

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
July 26, 2017**

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

Present: John Hoppesch – Association 1
 Mary Murtaugh – Association 1
 Mario Rizzo – Association 1
 Robert Connor – Association 2
 David Guilbert – Association 2
 Eva Haussner – Association 2
 Keith Olsen – Association 3
 Kristina Lynn – Eliot
 Gabrielle Thronson – Eliot
 Margery Ryan – Faulkner
 Marc DeMoss – Lowell
 David Beck – Association 7
 Barbara Fiacchino – Association 7
 Marcie Johnson – Association 7

Also present were Melissa Goodwin, HOA Property Manager, Cassandra Juarez, Administrative Assistant, and David Barnhart, Assistant Vice President, of Draper and Kramer, Incorporated; Kami Farahmandpour and Christopher Kottra of Building Technology Consultants, Inc.; 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 6:30 p.m. There were no changes to the agenda.

UNIT OWNER COMMENTS AND QUESTIONS

Unit owners present commented on or asked about the following: ponding in the area outside the Kilmer House back door, a proposal for a photocell for the light at the same back door, and the appearance of the gardens on the Clark Street side of Kilmer House; using cats from a shelter to control rats in the area of the townhouses; concerns about Bulley & Andrews's activities on the James/Kilmer property, and a request that HOA Board packets be sent to alternate representatives.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on May 24, 2017. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on May 24, 2017, be approved as presented. Mr. Beck seconded the motion, and it passed, with Mr. Hoppesch and Mr. Olsen abstaining.***

PRESIDENT'S REPORT

Mr. Connor stated that Mr. Jacobs's landscaping and tree replacement proposals would be discussed in Executive Session and possibly voted on in the Open Session following, and that the Management Search Committee would also present its report in Executive Session.

FINANCIAL REPORT

Financial Summary

In the absence of the Treasurer, Ms. Goodwin directed the Recording Secretary to incorporate into the minutes the line items from the Financial Summary that are usually recorded in the minutes, for the period ended June 30, 2017.

Operating Fund net income, current month:	(\$511)
Operating Fund net income, year to date:	\$298,357
Operating Fund balance:	\$254,226
Ratio of Operating Fund balance to one month's operating expenses:	1.9

Replacement Fund interest income, year to date:	\$19,867
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$1,785,997
Replacement Fund balance:	\$4,307,520

Mr. Barnhart referred to the North Mall Project expenses as of the end of June listed on the Financial Summary, noting that several large invoices were recently paid, thus affecting the Replacement Fund balance. In response to a question from Mr. Beck, Mr. Barnhart stated that the pool income figure will diminish as pool-related invoices are paid. In response to Mr. Rizzo's remark that the pool income shown is slightly lower this year than it was last year, Ms. Goodwin reminded the Board that membership numbers were low in the early summer owing to the bad weather, and noted that the pool membership is now at about the same level as it was at this time in 2016.

ACTION AND DISCUSSION ITEMS

Landscaping, Tree Maintenance and Irrigation System Bidding Proposal, 2018-2020

Mr. Jacobs stated that, as it has done every three years in the past, his firm has submitted a proposal to solicit bids for landscaping maintenance and seasonal flower rotations, tree maintenance and irrigation system contracts, including a bid review summary and recommendations for the three contract vendors for 2018, 2019 and 2020. He noted that a new tree survey should be conducted, that his proposal is very detailed so that it can be used in the bid solicitation process, including landscaping bids, and that the individual condominium associations will be given a chance to review and comment on the proposed seasonal landscaping and planter plans. Mr. Jacobs also commented on the effects of this year's very cold spring on the Village plantings, and on the possibility of reducing the number of planter rotations. Mr. Beck commented that the Board needs to make a decision as soon as possible because work on the 2018 budget will begin very soon. Discussion ensued.

Proposals for Four 1500 Burton Place Tree Replacements and Seven Village Tree Replacements

Mr. Jacobs commented on the bids received from four vendors and explained his recommendation to approve the bid from Moore Landscapes, noting that the company is already working on the

landscaping in the North Mall area. Discussion ensued. **Mr. Beck moved to approve the 1500 Burton Place Tree Replacement Proposal submitted by Moore Landscapes, LLC, on July 21, 2017, in the amount of \$4,875.00, and also to approve the Village Tree Replacement Proposal submitted by Moore Landscapes, LLC, on July 21, 2017, in the amount of \$8,735.00, for a total of \$13,610.00. Ms. Lynn seconded the motion, and it passed unanimously.**

Mr. Jacobs left the meeting at 7:00 p.m.

North Mall Renovation and Village Updates

Mr. Gaudette reported on the following:

- South Mall, leak into 115 W. Goethe – Water testing was completed in June and no leakage was discovered. The the unit owner and the Association 3 property manager were apprised of the results of the water test. WJE will continue to monitor the situation.
- South Pool light bollard leak – Zera Construction will correct the problem after the pool season. In the meantime, HOA has temporarily redirected the leaking water to a drain.
- South Pool leakage into Eliot House garage – WJE has observed only minimal leakage from the South Pool into the Eliot House garage walls. WJE recommends waiting until next pool season to examine the walls again and take action if necessary. Discussion ensued.
- Central stairway roof – The roof protecting the central stairway and landing in the Schiller Mall is beginning to fail, and WJE has provided a summary of three bids to correct the problem, along with a recommendation to approve the bid from JLJ Contracting. Discussion ensued. **Ms. Fiacchino moved to approve the proposal submitted by JLJ Contracting, Inc., to replace the Schiller Mall central stairway roof at a cost not to exceed \$33,640.00. Ms. Johnson seconded the motion, and it passed unanimously.**
- Northeast corner stairway – WJE has observed the conditions at the northeast corner stairway in the Schiller Mall, believes that the repair project will be minor, and will request bids to perform the needed repairs.
- Tennis Court surface membrane – WJE determined that the leakage into the Faulkner House garage originates at an electrical box on the garage ceiling rather than from the Tennis Court. The contractor will order a base cover to create a mock-up for testing.

Mr. Gaudette then reported on the North Mall Renovation Project, stating that on August 16 the work in the James/Kilmer garage should be complete. He stated that he responded to questions from the James/Kilmer Board of Directors, and Mr. Beck confirmed that the Board received the responses. Mr. Gaudette further stated that the area will be cleaned up next week, that work on the south area of the pool plaza near the 1500 townhouses will be completed on August 2, that the soil for the Burton Place landscaping has been received and that the driveway will be cleaned up once the landscaping is completed. He added that so far the project is on budget, and that it was complicated but that the coordination among the HOA, James/Kilmer and James/Kilmer garage staffs has been excellent.

North Mall-Burton Place Crosswalk Signage Proposal

At Ms. Goodwin's request, Mr. Gaudette explained Change Order Request No. 11 from Bulley & Andrews regarding crosswalk signs for the crosswalk between the North Mall and Burton Place. **Ms. Johnson moved to approve the proposal submitted by Bulley & Andrews Concrete Restoration on May 24, 2017, to furnish and install two crosswalk signs with arrows on posts at the North Mall-Burton Place crosswalk, in the amount of \$1,850.00. Ms. Murtaugh seconded the motion. After discussion, the motion passed, with four opposed and one abstention.**

In response to a question from Mr. Olsen, Mr. Gaudette stated that fabrication of the railings to be installed in front of the townhouses has been delayed, such that the wooden railings will stay in place for approximately six weeks.

Reserve Study Presentation

Mr. Farahmandpour of Building Technology Consultants stated the following:

- HOA's finances are in excellent condition, with no need to raise funding for the next 20 years.
- The Reserve Study is a flexible guideline for estimated requirements for property upkeep.
- Timing of maintenance, repairs or replacement can be affected by how maintenance is performed and by conditions such as weather and manufacturing or construction defects.
- The study should be updated every three to five years.
- At least two or three years before any major project, a detailed assessment should be performed.
- A Reserve Study includes a narrative, component reports and a financial analysis.
- Routine property maintenance should be included in the operating budget, not the reserve budget.

Mr. Farahmandpour briefly explained the four tables of figures included in the Reserve Study. Mr. Kottra then explained the scope of work involved in creating the Reserve Study's 20-year plan for anticipated capital expenditures, including a background review with Steve Habib and Mr. Gaudette, a field assessment of the entire Village property, an analysis and report, and the meeting with the HOA Board. He briefly reviewed the detailed elements of the Reserve Study that were grouped geographically with regard to the pools, the tennis courts, the malls, the hospitality rooms, the Tot Lot and the commercial spaces, providing a few details about findings in some of those areas, all of which formed the basis for the financial analysis and funding plan included in the Reserve Study. Mr. Kottra noted some components that will incur the highest expenses over the next 20 years. Mr. Gaudette provided some additional details in response to questions from a Board member. Discussion ensued.

The Board requested updated numbers in the Reserve Study from the current Treasurer's Report to use at its upcoming budget meetings, to which Mr. Kottra and Mr. Farahmandpour agreed.

The Board thanked Messrs Gaudette, Farahmandpour and Kottra, and they left the meeting at 7:50 p.m.

Tennis Fob Reimbursement Request

Following a brief explanation from Ms. Goodwin, ***Ms. Murtaugh moved to approve the request from a Village resident to reimburse her tennis fob membership fee of \$120.00 due to her hardship. Mr. DeMoss seconded the motion, and it passed, with one opposed.***

Event Requests

After discussion, ***Ms. Murtaugh moved to approve the request from Association No. 1 to allow the USA Wireless Customer Appreciation event on August 20, 2017, and the Pets and Pints event scheduled for October 15, 2017, both to take place on the 1300 Mall, and further moved to approve the request from Association No. 1 and Association No. 2 to use the 1300 Mall and the 1400 Mall for a Yard Sale on Saturday, September 16, 2017, contingent upon obtaining an "Additional Insured" endorsement by each association's insurance carrier. Ms. Haussner seconded the motion, and it passed unanimously.***

DIRECTORS-MANAGEMENT FORUM

- Ms. Goodwin reviewed her follow-up to items approved or discussed at the May 24 Board meeting, as follows:
 - C-D Fence Painting: The Cummings-Dickinson fence painting was completed. Extra paint is available for touch-ups. Inside-Out Painting noted several broken or missing fence spindles. Management has approved welding work to repair the spindles at a cost of \$2,900.00, to be completed on August 3 and 4, 2017.

- Village Rodding Project: The project was completed but two additional days were needed to complete all areas. Management approved the additional days, with a discount of \$550.00, for a total of \$2,400.00. Discussion ensued.
- Security Summary: Management is awaiting cost estimates, which should be available for the September Board meeting and for the August budget meeting.
- Pool Issues: FFC pool staffers have reported some pool members repeatedly violating the pool rules despite verbal warnings. Ms. Goodwin stated that the pool rules state that pool membership is to be revoked for repeated rule violations, with no additional warning. She added that FFC had suggested additional warning steps before revocation. It was noted that there would need to be changes in the pool rules before any new rules could be implemented. Mr. Connor stated that the issue of dealing with rule changes will be taken up at the September or October Board meeting. Discussion ensued.
- Eliot's Responsibility for the LaSalle-Goethe Gate: The keys to the LaSalle-Goethe gate were turned over to Eliot Management about four years ago, and it was assumed that Eliot would assume responsibility for maintaining the gate. Dee Rickhoff, the Eliot House Property Manager, has stated that there is nothing in writing about this responsibility. Lowell House has the keys to the Schiller Mall gates and is responsible for maintaining the gates. The Eliot gate lock broke recently, and HOA paid to have the lock repaired. Discussion ensued about who should have the keys and about who should be responsible for the gates. The Board agreed to discuss the matter further at its next meeting.
- Mr. Beck requested that a "No Skateboarding" sign be installed on the stairwell from the North Mall to LaSalle Street and elsewhere.
- Mr. Beck asked about installing benches on the North Mall. Ms. Goodwin agreed to investigate types of benches and pricing. She also stated that a new bike rack has been ordered for the North Mall.
- In response to a question from Ms. Thronson, Ms. Goodwin stated that soil lasts one to two years, wood mulch lasts two to three years, and rubber mulch lasts up to ten years, and recommended using wood mulch as was used previously. She noted that in the Reserve Study, the Tot Lot equipment is listed for replacement in 2019, so that the wood mulch would last until the Tot Lot is replaced.
- Ms. Thronson asked that the commercial rents be reviewed during the budget discussions.

RECESS TO EXECUTIVE SESSION

Upon motion duly made by Mr. Beck and seconded by Ms. Johnson, the meeting was recessed to Executive Session at 8:13 p.m.

RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 8:55 p.m. ***Mr. Beck moved to approve the proposal submitted by Bernard Jacobs of Jacobs/Ryan Associates Landscape Architects on July 11, 2017, to solicit bids for landscaping maintenance and seasonal plantings, tree maintenance and irrigation system contracts for the three-year period 2018 through 2020, in an amount not to exceed \$26,800.00. Ms. Johnson seconded the motion, and it passed unanimously.***

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:59 p.m.

Respectfully submitted,


Secretary