

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
May 24, 2017**

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

Present: Robert Caston – Association 1
Mary Murtaugh – Association 1
John S. Santoro – Association 1
Robert Connor – Association 2
David Guilbert – Association 2
Eva Haussner – Association 2
Tom Tiegler – Association 3
Kristina Lynn – Eliot
Gabrielle Thronson – Eliot
Leslie Deitch – Faulkner
John Berchem – Lowell
Marc DeMoss – Lowell
David Beck – Association 7
Barbara Fiacchino – Association 7
Marcie Johnson – Association 7

Also present were Melissa Goodwin, HOA Property Manager, and David Barnhart, Assistant Vice President, of Draper and Kramer, Incorporated; Chris Nyborg of Nyborg and Company, Ltd.; Paul Gaudette and Tony Cinnamon, of Wiss Janney Elstner Associates, Inc.; and Marvin Hossain and Larry Anderson of Everywhere Wireless. 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.

UNIT OWNER COMMENTS AND QUESTIONS

There were no comments or questions from unit owners present.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on April 19, 2017. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on April 19, 2017, be approved as presented. Mr. Beck seconded the motion, and it passed, with Eva Haussner abstaining.***

PRESIDENT'S REPORT

Mr. Connor had no report. He removed one Action/Discussion Item from the agenda.

FINANCIAL REPORT

Financial Summary

Mr. Berchem reviewed with the Board the Financial Summary for the period ended April 30, 2017, as follows:

Operating Fund net income, current month:	\$28,086
Operating Fund net income, year to date:	\$68,620
Operating Fund balance:	\$258,746
Ratio of Operating Fund balance to one month's operating expenses:	1.9
Replacement Fund interest income, year to date:	\$13,986
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$1,120,936
Replacement Fund balance:	\$4,821,423

Mr. Berchem stated that the one delinquent account listed on the financial summary is being dealt with using a payment plan. He noted that the \$3,589,083.00 North Mall Project line item is the amount of the contract and that as of the end of April, \$1,049,482.00 of that has been spent, adding that the Reserve Fund balance has been decreasing as payments for the North Mall Projects are made.

ACTION AND DISCUSSION ITEMS

2016 Audit Review

Ms. Nyborg stated that a loss of only \$2,051.00 for the year with a \$1.5 million Operating Fund budget is evidence of excellent budgeting and cost control on the part of the Board and Management, also noting the very good Operating Fund balance at the end of 2016. She stated that there were no changes to the Notes compared to 2015 other than updates to current numbers. Ms. Fiacchino asked about the Pool receivable; Ms. Nyborg and Mr. Barnhart responded that that income was received in January 2017. Asked to comment on condominium matters in general, Ms. Nyborg stated that electronic voting would require a rule change, which would have to be enacted 120 days before the next Board election, and also stated that the City of Chicago has begun to levy a 25% surcharge on the sewer rates, beginning in March 2016 and continuing every year for the next three years. In response to a question from Ms. Fiacchino about the components listed on the Schedule of Future Major Repairs and Replacements, Ms. Nyborg stated that the list of components springs from the 2009 Reserve Study. Ms. Goodwin stated that the latest Reserve Study has been completed and will be discussed at the July Board meeting.

Mr. Berchem moved to accept the Audit of the Financial Statements and Supplementary Information for the Year Ended December 31, 2016, with comparative totals for 2015 performed by Nyborg & Company, Ltd. Ms. Fiacchino seconded the motion, and it passed unanimously.

Mr. Berchem moved to authorize Draper and Kramer Incorporated to post the adjusting journal entries accompanying the 2016 audited financial statements. Ms. Fiacchino seconded the motion, and it passed unanimously.

The Board thanked Ms. Nyborg, and she left the meeting at 6:42 p.m.

North Mall Renovation

Mr. Gaudette reported on the following:

- South Pool light bollard leak – Repairs will be performed when weather allows.
- Burton Street catch basin – The catch basin has been installed and is capturing water correctly and redirecting it to the other catch basin.
- Schiller Mall central stairway roof – Bids were received today. Repairs are estimated to take two weeks. The Board agreed to discuss and vote on the work at the next meeting.
- Leak at electrical box for Tennis Court light pole – The box has been opened and inspected, and will be inspected again on May 25 if the weather is dry enough. WJE will meet with a door contractor and another contractor about the door at the bridge to the tennis roof, again when the rain stops.

Mr. Gaudette then reported on the North Mall Renovation Project, stating that the North Pool area was turned over to HOA on May 16, the landscaping has been installed in the north planter, and the pool lobby windows and doors have been installed. He stated that most of the work on the masonry wall surrounding the pool is completed except for some tuck pointing that has been delayed because of many days of rain, so work will continue on the inside. Mr. Gaudette stated that most of the work in the garage is also completed, and that work will begin shortly on the ramp. He also stated that the work on the 1500 mall membrane scheduled for July has been moved up to June. Discussion ensued about making the Germania Place median narrower but keeping the trees, and coordinating with the new developer of the property at Clark and North. Mr. Gaudette also stated that Modac will be applied to the LaSalle and Burton sides of the North Mall as well as above the James/Kilmer garage and along the north planter, that fencing will be installed in three to four weeks, and that the Kilmer House patio membranes will also be worked on. He also advised separating the addition of trees suggested by Bernard Jacobs from the other North Mall work.

Lowell House Window Replacement Project Approval Request

Mr. Cinnamon presented information about the replacement windows that the Lowell House Board has approved, referring to a computer-generated rendering of the outside appearance of the building with the new windows, and stating that the new windows will be inward-opening hopper style, as the existing windows are, with light-brown frames and dual-pane gray-tinted glass. He stated that the construction documents have been completed and a prebid meeting will be held on May 25. Mr. Cinnamon added that a mock-up window is planned to be installed in the fall of 2017, and that the replacement project will begin in the spring of 2018. ***Mr. Berchem moved to approve the proposed Lowell House replacement of existing windows and balcony doors as presented. Mr. Beck seconded the motion, and it passed unanimously.***

The Board thanked Mr. Gaudette and Mr. Cinnamon, and they left the meeting at 6:59 p.m.

Eliot House Façade Cable Wiring Project Approval Request

Ms. Lynn introduced Mr. Hossain and Mr. Anderson from Everywhere Wireless, stating that they have been engaged by Eliot House to install exterior wiring on the building for Internet and cable service. Mr. Hossain referred to several renderings to explain how the wire molding or raceways enclosing the wiring would be positioned on the exterior of the building. Mr. Anderson demonstrated how the 12 raceways will be fastened to the building with clips, such that they can be removed when façade work is being performed on the building. Discussion ensued about the color of the raceways, what kind of wiring will be used and how it will enter the individual units, and how the microwave signal will reach a small antenna at the top of the building. Mr. Hossain stated that his firm is discussing with HOA an offer to provide free WiFi service to both pool areas.

Ms. Thronsdon moved to approve the proposed installation of cable and Internet wiring on the façade of Eliot House as presented. Mr. Santoro seconded the motion, and it passed unanimously.

The Board thanked Mr. Hossain and Mr. Anderson, and they left the meeting at 7:12 p.m.

Association 3 Reimbursement Request Update

Ms. Goodwin stated that the owner of townhouse unit 115 reported that there was more moisture in the building wall, that she referred the matter to Wiss Janney Elstner, and that engineers from WJE will perform further testing in the area this week and next week. She added that the entire irrigation system zone has been turned off for a week. Mr. Tiegler stated that he talked to the unit owner, and that further action will not take place until July.

2017 Audit Proposal

Mr. Berchem moved to approve the proposal submitted by Nyborg & Company, Ltd., on May 19, 2017, to perform audit services for HOA for the year ended December 31, 2017, in the amount of \$8,500.00. Mr. Beck seconded the motion, and it passed unanimously.

Village Drain Rodding Proposal

Ms. Goodwin presented three proposals to rod the drains in the Village and explained her recommendation to engage Jack Chlimon. Discussion ensued about the difference between the low bid received from All City and the other bids. ***Mr. Santoro moved to approve the proposal submitted by All City for rodding drains at designated areas throughout the Village, in an amount not to exceed \$7,400.00. Ms. Thronsdon seconded the motion, and it passed unanimously.***

Village Sod Proposal

After discussion, ***Mr. Santoro moved to approve the proposal submitted by Christy Webber & Company on May 10, 2017, to install new sod at designated areas, in the amount of \$8,799.07. Mr. Berchem seconded the motion, and it passed unanimously.*** Mr. Beck suggested that protective barriers be erected along the various planted areas along Clark and LaSalle this coming winter to protect the sod and plantings from salt spray from the street. Ms. Goodwin agreed to discuss this with Christy Webber and obtain pricing. Discussion ensued about plantings in the Village.

Additional Business

- Ms. Murtaugh asked about the recent removal of some large trees in the Village by Bartlett Tree Service. Ms. Goodwin responded that the tree removal was approved as part of the North Mall Renovation Project, and that the trees will be replaced.
- Ms. Haussner mentioned workers from Christy Webber placing large work carts on concrete steps and asked if the carts will damage the steps. Mr. Barnhart stated that the carts could damage the steps and that the workers should be directed to use ramps instead.

DIRECTORS-MANAGEMENT FORUM

- Ms. Goodwin stated that she asked Christy Webber about using shredded rubber mulch in the Tot Lot and was informed that it would be very expensive and was not recommended. She stated that she will meet with Chief Engineer Cliff Formby about cleaning the playground equipment. Discussion ensued. Ms. Goodwin agreed to obtain pricing for rubber mulch.

- Ms. Goodwin asked the Board to consider not obtaining three bids for any purchases or contracts under her spending limit of \$5,000.00, and stated that for anything over \$5,000.00 or for any non-emergency expenditure, she would seek three bids. The Board agreed.
- With regard to obtaining a free analysis of Village security, Ms. Goodwin stated that she has asked Sentry Security for such an analysis, accompanied its representative on a walk-through of the Village, and is awaiting results. She added that she has also asked Titan Electric, the firm that handles the key fob system for the Tennis Court, for an analysis and will schedule an appointment to take place shortly. Discussion ensued.
- Mr. Beck stated that 2nd Ward Alderman Brian Hopkins spoke to the James/Kilmer Board and residents on May 23 and mentioned a robbery that took place in the 1500 block of North Dearborn several days before at around 11:00 p.m.
- Ms. Goodwin reported that currently there are 41 Tennis Club members, in line with membership by this time of year in previous years. She also reported that pool membership as of May 19 in 2016 was 582, and this year it is 556.
- Ms. Goodwin stated that Barry and Rosalie Zaransky were among the unit owners attending the meeting and that she has discussed the introduction of pickleball in the Tennis Center with them, noting that one of the tennis courts has had pickleball stripes added to it. She stated that Mr. Zaransky has offered to do a demonstration of how the game is played and asked if the Board is willing to allow residents to attend the demonstration free of charge, to which the Board agreed. Mr. Zaransky expressed concern about pickleball players being unwilling to pay the \$120.00 Tennis Center fee, and assured the Board that once pickleball play begins, the Tennis Center membership will increase greatly owing to the popularity of the game. Ms. Murtaugh explained that the Tennis Club is not monitored or managed by anyone. Discussion ensued about how therefore to handle security for the demonstration, whether there should be more than one demonstration, the need for attendees to provide proof of residence in Sandburg Village, and eventually the need to purchase equipment. Further discussion ensued.
- Ms. Goodwin stated that Fitness Formula Clubs has reported that there is a unit owner who wishes to purchase a resident pool membership even though he rents his unit and so does not live in the Village. After discussion, the Board directed Ms. Goodwin to inform FFC that the unit owner may pay the resident rate for his pool membership.
- Ms. Thronson commended Ms. Goodwin on keeping the HOA website up to date.
- Mr. Berchem commended Ms. Goodwin on the well-organized Board packet and the excellent manner in which she conducted the Board meeting.

RECESS TO EXECUTIVE SESSION

The meeting was recessed to Executive Session at 7:44 p.m.

RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 7:59 p.m.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Mr. Santoro and seconded by Mr. Connor, the meeting was adjourned at 8:01 p.m.

Respectfully submitted,



Secretary