

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
January 25, 2017**

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

Present: John Hoppesch – Association 1
Mario Rizzo – Association 1
John S. Santoro – Association 1
Robert Connor – Association 2
Holly O'Mara – Association 2
Tom Tiegler – Association 3
Kim Ruhlander – Eliot
Leslie Deitch – Faulkner
John Berchem – Lowell
Louise Pauly – Lowell
David Beck – Association 7
Barbara Fiacchino – Association 7
Marcie Johnson – Association 7

Also present were Steve Habib, HOA Property Manager, Melissa Goodwin, Assistant Property Manager, and David Barnhart, Assistant Vice President, of Draper and Kramer Incorporated; Paul Gaudette, of Wiss Janney Elstner Associates, Inc.; and Bernard Jacobs, of Jacobs/Ryan Associates Landscape Architects. 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 6:35 p.m. There were no changes to the agenda.

APPROVAL OF MINUTES

Mr. Connor asked if there were any additions or corrections to the minutes of the regular Board meeting held on December 19, 2016. Ms. Deitch noted mention on the last page of the minutes of choosing a date for a visit to the Board by 2nd Ward Alderman Brian Hopkins at the January Board meeting, and that this item was not included on the current meeting's agenda. Mr. Connor suggested that it be discussed under Any Additional Business of the Board. ***Mr. Beck moved that the minutes of the regular Board of Directors meeting held on December 19, 2016, be approved as presented. Ms. Fiacchino seconded the motion, and it passed unanimously.***

UNIT OWNER COMMENTS

This item was added to the agenda to take place at this time. Unit owner Patty Culbertson commented on the increased presence of dog feces along LaSalle Street, noting that some of the offenders live in the nearby neighborhood, and that the material attracts rats. Discussion ensued. Another unit owner asked that HOA choose landscapers that use quieter leaf blowers. Mr. Connor stated that both matters will be considered.

ELECTION OF OFFICERS

Mr. Connor announced that the Board members who served as officers in 2016 are all willing to be considered for the same offices in 2017. He named the 2016 officers, and stated that the candidates for the 2017 offices will be nominated individually rather than as part of a slate.

Mr. Connor asked for nominations for the position of Board President. Mr. Berchem nominated Robert Connor. Mr. Tiegler seconded the nomination. There being no other nominations, Mr. Connor declared the nominations closed. ***Mr. Beck moved to elect Mr. Connor to the office of Board President by acclamation. Mr. Berchem seconded the motion, and it passed unanimously.***

Mr. Connor asked for nominations for the position of Board Vice President. Mr. Beck nominated Marcie Johnson. Ms. Fiacchino seconded the nomination. There being no other nominations, Mr. Connor declared the nominations closed. ***Ms. Fiacchino moved to elect Ms. Johnson to the office of Board Vice President by acclamation. Mr. Beck seconded the motion, and it passed unanimously.***

Mr. Connor asked for nominations for the position of Board Treasurer. Mr. Beck nominated John Berchem. Ms. Pauly seconded the nomination. There being no other nominations, Mr. Connor declared the nominations closed. ***Mr. Beck moved to elect Mr. Berchem to the office of Board Treasurer by acclamation. Ms. Johnson seconded the motion, and it passed unanimously.***

Mr. Connor asked for nominations for the position of Board Secretary. Mr. Santoro nominated Mary Murtaugh. Ms. Fiacchino seconded the nomination. There being no other nominations, Mr. Connor declared the nominations closed. ***Mr. Beck moved to elect Ms. Murtaugh to the office of Board Secretary by acclamation. Ms. Johnson seconded the motion, and it passed unanimously.***

PRESIDENT'S REPORT

Mr. Connor thanked the Board for electing him to the office of Board President. He stated his hope that 2017 would be a good year for HOA, and also stated that there are no plans to hold a meeting in December but that meetings in April and in October will be added to the meeting schedule, one to deal with matters pertaining to the pools and tennis courts, and the other to deal with the proposed 2018 budget.

Mr. Beck suggested that Board members be reminded that they should not deal with any vendors or contractors themselves, but rather to channel suggestions or questions through the HOA Property Manager. Mr. Santoro added that vendors should be advised not to take direction from anyone but HOA Management.

FINANCIAL REPORT

Financial Summary

Mr. Berchem reviewed with the Board the Financial Summary for the period ended December 31, 2016, as follows:

Operating Fund net income, current month:	(\$110,660)
Operating Fund net income, year to date:	\$18,832
Operating Fund balance:	\$60,824
Ratio of Operating Fund balance to one month's operating expenses:	0.5
Replacement Fund interest income, year to date:	\$44,737
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$858,075
Replacement Fund balance:	\$5,638,651

Mr. Berchem and various Board members discussed several of the line items on the Financial Summary and the December 31, 2016, Balance Sheet, as well as the movement of funds from the Replacement Fund to the Operating Fund in order that invoices may be paid.

ACTION AND DISCUSSION ITEMS

Mr. Connor advised the Board to ask Mr. Jacobs any questions that they have, but that his firm's contract that is included in the Board packet will be discussed only in Executive Session.

North Mall Renovation

Mr. Habib stated that work on the underside of the James/Kilmer garage is proceeding well, and expressed his appreciation for the way that Thomas Kristofek, the J/K Property Manager, and Eddie Main, the J/K garage manager, have been handling the contractor's activity in the garage. Mr. Gaudette reviewed in detail with the Board the items on the "North Mall Renovation Summary of Project Schedule," noting in particular that work in the North Pool area will be completed early in May to allow HOA to complete preparations for opening the pool on the Memorial Day weekend. He remarked on options for repairs on Germania Place, taking into account the lack of information about the status of the proposed development at North and Clark. Mr. Gaudette also described plans for other repair and renovation work in the general area of the North Pool, including the walkway east of the pool, and the shower rooms. He and the Board then discussed WJE's recommendation that a new catch basin be installed in the vicinity of Alcott House to improve drainage in the Burton Place area.

Mr. Gaudette then reviewed with the Board the update of repair work at various projects in the Village, noting that some of the work is weather dependent. Projects discussed included leaks in the South Mall area, the Alcott-Bryant planter slabs and entrance driveway, work on the Schiller Mall's central and northeast corner stairways, and leakage from the electrical box that provides power to the tennis courts. In response to remarks from Mr. Beck, Mr. Gaudette also commented on the contractors involved in the various projects. He also complimented Mr. Kristufek and Mr. Main on their dealings with contractors.

2017 Rotation of Seasonal Flowers

Mr. Jacobs stated that he expects landscaping to begin in late April or early May, weather permitting, noting that the irrigation system and the soil bed are ready and the plant material is on hand. He stated that seasonal flowers will be planted in pots in front of the 1500 block townhouses, that Christy Webber will perform the landscaping, that planting arrangements on the pool deck will be worked out with HOA, and that the new seasonal flower plan has been based on feedback from residents. At Mr. Habib's suggestion, Board members discussed with Mr. Jacobs the seasonal flower rotations for the planters and planting beds shown in the "Sandburg Village 2017 Seasonal Displays Update." Mr. Jacobs stated that larger plants will be used whenever possible when the costs are within budget. He added that efforts have been made to treat all of the associations as equally as possible with regard to plant offerings, taking into account the different plants required for sunny and shady areas, which change as

the season progresses, as well as esthetic considerations. Discussion ensued about cleaning the planters and watering the plants. Mr. Jacobs explained his firm's proposal that includes an additional charge for required construction observation and meeting time. Discussion returned to the seasonal plantings, and the requirement to convey all landscaping requests for the year through Mr. Habib by February 1. Further discussion ensued.

The Board thanked Mr. Gaudette and Mr. Jacobs, and they left the meeting at 7:42 p.m.

1300 Cummings-Dickinson Exterior Fence Painting

Mr. Habib directed the Board's attention to the proposal from MPD Painting Experts, Inc., for painting the 1300 block exterior fence. Ms. Fiacchino raised the matter of the increasing number of rats in the planted areas near the fences. In response to a request from the Board, Mr. Habib agreed to seek at least two other proposals.

2017 Board Meeting Dates

Mr. Habib presented the list of proposed Board meeting dates for 2017, noting that the March meeting is set at a week later than normal to accommodate attendance by representatives from Fitness Formula Clubs. Mr. Connor stated that two additional meetings have been included, on April 19 for discussion of the pools and the Tennis Center, and on October 25 for budget discussions. He added that if the Board wishes to conduct a management search, the decision to do so will have to be made in March so that the search can be launched in April. ***Mr. Beck moved to approve the proposed 2017 Sandburg Village Homeowners Association Board Meeting Schedule as amended with the addition of meetings in April and October. Ms. Johnson seconded the motion, and it passed unanimously.***

Faulkner House Request for Use of the Tennis Center

Mr. Habib introduced the request from Faulkner House management to use the Tennis Center as a temporary office while its Management Office is renovated. Ms. Deitch supplied further details about the request, which would involve use of the Tennis Center from February 13 through April 14, 2017. Mr. Habib confirmed that a contract would be drawn up between HOA and Faulkner House covering the use of the Tennis Center. After discussion, the Board agreed that the situation was different from Eliot House's use of the Eliot House Hospitality Room, for which Eliot House was charged rent, and agreed not to charge Faulkner House any rent for use of the Tennis Center, but to draw up a lease agreement and to require that Faulkner House provide proof of insurance. ***Mr. Beck moved to permit the use by Faulkner House Management staff of the Tennis Center as a temporary Management Office from February 13 through April 14, 2017. Mr. Santoro seconded the motion, and it passed unanimously.***

Any Additional Business of the Board

With regard to a visit to a HOA Board meeting from 2nd Ward Alderman Brian Hopkins, Ms. Johnson suggested offering a choice of dates from the Board. Mr. Connor suggested the April 19 meeting, and Ms. Johnson stated that she would offer this date to the alderman.

DIRECTORS-MANAGEMENT FORUM

- Ms. Fiacchino referred to the proliferation of rats in the garden area behind James House, and asked whether HOA has considered using dry ice to kill the rats. Mr. Habib stated that he will investigate the matter. Mr. Barnhart stated that Orkin will not use dry ice for rat control. Discussion ensued.

- Mr. Beck stated that 101 North developer Howard Weiner will sell the Clark and North property to Golub/Avoda if James/Kilmer approves. He stated that the building proposed by Golub is similar to Mr. Weiner's design except that only limestone is used, the balconies are in a different position, and there would be one less unit and two more parking spaces. Ms. Johnson stated that the entrance would be on Clark Street rather than on North Avenue. Mr. Beck added that the new developer does intend to remove the "Burt Natarus Memorial Garden" on Sandburg Terrace. Association 7 unit owner Judy Barnes stated that the project is once again moving through the City of Chicago approval process.
- Ms. Barnes asked when the Board will decide whether or not to have one of the tennis courts striped for pickleball. Mr. Connor responded that the decision will probably be made at the March HOA meeting.

RECESS TO EXECUTIVE SESSION

Upon motion duly made by Mr. Santoro and seconded by Ms. Fiacchino, the meeting was recessed to Executive Session at 8:09 p.m.

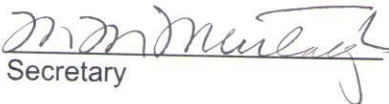
RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 8:37 p.m.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Mr. Santoro, seconded by Ms. Johnson, and unanimously passed, the meeting was adjourned at 8:38 p.m.

Respectfully submitted,


Secretary