

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS
OF THE MOLINE HOUSING AUTHORITY**

August 23, 2011

A special meeting of the Board of Commissioners of the Moline Housing Authority was held at 1:00 PM in the Spring Brook Administration Building Board Room located at 4141 11th Avenue A, Moline, IL 61265.

Board members present were Chairperson Melvin Grimes, Vice-Chairperson Kathy York, Chuck Capan, Bill Bloom, and Jennifer Ainsworth. Staff members present were Executive Director John Afoun, Operations Manager/Controller Doug Schott, AMP Manager Mike Sullivan, Housing Coordinator Kelly Maack, and Recording Secretary Maria Nino. Board Counsel, John Callas, was in attendance. Also in attendance were two representatives from Everywhere Wireless and James Newman from Sedona.

1. **Call to Order:** Chairperson Melvin Grimes called the meeting to order at 1:00 p.m.

Everywhere Wireless (Wireless Internet): Mr. Afoun said that at the last Board Meeting the Board had directed him to discuss options with Everywhere Wireless. He has since done that and invited them here to do a presentation for the Board and have the opportunity to ask questions directly. Mr. Afoun distributed a newly revised proposal to all Commissioners. Mr. Afoun talked about how much money was available from the grant for the wireless internet costs and stated that the money available would cover the installation for the whole housing authority. He said that the money remaining after the installation costs would cover about 6 months of the monthly fee. He hopes that after that time period the interest by residents would handle the monthly fees. Ms. Kelly Maack reported she sent out a survey to the residents, but there were a lot of residents that were not interested at this time. The Board discussed resident fees versus costs of a wireless system. Everywhere Wireless is, at present, the only entity to have expressed a desire and the ability to provide this service.

Everywhere Wireless gave a presentation of the service. The Everywhere Wireless representative said they go into communities and install wireless into these communities. They said they will take a fiber optic line and bring them into both MHA properties. Originally, they had proposed they would provide internet access to all units 486. Due to Mr. Afoun's desire to limit cost exposure to the authority, a revised secondary proposal was prepared. Their current proposal will provide internet access for 220 units, but with the capability to have internet access for all units. They have created an option for the authority to control over purchasing additional blocks of 10 units to gain additional access. Hillside will be set up completely. The Spring Brook and Spring Valley sites will provide access to 100 units initially leaving 266 without wireless internet initially. If more are needed we just call in and say we need more available. They provide training with the property manager in order to maximize revenue potential and end user customer support. He stated that all software, hardware, and installation is included in the quote. The communication platform is available for the residents, which communicates messages to the internet users. The Everywhere Wireless representatives said their proposal included a stipulation that they be able to utilize the rooftop of Hillside Heights to service other businesses (such as the Rock Island Housing Authority). It would be a 5 year deal with roof access being a 10 year deal. Commissioner Bloom asked if they have any other businesses that they work with currently

in the Quad City area? They said no and that they are currently pretty much in Chicago area. Everywhere Wireless has proposals in with Rock Island Housing Authority currently. Mr. Afoun said the 5 year that has been proposed must get approved by HUD because only up to 2 year contracts are what are given approval automatically. Mr. Afoun will be going to HUD and will ask for this authorization. Mr. Afoun mentioned to Commissioner Bloom that he came on the Board at the right time because he seems to have knowledge about technology and he is glad to have him here. Commissioner Bloom asked if the rate is modified yearly or what. Everywhere Wireless included a preventative maintenance program during the agreement. Mr. Mike Sullivan asked what our benefit is by having them be able to use our rooftop at Hillside, expressing rental options as well as safety and maintenance concerns. Mr. Callas asked if the housing authority will own all of the equipment and Everywhere Wireless responded yes as long as they do not default on the agreement. Mr. Callas asked about rental fees for usage for the roof after expiration of the initial term. He also asked who does the installation and if they pay Davis Bacon wages? Everywhere Wireless said yes. Chairperson Grimes asked about Davis Bacon. Mr. Callas responded that it is a federal law that requires minimum base wages being paid to certain people performing certain type of work. It provides standards which are determined annually by the Department of Labor. Chairperson Grimes asked about the "non-circumvent" wording in the proposal. Mr. Callas responded that Everywhere Wireless doesn't actually have direct access, they are a reseller. Everywhere Wireless desires a provision in the contract wherein MHA would not exclude them for the access portion of the contract. Everywhere Wireless then was finished with their presentation at this time and left the meeting.

Chairperson Grimes asked the Board what actions, if any, they would like to take as a result of the presentation and discussion. Commissioner Bloom said he would like to have a termination clause added to the contract. He said he can see where they are coming from because it is a very competitive contract. Mr. Afoun said they would need the waiver from HUD for the 5 year agreement and that the contract would be scrutinized by our legal counsel. Commissioner Ainsworth asked if we got a cost if we went with 2 year contract. Mr. Callas responded that we need to get a HUD "blessing" in this situation because it is a single source. Chairperson Grimes said he wants to see an actual contract that breaks down everything we need to do as well as a termination clause. Commissioner Bloom said he wanted more details on the maintenance side of it as far as the rate costs etc. Mr. Callas asked Mr. Afoun to obtain a sample contract from Everywhere Wireless.

Chairperson Grimes said Mr. Afoun and Mr. Callas should pursue getting into dialog with Everywhere Wireless. Commissioner Bloom thinks it's good for the area and for the wireless provider. Mr. Sullivan recommended the MHA also need to look at the housing authority's additional internal operational cost. Chairperson Grimes said he thinks he is between Mr. Afoun and Mr. Callas to talk with them and bring back the information. Mr. Afoun said it would be the Property Manager and Asset Manager's responsibility to manage the system. He said the various Property Managers would be responsible. Commissioner Bloom asked if we have any way of tracking fees for the residents. Mr. Doug Schott asked if it is ok to have additional people allowed to have another tower on the roof of Hillside Heights. Mr. Callas said that he would look at the existing contract with Sprint. Chairperson Grimes again said he wants a termination clause, and for Mr. Afoun to speak with HUD.

The Board took no formal action on the Everywhere Wireless proposal.

2. Any other business that may come before the Board:

There was no other business to come before the Board.

3. Adjournment:

There being no further business, a motion was made, and seconded, to adjourn the meeting. All voting members present voting "aye", none against; the Chairperson declared the meeting adjourned at 2:12 P.M.

Melvin Grimes, Chairperson