

**JAMES/KILMER CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
February 25, 2014**

A meeting of the Board of Directors of the James/Kilmer Condominium Association (the "Association"), an Illinois not-for-profit corporation, was called to be held on Tuesday, February 25, 2014, in the James House Hospitality Room, 1560 North Sandburg Terrace, Chicago, Illinois, pursuant to By-Laws.

CALL TO ORDER

Judy Barnes, President of the Association, called the meeting to order at 7:11 p.m. A quorum was present in that the following directors were present:

Judy Barnes
David Beck
Peter Cremer
Susan Geffen
Betty Latson
Barbara Mueller
Dorsey Ruley (by telephone)
Nancy Slattery

Lynn Conner was not in attendance.

Also present were Thomas Kristufek, Property Manager, and James Losik, Property Supervisor, of DK Condo, A Draper & Kramer Company. Barbara A. Roberts acted as Recording Secretary.

PROJECTS UPDATE – MANAGEMENT REPORT

Mr. Kristufek reported on the following:

- Management's meeting with the Maintenance staff on Thursday, February 20, to review the staff's job duties.
- The further delay of the Roof Deck Paver Project owing to inclement weather; the project is scheduled to begin on March 3, with completion expected by April 16.
- The engineering study of the garage indicates that the concrete and membrane are in "fair" condition, and its budget figure is close to the budgeted Reserve Fund figure of \$1,212,228.00. Management is obtaining proposals from Klein and Hoffman and Wiss Janney Elstner to provide construction specifications and bidding documents.
- Proposals have been received from HVAC mechanical engineering companies to test and balance the make-up and exhaust air systems for James House and Kilmer House, but Management has requested more complete proposals that would identify all air pressurization problems and proposed solutions. In addition, Management has determined that an air pressurization study will be necessary to provide more complete details about the air pressurization challenges in both buildings and has requested proposals for such a study. The ongoing air balancing problems in the buildings are caused by numerous variables. The hoped-for air exchange rate is at least 50%.
- The elevator freight car upgrades to increase elevator speed are scheduled to begin on September 1; during the project, one freight elevator at a time will be out of service for six to eight weeks. A Board member questioned this timing, asserting that it was too long. Mr. Kristufek responded that he asked Otis about the timeframe and was told that the proposal and the way the project was priced assumed specific man hours, such that the only way to speed up the project would be for the Association to pay overtime wages.

- Punch list items for the fan coil installation were completed on Thursday by Emcor, whose final bill will be paid upon receipt of written confirmation of the punch list item completion.
- In response to a question from Mr. Ruley, Mr. Kristufek stated that cell phone reception problems have apparently been resolved for the most part, as the Management Office is no longer receiving complaints, even after posting a notice about this situation.
- Management is in the process of reviewing the "James/Kilmer Condominium Association Reference Guide Including Rules and Regulations" with the intent to make recommendations for proposed changes. Before these changes are adopted by the Board, they will be distributed to unit owners for their review and discussed at a special meeting of unit owners.
- Management continues to solicit recommendations and bids from security companies to improve security at the Kilmer House front entrance.
- The large chairs that were formerly in the lobby are in storage on G2. It was suggested that they may be used in the northeast Penthouse room that is currently being planned for interim use for reading or playing games
- The existing set of microphones and the podium mixing console in the Penthouse Hospitality Room do not allow for greater sound system capacity such as adding more microphones unless the Board wishes to purchase a PA system with more capacity. After discussion, the Board agreed that such a system, including ceiling speakers throughout the room, can be purchased when the room is remodeled.

DISCUSSION ITEMS

Village Theater Property Redevelopment Update

Ms. Barnes reported that the Management Office has received comments, pro and con, from numerous residents about the proposed redevelopment of the Village Theater property, and that the scheduled Zoning Commission hearing has been deferred. She stated that residents' comments will continue to be collected and will be presented at the hearing to be held to consider the downzoning proposal ordinance sponsored by both 42nd Ward Alderman Brendan Reilly and 2nd Ward Alderman Robert Fioretti. Ms. Barnes further stated that the Board will set up a meeting with the aldermen and the developer to discuss the redevelopment and possible compromises. Mr. Losik advised waiting to see what happens with the downzoning proposal. Ms. Barnes stated that the Board is reviewing the traffic study conducted by the developer, and that she and Mr. Kristufek discussed traffic and parking concerns with representatives of the nearby preschool. Discussion ensued about problems with traffic and parking in the area when preschoolers are dropped off and picked up, and about the necessity for the preschool to enforce its existing parking rules.

Update on Rules Revision Process

Mr. Kristufek commented that, besides the process by which Management advises the Board about rules based on experience at other associations, it is still necessary to involve the Board and unit owners to some extent in the rules revision process. Discussion ensued.

Update on Rental Restriction Process

Mr. Beck presented a list of suggested rental restrictions compiled by Ms. Slattery and himself to be considered by a task force, possibly chaired by unit owner Juliet Beriot, that will be set up to create a proposal to restrict rentals. He noted that any changes in the Association's rules needed to institute rental restrictions will require changing the Declaration, which calls for an affirmative vote by two-thirds of the ownership. Mr. Kristufek advised that owners need to be informed first about the proposed rental rule changes before taking a survey or getting proxies signed from owners to potentially change the Declaration.

Appointment of Committee Chairs

Ms. Barnes stated that because there are no limited-common-element capital projects scheduled for this year, there is not a critical need for an Infrastructure Committee for the time being, noting that common-element capital projects will be handled by Management, engineers and contractors with appropriate Board involvement. In addition, she noted that because the Garage Manager reports regularly to Management, a Board Liaison can act in the place of a Garage Committee, and, at Ms. Barnes's request, Mr. Beck agreed to be the Board Liaison to garage management. Ms. Barnes then named the committees for the year, as follows:

Finance Committee – Betty Latson

Website Committee – Ron Miller, Webmaster; Judy Barnes, Board Liaison

Communications Committee Coordinators – Lynn Conner, Susan Geffen and Barbara Mueller

Social Committee – Dorsey Ruley

Holiday Fund and Garage Employee Fund – Judy Barnes

Ms. Barnes also stated that major projects anticipated in 2015 include Penthouse and James/Kilmer hallway remodeling and that a task force will be formed to work on those projects. She stated that Ms. Conner has volunteered to lead the task force; Ms. Slattery and Mr. Cremer also volunteered their services.

In addition, Mr. Dorsey volunteered to offer suggestions about the garage operations to Mr. Beck.

Air Balancing Proposals

Mr. Kristufek noted that he had touched on the proposals in his Management Report, and asked Board members to advise him about any air balancing problems about which they become aware.

OWNERS' OPEN FORUM

Ms. Barnes opened the floor to comments and questions from unit owners. Unit owners and Board members commented on and discussed the following issues:

- The percentage of rental units in the Association, a comparison with the percentages in other similar associations, and the feasibility of seeking to achieve a lower percentage over time.
- Cleaning the air vents in the buildings.
- The Board as a whole interacting with the developer, 2nd Ward Aldermen Robert Fioretti and 42nd Ward Alderman Brendan Reilly with regard to the Village Theater Redevelopment Project.
- The number of investor owners in the Association. Mr. Beck stated that there are 551 owners of 616 units in the James Kilmer Association.
- Establishing a Welcome Committee, like that in other associations, of one or two Board members to meet with prospective owners and renters review the Welcome Package and inform them about the Association's amenities, rules, etc., and establishing a rule to compel prospective owners or renters to meet with the Welcome Committee.
- The door staff job description and policies; it was noted that residents must report infractions on the part of door staffers to Management, and that Management meets regularly with the staff to ensure that they adhere to the established policies.
- The Board's intentions with respect to its meeting with the developer of the Village Theater Redevelopment Project, concerns about the proposed design and height of the developer's proposed building, and the possibility of another unit owner survey after the Board's meeting with the developer and the aldermen. It was also noted that individual unit owners can express their

opinions, and that the Board must, as always, take those into consideration as they continue to act in the best interests of the entire Association. Mr. Losik confirmed that the Illinois Condominium Property Act empowers the Board to act on behalf of the unit owners. Further discussion ensued.

- The need for the Board to consider issues occasioned by the state's "concealed carry" gun legislation, such as whether residents may carry a gun through the common areas.
- Unit owner involvement in Association matters, specifically with regard to committees, and the regular posting of committee meetings in the buildings and on the website.

APPROVAL OF MINUTES

Susan Geffen moved that the minutes of the Board of Directors meeting held on January 29, 2014, be approved as presented. David Beck seconded the motion, and it passed, with Peter Cremer abstaining.

Ms. Mueller volunteered to be the Board Liaison to the Rental Restriction Task Force.

TREASURER'S REPORT

Ms. Latson stated that there was no Treasurer's Report.

COMMITTEE REPORTS

Website Committee

Ms. Barnes stated that the Committee will meet in April. Mr. Beck suggested that rather than include social notices on the website, they can be included in the newsletter or posted on the buildings' bulletin boards.

Roof Deck Task Force

Mr. Cremer pointed out that this Task Force needs to be continued to complete plans for furnishing the roof deck, and agreed to continue to chair the Task Force. Mr. Beck suggested asking Bernard Jacobs of Jacobs/Ryan Landscape Architects for ideas about furnishings and plantings for the deck. Discussion ensued about decorating the roof deck and about budgeting considerations.

Communications Committee

Ms. Barnes reported that the latest newsletter was published and distributed in February and that the next issue will be published and distributed in April.

HOA Report

Mr. Beck reported that the next HOA Board meeting will take place on March 26.

Marcie Johnson reported on a community meeting on February 24 with Fifield, the Jewel property developers, and Fred Lasko, owner of the property at 1201 North Clark Street, with much input from area residents. She stated that rebuilding the Jewel Food Store will take a year and a half, and that the apartment building on the property will take two years to construct. Ms. Johnson noted that the current 40-year-old Planned Development for the area is being amended, and Mr. Beck stated that the proposed height of the apartment building, designed by Solomon Cordwell & Benz, has been reduced from 42 to 37 stories.

ACTION ITEMS

Approval of Engineering Firm to Draft Construction Documents for Garage Renovation

Mr. Kristufek explained Management's recommendation to engage Wiss Janney Elstner to draft the garage renovation construction documents because the firm is working on the North Mall for HOA and is very familiar with Sandburg Village exterior concrete in general, acknowledging that WJE would have to perform its own investigation of the garage. **Upon motion duly made by Nancy Slattery and seconded by David Beck, the following resolution was made:**

BE IT RESOLVED, that the Board of Directors approve the proposal submitted by Wiss Janney Elstner to conduct an analysis of the James/Kilmer garage, draft construction documents, and oversee the bidding for engineering services related to garage renovations, in the amount of \$25,500.00, to be paid from the Reserve Fund, with the proviso that the Sandburg Village Homeowners Association be required to pay a percentage of the total amount based on the portion of the garage area for which it is determined that HOA is responsible. The motion passed, with Betty Latson abstaining.

Approval of Proposal for Repairs to the North Garbage Chute

Upon motion duly made by Barbara Mueller and seconded by Nancy Slattery, the following resolution was made:

BE IT RESOLVED, that the Board of Directors approve the expenditure for repairs and replacements at specified sections of the north garbage chute, including the necessary wall and sprinkler work, charged by Demco Mechanical Services & Metal Specialties (\$12,140.00), Stanley Decorating, Inc. (\$6,400.00), and K&S Automatic Sprinklers, Inc. (\$2,360.00), in the total amount of \$20,900.00, to be paid from the Reserve Fund. The motion passed unanimously.

Approval of a Ban on Carrying Concealed Guns in the Common Areas

Upon motion duly made by Peter Cremer and seconded by David Beck, the following resolution was made:

BE IT RESOLVED, that, as authorized by the Illinois Concealed Firearms Act, "no concealed weapons" signs in the form approved by the Illinois State Police be conspicuously posted at all building entrances to prohibit the carrying of concealed firearms in any common element areas of the James/Kilmer Condominium Association. After discussion, a roll-call vote was called for, the results of which were as follows: Nancy Slattery–No, David Beck–Yes, Barbara Mueller–No, Peter Cremer–No, Betty Latson–No, Susan Geffen–Yes, Dorsey Ruley–No. The motion was defeated.

Approval of Remodeling Applications

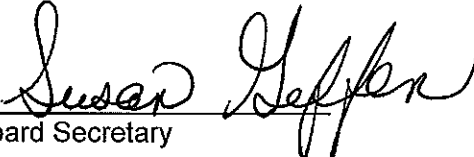
Upon motion duly made by Nancy Slattery and seconded by David Beck, the following resolution was made:

BE IT RESOLVED, that the Board of Directors approve the remodeling of units #415J, #111K and #214K, according to the requests submitted by the unit owners that have been reviewed and found to be in compliance with the Associations rules, regulations and conditions, the work to be subject to ongoing inspection by the Association's Assistant Chief Engineer. The motion passed unanimously.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by David Beck and seconded by Peter Cremer, the meeting was adjourned at 9:01 p.m.

Respectfully submitted,


Board Secretary