

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

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

Present: John Hoppesch – Association 1
 Mary Murtaugh – Association 1
 Robert Connor – Association 2
 David Guilbert – Association 2
 Eva Haussner – Association 2
 Keith Olsen – Association 3
 Kristina Lynn – Eliot
 Gabrielle Thronson – 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 Melissa Goodwin, HOA Property Manager, Cassandra Juarez, Administrative Assistant, and David Barnhart, Vice President and Senior Property Supervisor, of Draper and Kramer, Incorporated; Paul Gaudette of Wiss Janney Elstner Associates, Inc.; Manira and Greg Weathers of the Early Learning Foundation; and Ryan Oswald of Fitness Formula Clubs. 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. Mr. Connor then announced that Association 3's HOA representative Tom Tiegler had passed away, recalling to the Board members his many years of service to HOA as a Board member. At Mr. Connor's request, the Board observed a moment of silence in Mr. Tiegler's memory. Mr. Berchem added some remarks about his long-time association with Mr. Tiegler on the HOA Board, to which Mr. Olsen responded.

UNIT OWNER COMMENTS AND QUESTIONS

Mr. Connor announced that at this point in the meeting, unit owner comments and questions only about subjects other than the pools would be entertained. Unit owners present commented on or asked about the following: the landscaping on the Schiller Mall, the Lowell House front entrance planters, and broken glass on LaSalle Street resulting from automobile break-ins.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on September 27, 2017. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on September 27, 2017, be approved as presented. Ms. Haussner seconded the motion, and it passed, with five abstentions.***

PRESIDENT'S REPORT

Mr. Connor stated that the proposed 2018 budget, which has been distributed to unit owners for review, will be approved at the November 15 Board meeting, and that the January 2018 meeting date will be decided at that time, adding that the remainder of the 2018 meeting dates will be approved at the January meeting. He stated that he has heard very few comments about the proposed 2018 budget.

FINANCIAL REPORT

Financial Summary

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

Operating Fund net income, current month:	(\$37,352)
Operating Fund net income, year to date:	\$197,205
Operating Fund balance:	\$168,791
Ratio of Operating Fund balance to one month's operating expenses:	1.3
Replacement Fund interest income, year to date:	\$25,288
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$2,661,492
Replacement Fund balance:	\$3,728,934

Mr. Berchem stated that, overall, HOA's financial condition is good.

ACTION AND DISCUSSION ITEMS

North Mall Renovation and Village Projects Update

Mr. Gaudette reported on the following:

- South Pool light bollard leak – Zera Construction, Inc. is scheduled to begin repair work on the bollard during the week of November 13.
- South screen wall – After meeting with representatives from HOA and from Eliot House about options for a screen wall between the Jewel Food Store and the south end of the South Mall and Eliot House, WJE developed five options for the screen wall, the details of which Mr. Gaudette described. Discussion ensued about the options, which were depicted in hand-outs to the Board. Ms. Lynn commented on the discussions between representatives of Eliot House and of Fifield, the Jewel Food Store developers, about the screen wall. Mr. Beck commented about the necessity for HOA to be involved in all discussions, particularly with regard to what the wall will cost and who will pay for it. Discussion ensued. The Board members agreed that the stepped brick wall design was the most attractive.
- Schiller Mall central stairway roof –JLJ Contracting has completed repairs, within budget. The configuration of the stairway was changed slightly to reduce the amount of maintenance required.
- Alcott-Bryant Mall – The expansion joint was water tested and no leak occurred. Work continues with AB staff on the matter. Further leaks were discovered at the AB ventilation shafts and the bollard, and WJE is also examining the leak at the control panel.
- Tennis Court leakage – Zera Construction will install covers on the light pole bases and water fountains starting on November 13.

- North Mall Renovation Project:
 - Installation of the railings has been delayed. The contractor has apologized to HOA and has created a method of procedure to audit the steel fabricator, including making periodic inspections. Work is expected to begin on November 6. Mr. Beck mentioned two pieces of concrete over the garage exit that have fallen, and Mr. Gaudette responded that he will inspect the area. Ms. Fiacchino commented on the North Mall stairway to Burton Place.
 - Punch list items around the pool area are expected to be completed during the week of November 6.

The Board thanked Mr. Gaudette, and he left the meeting at 7:01 p.m.

Early Learning Foundation Request and Lease Renewal

Mr. Weathers noted that he and his wife have run the Early Learning Foundation for 25 years. He stated that the HVAC system in the ELF space has been in place for about 50 years and is no longer repairable but must be replaced. Ms. Goodwin suggested that he meet with the Alcott-Bryant maintenance staff to discuss what would be involved in replacing the unit. Mr. Connor stated that the Board could not make a decision about the ELF lease at this meeting, and confirmed with the Weatherses that they are content with a month-to-month arrangement for the time being until more information is made available.

The Board thanked Mr. and Mrs. Weathers, and they left the meeting at 7:07 p.m.

FFC Pool Season Discussion

Ms. Goodwin introduced Ryan Oswald, the manager of Fitness Formula Clubs, which manages the Village pools. The meeting was then opened to unit owner comments about the pools, which included the following:

- The water in the South Pool is cloudy, indicative of poor maintenance practices.
- Children stay in the pool a long time and relieve themselves in it, and parents allow babies to play in the pool without changing their diapers. The staff should enforce hourly periods during which children must leave the pool.
- Cabana fees are higher but there have been no improvements. Free guest passes should be offered when the fees are increased. Ms. Thronson responded that the fees were increased because there is a three-plus-year waiting list for cabanas. Ms. Murtaugh responded that there are plans in place for improvements at the South Pool in 2018. Ms. Goodwin added that the improvements will include the cabana roofs and the restrooms.
- Chairs at the North Pool are mishandled by staff such that many are dirty and damaged. Ms. Goodwin responded that the chairs have been inventoried and a chair replacement list created.
- FFC attendants should be better trained and more adept at dealing with children and parents.
- The "adult swim" period should be reinstated. Mr. Connor responded that HOA's legal counsel has advised that use of the pool cannot be restricted because it is open to the public. He added that HOA Management will seek legal counsel's advice concerning bathroom breaks for children before the next pool season.

Board members and Mr. Oswald then discussed various aspects of pool operation, including the following:

- Poor behavior on the part of the lifeguards, including not watching the pools, not occupying the lifeguard chairs, and not wearing their tubes or whistles. Mr. Ryan responded that hiring for the 2018 season will begin in March, and that, because staffing was a critical issue in 2017, FFC will conduct a search for higher caliber employees for the next season, and lifeguard training will be more rigorous.
- Poor managerial practices. Mr. Ryan responded that there will be a number of staffing changes in 2018 and better customer service training.

Further discussion ensued about issues such as:

- Eliminating cash payments next year and accepting only credit cards
- Pool income
- Fewer nonresidents and their children in 2017 than in previous years, and overall lower membership
- Daily guest passes
- FFC contributing ideas to increase pool revenue
- The possibility that increasing pool fees might result in fewer members and thus less revenue
- How frequently the pool water is tested
- FFC's new software platform that generates customer service surveys, which can be adapted for use with pool users to collect statistical data next year
- Government guidelines for health standards
- The need for better lifeguard training in dealing with children and their parents.

The Board thanked Mr. Oswald, and he left the meeting at 7:34 p.m.

Additional Business

Ms. Thronson announced that Eliot House is rewiring its building and can offer cable TV or Internet service in HOA's Eliot House Hospitality Room if it is desired. Discussion ensued.

DIRECTORS-MANAGEMENT FORUM

Management Report

Ms. Goodwin referred to the list of items completed since the last Board meeting in the Management Report. She stated that the Tennis Courts are in the process of being closed for the season, and reported on a water leak in Faulkner House that affected the courts and that is being dealt with. Ms. Goodwin also reported that the Village landscape irrigation system will be shut off on October 30.

There was some discussion about pickleball play on the Tennis Courts this year.

RECESS TO EXECUTIVE SESSION

The meeting was recessed to Executive Session at 7:37 p.m.

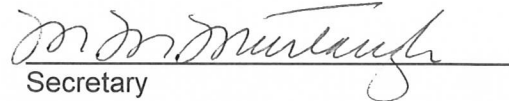
RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 8:00 p.m.

ADJOURNMENT

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

Respectfully submitted,


Secretary