. We appreciate your patience and cooperation over the coming weeks. Our goal is to provide the best service possible while maintaining the safety and health of our residents and our staff.

#### **Office Closure**

The Crosby HRA office will be modifying how we deliver service to the public. At this time we are not allowing public entry to the office buildings. We will continue to serve the public through telephone, e-mail, U.S. Mail, some online resources, and a system of document exchange using door postings and our drop boxes. Please contact the office via phone or email to discuss options for your specific questions and needs.

#### **Work Orders/Maintenance Requests**

Work orders and maintenance requests can be reported by calling the office at 218-546-5088 during regular business hours or calling the after-hours/weekend dispatch line at 218-232-1419. Maintenance staff will assess work orders on a case-by-case basis. Non-emergency work orders may potentially need to be rescheduled. Prior to dispatching maintenance staff, you may be asked if you or anyone in your household has flu-like symptoms or has had exposure to the CORVID-19 virus. Staff may need to wear personal protective equipment while conducting their work.

#### **Annual Recertification Appointments**

All in-office appointments for March and April for recertifications have been cancelled and we will instead move to a combination of mail, drop box, phone and/or email to complete the process.

#### **New Requests for Rent Changes/Recertification**

If you have a change in income or household composition, contact the office to discuss the best way to provide the required documentation to complete the process. Keep in mind that short-term income reductions do not warrant changes in rent, per HUD guidance. This has not changed. If you are unsure, please feel free to contact the office to discuss your specific circumstances.

#### **Guests & Visitors**

We are asking that residents refrain from having unnecessary guests at this time. This does not include PCA's, social workers, mental health workers, and other essential service providers. Any visitors with

fever, cough, sore throat or other flu-like symptoms should NOT be permitted to visit. Residents are asked to do their part by practicing frequent handwashing, covering coughs and sneezes, and maintaining safe social distancing when around others.

**Rent Payments**

Rent payments are still due timely and may be placed in the drop box or mailed in. If you would like to set up automatic payment, contact the office for more information.

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[Tony@crosbyhra.org](mailto:Tony@crosbyhra.org)

We sincerely appreciate your cooperation and commitment to keeping yourselves, your families, your friends and neighbors safe and healthy. We welcome your questions and look forward to coming up with creative ways to resolve any challenges that arise.

Respectfully,

**Crosby HRA Office & Maintenance Team**



## Crosby Housing and Redevelopment Authority

### Monthly Property Performance Report

February 2020

#### 1. Property Narrative

#### 2. Physical Occupancy

Unit Size	Total Units	Occupied Units	Mod Rehab	Make Ready	Vacant Units	Percent Occupied
Edgewood	61	60	n/a	n/a	1	98%
Dellwood	39	39	n/a	n/a	0	100%
Family Units	20	20	n/a	n/a	0	100%
<b>TOTAL</b>	<b>120</b>	<b>119</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>99%</b>

#### 3. Customer Traffic

Applications Requested	9
Applications Placed on PH Wait List	2
Applications Denied on PH Wait List	0

#### 4. Waiting List

Unit Size	# of Units	Total # on Wait List	Notified	Screening	Denied
1 bdrm	99	61	4	4	0
2 bdrm	13	11	0	0	0
3 bdrm	6	8	0	0	0
4 bdrm	2	2	0	0	0
<b>TOTAL</b>	<b>120</b>	<b>82</b>	<b>4</b>	<b>4</b>	<b>0</b>

#### 5. Move-Ins and Move Outs

	This Month	Year-to-Date
Move-Ins	2	4
Move-Outs	4	7

#### 6. Lists of Vacant Units and Unit Status

Unit	Unit Size	Anticipated Lease Date	Applicant Approved?
Edgewood #304	1BR	03/26/20	Yes

7. Recertifications

Interim Recertifications	4
Annual Recertifications	4
Completed for this month	8

8. Annual Unit Inspections

Total units to be inspected this year	120
Number completed start of month	0
Number inspected for the month	0
Number completed year-to-date	0
Total left to be inspected this year	120
Have all building system inspections been completed?	In Process
If yes, please enter date	n/a

9. Lease Enforcements

Lease warnings/violations issued	3
30-day lease terminations	1

10. Evictions

Resident	Reason	Summons Date	Judgment Action
None			

11. Non-Emergency Work Orders

Beginning Balance	0
Received	26
Closed	26
Ending Balance	0
Total Completed Work Orders for Year	56

12. Emergency Work Orders

	This Month	Year-to-Date
Requested	3	3
Completed within 24 hours	3	3
Percent completed within 24 hours		100%

13. Rent Collection

	This Month
Rent Charges	35,791
Other Charges	218
<b>Total New Charges</b>	<b>36,009</b>
Arrears, tenants in possession	7,120

Accounts Receivable

Current Tenant Accounts Receivable (Rent)	225
Current Rent Charges	35,791
Current Rent Collections	35,566
Accounts Receivable Rate	1%
Collection Rate	99%

Collections - Prior 12 Month Period

Prior Tenants Accounts Receivable (Rent)	225
Prior Rent Charges	429,232
Collection Rate	100%

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To: Crosby HRA Board Members  
From: Karen Young, Finance Director  
Date: March 19, 2020  
Re: Consider an Amendment to the Crosby HRA Bylaws

---

At the last board meeting, there was discussion about how the bylaws addressed attendance expectations for commissioners. It was determined that the current by-laws are silent on attendance expectations. Because the Brainerd HRA Board recently had a similar discussion and ultimately amended their agency's bylaws, staff provided the Crosby HRA Board with the language they used.

The Board had a discussion and Chair Peeples asked the Board to take the next month to think about a possible amendment to the bylaws to address attendance expectations.

Attached is a copy of the current Crosby HRA Bylaws with an added paragraph that addresses attendance for your consideration.

**Action Requested: Consideration of amended Crosby HRA Bylaws.**

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## BYLAWS OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF CROSBY, MINNESOTA

### ARTICLE I. THE AUTHORITY

Section 1. Name of Authority. The name of the Authority shall be the "Housing and Redevelopment Authority of Crosby, Minnesota."

Section 2. Seal of the Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its organization.

Section 3. Office of the Authority. The offices of the Authority shall be in the Dellwood Apartments building located at 300 Third Avenue, Northeast, Crosby, Minnesota, but the Authority may hold its meetings at such other place or places as it may designate by resolution.

### ARTICLE II. OFFICERS

Section 1. Officers. The officers of the Authority shall be a Chair, Vice-Chair, and a Secretary.

Section 2. Chair. The Chair shall preside at all meetings of the Authority. Except as otherwise delegated, the Chair shall sign all contracts, deeds and other instruments made by the Authority. At each meeting the Chair shall submit such recommendations and information as he/she may consider proper concerning the business, affairs and policies of the Authority.

Section 3. Vice-Chair. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair until such time as the Authority shall select a new Chair.

Section 4. Secretary. The Secretary shall perform the duties of a Secretary for the Authority.

Section 5. Executive Director. The Authority shall employ or contract with an Executive Director who shall have general supervision over the administration of its business and affairs, subject to the direction of the Authority. He/she shall be charged with the management of the housing and redevelopment projects of the Authority.

As assistant to the Secretary, the Executive Director in his/her own name and title shall keep the records of the Authority, shall act as Secretary of the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purposes, and shall perform all duties incident to his/her office. He/she shall keep in safe custody the seal of the Authority and shall have the power to affix such seal to all contracts and instruments to be executed by the Authority.

The Executive Director shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such bank or banks as the Authority may select.

Amended 10/2019

Except as otherwise authorized by resolution of the authority, the Executive Director shall sign all orders and checks for payment of money and shall pay out and disburse such moneys under the direction of the Authority. Except as otherwise authorized by resolution of the Authority, all such orders and checks shall be counter-signed by the Chair or other designated official. The Executive Director shall keep regular books of accounts showing receipts and expenditures and shall render to the Authority, at each regular meeting or more often as requested, an account of his/her transactions and also of the financial condition of the Authority. He/she shall give such bond for faithful performance of his/her duties as the Authority may determine.

Except as otherwise authorized by resolution of the Authority, the Executive Director is authorized to sign all contracts, deeds and other instruments made by the Authority.

The Authority shall determine the compensation of the Executive Director.

Section 6. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or the by-laws or rules and regulations of the Authority.

Section 7. Election or Appointment. The first Chair shall, pursuant to his/her appointment, serve in the capacity of Chair until the expiration of his/her term of office as Commissioner. The Vice-Chair, Secretary and, except in the case of the first Chair, the Chair shall be elected at the annual meeting of the Authority from among the Commissioners of the Authority, and shall hold office for one year or until their successors are elected and qualified.

Section 8. Vacancies. Should the office of the Chair, Vice-Chair or Secretary become vacant, the Authority shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office. When the office of the Executive Director becomes vacant, the Authority shall appoint a successor as aforesaid.

Section 9. Additional Personnel. The Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Municipal Housing and Redevelopment Act of Minnesota (Minnesota Statutes 469.001, et. seq.) applicable thereto. The Authority, subject to the laws of the State of Minnesota, shall determine the selection and compensation of such personnel (including the Executive Director).

### ARTICLE III. MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be held immediately prior to the regular September meeting.

Section 2. Regular Meetings. Monthly meetings shall be held without notice at the regular meeting place of the Authority on the second Tuesday of each month at 11:00 o'clock AM unless the same shall be a legal holiday or other day on which a public meeting cannot be held in Minnesota, in which event the meeting shall be held on the next regular working day or as otherwise established by the Authority at a regular or special meeting.

Section 3. Special Meetings. The Chair, or any two commissioners, may call special meetings of the Authority for the purpose of transacting any business designated in the call. Each

Amended 10/2019

commissioner of the Authority must receive the call for a special meeting at least two (2) days prior to the date of such special meeting. At such special meeting no business shall be considered other than as designated in the call, but if all of the commissioners of the Authority are present at a special meeting, any and all business may be transacted at such special meeting.

Section 4. Quorum. The powers of the Authority shall be vested in the Commissioners thereof in office from time to time. Three Commissioners shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance, the Authority upon a vote of a majority of the Commissioners present may take action.

Section 5. Attendance. Commissioners shall be expected to attend all meetings except with an excused absence. Any Commissioner who misses three consecutive meetings without an excused absence is considered to have resigned from the Board of Commissioners.

Section 6. Order of Business. At the regular meeting of the Authority the following shall be the order of business:

1. Roll Call
- 2 Reading and approval of the minutes of the previous meeting.
3. Bills and Communications
4. Report of the Executive Director
5. Reports of Committees.
6. Unfinished Business.
7. New Business.
8. Adjournment.

All resolutions shall be in writing and shall be copied in the journal of the proceedings of the Authority.

Section 7. Manner of Voting. The voting on all questions coming before the Authority shall be by voice vote, and yeas and nays shall be entered upon the minutes of such meeting.

#### ARTICLE IV. AMENDMENTS

Section 1. Amendments to Bylaws. The bylaws of the Authority shall be amended only with the approval of at least three of the members of the Authority at a regular or a special meeting.

Amended 10/2019

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To: Crosby HRA Board Members  
From: Karen Young, Finance Director  
Date: March 17, 2020  
Re: Approve Designation of Official Depository

---

Pursuant to Minnesota Statute 118A.02, the Crosby HRA Board shall designate as a depository of its funds, one or more financial institutions. At this time, the official depository is Unity Bank.

**Action Requested: Approve the designation of Unity Bank as the official depository.**

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---

To: Crosby HRA Board Members  
From: Terry Quick, Maintenance Supervisor  
Date: March 19, 2020  
Re: Approval to Execute Contract for Dellwood Apartments Kitchen Renovation

---

The Crosby HRA invited contractors to bid on the renovation of 21 kitchen units including complete removal of a partial height knee wall, flooring, countertop, casework, sink/faucet with replacement of the same, minor electrical work, and trim work replacement in kitchens and living rooms (see Attachment 6a).

A pre-bid meeting was held on March 3, 2020, and sealed bids were due on March 17, 2020, by 1:00 pm. Four bids were received. See attached bid tabulations for bid results.

Section 17.0, Board Approval of Procurement Actions, of the Crosby HRA Procurement Policy states,

*“17.1 Authority. The Board appoints and delegates procurement authority to the Executive Director (ED) in the amount not to exceed the Simplified Acquisition Threshold as set by the lesser of state or federal law and is responsible for ensuring that any procurement policies and procedures adopted are appropriate for the Agency. All procurements that exceed the Simplified Acquisition Threshold as set by the lesser of state or federal law must have approval from the Board prior to award and/or contract execution.”*

Because the proposed contract amount is greater than the Simplified Acquisition Threshold, we are requesting the Board's approval to enter into a contract with HyTec Construction in the amount of \$235,100.00.

**Action Requested: Motion to authorize the Interim Executive Director to execute a contract with HyTec Construction for the amount of \$ 235,100.00.**

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## **HRA bids**

(Published in the Crosby-Ironton Courier Wednesday, March 27, 2019)  
**ADVERTISEMENT FOR BIDS:**  
**2019 CROSBY HRA DELLWOOD APARTMENTS UPGRADES**  
**CROSBY, MN**

The Crosby HRA is inviting contractors to bid on improvements addressing weatherization, life safety systems, interior unit modernization, and reroofing with an EPDM membrane system. For more information, visit [www.crosbyhra.org](http://www.crosbyhra.org) or download complete project bidding documents at [www.questcdn.com](http://www.questcdn.com) by inputting Quest project #6228246.

A pre-bid meeting for all bidders will be held on **April 2nd at 10:00 a.m.**, at the Dellwood Apartments - Crosby HRA, 300 3rd Ave. NE, Crosby, MN 56441.

Please do not contact staff with questions. Direct all questions to: Wesley Stabs, Project Architect, (218) 491-7362 or [wesley.stabs@tkda.com](mailto:wesley.stabs@tkda.com).

(Published in the Brainerd Dispatch, February 25, March 3, 2020, 2t.)

**ADVERTISEMENT FOR BIDS:**  
**Dellwood Apartments - 2020**  
**Kitchen Modernization Upgrades**

**Crosby, MN**

The Crosby HRA is inviting contractors to bid on the renovation of 21 kitchen units including complete removal of a partial height knee wall, flooring, countertop, casework, sink/faucet with replacement of the same, minor electrical work, and trim work replacement in kitchens and living rooms. For more information, visit [www.crosbyhra.org](http://www.crosbyhra.org) or download complete project bidding documents at [www.questcdn.com](http://www.questcdn.com) by inputting Quest project #6829367.

A pre-bid meeting for all bidders will be held on March 3, 2020, at 10:00 am, local time at the Dellwood Apartments - Crosby HRA, 300 3rd Ave. NE, Crosby, MN 56441.

Sealed bids are due by 1:00 pm local time on March 17, 2020. Direct all questions to: Wesley Stabs, Architect, (218) 491-7362 or [wesley.stabs@tkda.com](mailto:wesley.stabs@tkda.com). Responses to bidders' questions received up to two business days prior will be provided at the pre-bid meeting.

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**Dellwood Apartments - 2020 Kitchen Modernization Upgrades  
Housing Redevelopment Authority (HRA) of Crosby  
BID OPENING, 3.17.2020**

TKDA

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**CROSBY HOUSING & REDEVELOPMENT AUTHORITY  
CONSTRUCTION AGREEMENT**

This CONTRACT AGREEMENT (“Agreement”) is made on 19 day of March, 2020 by and between the **Crosby Housing & Redevelopment Authority** (“HRA”) located at 300 3<sup>rd</sup> Ave NE, Crosby, Minnesota 56441, and HyTec Construction of Brainerd, Inc. (“Contractor”) located at 11360 Business 371, Brainerd, MN 56401.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**SECTION 1. APPLICABLE CONTRACT DOCUMENTS.**

1.1 This Agreement for construction, together with the other Contract Documents used for the types of projects described in the section, represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral.

1.2 If the awarded bid or quoted price for the Work is \$100,000 or less and the project Work is not funded in whole or in part by the U.S. Department of Housing and Urban Development (“HUD”), the Contract Documents forming the entire Agreement between HRA and Contractor shall consist of this Agreement, the plans and specifications, if any, addenda to the plans and specifications issued prior to execution of this Agreement, if any, written amendments to the Agreement signed by both parties to form a change order, a constructive change directive, or a written order for a minor change in the work issued by the HRA or the architect (collectively the “Contract Documents”).

1.3 If the awarded bid or quoted price for the Work is \$100,000 or less and more than \$2,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Contract Conditions for Small Construction/Development Contracts (Form HUD-5370-EZ), as the provisions therein may apply to the project.

1.4 If the awarded bid price for the Work is in excess of \$100,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Conditions for Construction Contracts – Public Housing Programs (Form HUD-5370), as the provisions therein may apply to the project.

1.5 If the awarded bid price for the Work is in excess of \$100,000, or at the HRA’s discretion, for a project that is less than \$100,000 for the Work but where the HRA has retained an architect, and the project is not funded at least in part by HUD, the Contract Documents shall consist of the documents described in Section 1.2 above and AIA Document A201-2017, General Conditions as modified by the HRA.

1.6 The Contract Documents are to be read as a whole and meaning given to each provision where possible. If an ambiguity exists in the Contract Documents, the specific provision shall take precedence over the general provision and the more stringent Contractor performance standard shall take precedence over the less stringent provision, provided the standard is in compliance with applicable law. If two provisions within the Contract Documents are substantially identical or duplicative, then the clauses in combination shall apply where possible, but if use of both provisions is contradictory or absurd, the provision appearing in this Agreement shall be used unless there is an applicable HUD-5370-EZ or 5370 provision.

## **SECTION 2. CONTRACTOR TERMS AND CONDITIONS.**

2.1 Contractor shall furnish all labor, material, skill and equipment necessary or required to perform all the work in the Contract Documents ("Work") generally described as follows:

Dellwood Apartments – 2020 Kitchen Modernization Upgrades as per Drawings & Specifications by TKDA dated February 25, 2020 & Addendum 1 dated March 6, 2020.

2.2 Contractor shall provide labor and materials as shown in the Contract Documents. The price ("Price") including all taxes and permit fees shall be: **\$ 234,500.00**.

2.3 Contractor shall promptly pay for all materials, labor and equipment used in, or in connection with the performance of this Agreement when such bills or claims become due and indemnify and hold harmless the Project and the HRA from all claims and mechanic's liens, and upon HRA request, furnish satisfactory evidence to the HRA, when and if required that the Contractor has complied with the above requirements.

2.4 Contractor shall begin work within 30 calendar days after being notified, in writing by the HRA that Contractor may proceed with the Work ("Notice to Proceed"). Contractor further agrees that except for delays caused solely by the HRA or excusable delay, the Contractor will complete the Work on or before August 28, 2020. Contractor agrees that time is of the essence in completing the Work and each phase thereof.

2.5 Contractor agrees that it is difficult for the HRA to determine the amount of all damages that the HRA would incur as a result of delay by the Contractor in substantial completion of the Work. Contractor and the HRA therefore agree that **\$ 200.00** will accrue each day as liquidated damages, and not a penalty, for each calendar day that Contractor fails to achieve substantial completion of the Project, until substantial completion is achieved. Substantial completion shall be achieved on the day the HRA reasonably determines that the HRA or its tenants may occupy the premises because the Work is sufficiently complete. Accrued liquidated damages shall be an offset against the Contractor's payments for the Work including any agreed-upon change orders increasing the original Price. If accrued liquidated damages exceed the Price, the HRA may seek to recover said excess amount over and above the offset portion through all remedies available to it.

2.6 Contractor agrees to proceed with the Work in an orderly and reasonable sequence and to abide by the HRA's decision as to all Contractor storage and working spaces of the Project.

2.7 To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the HRA, and HRA's agents and representatives, Architects, the HRA's lender and all other contractors and/or subcontractors from any and all losses or damage (including without limiting the generality of the foregoing, attorneys' fees and disbursements paid or incurred by the HRA to enforce the provisions of this paragraph) occasioned by the failure of Contractor to carry out the provisions of this Agreement arising out of bodily injury, sickness, disease or death, or to injury to or destruction of tangible property to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such a claim, damage, loss or expense is caused in part by a party indemnified hereby. Further, in claims against any person or entity indemnified under this section by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

2.8 Contractor agrees to provide a performance and payment bond satisfactory to the HRA prior to the beginning of Work if the Price is \$25,000 or greater.

2.9 Subject to additional terms set forth in the Contract Documents, Contractor agrees to obtain worker's compensation insurance as is required by law, comprehensive general liability and property damage insurance to protect the Contractor and the HRA against claims for bodily injury or death or for damage to property occurring upon, in or about the Project, for the applicable claims period for this Project, and to have the HRA named as an additional insured with limits in amounts at least equal to those specified below:

Risk Insurance	\$1,000,000.00 Aggregate
Bodily Injury Liability	\$1,000,000.00 Each Person
General Liabilities, Including Automobiles	\$5,000,000.00 Aggregate
Property Damage Liability	\$1,000,000.00 Aggregate
Worker's Compensation	As required by law

2.9.1 Any and all insurance shall be issued by an "A" rated insurance company or companies. Contractor agrees to furnish the HRA with satisfactory evidence that he has complied with this paragraph. Contractor further agrees to obtain and furnish the HRA with an undertaking by the insurance company issuing each such policy that such policy will not be canceled except after thirty (30) days written notice to the HRA of its intention to do so.

2.9.2 Contractor agrees to assume the entire responsibility and liability for all damages or injury to any and all individuals, whether employees or otherwise and to all property, including the HRA's property arising out of, resulting from, or in a manner connected with the performance of the Work or occurring or resulting from the use by Contractor, its agents or employees of materials, equipment, instrumentality's or other property, whether the same is owned by the HRA, Contractor or third parties, and Contractor agrees to indemnify, defend and save harmless the HRA, his agents and

employees from any and all such claims, including, without limiting the generality of the foregoing claims for which the HRA may be, or may be claimed to be liable and attorneys' fees and disbursements paid or incurred to enforce the provisions of this paragraph.

2.10 Contractor agrees to accept responsibility for all damage caused by Contractor to clean and repair all surfaces soiled or damaged by Contractor or its subcontractors or suppliers, and to protect the Work. If any dispute arises between Contractor and its subcontractors as to which is responsible for any time of damage, Contractor shall be responsible to timely repair or pay for the damage or repair and resolve allocated responsibilities for the damage among those responsible.

2.11 Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract Documents unless they give other special instructions concerning these matters. In such case the Contractor shall evaluate the jobsite safety and shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that the Contract Documents direct means, methods, techniques, sequences or procedures that are not safe, Contractor shall give timely written notice to the HRA and shall not proceed with that portion of the Work without further written instructions from HRA.

2.12 Contractor is solely responsible for initiating, maintaining and supervising all safety precautions and measures in connection with the performance of this Agreement and agrees to take all safety precautions with respect to his work and shall comply with all applicable laws, ordinances, rules and regulations and lawful orders of any public or governmental authority for the safety of persons or property.

2.13 Contractor agrees not to assign any or all of this Agreement and not to assign any money due or to become due thereunder without first obtaining prior written consent of the HRA. Contractor shall supply the HRA with a list of all individuals or businesses to which it intends to subcontract the Work or from which it will obtain materials or equipment. Such list is attached hereto as Exhibit B and incorporated herein by reference.

2.14 Contractor agrees to provide detail of sales taxes paid on Exhibit C for materials furnished on project from contractor and any subcontractors upon completion of project.

2.15 Contractor agrees to furnish such shop drawings or samples as may be required by the HRA.

2.16 Contractor agrees not to employ any person who is reasonably unacceptable to the HRA. Contractor further agrees to remove any such person from the Project if the HRA reasonably requests.

2.17 Contractor agrees that the HRA, or his authorized representatives, shall have the right to order, in writing, the elimination or addition of any part or parts of work or materials as omitted from or added to the Contract Documents by Architect and/or the HRA. Fair adjustments

shall be made to the Price for such omitted or added Work or materials. No extra work shall be allowed or changes made by Contractor, or paid for by the HRA, unless and until authorized by the HRA, in writing, before the work and/or changes are begun. Contractor agrees to sign attached Exhibit A to this Agreement and waives all claims for additions or changes unless the HRA has signed a written change order.

2.18 Contractor further agrees to give prompt written notice to the HRA Contracting Officer of all claims for extras, for requests of extensions of time and for damages for delays or otherwise, and in accordance with General Conditions, if made part of the Contract Documents. Contractor agrees that any change orders for an increase in the Price and an extension to the time of performance must be consented to in writing by the HRA prior to commencing Work on the proposed change order. Further, Contractor agrees that only Karen Young, Interim Executive Director is authorized to sign change orders on the HRA's behalf.

2.19 Execution of the Agreement by the Contractor is a representation that the Contractor has visited the site, become generally familiar with local conditions under which the Work is to be performed and has correlated personal observations with requirements of the Contract Documents.

2.20 Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the HRA. Contractor shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the HRA and Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for information in such form as the HRA and Architect may require. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

2.21 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the HRA or Architect issues in response to the Contractor's notices or requests for information pursuant to sections 2.18 and 2.19, the Contractor shall make Claims as provided in Section 2.17, or as required in the General Conditions if applicable. If the Contractor fails to perform the obligations of section 2.19, the Contractor shall pay such costs and damages to the HRA as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the HRA or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

2.22 Contractor agrees to correct any and all defects in the material or Work brought to its attention by HRA for a period of two years from the substantial completion date or the date the Certificate of Occupancy is issued by the building authority for the Project, whichever is later.

Contractor hereby assigns and agrees to deliver to HRA all vendor warranties given by each equipment or parts manufacturer.

2.23 Contractor warrants to the HRA that: (1) materials and equipment furnished under the Agreement will be new and of good quality unless otherwise required or permitted by the Contract Documents; (2) the Work will be free from defects not inherent in the quality required; and (3) the Work will conform to the requirements of the Contract Documents.

2.24 In the event Contractor fails to correct, replace and/or repair faulty or defective work performed and/or materials furnished under the Contract Documents, or shall fail to complete or diligently proceed with the Work within the time herein provided for, the HRA, upon ten (10) days' notice in writing to Contractor shall have the right to correct, replace and/or re-execute such faulty or defective work, or to take over the Work and complete the same either through its own employees or through a contractor or subcontractor of its choice, and to charge the costs thereof to Contractor including compensation for the Architect's services, and other costs to HRA, against the sums owed under this Agreement and to pursue any and all other remedies provided by law, which are not waived by exercising rights in this section.

2.25 Contractor agrees that in case of default on the part of Contractor, the material and equipment of Contractor shall be left at the Project for use by the HRA in completing the Work. The HRA shall be obligated to pay the Contractor for all such material and equipment, which may be an offset against costs otherwise owed to HRA by Contractor due to its default.

2.26 Contractor agrees to obtain, at its cost, all permits, all licenses, all plan approval, all inspections and all other governmental approvals relating to this work on the Project and to comply with all federal, state, county, and municipal laws, codes and regulations and to pay all costs and expenses incurred in connection with such compliance, to pay all fees and taxes, including sales and use taxes, and also pay all taxes imposed by any state or federal law for any employment insurance, pensions, retirement funds or any similar purpose, and to furnish all necessary reports and information to the appropriate federal, state and municipal agencies, with respect to all of the foregoing, the same as though Contractor was in fact the HRA and to hold the HRA and any other contractor and/or subcontractor harmless from any and all losses or damage occasioned by the failure of Contractor to comply with the terms of this paragraph.

2.27 Contractor agrees to pay all royalties, license and permit fees to defend all suits or claims for infringement of any patent rights involved in the work of Contractor under this Agreement and to save the HRA and other contractors harmless from loss, costs or expense on account of such use or infringement by Contractor.

2.28 If any part of Contractor's Work depends, for proper execution, upon the work of the HRA, or any other contractor, Contractor shall inspect and promptly report to the HRA any apparent discrepancies or defects in such work that renders it unsuitable for use on the Project. Failure of the Contractor to inspect and report shall constitute an acceptance of the work of the HRA and other contractors.

2.29 If HRA has agreed to partial payments during the Work, Contractor shall provide complete invoices, receipts and contingent lien waivers in the form required by the HRA. The HRA shall make progress payments approximately every 30 days as the work proceeds. Request for payment will be deemed accepted by the HRA on the date the HRA determines, in its sole judgment, that the HRA has all the information required to process the payment. Acceptance by the HRA shall cause the request for payment to fall to the following payment cycle, consistent with the PPA.

2.30 In accordance with the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 (“PPA”) governing payments in this Agreement, Contractor shall pay subcontractors within ten (10) days of receipt of payment from the **HRA** or pay interest to the subcontractor(s) on the obligation at a rate of 1.5% per month or any part of a month.

2.31 Contractor agrees to perform all Work in accordance with and to otherwise abide in all respects with all applicable federal, state and local laws, rules and ordinances. Contractor is responsible for removing all its debris from the site at its sole expense and pay for any costs associated with fees for dumpster or landfill costs. The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor’s tools, construction equipment, machinery and surplus materials from and about the Project.

2.32 Except to the extent provided in Minnesota Statutes, Section 337.10, subd. 3, the Contractor has no right to stop Work as a consequence of non-payment. In the event of any disagreement between the Contractor and HRA involving the Contractor’s entitlement to payment, the Contractor’s only remedy is to file a Claim in accordance with Article 15 (AIA A201 as applicable). The Contractor must diligently proceed with the Work pending resolution of the Claim.

2.33 If HUD is funding all or some portion of this Project, Contractor shall include in all its subcontractor agreements, the following “Section 3” clause:

- The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-income persons, particularly persons who are recipients of HUD assistance for housing.
- The parties to this Agreement agree to comply with HUD’s regulations in 24 CFR part 135, which implemented Section 3. As evidenced by their execution of this Agreement, the parties to this contact certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

- The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- The Contractor will certify that any vacant employment positions, including training positions, that are filled: (1) after the Contractor is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.
- Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

2.34 Contractor agrees to maintain for the duration of the Agreement, all requirements to comply with Minnesota Statutes, Section 16C.285 (Responsible Contractor).

### **SECTION 3. HRA TERMS AND CONDITIONS.**

3.1 The HRA contracts with Contractor to do the Work described in Paragraph 1 hereof under the terms and conditions of the Contract Documents.

3.2 Pursuant to the PPA, the HRA agrees to pay Contractor the full amount due and properly owing, less retainage and other hold backs or offsets, upon satisfactory performance of the Work under this Agreement and upon the HRA's written acceptance of the Work.

3.3 Final payment, including all retainage and other hold backs or offsets, shall become due and payable within thirty (30) days after acceptance of the Project Work in writing by the HRA. The HRA shall condition final payment upon receipt of IC 134 requirements, mechanic's lien waivers, submittals including but not limited to operation manuals and as-built drawings and

upon Contractor providing to HRA any and all documents reasonably required by the HRA to assure Contractor's compliance with all federal, state and local laws.

3.4 For all Projects for which the initial Price is estimated to be \$100,000 or more, HRA shall comply with Minnesota Statutes, Section 574.26 requiring payment and performance bonds and Section 471.345 requiring competitive bidding or best value proposals as set forth therein.

3.5 The HRA may terminate the Contract if the Contractor:

3.5.1 repeatedly refuses or fails to supply enough properly skilled workers or proper materials;

3.5.2 fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Subcontractors;

3.5.3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or

3.5.4 otherwise is guilty of substantial breach of a provision of the Contract Documents.

3.6 When the HRA terminates the Contract for one of the reasons stated in Sections 3.5.1-3.5.4 above, the Contractor shall not be entitled to receive further payment until the Work is finished.

3.7 The HRA may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the HRA may determine.

3.8 The HRA may, at any time, terminate the Contract for the HRA's convenience and without cause.

3.9 Upon receipt of written notice from the HRA of such termination for the HRA's convenience the Contractor shall:

3.9.1 cease operations as directed by the HRA in the notice;

3.9.2 take actions necessary, or that the HRA may direct, for the protection and preservation of the Work; and

3.9.3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3.10 In case of termination for the HRA's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination.

#### **SECTION 4. MISCELLANEOUS PROVISIONS.**

4.1 It is the HRA's policy to resolve all contract disputes informally, without litigation if possible. Contractor disputes shall not be referred to HUD until all remedies have been exhausted at the HRA level, including mediation.

4.2 This Agreement shall not be modified except in writing signed by both the HRA and Contractor.

4.3 This Agreement shall be construed and governed by the substantive laws of Minnesota, without regard to choice of law principles.

4.4 Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Contractor in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, and Contractor must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Contractor. Contractor does not have a duty to provide access to public data to the public if the public data are available from the HRA.

4.5 Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Contractor agrees that the books, records, documents and accounting procedures and practices of Contractor, that are relevant to the Contract or transaction, are subject to examination by the HRA and the state auditor for a minimum of six (6) years. Contractor shall maintain such records for a minimum of six (6) years after final payment.

4.6 Pursuant to Minnesota Statutes, Section 181.59, the Contractor will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Contractor agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

IN WITNESS WHEREOF, the undersigned parties represent that they have caused this Agreement to be executed by the parties below.

*[Signature page to follow]*

CROSBY HOUSING AND  
REDEVELOPMENT AUTHORITY

Date: \_\_\_\_\_

By \_\_\_\_\_  
Its: Interim Executive Director

CONTRACTOR:

Date: \_\_\_\_\_

By \_\_\_\_\_  
Its: Owner

**ARE YOU A CORPORATION? \_\_\_\_\_**  
**PLEASE PROVIDE ONE OF THE FOLLOWING:**

**FEDERAL ID # \_\_\_\_\_**  
**OR    SOCIAL SECURITY # \_\_\_\_\_**

## EXHIBIT A

TO: All Contractors and Suppliers

RE: Extras, Change Orders and Waiver

Any and all additional work which deviates from the original contract price shall be at your own risk unless authorized in writing by the HRA prior to said work occurring.

Any and all changes must be documented by a written change order signed by the HRA/Representative. Other employees of the HRA do not have express, implied or apparent authority to authorize additional work for the HRA. Verbal agreements or orders shall not constitute authorization and any work done pursuant to a verbal agreement or order shall be at your peril. This notice also constitutes your written waiver of any benefits conferred under a claim based on a quasi contract if and when work occurs pursuant to a verbal agreement or order.

Please sign and return this to:

THE CROSBY HOUSING AND  
REDEVELOPMENT AUTHORITY

CONTRACTOR

By \_\_\_\_\_  
Its: Interim Executive Director  
300 3<sup>rd</sup> Ave NE  
(218) 824-3425  
(218) 828-8817 Fax

By \_\_\_\_\_  
Its: Owner

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT B

### **VERIFICATION OF SUB-SUBCONTRACTORS AND SUPPLIERS**

Please list all of your subcontractors and/or suppliers you anticipate using for the Project on this form and return to the HRA at least 10 days prior to commencing your work. This form must be returned to us before your first pay request will be processed and it must be updated before all other pay requests are processed.

If you will not be using any subcontractors or suppliers, please state that on this form, sign the bottom and return it to the HRA.

I, the undersigned, hereby certify and swear that the following list of subcontractors and or suppliers, is complete, including any and all suppliers of labor and material to and for the Project.

Firm	Amount	Contact Person/Phone
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Firm	Amount	Contact Person/Phone
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Firm	Amount	Contact Person/Phone
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Firm	Amount	Contact Person/Phone
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\_\_\_\_\_  
Firm \_\_\_\_\_ By \_\_\_\_\_  
\_\_\_\_\_  
Its \_\_\_\_\_  
(Print Name)  
(Print Title)

## EXHIBIT C

### Public Housing Refund Contractor's Statement

Qualifying Entity: Crosby HRA

Project Name: \_\_\_\_\_

Invoice Number(s): \_\_\_\_\_

Based on upon a review of our records for the project in question, it has been determined that the following amounts were paid in sales and/or use taxes:

Purchase Period(s)	Taxable Cost	MN Tax Paid (6.875%)	Local Tax Paid
_____	\$ _____	\$ _____	\$ _____ Brainerd .50%
			\$ _____ Baxter .50%
			\$ _____ Crow Wing .50%

The amounts listed have been paid on the project or that portion of the project which directly relates to the qualifying low-income housing units. This tax amount is for building materials and equipment incorporated into the construction, improvement, or expansion of qualified low-income housing projects, and does not include any amounts paid for equipment and machinery purchased or leased by us and used in fulfillment of this contract.

Our MN Identification Number is: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

**I (We) declare under the penalties of criminal liability for willfully making a false claim that this statement has been examined, and, to the best of my (our) knowledge and belief, is true and complete.**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_