

**OSLH Resolution
2007-15**

**- Maintenance and Asset
Management Policy-**

OGLALA SIOUX (LAKOTA) HOUSING POLICY

(Summary Sheet)

Title of this Policy (see attachment): Maintenance & Asset Management
Date this Policy is Adopted: December 6, 2007
Date of this Summary Sheet: December 6, 2007

POLICIES: Oglala Sioux (Lakota) Housing and its Board of Directors have adopted a series of *Policies* that establish basic requirements for its programs. The OSLH Board, employees, sub-grantees and sometimes OSLH contractors are required to adhere and conform to these Policies and requirements. Listed below are OSLH's current Policies, with the Policy attached to this sheet denoted with a checked box. OSLH actions, programs and decisions must conform to this and the other OSLH Policies. Though OSLH Policies are divided into topics, please note that often requirements governing particular OSLH actions are contained in more than one Policy.

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| <input type="checkbox"/> Admissions & Eligibility Policy | <input checked="" type="checkbox"/> Maintenance & Asset Management Policy |
| <input type="checkbox"/> Participant Grievance Policy | <input type="checkbox"/> Investment & Financial Management Policy |
| <input type="checkbox"/> Personnel Policy | <input type="checkbox"/> Ethical Standards of Conduct Policy |
| <input type="checkbox"/> Procurement Policy | <input type="checkbox"/> Policy Definitions |
| <input type="checkbox"/> Program Administration & Occupancy Policy | |

RULES: Oglala Sioux (Lakota) Housing also has adopted a series of *Rules* that contain additional requirements. These are established through a formal process with OSLH's Chief Executive Officer officially adopting them. The Rules provide more detailed requirements for OSLH actions, programs and decisions. No Rule, however, can violate or contradict any OSLH Policies. The OSLH Board, employees, sub-grantees and sometimes OSLH contractors are required to adhere to and conform to these Rules and requirements.

PROCEDURES: In establishing organizational requirements, Oglala Sioux (Lakota) Housing has a third level of requirements known as *Procedures*. These are specific written procedures that from time-to-time are developed by OSLH's staff and are officially adopted by OSLH's Chief Executive Officer. OSLH employees are required to adhere and conform to these Procedures. These Procedures, however, cannot violate any OSLH Policy or OSLH Rule.

Attach to Policy

**MAINTENANCE AND ASSET MANAGEMENT POLICY
OGALA SIOUX (LAKOTA) HOUSING**

Adopted by Resolution 2007-15 on December 6, 2007

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I. STATEMENT OF PURPOSE

A. The purpose of this Maintenance Policy (“Policy”) is to standardize maintenance and asset management procedures for all physical assets owned and operated by Oglala Sioux (Lakota) Housing (“OSLH”), including but not limited to all housing units, in order to preserve OSLH’s investment in its property. This Policy supercedes and rescinds all previous maintenance and asset management policies and practice statements.

II. APPLICABILITY

This Policy shall be applicable to all OSLH assets including housing units owned and operated by OSLH and all other tangible property owned or leased by OSLH. This includes other buildings, lands, vehicles, equipment, tools, supplies and furniture. This shall also include housing and physical assets in which the OSLH holds a mortgage or other security interest.

III. SCOPE OF MAINTENANCE AND ASSET MANAGEMENT

In addition to this policy, OSLH shall adopt other written Rules and Procedures that together with this Policy assures that the following principles of maintenance and asset management are addressed for all housing and other physical assets developed, owned, managed, and/or assisted by the OSLH:

- A. Provision for proper and timely routine, non-routine, preventative, and emergency maintenance.
- B. Provisions for periodic inspections of all tangible assets including all housing units.
- C. Provisions assuring that adequate insurance will be provided for all housing units and other physical assets.
- D. Provisions assuring that proper basic utilities, including, but not limited to, water, sewer, electrical and heat are provided to housing units and OSLH offices and facilities. Such provisions shall set forth who is the responsible party for obtaining such utilities
- E. Provisions assuring that, where applicable, payment of taxes or payment in lieu of taxes (PILOT) is made. Such provisions shall set forth who is the responsible party for making such payments.
- F. Provisions assuring that dangerous conditions affecting the value of the property (e.g., abatement of hazardous materials) are addressed promptly as they arise and to the greatest extent feasible. Such provisions shall set forth who is the responsible party for taking such actions.
- G. Provisions assuring that rights to real property (e.g., deeds, leases, mortgages, etc.) shall be properly and timely acquired, recorded, asserted and preserved. Such provisions shall set forth who is the responsible party for taking such actions.
- H. Provisions assuring that periodic performance of inventories and audits of all housing units and all other OSLH physical assets and re-determination of the useful life is performed for all housing units and other physical assets. Such provisions may be cross-referenced with the provisions concerning the performance of routine, non-routine, preventative, and emergency maintenance.
- I. Provisions concerning training and education of tenants, homebuyers and others in the proper maintenance of housing units and other physical assets both during and after the OSLH's involvement with or ownership.
- J. Provisions assuring that appropriate security measures are taken to secure occupied and unoccupied housing units as well as other OSLH assets. This may include providing lighting, fences, watchmen, citizen patrols, cooperation agreements with law enforcement agencies, or other available, reasonable, and appropriate measures. Such provisions shall set forth who is the responsible party for taking such actions.
- K. Provisions assuring that all OSLH assets are managed properly including the recording, preserving and inspecting of non-housing unit assets on a routine and regular basis. This may include a system of inventorying such assets.

IV. PRIMARY RESPONSIBILITY

The OSLH has a primary obligation under applicable federal funding requirements to protect and maintain the viability of housing units previously developed under the U.S. Housing Act of 1937 and the Native American Housing Assistance and Self-Determination Act for the duration of the useful life of such units. Failure to meet this obligation could endanger the OSLH's and Tribe's ability to receive further grant funds. Therefore it is the stated policy and priority of the OSLH to commit such funds and resources as may be needed to effectively execute this responsibility before committing funds and resources to other maintenance and management activities under this Policy.

V. GOAL FOR MAINTAINING ASSETS

The OSLH has established the responsibility, commitment, and goal, when feasible and cost effective, to use its funds and resources to properly maintain and preserve rental housing that it owns

VI. AVAILABILITY OF FUNDING

Insofar as any of the provisions or procedures promulgated under this Policy obligate the OSLH to undertake particular activities, such obligations shall be contingent upon the availability of its own funds or resources or upon receiving adequate funding from the U.S. Department of Housing and Urban Development, the Tribe, and other sources.

VII. PRIORITY OF ACTIVITIES

The OSLH may adopt a schedule of priorities for performing particular maintenance and management activities in order to assist it in its distribution of the limited funds for such activities.

VIII. INSURANCE

OSLH shall maintain insurance on all OSLH property. OSLH may utilize a self-insurance pool to provide this insurance. Additionally, OSLH shall require all contractor's to maintain adequate insurance.

IX. PRESERVE RIGHTS

OSLH shall do everything in its power to assert and preserve its right to inspect its housing units at any time in order to insure that it can protect those assets.

X. RECORDS

OSLH shall keep the following records.

A. **Work Orders.** A work order shall be prepared in triplicate, printed on white and colored papers to distinguish the three copies. The work order shall be filled out in the office following a Homebuyer/Tenant complaint or the discovery of the need for any repair work. It should give the location and nature of the work to be done, the date, the work number of the order, the time the work is started and completed, and, in cases of work in a dwelling unit, the Homebuyer's/Tenant's name. The original of the work order is to be given to the person assigned to do the job; one copy will be retained in the office; the other copy will be given to the Homebuyer/Tenant. The person assigned to the job shall add to or correct the description of the job if necessary and shall obtain the Homebuyer's/Tenant's signature when applicable. The office copy is used to check on the backlog of work and, upon completion of the work, shall be filed in numerical order. The original copy shall be filed in the Homebuyer's/Tenant's file or a separate unit file.

B. **Building and Grounds Inspection Records.** Inspection records shall list the elements to be inspected periodically. Forms shall be provided for each unit inspection, for each Building inspection, and for the Grounds inspection. Any items found needing correction shall be noted in the course of the inspection, and work orders shall be provided. The duplicate of the work order then serves as a follow-up check to see that the work has been accomplished within a reasonable time.

C. **Equipment Inspection Record.** Each piece of major equipment shall have its own inspection record, and all inspection, maintenance, and repair data shall be entered in that record. The cost of overhauls, including that done by outside repairmen, shall also be entered. Periodic review of Equipment inspection records allows scheduling of inspection at the frequency determined to be necessary for each piece of Equipment.

D. **Paint Record.** A paint record shall be made for the interiors and exteriors of OSLH structures. This provides a permanent record of interior painting in units, whether performed by the Tenant, OSLH maintenance staff, or some other party.

XI. NEW HOUSING DEVELOPMENT PROJECTS

A supervisory maintenance person may be appointed for a new project or group of new buildings before construction is completed so that they may observe operating tests, learn pipe and valve locations and other details, and become familiar with the physical aspects of the project while all the elements are still open to view and under the care of the contractor. OSLH shall obtain copies of "as-built" drawings and addenda whereon are marked any changes or additions, and to obtain and permanently file equipment warranty expiration dates and manufacturers' instruction and service booklets.

XII. HOMEOWNERSHIP PROGRAMS

A. Maintenance.

1. **Homebuyer's Responsibility for Maintenance.** Homebuyers are responsible for routine and Non-Routine Maintenance of the home, including all repairs and replacements (including repairs and replacements necessitated by damage from any cause). OSLH shall not be obligated to pay for or to provide any maintenance of the home other than the correction of warranty items reported during the applicable warranty period.

2. **Homebuyer's Failure to Perform Maintenance.** Failure of the Homebuyer to perform his or her maintenance obligations constitutes a breach of the Homebuyer's Occupancy Document. Upon a determination by OSLH that a breach has occurred, OSLH shall require the Homebuyer to agree to a specific plan of action to cure the breach and to assure future compliance. The plan shall provide for maintenance work to be done within a reasonable time by the Homebuyer. In some cases if work is not done OSLH may perform this Homebuyer obligation and the work will be charged to the Homebuyer. If OSLH determines that the condition of the property creates a hazard to the life, health, or safety of the occupants, or if there is an immediate risk of serious damage to the property if the condition is not corrected, the corrective work shall be done promptly by the Homebuyer, or by OSLH with a charge of the cost to the Homebuyer. If the Homebuyer's reserve accounts, if any, do not contain sufficient funds to cover the cost of repairs or if the Occupancy Document does not establish a reserve, the cost will be divided into equal amounts and added to the Homebuyer's required monthly payment to be to be paid over a period of time not to exceed one year. At OSLH's discretion, a deposit may be required. OSLH may terminate the Homebuyer's participation in the program pursuant to the Homebuyer's Occupancy Document.

3. **Work Order.** Any maintenance work performed by OSLH shall be accounted for through a written work order stating the nature of and the charge for the work. The Homebuyer shall receive a copy of all work orders for his or her home. The Homebuyer shall be responsible for the cost of any maintenance work performed by OSLH. OSLH shall reserve the right to refuse new work orders if previous work order costs have not been paid.

B. Inspections.

1. **Inspection Before Move-in and Identification of Warranties.** In order to provide a record of the condition of the home as of the date of occupancy, an inspection of the home by OSLH and the Homebuyer shall be made as close as possible to, but not later than, the date of occupancy. After the inspection, OSLH

inspector shall give the Homebuyer a written statement, signed by the inspector, of the condition of the home and equipment. The Homebuyer may be asked to sign a copy of the statement. If the Homebuyer does not fully agree they must still sign the statement and write their objections or additional comments.

2. **Inspections During Contractor's Warranty Periods; Responsibility for Items Covered by Warranties.** On or before the date of occupancy of each home, OSLH shall furnish the Homebuyer with a list of applicable contractor, manufacturer, and supplier warranties, indicating the items covered and the periods of the warranties.

As part of OSLH's regular warranty inspections, no less often than every three months during any one year general construction warranty period, OSLH shall endeavor to inspect the items covered by warranty.

Independent of these OSLH inspections, it shall be the responsibility of the Homebuyer during this period to inform OSLH promptly of any deficiencies or breach of warranties so that OSLH may enforce any rights under the applicable warranties. If a Homebuyer fails to report such a deficiency or breach in time, and OSLH is subsequently unable to obtain redress under the warranty, correction of the deficiency shall be the responsibility of the Homebuyer.

3. **Inspection upon Termination of Agreement.** If the Homebuyer's Occupancy Document is terminated for any reason, OSLH shall inspect the home, after notifying the Homebuyer of the time for the inspection, and shall give the Homebuyer a written statement of the cost of any maintenance work required to put the home in satisfactory condition for the next occupant. Such cost shall be the sole responsibility of the Homebuyer.

4. **Physical Inspections.** OSLH shall conduct a complete interior and exterior examination of each home on a regular basis, but not less frequently than every other year, and shall furnish a copy of the inspection report to the Homebuyer. One-quarter (1/4) of the total number of units shall be inspected every six (6) months and subsequent inspections of each unit shall be due within thirty (30) days of the two (2) year anniversary of the initial inspection conducted under this policy). Any item requiring repair or replacement will be recorded. This will include but not be limited to plaster repairs, painting, termite inspection, roof deterioration, overloading of electric circuits, and corrosion control. Following the inspection, the OSLH inspector shall give the Homebuyer a written statement, signed by the inspector, of the condition of the home. The Homebuyer shall sign a copy of the statement and indicate when necessary repairs and/or replacements will be made. A copy of the inspection statement will be retained in the Homebuyer's permanent folder, and a duplicate copy shall be given to the Homebuyer. A follow-up procedure will be

established to see that all required repairs and replacements have been carried out within a reasonable period of time.

5. **Homebuyer Permission and Participation in Inspections.** The Homebuyer shall permit OSLH to inspect the home at reasonable hours and intervals or in an emergency at any time in accordance with rules established by OSLH. When feasible the Homebuyer shall also be notified that he or she or his or her representative may join in the inspection.

6. **Explanation of Inspection Rights and Obligations.** OSLH shall endeavor to advise Homebuyers of the above inspection and warranty rights and obligations.

C. **Structural Changes.** A Homebuyer shall not make any structural changes in or additions to his or her home unless OSLH has first determined in writing that such change would not (a) impair the value of the home, the surrounding homes, or the project as a whole; or (b) affect the use of the home for residential purposes. Additions to the home include but are not limited to energy conservation items such as solar panels, wood-burning stoves, flues, and insulation. Any changes made in accordance with this section shall be at the Homebuyer's expense, and, in the event of termination of the Homebuyer's Occupancy Document, the Homebuyer shall not be entitled to any compensation for such changes or additions.

D. **Advice and Technical Assistance.** OSLH will provide pre-occupancy and post-occupancy training to Homebuyer families, which training shall consist of the following:

1. Training will be provided to explain the Homebuyer program and the rights and obligations of the Homebuyers.
2. Training will be provided to increase the knowledge and understanding of Homebuyers of the methods and means properly to care for and maintain (1) both the interior and exterior structures of the home, including electrical, plumbing (including water heaters and pumps), and heating systems; (2) major appliances, refrigerators, ranges, and dishwashers; (3) minor appliances, such as can openers and toasters; and (4) yards and gardens. In addition, training will be provided to Homebuyers to increase their knowledge about simple repair techniques with regard to the above-mentioned house components and equipment.
3. Training may be provided to Homebuyer families on family budgeting, use of credit, and meeting financial obligations.

XIII. RENTAL HOUSING PROGRAM

A. **Responsibility for Maintenance.** The responsibility for conducting maintenance

shall be allocated as follows:

1. Tenants: Tenants and the OSLH shall conduct periodic inspections of their rental units to determine maintenance needs. Such inspections shall be conducted not less than twice a year. The OSLH shall be primarily responsible for all items of preventative, routine, and non-routine maintenance on the home. The Tenant shall be responsible for all cleaning of the unit so as not to allow the unit to suffer from any deterioration other than normal wear and tear. The Tenant shall inform OSLH of any warranty defect or mechanical failures in the unit. The Tenant is obligated to notify the OSLH if they cannot perform these duties. The OSLH may hold the Tenant responsible for failing to notify the OSLH, if such negligence results in damage to the rental unit or other OSLH physical assets.

2. OSLH: The OSLH shall provide routine and non-routine maintenance services as described above. In addition, the OSLH shall maintain other physical assets appurtenant to the rental unit. The OSLH shall provide emergency maintenance services to rental units. Tenants shall not be responsible for the costs of such emergency maintenance services, unless it is determined by the OSLH that the Tenant's negligence contributed to the situation giving rise to the emergency maintenance.

B. **Standards.** OSLH has the goal and aim of providing satisfactory, decent, safe, and sanitary housing at economical cost and of having the buildings and grounds present a good appearance. All maintenance services and preventive maintenance programs shall be rendered on a regular and scheduled basis so long as OSLH has the financial capacity to do so.

C. **Inspections.**

1. **Physical Inspections.** OSLH shall conduct a complete interior and exterior examination of each home on a regular basis, but not less frequently than every other year, and shall furnish a copy of the inspection report to the Tenant. One-quarter (1/4) of the total number of units shall be inspected every six (6) months and subsequent inspections of each unit shall be due within thirty (30) days of the two (2) year anniversary of the initial inspection conducted under this policy). Any item requiring repair or replacement will be recorded. This will include but not be limited to plaster repair, painting, termite inspection, roof deterioration, overloading of electric circuits, and corrosion control. Following the inspection, OSLH inspector shall give the Tenant a written statement, signed by the inspector, of the condition of the unit and equipment. The Tenant may be asked to sign a copy of the statement. If the Tenant does not fully agree they must still sign the statement and write their objections or other comments. A follow-up procedure will be established to see that all required repairs and replacements have been carried out within a reasonable period of time.

2. **Tenant Permission and Participation in Inspection.** The Tenant shall permit OSLH to inspect the unit at reasonable hours and intervals during the Renter's Occupancy Document term in accordance with rules established by OSLH or in an emergency at any time. The Tenant when possible shall also be notified that he or she or his or her representative may join in the inspection. In cases of emergency OSLH may inspect a unit at any time without giving notice to the Tenant.

3. **Follow-Up Inspections.** The OSLH maintenance supervisor may schedule follow-up inspections of the unit at such times as may be necessary to assure monitoring and completion of maintenance work.

4. **Explanation of Inspection Rights and Obligations.** OSLH shall endeavor to advise Tenants of the above inspection and warranty rights and obligations.

D. **Payment.** Any damages not the result of normal wear and tear will be charged to the Tenant. All service charges shall become payable immediately after the Tenant receives an itemized cost of repairs. At OSLH's discretion, a deposit may be required. In some instances, OSLH may wish to add the charges to the rent payment; such arrangements must be mutually agreed upon between the Tenant and OSLH before any work is performed except in emergency situations. OSLH shall reserve the right to refuse requests for new work orders if the previous work order costs are not paid or if repetitive damage has occurred.

E. **Counseling Assistance.** The OSLH shall make available counseling and assistance to any Tenant or who does not know how to complete required repairs or cleaning. If the repairs or cleaning are beyond the Tenant's ability, the OSLH shall provide them with a list of contractors who are capable of completing the work but the Tenant shall remain responsible for such repairs or cleaning. Any agreement between a Tenant and such contractor shall require the written concurrence of the OSLH maintenance supervisor before such work may be performed.

F. **Adequate Insurance.** In meeting OSLH's insurance obligations, OSLH shall provide adequate insurance either by purchasing insurance or by indemnification against casualty loss by providing insurance in adequate amounts to indemnify the OSLH against loss from fire, weather and liability claims for all rental units owned or operated by the OSLH. Insurance is adequate if it is a purchased insurance policy from an insurance provider or a plan of self-insurance in an amount that will protect the financial stability of the OSLH.

G. **Adequate Utilities.** The Tenant shall be responsible for insuring uninterrupted adequate heat and electricity service is provided to their rental unit. The OSLH shall be responsible for assuring that adequate water, sewer and trash removal services are provided to low rent unit.

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