

LUVERNE HRA BOARD OF DIRECTORS

Regular Meeting Minutes

Date: June 10, 2026

Time: 11:30 a.m.

Location: Blue Mound Tower

Members Present

- Mike DeBates, Vice Chair
- Susan Schneekloth, Secretary
- Mert Kracht
- Bob Wratz
- Tammy Johnson, Executive Director

Members Absent

- Evan Verbrugge, Board Chair
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I. Call to Order

Vice Chair Mike DeBates called the meeting to order at 11:30 a.m.

II. Approval of Minutes

Motion by Schneekloth, seconded by Kracht, to approve the minutes of the May 13, 2026, meeting. Motion carried unanimously.

III. Financial Reports

Motion by Wratz, seconded by Schneekloth, to approve the May 2026 financial reports, as corrected. Motion carried unanimously.

IV. Old Business

A. Construction Project Update

1. Construction of Stacks 4 and 3 has been completed. Minor punch list items, including priming, painting, and installation of cover plates for openings in cabinet boxes, remain to be completed.
2. Construction is currently underway in Stack 2.
3. **Unit Status Change Request**

Units 510 and 602 became vacant on May 31, 2026. Johnson requested approval to designate these units as vacant due to modernization for temporary relocation of displaced tenants during construction.

Motion by Schneekloth, seconded by Kracht, to approve the unit status changes. Motion carried unanimously.

Johnson also reported that the tenant in Unit 511 rescinded their notice to vacate. Therefore, Unit 511 will not be designated for temporary relocation as previously approved at the May meeting.

4. Change Order No. 001 – Cabinet Replacement

Minnesota Housing approved Change Order No. 001 to replace kitchen cabinets in Units 302 and 702. The change order also includes approval for copper water line extensions.

Contingency funds will be used to cover these costs. The HRA will be responsible for any electrical modifications required due to the relocation of stoves and refrigerators.

5. Maintenance Building and Entrance Canopy Roofs

Roof replacement for the maintenance building and entrance canopies began on June 5, 2026.

V. New Business

A. Air Handler Update

Johnson Controls submitted a summary of findings along with an estimated project cost of approximately \$900,000 to replace and upgrade the building's air handling system.

The proposed system would provide cooling and dehumidification, features the current system does not have. In addition to improving comfort, the upgraded system would reduce the

workload on apartment air conditionings, help preserve metal railings and other fixtures by reducing humidity, eliminate lingering odors during humid weather, and improve overall indoor air quality. The estimate includes structural engineering services.

During the assessment, Johnson Controls also discovered that the existing air handler lacks smoke control and smoke evacuation components.

Johnson will continue exploring grant opportunities, financing options, and other funding sources to complete this critical capital improvement project.

VI. Reports

The Board reviewed the following reports for May 2026:

- Project Performance Reports
- Recertification and Activity Reports

VII. Other Business

AT&T Rooftop Lease

Prior to the meeting, the HRA received AT&T's Notice of Early Termination of its rooftop lease, effective September 10, 2026.

AT&T will be responsible for removing its remaining equipment/beacon. Johnson will notify the City of Luverne of the lease termination.

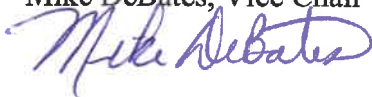
VIII. Adjournment

Motion by DeBates, seconded by Kracht, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 12:10 p.m.

Respectfully submitted,

Mike DeBates, Vice Chair



Susan Schneekloth, Secretary