

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
April 19, 2017**

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

Present: John Hoppesch – Association 1
Mary Murtaugh – Association 1
John S. Santoro – Association 1
Robert Connor – Association 2
David Guilbert – Association 2
Holly O'Mara – Association 2
Stan Smith – Association 3
Tom Tiegler – Association 3
Kristina Lynn – Eliot
Gabrielle Thronson – Eliot
Margery Ryan – Faulkner
John Berchem – Lowell
Louise Pauly – Lowell
David Beck – Association 7
Barbara Fiacchino – Association 7
Marcie Johnson – Association 7

Also present were Melissa Goodwin, HOA Assistant Property Manager, and David Barnhart, Assistant Vice President, of Draper and Kramer, Incorporated; Ryan Oswald, General Manager of Fitness Formula Club Old Town, and Maximilian Tolbert and Elroy Young, also of FFC Old Town; and Paul Gaudette, of Wiss Janney Elstner Associates, Inc. Barbara A. Roberts acted as Recording Secretary.

CALL TO ORDER and AGENDA REVIEW

Mr. Connor declared that a quorum was present and called the meeting to order at 6:32 p.m.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on March 29, 2017. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on March 29, 2017, be approved as presented. Mr. Beck seconded the motion, and it passed unanimously.***

PRESIDENT'S REPORT

Mr. Connor rearranged the agenda slightly, with the third item to be taken up first, and added two items to the end of the agenda: Christy Webber – North Mall Flowers, and Management Search Committee Delegates and first Committee meeting date.

FINANCIAL REPORT

Financial Summary

Mr. Berchem stated that owing to the early meeting date this month, no financial statement was yet available.

ACTION AND DISCUSSION ITEMS

Association 3 Request for Reimbursement

Mr. Smith explained the water damage caused to some townhouse units, particularly to unit 115, from sprinkler systems in the nearby flower beds that were installed after the townhouses were built. He directed the Board's attention to invoices submitted by Association 3 to HOA for reimbursement of expenses related to external water damage repairs, which he stated are not the responsibility of the townhouse unit owner. Mr. Barnhart responded that, according to the townhouse association's documents, absent gross negligence, the individual property owner is responsible for replacement, maintenance and repair of a unit regardless of the source of the damage. He added that the townhouse association should therefore file a claim with its property insurance carrier, which would subrogate the claim against HOA. Discussion ensued, following which it was suggested that both the Association 3 Declaration and the HOA Declaration be consulted to determine the respective responsibility of each association, the results of this document examination to be reported at the next HOA Board meeting. Mr. Barnhart confirmed that he would provide the appropriate portions of each Declaration, and Mr. Smith raised the question of the sprinklers causing more water damage problems in the future. Further discussion ensued.

Mr. Smith thanked the Board, and left the meeting at 6:49 p.m.

North Mall Renovation

With regard to the matter brought up by Mr. Smith of Association 3, Mr. Gaudette reported that his firm water-tested the area around townhouse unit 115 and determined that, while there was some water infiltration, it was not clear that the infiltration was caused by the sprinklers.

With regard to the cost increases included in his report to the HOA Board in March, Mr. Gaudette directed the Board's attention to Change Order Request Number 8, the increase cited in which is part of the cost increases reported in March. **Mr. Beck moved to approve Change Order Request Number 8 submitted by Bulley & Andrews Concrete Restoration on March 23, 2017, for the North Mall Renovation Project, in the sum of \$159,819.00. Ms. Fiacchino seconded the motion, and it passed, with Mr. Hoppesch abstaining.** Discussion ensued about the North Mall Renovation Project budgeted expense and costs to date.

Mr. Gaudette then reported on developments at Germania Place listed in WJE's report to HOA dated April 13, 2017, stating that a chain of communication has been established to include not only HOA but also officials of the 2nd Ward. He also mentioned an investigation of leaks at Faulkner House and stated that a report would be provided at the next HOA Board meeting. Mr. Beck noted the necessity for coordination between HOA, the City of Chicago and the developer of the property at Clark and North with regard to any work being done at Germania Place, to which Mr. Gaudette added coordination with James House and the Chicago Department of Transportation with regard to when work on the streets in the area should be done in order to avoid the necessity to perform the work twice. He added that the

uneven surface of the street and driveway, particularly south of the Germania Place fountain, can be temporarily paved to improve its appearance and reduce ponding. Mr. Gaudette also agreed to look into the problem of sand spilling out of broken sandbags that are securing the temporary fencing on LaSalle Street. He concluded by stating that the landscaping will be installed in the planter just north of the North Pool at the end of April or the beginning of May.

The Board thanked Mr. Gaudette, and he left the meeting at 7:00 p.m.

2017 Pool Season

Ryan Oswald introduced himself and his colleagues from FFC, Max Tolbert and Elroy Young. Mr. Young asked if there were any complaints or concerns about how the pools were managed last year. Discussion ensued among unit owners, Board members and the FFC representatives about the following:

- Listing lap swim times.
- Lap swims and water aerobics interfering with the use of the pools by members not participating in those activities, and possibly alternating the water aerobics activities between both pools instead of only the North Pool.
- Training pool attendants in how to deal with the parents of unruly children.
- Encouraging employees to discuss problems involving pool users with the pool managers rather than with the pool users.
- Pool members using old passes.
- Informing pool staff about passes expiring early via computer error.
- Restricting free guest passes to Sandburg Village residents only.
- Confirming Sandburg Village residency.
- No longer allowing access to the South Pool via the FFC facility door.
- Pros and cons of issuing day passes, including having to charge more for them to make up for lost membership fees, and overcrowding at the pools.
- Too few users and greater expense when pools were left open until 9:00 p.m. in the past.
- Having the HOA security guard check the pools in the morning to prevent people from entering the pools before staff arrives to open them.
- Reducing the number of guests per member from five to two.

Mr. Connor commented that in 2016, FFC did a good job of educating, training and supervising the pool guards. Discussion ensued about guest passes.

The Board thanked Messrs Oswald, Tolbert and Young, and they left the meeting at 7:38 p.m.

Further discussion ensued about guest passes, and the Board agreed to allow four guests per adult member. Wording specifying two free guest passes for adult Sandburg Village residents only was added to the pool brochure.

Village Security

Mr. Connor reminded the Board that security was reduced last year and later restored, and that the Board discussed security cameras and obtaining different bids from the current security company. Mr. Beck suggested that the HOA Property Manager investigate installing a camera system in the Management Office that would allow the security guard to monitor the pools and other areas on the

property. Mr. Barnhart cautioned that doing so could expose HOA to liability issues. Discussion ensued about Management's responsibility to investigate security resources, looking into firms that monitor security cameras, seeking analysis and advice from security companies, and the security requirement for the Village set out in the HOA Declaration.

Christy Webber & Company – North Mall Flowers

In response to a question from Mr. Beck, Ms. Goodwin stated that planting flowers in the malls has been delayed because of late frosts, and that the planting is expected to begin on Monday, April 24. Ms. Goodwin referred to a proposal from Christy Webber & Company for flowers in the new North Mall planters that was approved in 2016 and included in the 2017 budget, and to additional details provided by Steve Habib. She noted that the North Mall planters most likely will not be put in place until midsummer. ***Mr. Beck moved to approve the proposal submitted by Christy Webber & Company on April 15, 2017, in the amount of \$11,000.00, for seasonal plantings on the North Mall beginning in the summer or fall of 2017, as required. Ms. Fiacchino seconded the motion, and it passed unanimously.*** Ms. Goodwin was directed to seek recommendations regarding the plantings from Christy Webber rather than from Bernard Jacobs.

Management Search Committee Delegates

Mr. Connor reported that Association 1 has asked that its Board President be included as a delegate to the Management Search Committee. Ms. Murtaugh introduced Sue Mazany, the Association 1 Board President, noting that she has lived in the Village for many years and that she acted as a co-chair of that Association's Executive Search Committee for a new management company.

DIRECTORS-MANAGEMENT FORUM

Ms. Johnson provided an extensive list of community activities, events and volunteer opportunities coming up in the Near North, Gold Coast, Streeterville and Greater South Loop areas.

UNIT OWNER COMMENTS

- In response to a question from a unit owner about a terra cotta planter on the James House property, Mr. Beck stated that it will eventually be used on the North Mall.
- Ms. Thronson asked that a matter involving the Eliot House exterior be added to the May meeting's agenda, to which Mr. Connor agreed.

Mr. Connor announced that Steve Habib, HOA's Property Manager for the last ten years, has resigned but will be in the Management Office until April 26, and stated that the Board wishes him well.

RECESS TO EXECUTIVE SESSION

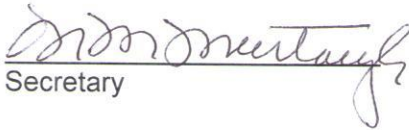
The meeting was recessed to Executive Session at 8:03 p.m.

RECONVENE TO OPEN SESSION AND ADJOURNMENT

The meeting was reconvened to Open Session at 8:18 p.m.

There being no further business to come before the Board, upon motion duly made by Mr. Santoro, seconded by Mr. Connor, and unanimously passed, the meeting was adjourned at 8:19 p.m.

Respectfully submitted,


Secretary