

**SANDBURG VILLAGE CONDOMINIUM HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
March 24, 2021**

The meeting was conducted by videoconference.

Present: Dianna Callahan – Association 1
James Lothe – Association 1
David Ruhland – Association 1
Robert Connor – Association 2
Mary Schneider – Association 2
Diana Levin – Association 3
Bruce Kaminsky – Eliot
Gabrielle Thronson – Eliot
Ula Widawska – Eliot (joined the meeting at 7:00 p.m.)
Beth Murphy – Faulkner
John Berchem – Lowell
Louise Pauly – Lowell
Judy Barnes – Association 7
Barbara Fiacchino – Association 7
Nancy Slattery – Association 7

Also present were Melissa Goodwin, HOA Property Manager; and Marla Jackson, Regional Director, of FirstService Residential; Paul Gaudette of Wiss Janney Elstner Associates, Inc.; and Sharon Staves, Mike Lamanna and Ruthee Garcia, of Fitness Formula Clubs.

CALL TO ORDER and AGENDA REVIEW

Mr. Connor called the meeting to order at 6:32 p.m. Ms. Goodwin added two items to the agenda under "Additional Business": Yearly Village Fence Painting at Kilmer and Faulkner, and Updated Tot Lot Contract. She then called the roll and declared that a quorum was present.

UNIT OWNER QUESTIONS AND COMMENTS

A unit owner asked about the pickleball court and was told that it would be discussed during the meeting. Another unit owner asked if the pools will be open in 2021, stating that they should be open, and also was told that the matter would be discussed during the meeting, but that no decision has yet been made. Another unit owner agreed that the pools should be open during the coming summer. Ms. Fiacchino stated that the decision about opening the pools must take into account under what circumstances they can be opened. Mr. Connor stated that opening the pools will be discussed in detail later in the meeting.

APPROVAL OF MINUTES

Ms. Levin asked if there were any additions or corrections to the minutes of the regular Board meetings held on February 24, 2021. There being none, ***Ms. Levin moved to approve the minutes of the Board of Directors meeting held on February 24, 2021, as presented. Mr. Kaminsky seconded the motion, and it passed, with Ms. Thronson abstaining.***

PRESIDENT'S REPORT

Mr. Connor stated that the representatives from Fitness Formula Clubs will give a thorough presentation about the pools later in the meeting but noted that there will be limitations this year, such as the requirement that masks be worn when users are on the pool decks, and that City of Chicago regulations will govern the situation through the summer. He added that any Board member who feels that the limitations on pool use will be onerous or who will not join because of the limitations should vote against opening the pools, but that those who feel that the pools should be opened even with limitations with the hope that the situation might change during the summer should vote to open the pools. Mr. Connor also mentioned that the representatives from FFC will discuss the potential loss of membership because of the COVID-19 pandemic which could lead to an income deficit, and added that Ms. Goodwin has performed well in working with FFC to come to a thorough understanding of the factors in the decision about whether or not to open the pools.

FINANCIAL REPORT

Mr. Berchem reviewed with the Board the Financial Summary for the period ended February 28, 2021, as follows:

Operating Fund net income, current month:	\$28,673
Operating Fund net income, year to date:	\$65,930
Operating Fund balance:	\$341,922
Ratio of Operating Fund balance to one month's operating expenses:	2.3
Replacement Fund interest income, year to date:	\$429
Replacement Fund average CD yield:	0.72%
Replacement Fund expenses, year to date:	(\$17,250)
Replacement Fund balance:	\$3,556,906

Mr. Berchem stated that the current delinquencies are most likely the result of a delay in Association checks being received and posted by FirstService Residential, commented on the Replacement Fund balance, and stated that HOA's financial position is healthy.

ACTION AND DISCUSSION ITEMS

2020 Village Capital Projects Update

Mr. Gaudette reported on the following:

- South Mall:
 - South Mall Pool Building: Now that the weather is warmer, the final water test will be conducted next week.
 - 1255 North Sandburg Terrace Entrance Drive: There will be some work performed on the Eliot House entrance drive.
- A-B Mall:
 - Repair of Drains: Some drains have dropped and will be repaired.
- HOA Management Office:
 - Leakage at Management Office Door: Water testing will be performed.

- Tennis Facility:
 - Tennis Court Leakage: Work on the courts 1 through 3 is set up to begin in mid-April, weather permitting, or earlier if possible, and will take about four to six weeks to complete. The work is extremely weather dependent. Court 4 requires no work and can be used.
 - Bridge between Faulkner House and Tennis Courts: Work will be performed on the bridge at the same time as the tennis court resurfacing project.
 - Potash Grocery Store Entrance Overhead Repair: The tennis court slab spans over the front entrance to Potash, so the repairs will be performed at the same time as the tennis court repairs.
- North Mall: WJE will examine the North Mall expansion joint with Bulley & Andrews next week as B&A performs some warranty work.

Ms. Goodwin asked Mr. Gaudette to review the proposal from Zera Construction for various Village repair projects and indicate which work will go forward and which will be delayed. He commented as follows:

- Perform repairs to a portion of the Eliot House driveway that has settled slightly and is collecting water.
- Perform repairs to two drain heads at the Alcott-Bryant Mall.
- Defer a portion of the repairs to the Cummings-Dickinson front entrance driveway until the façade work is completed.
- Perform repairs to the Faulkner House bridge and the tennis courts.
- Perform repairs to the area above the Potash Grocery Store door.

Ms. Goodwin informed the Board that the total for the repairs to be performed as stated above will be \$28,805.00. ***Mr. Berchem moved to approve items I, II, III and VI in the proposal submitted by Zera Construction on March 19, 2021, for miscellaneous concrete repairs throughout the Village, in the total amount of \$28,805.00. After discussion, Ms. Slattery seconded the motion, and it passed unanimously.***

The Board thanked Mr. Gaudette, and he left the meeting at 6:49 p.m.

Pool and Tennis Courts Discussion

Sharon Staves, Regional Director of Operations of Fitness Formula Clubs, introduced Mike Lamanna, the new General Manager of the Old Town FFC who also oversees pool operations at Sandburg Village, and Ruthee Garcia, who was the Sandburg Village Pool Manager during the last two seasons that the pools were open. Ms. Staves reviewed various restrictions regarding proposed pool use in 2021, noting the following:

- So far there are no guidelines from the City of Chicago regarding the use of masks on the pool decks.
- Based on previous years' attendance, the limitation to 50% of full capacity in the pools, or 100 people per pool, should have no effect on pool use. Attendance is monitored with the use of an electronic check-in system, and no reservation system is needed. Discussion ensued. Attendance might be limited in case there is a great deal of in-and-out activity.
- Because of the social distancing restriction of six feet between people, users will not be permitted to congregate in the pool; therefore, there will be lap swimming and classes only. Anyone can sit on the deck, six feet away from others, and gatherings of family groups will be permitted. With regard to people who do occupy a unit together, it will be very difficult for the pool staff to know which people can be together and which should not be. Children can be at the pool with their parents.
- No children will be allowed in the pool.

Points raised during discussion included the following:

- If the only people who can use the pool are those participating in lap swims, this will substantially decrease interest in paying for pool membership.
- Limiting pool use to the lap lanes is the most effective way to enforce conformation to the social distancing requirements of the Illinois Department of Public Health. At the Fitness Formula Clubs, a lane can be reserved by a pool user for a certain amount of time to use in whatever way the user prefers.
- To limit the possibility of a person reserving time for a lap swim and then not showing up for the time slot, FFC can charge a cancellation fee.
- Two people can share the lap lane if they are far enough apart and if the Board gives its approval.
- Pool expenses are fairly fixed, with little double staff coverage, and the main expense is payroll for management, housekeeping and cashier staff and lifeguards, which would not be reduced if the number of pool users is reduced, such that the all-in expenses for the pools amount to \$400,000.00.
- Even if membership fees are increased, total revenue would be approximately \$357,000.00 if there were a full enrollment.
- FFC showed on its budget proposal for 2021 a shortfall of about \$34,000.00 with a full complement of enrollments, such that if the number of enrollees is lower, the shortfall will be even greater. It is possible that up to 30% of the membership will be lost, resulting in a shortfall of close to \$200,000.00.
- The loss would have to be covered by an assessment increase next year, affecting pool users and pool non-users alike.
- Other properties in FirstService Residential's portfolio have private pools that are not operated by a third party such as FFC and that do not charge fees, so those pool operations are different from those of Sandburg Village.
- HOA has a four-year contract with FFC.
- Most condominiums with private pools have them run and maintained by in-house maintenance personnel. HOA has only four staffers.
- If HOA does not follow CDC, City of Chicago or IDPH guidelines, it is not insured against possible damage claims, so it must follow those guidelines. Even if HOA were so insured, the insurance company might not indemnify HOA if it does not follow the guidelines.
- The decision to open the pools or not open them must be made this month to allow time to recruit and train staff, clean the pools and equipment, ensure that the equipment is in good condition, and fill the pools.
- Eliminating guest passes would result in a loss of about a third of budgeted revenue.
- HOA's attorney stated the same opinion as he did last year, that he does not recommend opening the pools because of possible liabilities, but that if the pools are opened, HOA must fully comply with all CDC, City of Chicago and IDPH guidelines.
- The insurance agent also does not recommend opening the pools, for the same reasons that that recommendation was made last year.
- If opening the pools is deferred until July, FFC will not be able to guarantee its ability to fill all staff positions.
- In order to maintain social distancing, there could be no more than 10 people in the pool at once.
- There is no good reason to open the pools.
- A loss of even \$200,000.00 in the operation of the pool would result in a ten percent increase in HOA assessments next year.
- Fears about COVID-19 coupled with numerous restrictions in the use of the pool could result in a loss of \$300,000.00 or more.
- Last year's survey about the pool resulted in only 1,700 responses, which did not provide enough data.

- There is no need for a survey, but attorney's and insurance agent's opinions and all pool use restrictions must be included in communications to residents stating that the pools will not be open this year.
- Even if conditions change in a month, FFC still needs to know by the end of April whether or not HOA will open its pools.
- According to HOA's attorney, the pools should not be opened until Governor Pritzker declares that Illinois is in Phase V, that is, back to normal.

Further discussion ensued. Mr. Berchem thanked FFC for its good advice and counsel. Ms. Staves thanked the HOA Board, and she, Mr. Lamanna and Ms. Garcia left the meeting at 7:07 p.m.

Mr. Ruhland moved to approve not reopening the Sandburg Village swimming pools in 2021 and notifying all Sandburg residents, including an explanation as to the reasons for not reopening the pools. Ms. Fiacchino seconded the motion, and it passed, with Mr. Kaminsky opposed.

Discussion moved to whether or not to reopen the tennis courts. Ms. Goodwin stated that HOA's legal counsel and insurance agent made the same recommendation that they did last year regarding liability and the CDC, Illinois and City of Chicago guidelines, which must be followed if the tennis courts are opened. She stated that the guidelines for tennis courts are less stringent than those for swimming pools and include procedures for entering the Tennis Center and the courts themselves, explaining how the players reach the courts through Faulkner House. Ms. Goodwin noted that the Tennis Center has men's and women's restrooms, which would have to be cleaned at least twice a day. Ms. Murphy advised making a decision about the Tennis Center at HOA's May Board meeting, with the possibility of opening it if the city has entered Phase V. Ms. Goodwin stated that the tennis court membranes are scheduled to be resurfaced at the end of April and possibly in May, depending on the weather, so opening the courts will be delayed anyway and therefore the decision can be made at HOA's May 19 meeting. She also stated that the tennis courts are private and are open only to Village residents. Ms. Goodwin further stated that information about the Tennis Center will be included in the communication to residents about the pools. Further discussion about the Tennis Center was tabled until the May 19 Board meeting.

Association Entrance Planters – Summer Floral Rotation

Ms. Goodwin directed the Board's attention to the entrance planter summer seasonal displays proposed by Christy Webber, noting that the only change from last year's displays will be to replace white flowers with pink ones in the summer "B" mix, with the summer "A" mix remaining the same as last year. The Board discussed once again allowing Village residents to bring chairs onto the malls because the pools will be closed this summer and agreed that it should be permitted, as long as the chairs are spaced six feet apart. ***Ms. Fiacchino moved to permit Village residents to bring their chairs onto the malls as long as they follow CDC, City of Chicago and Illinois Department of Public Health guidelines regarding social distancing during the COVID-19 pandemic. Ms. Barnes seconded the motion, and it passed unanimously.***

Ms. Pauly moved to accept the 2021 summer seasonal building entrance floral displays proposed by Christy Webber & Company as presented. Ms. Barnes seconded the motion, and it passed unanimously.

Village Sod Replacement Proposal

Ms. Goodwin directed the Board's attention to the proposal from Christy Webber for the yearly sod installation at designated areas, which she listed and which are the same as last year's sod installation areas, noting that the price will also be the same as it was last year. ***Mr. Connor moved to approve***

the proposal submitted by Christy Webber & Company on March 17, 2021, to install sod at designated areas, in the amount of \$8,401.00. Ms. Slattery seconded the motion, and it passed unanimously.

Eliot House Landscape Proposal

Ms. Goodwin directed the Board's attention to the landscaping plan from Christy Webber for the Eliot House property, noting that the project was delayed for the past few years owing to work on the exterior of the building, that it was budgeted as a Capital Reserve project for \$30,000.00, and that the Eliot House Board of Directors has reviewed and approved the proposal, advising that there will be no work on the building's exterior this year. ***Mr. Connor moved to approve the proposal submitted by Christy Webber & Company on April 14, 2021, to install landscaping materials at designated areas around Eliot House, in the amount of \$35,734.84. Mr. Kaminsky seconded the motion, and it passed unanimously.***

Alcott Hospitality Room Remodeling, Designer Approval

Ms. Goodwin explained that the Board asked her to request from Miguel A. Cruz Architecture + Design and from Dix Design Group their proposed pricing for the individual items requested by the Board for remodeling the Alcott Hospitality Room. She added that she informed both designers that the Board has budgeted \$100,000.00 for the project. Ms. Goodwin stated that the information provided by Dix Design Group is based on estimates and might not reflect actual costs, and also stated that Mr. Cruz declined to submit the requested information but noted that the Board's request is part of his design proposal for \$4,750.00, and that he would have to obtain the actual costs from his contractors. She referred to a summary of the project scope according to each of the bidders. Board members expressed their preference for the details provided by Dix Design Group. Ms. Goodwin stated that she will oversee the inclusion of the Board's entire "wish list," including materials, labor costs and other details, and stated that both designers will provide design boards showing their specifications. Discussion ensued. Ms. Goodwin noted that both designers submit drawings and specifications as part of what their fees cover, so they must be paid before they will provide drawings and specs. It was determined that Mr. Cruz will provide an itemized list with pricing only after he is awarded the contract and paid. Further discussion ensued. ***Mr. Ruhland moved to award the Alcott Hospitality Room remodeling design contract to Dix Design Group for the bid price of \$3,500.00. Ms. Fiacchino seconded the motion, and it passed, with Ms. Pauly and Ms. Schneider abstaining.***

Additional Business

Ms. Goodwin explained that each year a different section of Village fencing is painted and repairs are made as necessary. She stated that in 2021, work will be performed on the fencing at Faulkner House, and that, in addition, the fencing at Kilmer House needs to be repaired and painted. Ms. Goodwin noted that the fencing on the Clark Street side of Kilmer House seems to require repair more frequently than other fencing in the Village for reasons that are not clear, so she recommends repairing and painting the Kilmer House fencing this year. She confirmed that this is a capital expenditure and that painting the Kilmer fencing in addition to the Faulkner fencing will cost more than the amount budgeted for fence painting this year. Ms. Goodwin added that she will seek bids in April so the work can begin in May and noted that she requires the best available products for the work that the vendors can supply. After discussion, ***Ms. Pauly moved to reschedule repairing and painting the fencing at Kilmer House from 2023 to 2021. Ms. Schneider seconded the motion, and it passed unanimously.***

Ms. Goodwin referred to emails that she sent to Board members regarding the need for additional mulch at the Tot Lot, for an additional expenditure of \$4,580.35. She also noted that the heights of the steps on the equipment have been adjusted so as to be suitable for 2- to 12-year-olds instead of for 5- to 12-year-olds, at no additional cost. Ms. Goodwin also referred to pictures showing new pieces of equipment and the green and beige color scheme. ***Mr. Ruhland moved to approve the additional***

expenditure of \$4,580.35 to complete proposed work on the Tot Lot. Ms. Levin seconded the motion, and it passed unanimously. Ms. Levin also suggested changing the name of the play area because it is used by older children as well.

DIRECTORS-MANAGEMENT FORUM

Ms. Goodwin referred to the "Amenity Reservation Option/HOA Website Update" item on the Management Report and stated that she has been discussing updating the HOA website with various web designers, including incorporating an online payment option as well as tennis court and Hospitality Room reservations, with the final two being OSO Creative – which hosts HOA's domain name, designs websites and can incorporate payment and reservation options – and 10Com. She stated that a third designer, Sugar Webs, was removed from consideration because of its inability to program an online payment option, and that she intends to have a proposal to present to the Board at its May meeting.

Ms. Thronson suggested using FirstService Residential's website. Ms. Goodwin responded that she discussed the matter with FSR and was informed that its online payment system is for residents, and HOA has no access to information about any of the individual associations' residents. She explained that when she needs to communicate with Village residents, she does so through the managers of the individual associations, not directly with the residents. Ms. Goodwin noted that she would have to set up an account with FSR for every unit owner or renter in the Village, that the accounts would have to be updated daily, and that she would not be directly informed in the event of someone moving out of or into the Village. She stated that each association has its own website and noted her reluctance to use FSR's website because of the possibility that HOA might engage another property management firm in the future.

Ms. Jackson confirmed that FSR does not have information on all Village residents, that "owners" in its database are the member associations, not residents, and further that FSR does not manage all of the associations in the Village and therefore has no way to obtain data about those that it does not manage. Mr. Berchem advised Ms. Goodwin to continue her discussions with the two vendors that she mentioned to determine what they can provide. Ms. Goodwin informed Ms. Thronson that she will obtain information in writing for her about the situation from the "Connect" team. Further discussion ensued.

Ms. Goodwin announced that the next HOA Board meeting will be held on Wednesday, May 19, and that planting and irrigation on Village grounds will begin around April 1.

RECESS TO EXECUTIVE SESSION

The meeting was recessed to Executive Session at 8:30 p.m.

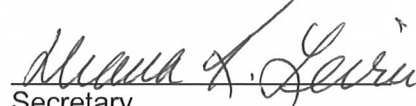
RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 8:38 p.m. ***Ms. Fiacchino moved to approve the request from the tenant of account CS1073-0022-02 for a deferred payment plan starting in April 2021 and continuing through April 2022 to pay back additional charges of \$100.00 or more each month in addition to the monthly assessment and rent charges, with no interest charged during the plan period. Mr. Connor seconded the motion, and it passed unanimously.***

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Mr. Connor, seconded by Ms. Slattery and unanimously approved, the meeting was adjourned at 8:40 p.m.

Respectfully submitted,


Secretary