

**SANDBURG VILLAGE CONDOMINIUM HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
September 27, 2023**

The meeting was conducted by Zoom videoconference.

Present: Andrew Baglini – Association 1
 James Lothe – Association 1
 David Ruhland – Association 1
 Robert Connor – Association 2
 Sarah O'Neil – Association 2 (joined meeting at 7:53 p.m.)
 Mary Schneider – Association 2
 Diana Levin – Association 3
 Bruce Kaminsky – Eliot
 Beth Murphy – Faulkner
 John Berchem – Lowell
 Ann Marie Calacci – Lowell
 Barbara Fiacchino – Association 7
 Marcie Johnson – Association 7
 Nancy Slattery – Association 7

Also present were Melissa Goodwin, HOA Property Manager, Tahalia Melendez, Administrative Assistant, and Isela Morris, Regional Director, of FirstService Residential; Paul Gaudette of Wiss Janney Elstner; and Nancy Ayers of Alliant Insurance Services, Inc. Barbara A. Roberts acted as minute taker.

CALL TO ORDER and AGENDA REVIEW

Mr. Connor called the meeting to order at 6:30 p.m. Ms. Goodwin called the roll and declared that a quorum was present.

UNIT OWNER QUESTIONS AND COMMENTS

In response to a question from Eva Haussner of Alcott-Bryant about repainting the white stripes on Burton Place between Alcott House and Kilmer House, Ms. Goodwin stated that she is in the process of obtaining pricing from various vendors to do that work.

APPROVAL OF MINUTES

Ms. Levin asked if there were any additions or corrections to the minutes of the regular Board meeting held on July 26, 2023. There being none, ***Ms. Levin moved to approve the minutes of the regular HOA Board of Directors meeting held on July 26, 2023, as presented. Mr. Kaminsky seconded the motion, and it passed, with Gabrielle Thronson abstaining.***

Ms. Levin asked if there were any additions or corrections to the minutes of the special Board meeting held on August 29, 2023. There being none, ***Ms. Levin moved to approve the minutes of special HOA Board of Directors meeting held on August 29, 2023, as presented. Ms. Slattery seconded the motion, and it passed, with Gabrielle Thronson abstaining.***

PRESIDENT'S REPORT

Mr. Connor gave the floor to Board member Diana Levin, who announced that after having lived in Association 3 for 54 years, she is now moving away from the Village, and as a consequence is resigning from her position as HOA Board Secretary. Board members thanked her for her service. Mr. Connor stated that an acting Secretary will be appointed, and that Nancy Slattery, a long-time Board member, has agreed to assume that position for the next three months, adding that Ms. Slattery has also expressed interest in continuing to act as Board Secretary when the new HOA Board appoints its officers in January 2024. ***Mr. Kaminsky moved to approve the appointment of Nancy Slattery as Acting HOA Board Secretary, to serve until the January 2024 HOA Board officer appointments. Ms. Levin seconded the motion, and it passed unanimously.***

FINANCIAL REPORT

Mr. Berchem reviewed with the Board the Financial Summary for the period ended August 31, 2023, as follows:

Operating Fund net income, current month:	(\$51,665)
Operating Fund net income, year to date:	\$277,501
Operating Fund balance:	\$263,392
Ratio of Operating Fund balance to one month's operating expenses:	1.6
Replacement Fund interest income, year to date:	\$7,528
Replacement Fund average CD yield:	2.18%
Replacement Fund expenses, year to date:	\$207,908
Replacement Fund balance:	\$4,775,478

Mr. Berchem reported that pool income from FFC is nearly \$417,000.00, and that the Operating Fund can cover expenses for 1.6 months, adding that the delinquencies listed in the summary are not a cause for concern. He noted that Reserve expenses year to date are \$207,000.00, that the Replacement Reserve Fund has a total of \$4,770,000.00, and that HOA's finances are healthy and allow it to take care of the business of the Association, including repairs as needed, with no problem.

ACTION AND DISCUSSION ITEMS

2023 Village Capital Projects Update

Mr. Gaudette presented his report, as follows:

- South Mall:
 - South Mall: The concrete curb outside the south door of Eliot House was repaired.
 - South Mall Drainage at Eliot West Door: There is some work to be done between the planter and the bike room which will be deferred until spring 2024. In the meantime, WJE will attempt to negotiate the price for the work or possibly request another bid, although Zera is preferred owing to its previous work in the area and the warranty on that work.
- AB Mall:
 - Driveway targeted repair work will be performed in 2024.
 - 1455 North Sandburg Terrace Unit 102B Build-Out: The build-out is proceeding well, with only minor matters to be addressed following the visit from himself and Ms. Goodwin.

- CD Mall:
 - Dickinson Garage Exit Ramp South Wall: Zera completed the repair work on the south wall adjacent to the garage exit ramp.
 - Work on the driveway is targeted for 2024.
- North Mall:
 - Germania Place Expansion Joint: Zera will also work on the expansion joint at the front entrance of James House, which is temporarily covered. The work will be under warranty.
 - West Stair Planter: Repairs are completed on the small coping at the stairway along the walkway between James House and the North Pool.
 - Burton Place: WJE will look at the "speed table" – the striping on Burton Place.
- Tennis Court:
 - Light Pole Leakage: Zera completed resealing the tennis court light pole bases.
- Lowell House:
 - Repairs will be made to the expansion joint on the north side of the building. The joint was last repaired about 15 years ago, and it has begun to leak into the garage near the electrical panel.

Discussion ensued about missing concrete in the area of the drains on the C-D mall, which Ms. Goodwin and Mr. Gaudette stated will be addressed as part of driveway repairs, and about pavers in front of James House that have sunk in one area. Mr. Gaudette stated that the pavers between the sidewalk and the window were installed by James House, not HOA. Ms. Goodwin added that she will follow up with James Kilmer Management to confirm who is responsible for work on the pavers. Mr. Gaudette advised using LPS as the paving contractor because of the quality of its work. Ms. Slattery commented that the ironwork repairs made to the James House LaSalle Street fence were performed very well. Ms. Goodwin agreed and stated that she will convey the compliment to the company that did the work, and that there is one more repair to be completed in the vicinity of Eliot House.

The Board thanked Mr. Gaudette, and he left the meeting at 6:52 p.m.

2023-2024 Insurance Proposal

Nancy Ayers of Alliant Insurance Services, Inc. referred to the need for an appraisal in order to arrive at a replacement cost for the pools and other items in the Village's common areas, recommending engaging a professional to provide that appraisal, and referring to an appraisal cost that has been provided in the meantime. She noted that one of the significant areas that was valued was the raised planter beds in the malls as well as the small and medium-sized planters, and that last year, the replacement value for 2022 and 2023 was calculated at \$2.9 million, but that the total appraised value was \$8 million, \$2.8 million of which is the concrete planters and the flower beds. Ms. Ayers stated that 50% of the replacement cost of the planters was considered by the insurers a reasonable amount to use and provided further details about the calculations used to arrive at the real property limit of \$6.8 million. She provided details about other increases and the reasons for them, resulting in a total premium of \$77,293.00, with a \$5,000.00 deductible, including the workers compensation insurance premium of \$3,667.00, and confirmed the recommended "stair-step" method of calculating the full replacement value of \$80,675.00. Discussion ensued. ***Ms. Slattery moved to approve the proposal submitted by Alliant Insurance Services, Inc., on September 14, 2023, for policies for property and general liability, crime, cyber liability, directors' and officers' liability, workers compensation and umbrella coverage for the period September 30, 2023, through September 30, 2024, in the amount of \$77,293.00. Ms. Schneider seconded the motion, and it passed unanimously.***

The Board thanked Ms. Ayers, and she left the meeting at 7:04 p.m.

2024 Proposed Budget Unit Owner Distribution Approval

Ms. Goodwin stated that the Finance/Budget Committee recommends a 5.3% increase for the 2024 Operating and Reserve Budget, which includes a 30% increase in the Eliot Hospitality Room rental fee on the Schedule of Fees, the only increase listed on the Schedule. She added that the Board's motion will direct Management to distribute the proposed 2024 Operating and Reserve Budget and Schedule of Fees to unit owners, giving no less than ten days' and no more than 30 days' notice prior to adoption at the November 15, 2023, HOA Board meeting. Ms. Goodwin listed the enclosures to be provided to unit owners: the cover letter, the 2024 Budget Detailed Summary, the 2024 Proposed Schedule of Fees, the HOA Five-Year Projected Capital Expenditures, the HOA assessment historical list and assessment breakdown, and FFC's budget, of which the Finance/Budget Committee incorporated into the HOA budget the first version with no membership fee increases. In response to questions from Board members, Ms. Goodwin stated that there has been increased interest in both the Alcott and Eliot Hospitality Rooms. Discussion ensued.

Discussion ensued about pool fees, with Ms. Thronson and Mr. Baglini suggesting increasing the nonresident pool fees in 2024, eliminating the fees charged to FFC members for use of the Sandburg pools, and possibly introducing additional types of guest passes. Ms. Slattery advised against raising fees too much. It was noted that FFC tends to inflate pool expenses in its budgets, and discussion ensued about whether or not to increase various pool fees, as well as about minor changes to the letter accompanying the proposed budget that is sent to unit owners. After further discussion, ***Ms. Fiacchino moved to approve distributing to Sandburg Village unit owners the proposed 2024 Sandburg Village Condominium Homeowners Association Operating and Reserve budget, which calls for a 5.3% increase in assessments and includes the proposed 2024 Schedule of Fees. Ms. Johnson seconded the motion, and it passed unanimously.***

North Pool Pumps Replacement

Ms. Goodwin stated that, pursuant to the Board's discussion at its last meeting, she located two other pool supply companies: Blue Island Pools & Spas, which visited the site and presented a bid, and Platinum Pool-Care Aquatech, which HOA had used in the past but which no longer works in the city. She noted that the existing pool pumps are roughly 10 to 12 years old, according to All Seasons' assessment, that one of the pumps will last until the end of the season, after which it must be replaced, and that the recommendation was that both pumps be replaced at the same time. Ms. Goodwin also noted that replacing the pumps would be a capital expenditure, that currently HOA is under budget on capital expenditures, and that both Blue Island Pools & Spas and Platinum Pool-Care offer one-year warranties on labor and material. She stated that All Seasons' price was \$41,970.00, and that Blue Island's price was \$36,500.00. In response to a question from Mr. Berchem, Ms. Goodwin stated that Blue Island agreed to include the repair of two minor leaks in the pump room in their proposal's total. After discussion about repairing the leaks, Ms. Goodwin stated that Blue Island Pools & Spas received excellent references. She added that addressing this matter now will allow an engineering company to submit drawings and plans to the Illinois Department of Public Health in order to procure the required permits, which can be done over the winter season so as not to interfere with the 2024 pool season. ***Mr. Berchem moved to accept the proposal submitted by Blue Island Pools & Spas on September 2, 2023, to supply and install two new pool pumps in the North Pool and to repair a leak in filter 4 and a leak at the flow meter, in the total amount of \$36,500.00. Ms. Schneider seconded the motion, and it passed unanimously.***

Snow Removal – Schiller Mall, Village Ramps and Stairs

Ms. Goodwin explained the proposals from Semmer Landscape, stating that the firm has done a very good job of removing snow from the Schiller Mall for the past two years at a reasonable price. She noted that the first proposal covers only the Schiller Mall and that the second adds the 20 Village stairwells and five pedestrian ramps, as well as the area in front of the 1500 artist studios. Ms. Goodwin also stated that the additional help received from Labor Ready for manual shoveling and salting on stairs and ramps when necessary in the event of bad snow storms has become less reliable, and that service from Semmer would be less expensive, noting as well that she has established an excellent working relationship with Semmer. ***Mr. Ruhland moved to accept the proposal submitted by Semmer Landscape on September 22, 2023, for the season November 15, 2023, through March 31, 2024, to plow snow at the Schiller Mall location at a fixed cost of \$6,620.00 and apply salt at a cost of \$215.00 per application. Mr. Connor seconded the motion, and it passed unanimously.***

Mr. Ruhland moved to accept the proposal submitted by Semmer Landscape on September 22, 2023, for the season November 15, 2023, through March 31, 2024, to plow snow at a fixed cost of \$3,900.00 and salt at a fixed cost of \$215.00 per application at Village stairwells, ramps and in front of the 1500 artist studios. Ms. Schneider seconded the motion, and it passed unanimously.

CSV #1 Cummings-Dickinson Mall Event Request

Mr. Lothe explained that this is Cummings-Dickinson's usual mall event request, with prepared food brought in, and provided additional details about the features of the event, to take place from 2:00 to 5:00 p.m. At Ms. Goodwin's request, he added a rain date. ***Mr. Kaminsky moved to accept the request from CSV #1 to use the 1300 mall for its Pets and Pints social event on Sunday, October 29, 2023, with a rain date of Sunday, November 5, 2023, subject to the submission of acceptable liability insurance. Ms. Slattery seconded the motion, and it passed unanimously.***

ADDITIONAL BUSINESS

Mr. Berchem presented information provided by Sarah O'Neil regarding a real estate developer's proposal for a development at the northwest corner of LaSalle Street and North Avenue, which is currently a parking lot and a Walgreen's. He added some details about the development and mentioned an email that was distributed to Board members. Ms. Slattery stated that Fern Hill, the developer, has engaged James Kilmer because the development could materially affect JK, and that she has attended meetings with representatives from 1660 North LaSalle, 1636 Wells Street – Americana Towers, and the Old Town Triangle regarding the development. She added that a committee has been formed that hopes to meet with 2nd Ward Alderman Brian Hopkins, and that all were invited to attend the developer's presentation at Moody. Ms. Slattery noted that no one seemed to be impressed with the presentation and that Alderman Hopkins will not approve anything without neighborhood support. She provided additional details about the planned development, including that nothing will be built above Treasure Island or the parking lot, that a grocery store will be included among the businesses, that Walgreen's will be a partner in the development, and that nothing higher than 36 stories will be built. Ms. Slattery provided additional information about the meeting and offered to convey unit owners' comments to the committee and to Fern Hill, mentioning the strongly negative reactions to the developer's plans at the meeting, adding that the entire proposed development is in very preliminary stages, and stating that her aim was to provide information that HOA Board members could convey to their own associations.

Sarah O'Neil joined the meeting at 7:53 p.m. She stated that she conveyed a link to the Fern Hill presentation that was available on YouTube and that can be distributed to the Board, and noted strong reactions to the height and appearance of the building. She added that people can access the Fern Hill website on line, view information about the proposed development, and submit comments about it. Ms.

Slattery stated that after the Zoom call ended, discussion continued among those who attended the presentation in person, and that a significant problem that was raised concerned traffic and parking in the area, taking into account the increased population of those living in the proposed development, at least 1,200 people. She explained that Moody is going to expand into the areas formerly occupied by two gas stations, and that Fern Hill will start its development at the corner of North Avenue and LaSalle Street, which is where the Old Town Triangle begins, which is owned by Moody, and which will be the site of a parking structure.

Ms. O'Neil explained that the 18th Police District Council consists of three elected volunteers: Karen Kane, Brad Kessler and Rob Johnson. She stated that a major current concern is that there is a half-million-dollar shortfall in Mayor Johnson's budget and a concomitant risk that funds will be taken from the Chicago Police Department budget to make up part of the shortfall. Ms. O'Neil stated that there are currently 299 officers as well as detectives in the 18th District, roughly 100 officers fewer than there were a few years ago, and that Ms. Kane and Messrs Kessler and Johnson are seeking feedback from the community regarding the situation, so they have created a brief survey about policing in the neighborhood. She proposed that each of the Sandburg Village property managers distribute the survey to unit owners, in hopes of receiving 1,000-plus responses. Ms. O'Neil also mentioned the latest crime in the city, which consists of carjacking followed by armed robberies, the result of which is that the perpetrator is charged with only one crime, and expressed her concern about further reducing the number of 18th District officers. After discussion, the Board agreed that Ms. Goodwin be permitted to send information about neighborhood matters to the individual association property managers.

Mr. Baglini left the meeting at 8:08 p.m.

Ms. O'Neil provided additional information about the survey and how it will be used. Ms. Slattery provided additional information about the proposed activities of the committee formed in response to the Fern Hill development plans and the committee's intention to meet with Alderman Hopkins, acknowledging that his first priority was dealing with crime in the neighborhood, and that, to that end, voting in a new police chief was extremely important. Ms. O'Neil mentioned that the Association #2 property manager is working with Officer Kelly, who has offered to provide a training program to Village building security staffs. Ms. Slattery stated that Chicago Police Sergeant Christopher Schenk has discussed exterior lighting with the James Kilmer property manager and recommends new lighting, and Ms. Goodwin added that Officer Schenk will also provide in-building security assessments.

RECESS TO EXECUTIVE SESSION

The Board meeting was recessed to Executive Session at 8:19 p.m.

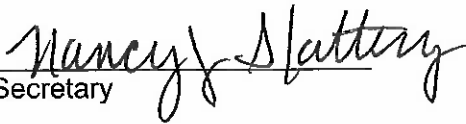
RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 8:53 p.m. ***Ms. Thronson moved to accept the proposed amended management contract with Fitness Formula Club as presented, including a management fee of \$52,000.00 for the 2024 season, per the recommendations of legal counsel and the Pool Management Committee. Mr. Ruhland seconded the motion, and it passed unanimously.***

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Ms. Thronson, seconded by Mr. Connor and unanimously approved, the meeting was adjourned at 8:55 p.m.

Respectfully submitted,


Secretary
