

**JAMES/KILMER CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTORS MEETING  
April 24, 2018**

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, April 24, 2018, 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  
Patty Culbertson  
Jacque Ehrlich  
Bruce Kaminsky  
Betty Latson  
Barbara Mueller  
Nancy Slattery  
Bill Winter (by telephone)

Also present were Thomas Kristufek, Property Manager, and Andy Warner, Property Supervisor, of Community Specialists, Inc.; and Wendell Gooch, Principal and Lead Designer, and Oliver Aguilar, Senior Designer, of Gooch Design Studios. Barbara A. Roberts acted as Recording Secretary.

There were no changes to the agenda.

**GOOCH DESIGN STUDIO: CORRIDOR RENOVATION UPDATE**

Ms. Barnes introduced Mr. Gooch and Mr. Aguilar and stated that they were present to provide an update of activities regarding the Corridor Renovation Project. Mr. Gooch and Mr. Aguilar provided details about the reasons for their choice of medium-duty Grade 2 Schlage hardware for unit door handles and locks – including a greater variety of finishes and styles at lower cost as well as easier installation - and in a square design for the backplate, which is what the Task Force originally chose. Mr. Aguilar also mentioned that the heavier grade door handle did not perform well when installed on a unit door. He explained that at this point, the Corridor Renovation Task Force favors a polished chrome finish for James House hardware and a satin nickel finish for Kilmer House hardware. Mr. Gooch then explained his firm's choice of Leopardo as the general contractor for the Corridor Renovation Project and provided details about the cost savings that they have negotiated. He stated that the final figure at this time of \$2,255,000.00 includes the unit door hardware but not the door hardware on the first floor and the amenities floor of James House, with regard to which Mr. Aguilar agreed to make a list of all additional doors so that the additional cost can be calculated.

**OWNERS' FORUM**

Mr. Gooch, Mr. Aguilar and Ms. Slattery responded to questions from unit owners regarding corridor carpeting attic stock, and painting unit and common area doors.

Ms. Barnes thanked Mr. Gooch and Mr. Aguilar, and they left the meeting at 7:40 p.m.

### **APPROVAL OF MINUTES**

Jacque Ehrlich moved that the minutes of the regular Board of Directors meeting held on February 27, 2018, be approved as presented, and that the minutes of the Special Board of Directors Meeting held on March 19, 2018, be approved as presented. David Beck seconded the motion. After discussion, the motion passed unanimously.

### **MANAGEMENT REPORT**

Mr. Kristufek presented the Management Report, as follows:

- Kilmer Freight Elevator Cab Upgrade: The job was completed on April 19 and the car is back in service. However, the floor was not properly cut and must be redone; Urban Elevator Service is aware of the situation and will address it. Management will purchase pads for the elevator car.
- Door Entry Fob System Upgrade: The project has been completed.
- Chiller Engineering: There are no updates from last month.
- Corridor Renovation Project: Gooch Design Studios has provided an update.
- Façade Inspection and Repairs: The façade inspection and repairs have not begun owing to bad weather, in addition to which, neither contractor or engineer can begin the work in May, so the work has been rescheduled to begin in June.
- Garage Painting and James House Basement and Receiving Room Floor Tile Replacement: Management will present two proposals at this meeting, while awaiting a third bid. The floor tile replacement will be performed after the corridor and chiller projects are completed.
- 43<sup>rd</sup> Floor Ceiling: Management awaits written recommendations from U. S. Gypsum before proceeding with repairs. Management suggests having Leopardo bid on the repair project as well. Mike Naponelli and Peter Powers of Klein and Hoffman recommend installing control joints lengthwise and across the width of the ceiling to prevent future cracking. Representatives from Elara, the structural engineers and the contractor have also examined the ceiling and have concluded that the building appears to be shifting, possibly causing the cracks. The control joints are expected to alleviate this problem.
- HVAC Preventive Maintenance Program: To date, 39 apartment units have been serviced, including 81 actual convector units, and 7 additional apartments are on the schedule for this week, which will be the last week of the program for the year. Discussion ensued about thermostats.
- Semiannual Filter Changes: The filter changes are scheduled to begin in Kilmer House during the week of April 30.
- Common-Area Lightbulb Changes: Fluorescent tubes and bulbs in common-area light fixtures will be replaced with LED bulbs beginning this week.
- Proposed Rules Review Process: Janine Hodes has reviewed and reformatted the rules document, including two-sided printing. Nichelle McFarlin is reviewing the document, after which David Beck will draft his letter concerning the changes. It is expected that the document will be ready for the Board to approve at its May meeting for distribution to unit owners for their review.
- Audit Update: The Finance Committee meeting will meet on April 26 to review the draft audit.

## **TREASURER'S REPORT**

Ms. Latson presented the Treasurer's Report for the period ending March 31, 2018, as follows:

For the month of March 2018, the James/Kilmer Association reported excess of revenues over expenses of \$34,577.00, primarily the result of expenses remaining under budget. The strong results in March reduced the first quarter 2018 deficit to \$21,240.00.

For the period ending March 31, 2018, total year-to-date income was reported at \$1,568,000.00, which was \$13,000.00 under budget largely due to lower garage income and maintenance income. Year-to-date operating expenses were \$1,589,000.00, which were under budget by \$51,000.00, driven primarily by lower payroll, maintenance and building expenses, offset by gas costs which were over budget by \$45,000.00 and plumbing and sewer expense which was also over budget by \$17,000.00.

On the capital side, the Association reported a year-to-date surplus of \$232,000.00 as capital reserve revenue through March amounted to \$312,000.00 while capital expenditures were \$80,000.00, related to the Corridor Renovation Project and Kilmer House elevator cab upgrades.

At the end of March 2018, the operating fund cash balance, excluding garage cash, was reported at \$395,816.00, and the capital fund cash balance, excluding direct charge funds, was reported at \$4,677,701.00.

Because the 2017 audit has not yet been approved, some expenses appearing on the 2018 books actually belong to 2017; therefore, once the adjusting entries arising from the audit are made, the operating deficit may be further reduced.

## **COMMITTEE AND TASK FORCE REPORTS**

### **Finance Committee**

Ms. Latson reported that the 2017 draft audit has been received, and that the Finance Committee will meet on Thursday, April 26, at 6:30 pm to review the audit with the auditors, adding that all unit owners are invited to join for this discussion. She stated that once the review is completed and the audit becomes final, the Committee will present the official 2017 audit results to the Board in May for approval. Ms. Latson concluded by noting that the Association's 2017 operating results were very good, with no deficit. Discussion ensued about reviewing gas and electricity prices.

### **Community Activities Committee**

Bill Winter reported that there will be a group outing to see the 4:00 p.m. performance of "The Best of Second City" on June 2, adding that he has tickets for the event and that the group will meet at Second City. He stated that the weekly Wednesday afternoon canasta games have continued for six months. Mr. Winter also stated that a third rooftop get-together is being planned for June 22, and that the group will begin work on details of the event at the end of May.

### **Rules Committee**

Ms. Mueller reported that the unit owners will probably receive the draft rules for their review in June, after the May Board vote to distribute the rules for review. Mr. Beck noted that there will be a unit owner meeting for comments about the rules. Mr. Warner stated that the owner review period is 25 days, unless the Association's Declaration specifies a 30-day review period.

### **Communications Committee**

Mr. Beck reported that the next news brief will be published during the last week in May and stated that articles for the issue will be due on May 15.

### **Website Committee**

Ms. Barnes stated that she, Ms. Culbertson, Ms. Slattery and Mr. Winter will meet in June, and that Jim Friedrichsen, Community Specialists' Director of Administration and Information Technology, has reviewed and transferred information from the old website to the new Word Plus platform.

### **Corridor Renovation Task Force**

Ms. Slattery reported that Gooch Design Group will provide renderings of the hallways for both buildings – including all the décor elements – to be displayed in their lobbies, and that the Task Force is still working on the door stain color.

### **HOA Report**

Mr. Beck stated that the next HOA Board meeting will take place on Wednesday, May 23, and that the pools will open in May. Unit owner Barbara Fiacchino added that HOA is also working to get the water and lights in the Germania Place fountain running, and that the interior of the fountain will be painted blue.

## **ACTION ITEMS**

### **Approval of Proposal for Garage Painting**

Upon motion duly made by David Beck and seconded by Barbara Mueller, the following resolution was made:

**BE IT RESOLVED**, that the Board of Directors approve the proposal submitted by Ascher Brothers on April 20, 2018, to paint the walls and columns in the James/Kilmer garage, in an amount not to exceed \$138,000.00, to be paid from the Reserve Fund. After discussion, the motion passed unanimously.

### **Approval of Purchase of Performance Bond from Leopardo, General Contractor for Corridor Renovation Project**

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

**BE IT RESOLVED**, that the Board of Directors approve the purchase of a performance bond from Leopardo, the Corridor Renovation Project general contractor, in the amount of \$22,965.00, to be paid from the Reserve Fund. After discussion, the motion passed, with Bruce Kaminsky opposed.

### **Approval of Proposal for Replacement of Fire Pump Control Panel**

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

**BE IT RESOLVED**, that the Board of Directors approve the proposal submitted by Fox Valley Fire & Safety on March 20, 2018, to replace the fire pump control panel, in the amount of \$19,870.00, to be paid from the Reserve Fund. After discussion, the motion passed unanimously.

**Approval of Remodeling Requests**

Upon motion duly made by Nancy Slattery and seconded by Bruce Kaminsky, the following resolution was made:

**BE IT RESOLVED, that the Board of Directors hereby approve the remodeling of units #404J, #602J, #1512, #2011, #2515, #3202, #3311, #3712, #4007, #101K, #202K and #505K, according to the requests submitted by the unit owners that have been reviewed and found to be in compliance with the Association's rules, regulations and conditions, the work to be subject to ongoing inspection by the Association's Assistant Chief Engineer. After discussion, the motion passed, with Jacque Ehrlich abstaining.**

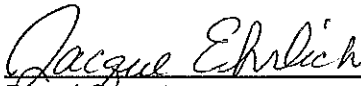
**NEW BUSINESS**

Ms. Barnes stated that 2<sup>nd</sup> Ward Alderman Brian Hopkins will speak to the Board and unit owners at 6:00 p.m. before the May 22 Board meeting. Mr. Warner reported that the State of Illinois Office of the Condominium and Common Interest Community Ombudsperson will be funded on January 1, 2019, and that he, Mr. Kristufek and Ms. Hodes attended the legal forum this year, at which it was announced that the Association's dispute resolution policy must be in place by the end of 2018. Mr. Kristufek and Mr. Warner provided details about the function of the state's Ombudsperson. Mr. Warner also announced that on April 18, 2018, the Chicago Privacy Ordinance proposed by 2<sup>nd</sup> Ward Alderman Brian Hopkins and 42<sup>nd</sup> Ward Alderman Brendan Reilly went into effect, overruling the new Section 19 of the Illinois Condominium Property Act according to which certain unit owner information must be provided to any owner who requests it. He added there might be some dispute in the state legislature about the validity of the Chicago ordinance, and that any condominium association may opt out of the provisions of the ordinance. Discussion ensued. In response to a question from a unit owner, Mr. Kristufek stated that the Management Office maintains a list of contractors who have performed satisfactory work for unit owners.

**ADJOURN TO EXECUTIVE SESSION**

Upon motion duly made by Nancy Slattery and seconded by Patty Culbertson, the meeting was adjourned to Executive Session at 8:28 p.m.

Respectfully submitted,

  
Board Secretary