

City of South St. Paul

Housing and Redevelopment Authority Agenda

Special Meeting

Monday, July 13, 2020

6:45 P.M.

Please be advised that the regular meeting location is City Hall Training Room located at 125 3rd Ave. N., South St. Paul, but pursuant to Minn. Stat. 13D.021, under the current emergency declaration due to the COVID-19 health pandemic, some or all of the HRA Commissioners may participate in remote locations using WebEx. Please be advised that City Hall is closed to the public, therefore, any member of the public wishing to monitor the meeting may do so electronically by logging in as follows:

WebEx Meeting

For the Public

Join by phone: 1-312-535-8110

Access Code: 133 891 9970

1. CALL TO ORDER:

2. ROLL CALL:

3. AGENDA:

A. Approval of Agenda

Action – Motion to Approve

Action – Motion to Approve as Amended

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered to be routine by the Economic Development Authority and will be approved by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

A. Approval of Minutes – Special Meeting – June 22, 2020

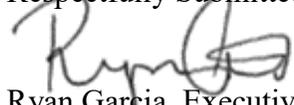
5. GENERAL BUSINESS:

A. Approval of Amended Procurement Policy

B. Approval to Move Unit #100 at 300 Grand Avenue West Off For Administrative Purposes

6. ADJOURNMENT:

Respectfully Submitted,



Ryan Garcia, Executive Director

HOUSING AND REDEVELOPMENT AUTHORITY
OF THE CITY OF SOUTH ST. PAUL

BOARD OF COMMISSIONERS
MINUTES
SPECIAL MEETING
June 22, 2020

The Special Meeting of the Housing and Redevelopment Authority of the City of South St. Paul was held via WebEx, pursuant to **Minn. Stat. 13D.021**, on June 22, 2020. Chairperson Hansen called the meeting to order at 6:47 P.M.

The following Commissioners were present when the roll was called: Sharon Dewey, Joe Kaliszewski, Tom Seaberg and Chairperson Lori Hansen. Commissioners Joe Forester and Bill Flatley logged in to the meeting at 6:54 P.M. Commissioner Francis was absent.

Staff was represented by: Ryan Garcia, Executive Director.

APPROVAL OF AGENDA

It was moved by Commissioner Seaberg and seconded by Commissioner Dewey to approve the agenda as presented. Motion carried.

CONSENT AGENDA

It was moved by Commissioner Kaliszewski and seconded by Commissioner Dewey to approve the Consent Agenda as follows:

A. Approval of Minutes – Special Meeting – October 14, 2019

Motion carried 4 ayes / 0 Nays

GENERAL BUSINESS

A. Approval to Amend HRA Bylaws

Mr. Garcia noted that the Bylaws currently require that the HRA hold an annual meeting in June of each year. Mr. Garcia suggested that amending the bylaws to hold this meeting in October of each year would better align with various reporting and administrative requirements with respect to the Public Housing Program.

Motion by Commissioner Dewey and seconded by Commissioner Kaliszewski to amend the HRA Bylaws.

HRA Special Meeting Minutes

June 22, 2020

Page 2 of 2

Motion carried 4 ayes / 0 nays

Commissioner Forester and Commissioner Flatley entered the meeting at 6:54 P.M.

B. Approval to Amend Admission & Continued Occupancy Policy for Public Housing

Mr. Garcia reviewed proposed changes to the Admission and Continued Occupancy Policy (ACOP). Mr. Garcia suggested that the ACOP hadn't been amended since 2017 and the proposed changes were essential to assure consistency between ACOP and HUD guidance and rules.

Motion by Commissioner Kaliszewski and seconded by Commissioner Seaberg to amend the Admission and Continued Occupancy Policy.

Motion carried 6 ayes / 0 nays

ADJOURNMENT

There being no further business to come before the Board it was moved by Commissioner Seaberg and seconded by Commissioner Flatley to adjourn. Chairperson Hansen declared the meeting adjourned at 6:57 PM.

Respectfully submitted,

Bill Flatley, Secretary

Lori Hansen, Chairperson

Dated: _____



HRA Agenda Report

Date: July 13, 2020

HRA Executive Director: _____ Rg

5-A

Agenda Item: Approval of Amended Procurement Policy

Action to be considered: Motion to approve the proposed amendments to the HRA by-laws.

Overview:

Attached for your review and approval is a proposed revision to the HRA's Procurement Policy. Our Single Audit revealed a need to consistently confirm that vendors to the HRA's public housing program are not listed as suspended or debarred from participating in federally funded projects. The revised policy adds a section about the steps that Staff will take to evaluate and document this issue.

Source of Funds: N/A

PROCUREMENT POLICY SOUTH ST. PAUL HOUSING AND REDEVELOPMENT AUTHORITY

I. PURPOSE

The intent of this policy and its supporting Procurement Procedures is to ensure that the procurement process complies with all applicable legal requirements and federal and state regulations; is fair to all participants; is as efficient as possible without eliminating needed controls; is understandable to all users; is administratively consistent with other City policies and procedures; and maximizes the use of disadvantaged business whenever possible. The City's policy is to purchase goods and services at the most cost effective and competitive rates, yielding the desired service, turnaround and value for the dollar. This policy has the following objectives:

1. Ensure that all purchases comply with applicable laws, in particular the Uniform Municipal Contracting Law, Minnesota State Statute Section 471.345.
2. Comply with Minnesota Public Purpose Doctrine and City Policy on Public Purpose Expenditures.
3. Make the best possible use of tax dollars by purchasing goods and services economically.
4. Provide clear and consistent guidelines for the City staff to follow in making purchasing decisions.

For purchases made under federal or State grant funded programs, additional restrictions are identified within the uniform grant guidance regulations (2 CFR 200.318).

II. POLICY

To ensure that the goods and services required by the City are obtained using established procedures that comply with all legal requirements for public purpose expenditures while promoting fair and open competition to ensure public confidence in the procurement process, ensure fair and equitable treatment of vendors who transact business with the City, and provide safeguards for the maintenance of a procurement system of quality and integrity. The Minnesota Public Purpose Doctrine permits a governmental entity to expend public funds only when the primary purpose of the expenditure is public and the expenditure relates to the governmental purposes for which the entity was created. There must also be statutory authority allowing for the expenditure of such funds and there must be a benefit to the community. Proper documentation must be maintained by the City to establish that all expenditures serve a public purpose.

All federal grant expenditures will be in compliance with OMB 2CFR200 (Uniform Guidance). All federal grant expenditures must be reasonable, necessary, and adequately documented. All federal grant expenditures must be deemed to be allowable under specific grant agreements and in accordance with 2CFR200, subpart E.

The approved operating budget provides detail on goods and services that are expected in a given year. Any goods or services required that were not budgeted must be approved by the City

Administrator or the City Council, depending on the dollar amount of the purchase and the rationale behind the non-budgeted good or service.

The City of South St. Paul will use the following Methods of Procurement:

Micro Purchases

Procurements valued at less than \$25,000 (\$10,000 for federally funded) will be considered *Micro Purchases*, and can be made on the open market without obtaining competitive quotations or proposals. City staff will ensure that the price is fair and reasonable. Procurements will not be split to avoid competition.

Small Purchases

Procurements valued between \$25,000 and \$175,000 will be considered *Small Purchases*, and will be made after obtaining at least two (2) quotes or proposals from qualified sources, in accordance with City procurement procedures.

Major Purchases

Procurements valued at greater than \$175,000 will be considered *Major Purchases*, and will be made by publicly soliciting bids or proposals in accordance with City procurement procedures and as required by Minnesota Statutes 471.345. Procurements will not be split to avoid this policy. For Federally funded projects, the value is higher than the State limit, so we have to follow the State limit of \$175,000 for federally funded purchases as well.

Joint Purchasing/Cooperative Purchasing Agreements

The City has the authority to enter into *Joint Purchasing or Cooperative Purchasing Agreements* with other governmental units as provided for in Minnesota Statutes. Procurements made through *Joint Purchasing or Cooperative Purchasing Agreements* will satisfy the City's competitive procurement requirements.

Contract Amendments

Contract amendments valued at greater than 25% of the original value of the contract will be considered separate procurements and the appropriate process above shall be utilized.

Noncompetitive Purchases

Noncompetitive Purchases can be made under the following circumstances:

- When the City Council has declared an emergency, in accordance with State Statute, City Policies and Procedures.

- When a sole source of the good or service exists and has been verified by City Administrator
- When the procurement is for goods or services not available competitively, such as utilities, subscriptions, professional dues and memberships, insurance, conference and seminar registration, permits and licenses, advertisements in publications, taxes, required federal, state and local fees and charges, etc.

Disadvantaged Businesses

The City will utilize businesses owned and controlled by socially and economically disadvantaged individuals in the procurement of goods and services, and the award of contracts when possible. The City will, in accordance with authority granted by federal regulations, state statute, and local laws and ordinances, act affirmatively to create a “level playing field” for women-owned, minority-owned and disadvantaged business enterprises to achieve the goal of equal opportunity.

Vendor Verification – Suspension and Debarment

For the Public Housing Program, the Housing Program Administrator or their designee will verify all vendors – whether such vendor is procured by the City or by the City’s Property Management Agent - against the federal suspended and debarred list found at SAM.gov prior to award of any contract or service agreement, and on at least an annual basis thereafter. The Housing Program Administrator will maintain an electronic copy as evidence of the vendor verification process outlined in this policy for all vendors procured by the City/HRA for the Public Housing Program. Such records will be retained for no less than twenty-four months. If a vendor is found to be suspended or debarred from federal procurements, the City will discontinue doing business with such vendor.

Deviations

Approval to deviate from this policy must be documented and authorized by the City Administrator, or by other City staff as delegated by the City Administrator in accordance with City policies and procedures.

Prohibited Interest in Contracts

Minnesota State Statutes 471.87 and 471.88 prohibit the purchase of goods or services whenever a conflict of interest may exist. If any employee becomes involved in a possible conflict situation, the employee shall disclose the nature of the possible conflict to his or her supervisor and the City Administrator.

The City cannot enter into any contract or purchase order for goods or services in which an employee, elected official, officer or agent, or their immediate family members, has an indirect or direct personal financial interest or will personally benefit financially from the contract or purchase. In exceptional cases and if permitted by applicable law or regulation, this policy may be waived by the City Administrator for employees for good cause after consulting with the City Attorney. The City administrator shall promptly notify the employee in writing of the decision.

Substantial state and federal requirements exist pertaining to standards of conduct and conflict of interest. It is the intent of the City for all employees, officers, or agents to conduct all activities

associated with procurements in compliance with the highest ethical standards, including the avoidance of any real or perceived conflict of interest. It is also the intent of the City to impose appropriate sanctions or disciplinary actions, including but not limited to termination and/or prosecution, for any employees or officers who violate any of these requirements.

III. **PROCEDURE**

By City Charter, the City Administrator is the Chief Purchasing Officer of the city and has delegated purchasing and budgetary control to each department. The department manager may designate other staff within their department to purchase goods and services in compliance with the annual budget. The City Council has delegated authority to staff to make usual and customary purchases as approved in the annual budget in compliance with all bidding requirements and the City's purchasing policy. Formal Council approval of budgeted, routine purchases is not necessary. Council approval is required on capital improvement projects of \$10,000 or greater, and transactions involving purchases over \$175,000. The Finance Director will report budget status to the City Council on a quarterly basis. Payment details for all goods and services will be listed on check registers and presented to the City Council for review.

The Uniform Municipal Contracting Law, Minnesota Statutes Section 471.345 outlines certain quotation/bid requirements based on the amount of the purchase. Purchases under \$25,000 may be made on the open market. Purchases from \$25,000 to \$175,000 may be made by obtaining 2 or more written quotations. Purchases over \$175,000 must follow the competitive bidding process. Usual and customary purchases must have sufficient funds available within the approved department budget.

Exceptions

Professional service contracts such as those provided by engineers, lawyers, architects, accountants and other services requiring technical, scientific, or other professional training, when competitive bidding is not required, shall be approved by the City Council based on the recommendation of the City Administrator. In certain cases, where professional services were specifically identified in the budget and it is an ongoing contract, the City Council does not need to approve each year's contract.

Minnesota State Statute 12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such an emergency, the City is not required to use the typical mandated procedures for purchasing and contracting. Emergency purchases require approval by the City Administrator, Finance Director and when necessary because of the dollar amount, formal City Council action. An emergency purchase is defined as one where an immediate response is required to protect the health, welfare or safety of the public or public property.

Credit Card Use

The use of credit cards (purchasing cards) is an authorized payment method. These purchases must follow the purchasing policy and are a more efficient method of paying vendors than the check payment process. See the purchasing card policy for detailed procedures.

Ethics and Acceptance of Gifts

Employees shall not make any purchases for personal use utilizing City funds. Employees shall not be allowed to take advantage of special pricing offered to the City by vendors to make personal purchases. Employees may not take advantage of government discounts for non-city related purchases, including bidding on city auctions. The general rule to be applied is if a discount is not available to a member of the public, the employee should not take advantage of it. Gifts offered by vendors to staff responsible for making purchasing decisions may only be accepted if they are considered to be a trinket or memento costing \$5 or less.

IV. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

All employees are responsible for adhering to this policy when purchasing goods or services. Managers are responsible for monitoring performance within their areas of jurisdiction.

Responsibility for administering established Purchasing Policies and Procedures has been delegated to the Finance Director in conjunction with the City Administrator who is the Chief Purchasing Officer of the City.



HRA Agenda Report

Date: July 13, 2020

HRA Executive Director: _____ Rg

5-B

Agenda Item: Approval to Move Unit #100 at 300 Grand Avenue West Off for Administrative Purposes

Action to be considered: Motion to approve taking Unit #100 out of the public housing inventory for purposes of using the unit for administrative purposes.

Overview:

Unit #100 at the John Carroll Building (300 Grand Avenue West) was designed as a 2-bedroom unit and has historically been occupied by HRA staff. Most recently (until early 2018), Unit #100 was occupied by the live-in Maintenance Technician at the building, until that staff member resigned from service with the HRA/City. That position was never re-filled as the City was going through the RFP process for property management services, and the unit remained vacant throughout 2018.

When property management duties were officially handed over to a third party in early 2019, Unit #100 was outfitted as a property management office. The unit is still laid out as it was and could be converted back into a residential unit in the future if needed. However, staff and the property management company agree that this Unit is best suited as a property management office, as it is easily accessible near the building's common areas and provides management with the opportunity to be visible and attentive to the comings and goings within the building during normal business hours.

As part of our required reporting to HUD, we are obligated to recertify all units in the properties in the Public and Indian Housing Certification (PIC) System. Unit #100 still shows up as a residential unit in this system. In order to accurately calculate our operating subsidy, HUD needs an accurate count of all occupied or vacant for lease units within our properties. Thus, if we intend to continue to utilize Unit #100 for administrative purposes (a management office), we need to request and receive approval from HUD to make this change officially in PIC. If circumstances change, we can notify HUD in the future.

Source of Funds: N/A

300 Grand Avenue West – John Carroll Building (First Floor)

