

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
March 21, 2018**

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

Present: Mary Murtaugh – Association 1
Mario Rizzo – Association 1
John S. Santoro – Association 1 (arrived 6:49 p.m.)
Robert Connor – Association 2
Eva Haussner – Association 2
Scott Lennox – Association 2
Keith Olsen – Association 3
Kristina Lynn – Eliot (arrived 6:40 p.m.)
Gabrielle Thronson – Eliot
Leslie Deitch – Faulkner
John Berchem – Lowell
Judy Barnes – Association 7
David Beck – Association 7
Jacque Ehrlich – Association 7

Also present were Melissa Goodwin, HOA Property Manager; Cassandra Juarez, Administrative Assistant; and Shruti Kumar, Assistant Vice President and Property Supervisor, of Draper and Kramer, Incorporated.

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. No changes were made to the Agenda.

UNIT OWNER COMMENTS AND QUESTIONS

A resident commented that the Board does an excellent job.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on February 28, 2018. There was one change. ***Ms. Murtaugh moved that the minutes of the Board of Directors meeting held on February 28, 2018, be approved as amended. Mr. Beck seconded the motion, and it passed, with Ms. Deitch abstaining.***

PRESIDENT'S REPORT

Mr. Connor stated that he had no report.

FINANCIAL REPORT

Financial Summary

Mr. Berchem reviewed with the Board the Financial Summary for the period ended February 28, 2018, as follows:

Operating Fund net income, current month:	\$91,694
Operating Fund net income, year to date:	\$157,380
Operating Fund balance:	\$302,407
Ratio of Operating Fund balance to one month's operating expenses:	2.3
Replacement Fund interest income, year to date:	\$3,674
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$293,175
Replacement Fund balance:	\$3,533,014

Mr. Berchem stated that the very low level of snowfall this winter has resulted in lower than anticipated expenses. He explained the reason for the current assessment delinquencies. Mr. Berchem noted that the North Mall Renovation Project continues to move along, and that fund balances are favorable. In response to questions from Mr. Lennox, Ms. Goodwin stated that approximately \$336,000.00 is owing on the North Mall Project at this point, and that she would provide him with a list of proposed upcoming capital projects including estimated costs.

ACTION AND DISCUSSION ITEMS

WJE Village Projects Update

Ms. Goodwin explained that no one from Wiss Janney Elstner was present at the meeting because of limited activity on the current projects since the last HOA Board meeting in February owing to inclement weather. She directed the Board's attention to WJE's summary of current projects and noted that with regard to one item, the South Mall electrical box leakage, she was awaiting a proposal from an electrician to repair the leaking electrical conduit, with the work expected to be completed by the end of next week.

CSVCA #1 Mall Event Request

Following an explanation by Ms. Goodwin, ***Mr. Ricco moved to approve the request from Carl Sandburg Village Condominium Association #1 to use the 1300 Mall for a Craft and Flea Market event on Saturday, June 9, 2018, with a rain date of Sunday, June 10, 2018. Ms. Murtaugh seconded the motion, and it passed unanimously.*** Ms. Goodwin stated that the Association has submitted required insurance and other documents. Ms. Murtaugh added that all of the Village associations are welcome to participate in the event, and that the CSVCA #1 Activities Committee will communicate with the other associations shortly.

2018 Pool Membership Form, Rules and Medallia Survey Software Approval

Ms. Goodwin stated that the updates to the 2018 pool membership form and rules derived from discussions at the February Board meeting. Discussion ensued about the scheduled closing date, whether or not to issue daily passes, the ability to exercise control over pool members who abuse their pool privileges, pool budgeting based on season memberships, and the possibility of losing money if daily passes are permitted rather than requiring memberships, during which Mr. Connor noted that the matter could be discussed again during the Finance Committee meeting held to determine the 2019

budget. With regard to the 2018 Pool Rules, Ms. Haussner suggested adding tricycles to the list of items not permitted in the pool area, to which the Board agreed. ***Mr. Beck moved to approve the 2018 Sandburg Pool Season Membership Form and Rules as amended by the HOA Board of Directors to extend the pool season closing date to September 30, 2018, and to include the word "tricycles" in addition to "bicycles" in the list of items not permitted in the pool area. Mr. Berchem seconded the motion, and it passed, with Ms. Lynn opposed.***

The Board discussed the Medallia Clubworks survey software proposed for use during the 2018 pool season, including what the monthly survey will measure and how it can be used to improve customer service. ***Mr. Beck moved to approve the purchase and use of the Medallia Clubworks customer service survey software proposed by Fitness Formula Clubs at a cost of \$1,500.00 for the season. Ms. Murtaugh seconded the motion, and it passed unanimously.*** Further discussion ensued about permitting the use of credit cards at the pools rather than cash, to be considered again for next year's pool season.

Tennis Center Membership and Waiver Form Approval

Ms. Goodwin stated that the Tennis Center forms are the same as the ones used last year. ***Mr. Berchem moved to approve the 2018 Sandburg Tennis Center Membership and Waiver Form as presented. Mr. Santoro seconded the motion, and it passed unanimously.***

Eliot Fencing Update Discussion

Ms. Goodwin reported that she had no update at this time, and that the developer has not yet provided the specifications for and a sample of the composite fencing that she requested. Discussion ensued about previous suggestions for a fence or wall at the south end of the South Mall. Mr. Connor directed Ms. Goodwin to obtain more information about the proposed composite material.

Early Learning Foundation HVAC Request and Lease Renewal

Ms. Goodwin reported that the owners of the Early Learning Foundation have accepted the proposal from the HOA Board to help finance 50% of the cost of replacing the HVAC system in the Foundation's commercial space and have agreed to the proposed five-year lease renewal. She explained the terms of the payback plan offered to ELF and stated that the owners have requested a three-year payback plan instead of the proposed two-year payback plan, to which the Board agreed. The Board also agreed to Mr. Beck's suggestion that the owners of ELF sign a personal guarantee to cover the terms of the commercial lease and to repay the loan from HOA in case the Foundation, which is a limited liability company, goes out of business. After further discussion, ***Mr. Santoro moved to authorize Management to proceed with negotiating a lease with the Early Learning Foundation for five years, as outlined in the terms presented to the HOA Board of Directors at its March 21, 2018, meeting, along with a separate addendum related to the \$12,500.00 loan to the ELF that requires a personal guarantee and a three-year payback period. Mr. Beck seconded the motion, and it passed unanimously.***

Additional Business

No additional business was brought before the Board.

DIRECTORS-MANAGEMENT FORUM

Management Report

In response to questions from Mr. Beck, Ms. Goodwin stated that the Germania Place fountain will be turned on as soon as the area experiences five consecutive days of warm weather, and that the gravel in the dog runs will be replaced this season, including removing the existing dirt immediately beneath

the gravel. In response to a question from Ms. Ehrlich, Ms. Lynn stated that Everywhere Wireless, the Internet service provider for Eliot House, will provide Internet service at the pools at no charge to HOA. Ms. Goodwin added that representatives from Everywhere Wireless are already working with HOA Management and have assured her that the Internet service will be in place by the time the pool opens.

Mr. Berchem acknowledged the excellent performance of the HOA Management team. Mr. Connor introduced Shruti Kumar of Draper and Kramer, Incorporated, who was in attendance at the meeting in place of David Barnhart.

ADJOURNMENT TO EXECUTIVE SESSION

There being no further business to come before the Board in Open Session, upon motion duly made by Mr. Santoro, seconded by Ms. Murtaugh, and unanimously approved, the meeting was adjourned to Executive Session at 7:12 p.m. for the purpose of discussing matters related to potential litigation.

Respectfully submitted,


Secretary