

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
SEPTEMBER 24, 2015**

HOA's Alcott House Hospitality Room, 1460 North Sandburg Terrace, Chicago, Illinois 60610

Present: Mary Murtaugh – Association 1
Mario Rizzo – Association 1
Robert Connor – Association 2
Mary Beth Wheeler – Association 2
Tom Tiegler – Association 3
Sean Murnane – Eliot
Gabrielle Thronson – Eliot
Leslie Deitch – Faulkner
John Berchem – Lowell
David Beck – Association 7
Barbara Fiacchino – Association 7
Marcie Johnson – Association 7

Also present were Steve Habib, HOA Property Manager, and Julie McCracken, Site Supervisor, of DK Condo, A Draper and Kramer Company; Nancy Ayers of Mesirow Financial Insurance Services; Paul Gaudette of Wiss Janney Elstner Associates, Inc; and Bernard Jacobs and Lauren Polhamus of Jacobs/Ryan Associates Landscape Architects. Barbara A. Roberts acted as Recording Secretary.

CALL TO ORDER

Mr. Connor declared that a quorum was present and called the meeting to order at 6:32 p.m. There were no changes to the agenda.

UNIT OWNER COMMENTS

A unit owner presented photos of water entering her cabana; discussion ensued. Ms. Johnson expressed condolences on behalf of the Board to Mr. Habib on the death of HOA's long-time Assistant Property Manager, Teresa Gallen.

PRESIDENT'S REPORT

Mr. Connor invited further remarks from Board members about Ms. Gallen, and several Board members and Mr. Habib shared their appreciation of her sterling work ethic, her efficiency and her delightful sense of humor.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on July 22, 2015. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on July 22, 2015, be approved as presented. Mr. Beck seconded the motion, and it passed unanimously.***

ACTION AND DISCUSSION ITEMS

Insurance Contract

Ms. Ayers explained the insurance coverage proposed by Mesirow Financial Insurance Services for the coming year and responded to questions from the Board. After discussion, ***Mr. Beck moved to approve the proposal submitted by Mesirow Financial Insurance Services on September 11, 2015, for renewal of commercial package, crime, and umbrella coverage for the period September 30, 2015, through September 30, 2016, in an amount not to exceed \$82,480.00, including the purchase of an extended reporting period with Travelers Insurance and directors and officers liability coverage with Liberty Mutual, with the proviso that if Travelers Insurance drops its quoted exclusion but maintains the same premium amount, the Board will authorize the Property Manager to accept directors and officers coverage from Travelers Insurance instead of Liberty Mutual. Mr. Murnane seconded the motion, and it passed unanimously.***

North Mall Renovation

Paul Gaudette of Wiss, Janney, Elstner Associates, Inc. briefly reviewed the various mall projects, as follows:

South Mall: Planning has begun for Phase 2 of the South Mall Project, and in response to a complaint about ponding water from owners of Cabana 11 at the South Pool at the last Board meeting, WJE has made recommendations to HOA about how to deal with the problem.

Alcott-Bryant and Cummings-Dickinson Malls: Water testing and investigations of leakage at various points will be completed next week.

Schiller Mall: WJE is investigating leakage into the Lowell House garage under the Schiller Mall, possibly from the #84 and #86 townhouses.

North Mall: The revised project schedules and information will be forwarded to the Board for review at the end of October, with the intention to seek bids in December for Board approval in January 2016. Leakage into the James/Kilmer garage has been investigated and appears to be coming from the shower areas in the North Pool restrooms. The work on the James/Kilmer garage columns has been completed at a cost below the amount budgeted by HOA.

HOA Management Office: Mr. Habib reported that water did enter the office from a recent storm, but that as much flooring and cabinetry installation and painting as possible is now being done.

In response to questions, Mr. Gaudette stated that the ramp to the pool from the front of James House is handicap-accessible, and that the ponding in some South Pool cabanas is due to the settlement area and low spots on the pool deck. A brief discussion ensued.

Bernard Jacobs of Jacobs/Ryan Landscape Architects reported that North Mall landscaping plans are progressing.

Mr. Gaudette left the meeting at 7:40 p.m.

New Association Entrance Planters

Mr. Jacobs directed the Board's attention to landscape layouts for the various malls and illustrations of proposed entrance planters and pavers, stating that the proposed planters are fiberglass with internal reservoirs, and that colors will be chosen to match the Modac paint on various buildings. He noted that plans have been proposed to install the disused planters on the Schiller Mall, once Mr. Gaudette determines how much load the Schiller Mall can safely bear.

During Mr. Jacobs's presentation, Mr. Murnane left the meeting at 7:50 p.m.

Mr. Beck moved to approve the proposal submitted by Old Town Fiberglass, Inc. on September 24, 2015, to supply and install 68 planters and subsaucers in various sizes throughout the Village, in the amount of \$90,816.50. Ms. Wheeler seconded the motion, and it passed unanimously.

Mr. Beck moved to approve the proposal submitted by Christy Webber Landscapes on September 16, 2015, to remove the existing planters, in the amount of \$3,855.03. Ms. Fiacchino seconded the motion, and it passed unanimously.

Mr. Beck moved to approve the proposal submitted by Christy Webber Landscapes on September 17, 2015, to install the new planters and pavers and fill the planters, in the amount of \$15,653.85. Ms. Wheeler seconded the motion, and it passed unanimously.

Fence Painting

Ms. Wheeler moved to approve the proposal submitted by MPD Painting Experts on August 12, 2015, to prepare, power grind, prime and paint the exterior fences located at Faulkner House, in 2016, in the amount of \$9,230.00. Ms. Fiacchino seconded the motion, and it passed unanimously.

Mr. Jacobs and Ms. Polhamus left the meeting at 8:10 p.m.

Distribution of Proposed 2016 Budget

The Board briefly discussed the proposed budget and some matters specifically related to the pools.

Ms. Deitch moved to amend the 2016 Schedule of Fees to state that the pools will be open from May 28 through September 30. Mr. Beck seconded the motion, and it passed unanimously.

Ms. Wheeler moved to approve the distribution to all Sandburg Village unit owners of the proposed Sandburg Village Homeowners Association Operating Budget for 2016, which calls for no increase in assessments and which includes the 2016 Schedule of Fees. Ms. Johnson seconded the motion. After discussion, the motion passed unanimously.

FINANCIAL REPORT

Mr. Berchem reviewed with the Board the Financial Summary for the month ended August 31, 2015, as follows:

Operating Fund net income, current month:	(\$48,099)
Operating Fund net income, year to date:	\$1,977
Operating Fund balance:	\$257,159
Ratio of Operating Fund balance to one month's operating expenses:	2.0

Replacement Fund interest income, year to date:	\$10,211
Replacement Fund average CD yield:	0.292%
Replacement Fund expenses, year to date:	\$183,883
Replacement Fund balance:	\$5,472,600

ACTION AND DISCUSSION ITEMS (continued)

Reserve Study Proposals

The Board discussed proposals from five firms to perform either a full or an updated reserve study, and also discussed whether a partial reserve study – taking into account infrastructure studies performed by Wiss, Janney, Elstner and others – would be sufficient. The matter was tabled.

Faulkner House Request: Drain Piping Replacement

After a brief explanation of the request from the Faulkner House Board of Directors, ***Ms. Deitch moved to approve the request from Faulkner House to remove and replace the Tennis Center ceiling in conjunction with the Faulkner House drain piping replacement project. Ms. Johnson seconded the motion, and it passed unanimously.***

ADDITIONAL BUSINESS

The Board agreed to hold a Holiday Party at the 3rd Coast café again this year.

In response to questions from Ms. Thronson, the Board directed Mr. Habib to discuss lighting in the Tot Lot area with Liberatore Electric, and Mr. Habib explained that no bicycle will be purchased for the security guard owing to liability concerns. Ms. Thronson also suggested that Board members forward their comments about the HOA website to Mr. Habib.

DIRECTORS-MANAGEMENT FORUM

In response to the Board's discussion about the additional work load that Mr. Habib is current dealing with, Ms. McCracken stated that DK Condo is conducting a search for a new assistant.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Mr. Beck and seconded by Ms. Johnson, the meeting was adjourned at 8:59 p.m.

Respectfully submitted,


Secretary