

**JAMES/KILMER CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
May 29, 2012**

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, May 29, 2012, in the James House Hospitality Room, 1560 North Sandburg Terrace, Chicago, Illinois, pursuant to By-Laws.

CALL TO ORDER

Nancy Slattery, President of the Association, called the meeting to order at 7:04 P.M. A quorum was present in that the following directors were present:

Frances Andrews
Judy Barnes
David Beck
Barbara Fiacchino
Barbara Grodzins
Tom Meyers
Dorsey Ruley
Nancy Slattery

Betty Latson was not in attendance

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

PROJECTS UPDATE – MANAGEMENT REPORT

Mr. Vicens reported on the following:

- The Lateral HVAC Pipe Replacement Project
 - The Infrastructure Committee interviewed four engineering firms bidding on the Lateral HVAC Pipe Replacement Project and has selected one; James Ehrlich is present at the meeting and will convey the Committee's recommendation for consideration by the Board, leading to an action item on the agenda.
 - Kurt Kruger has obtained prices for replacement fan coil units, installation of which may be added to the pipe replacement project. There are three different unit sizes for both James House and Kilmer House, and prices for the units, including installation and built-in thermostat capability, range from \$3,275.00 to \$4,475.00, depending on the size of the unit and the location of the replacement. Ms. Slattery confirmed with Mr. Vicens that the extra expense would be incurred only if a unit owner wished to have the fan coils replaced, and that the per-unit price could decrease depending on the engineering contractor performing the project and the number of units ordered.
- Façade work on the east side of James House is expected to be completed on June 29, and on the northwest corner of the building – the Tier 15 balconies – on July 20.
- The James House Penthouse windows are expected to be replaced during the third and fourth week of June, to be followed by replacement of the ground floor windows.
- Due to a manufacturing defect, Tiers 12 and 15 will have their new operable sash windows replaced during the fourth week of July. The replacement will be done from inside the units.
- After the new Penthouse windows are installed, the James House roof replacement will begin around August 6 and finish up approximately eight weeks later. A temporary roof may be installed so the window installers can walk on it.
- The Kilmer House Façade Project is expected to be completed by June 29.

Mr. Vicens then explained that the scheduling confusion and difficulties at Kilmer House that have occurred to date have been caused by the contractors not adhering to the planned and posted schedule, and that this problem will be addressed at his June 30 meeting with the contractors, noting that Management has no control over the activities of the contractors. Discussion ensued about scheduling, why there is no penalty clause in the contract with Golf Construction, the choice of Golf owing both to the work it was already doing satisfactorily on James House and to its low bid, Golf's unexpectedly poor performance at Kilmer House, and dealing with different subcontractors for different phases of the project. Mr. Vicens agreed to include a request for more workers in his discussions with Golf Construction representatives at the meeting.

In response to a question from Ms. Fiacchino, Mr. Vicens stated that new doors will be installed on the ground floor when the new windows are installed. Ms. Slattery noted that after the ground floor windows are installed, the window treatments cannot be attached to the frames of the new windows. Mr. Dorsey asked about problems with cell phone use. Mr. Vicens explained that the problem has been studied and that owing to metal particles in the glass, the new windows do, in fact, appear to negatively affect cell phone use. He stated that residents could obtain boosters for their phones, but that a building-wide booster installation would be too expensive, and he agreed to address the situation further at the next Board meeting.

REGULAR OPEN FORUM

Ms. Slattery opened the floor to comments and questions from unit owners, reminding them that once the Board moves forward with its meeting agenda, discussion will be limited to Board members. The following items were discussed:

- The need to keep residents informed about project work and anticipated completion dates.
- The poor scheduling and communication by Golf Construction at Kilmer House.
- The need to have a contractor examine the plumbing in Kilmer House with regard to whether or not clothes washers may be installed in Kilmer House, either in the kitchen or the bathroom or both and, if so, to have Management issue a letter so stating. There has been some confusion as to differences in rules about this for James House and for Kilmer House, owing to their very different construction, but as of 2008, there has apparently been no restriction on washer installation in Kilmer House, with the proviso that no City of Chicago building codes be violated.
- The satisfactory actions of Management in informing all residents about measures to be taken during the NATO Summit to secure the buildings and in engaging extra staff for security purposes during the Summit.
- The time frame for the Lateral HVAC Pipe Replacement Project, which will be created after the recommended contractor's proposal is approved and it is determined whether a maintenance or a new construction permit from the city is required; at this point, it is thought that the project will not begin until at least September or October.
- The problem of whistling from the windows; TRACO has been asked to provide a solution. Sealant or weather stripping works only in some instances. The whistling may be caused by the force and direction of air flow rather than by the construction of the windows.
- The need to inform residents about the rules relating to affixing objects to the outside walls or placing floor coverings on their balconies, neither of which is allowed. In addition, residents should be reminded not to water their plants so generously that water overflows onto balconies below.
- A problem with workmen in a unit at night and on weekends for almost two years; the work is being directed by the unit owner's son, who has a key and therefore access to the unit at all times. Discussion ensued about the need to make a formal complaint which can be investigated by the staff, and to carefully review and, if need be, clarify the rules about work in units, including

distinguishing between redecoration and renovation, and what the rules specify in cases in which the workers are not making a disturbance. The issue of the term that renovation fees cover was also brought up.

- A request for an estimate of the cost to paint areas of the garage after the garage concrete work is completed.
- An opening in the new hung windows between the screen and the frame which appears to be larger than it should be.
- The unusual appearance of the screens, because they are made of nylon and not aluminum and therefore are not as taut as metal screens.
- A question for the contractor meeting about how long it takes for the balcony membranes to dry and when the final inspection of the balconies will actually take place.
- How it is determined whether there is pooling on a balcony and what is done to remedy it when the pooling is brought to Management's attention. Self-leveling concrete is being used on some balconies.
- A balcony screen door that appears to be streaked.
- The need to adhere as closely as possible to the schedule of Board meetings approved in January.
- The need to control legal expenses, including having the Association's attorneys contacted only by Mr. Vicens when necessary.

Mr. Vicens stated that he will deal with all of the issues that were raised.

APPROVAL OF MINUTES

Ms. Fiacchino asked if there were any additions or corrections to the minutes of the Board meeting held on May 1, 2012. There were two corrections. **Barbara Fiacchino moved that the draft of the minutes of the Board of Directors meeting held on May 1, 2012, be approved as amended. Barbara Grodzins seconded the motion After discussion, the motion passed unanimously.**

The discussion was about how detailed a record of discussions should be included in the minutes, with the conclusion that only discussions pertinent to action items should be included.

TREASURER'S REPORT

Mr. Losik delivered the Treasurer's Report for the period ending April 30, 2012, as follows:

The cash and investments in the Operating Fund totaled \$289,385.00, the cash and investments in the Reserve Fund totaled \$5,546,294.00, and the cash and investments in the Special Assessment Reserve Fund totaled \$576,975.00.

The budget for the Operating Fund included an anticipated deficit of almost \$73,000.00, owing largely to heating gas expenses; the actual deficit for the first four months was \$77,000.00, and it is anticipated that this will be made up over the next several months. Hallway painting for the year was budgeted at \$45,000.00, and much of that work has already been completed.

In response to a question from Mr. Beck, Mr. Losik stated that the audit will be completed in a few weeks.

COMMITTEE REPORTS

Infrastructure Committee

James Ehrlich, Co-Chair of the Committee, stated that Mr. Vicens and Draper and Kramer solicited bids for the Lateral HVAC Pipe Replacement Project, and received bids from six firms, four of which were chosen for review by the Committee. The Committee recommends engaging Fox Valley Engineering, which has done similar work in other area high-rise buildings and can perform the work without damaging the units or displacing residents. He added that the firm will oversee the bidding process for the firms that will actually perform the work, will oversee the permit process, will supervise the work and deal with change orders, and will provide a timeline and communicate with residents.

Website Committee

Mary Occhipinti stated that there was nothing new to report. Mr. Beck commented that the website still posts the old pet rules.

Pet Committee

Carol Abrioux reported that the condition of the back entrance has improved. She mentioned some concern on the part of Committee members about how much they are informed about infractions of pet rules. Ms. Slattery responded that it is the function of Management and the Board to enforce pet rules and deal with infractions, and that these matters are confidential. Ms. Abrioux stated that the Committee is still seeking volunteers, and it was agreed that an item asking for volunteers will be included again in the next newsletter.

Garage Committee

Ms. Grodzins reported that there was a loss of revenue during the NATO Summit.

HOA Report

Mr. Beck reported that some of the largest trees in the 1300 and 1400 malls will have to be removed because their weight is too great for the columns in the garages below the malls.

Ms. Johnson reported on several upcoming events:

- The Dearborn Garden Walk will take place on July 15, with a charge of \$30.00 in advance and \$35.00 at the door.
- Alcott-Bryant is holding a garage sale on June 2 at 10:00 a.m., with a rain date of June 3.
- A Taste of River North will be held on July 21 and 22 at Erie and Kingsbury, with entertainment by bands, and food from all the restaurants in the River North area.
- For the Rider Cup, the Greater North Michigan Avenue Association is sponsoring large decorated golf balls to advertise the event.
- Ronald McDonald House is opening at 211 East Grand Avenue on June 26; donations are needed and can be made on line at rmhccni.org/registry, or on Amazon's and Macy's websites.

In response to a question from Ms. Andrews, Ms. Johnson stated that HOA has established a neighborhood committee whose function is to integrate Sandburg Village into the community and inform residents about community events. In response to a question from Mr. Meyers, Ms. Johnson stated that the Wells Street Fair and the Old Town Fair will take place on the second weekend in June.

ACTION ITEMS

Approve Awarding a Contract for the HVAC Lateral Pipe Replacement Project Engineering
Upon motion duly made by Frances Andrews and seconded by Tom Meyers, the following resolution was made:

BE IT RESOLVED, that the Board of Directors approve awarding a contract to Fox Valley Engineering to provide engineering bid services and job oversight for the HVAC Lateral Pipe Replacement Project, in the amount of \$74,775.00, in accordance with its proposal dated May 14, 2012. The motion passed unanimously.

Approve Remodeling Applications

Upon motion duly made by Judy Barnes and seconded by David Beck, the following resolution was made:

BE IT RESOLVED, that the Board of Directors approve the remodeling of units #608K, #3209, #3712 and #3715, 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, and that will be subject to ongoing inspection by the Association's Assistant Chief Engineer. The motion passed unanimously.

Approve Rescission of Eleventh Amendment to the Declaration

Upon motion duly made by Frances Andrews and seconded by Barbara Fiacchino, the following resolution was made:

BE IT RESOLVED, that the Board of Directors, at the request of the owners of Unit #2101 and Unit #2102, rescind its approval of the Eleventh Amendment to the Declaration of Condominium Ownership for Carl Sandburg Village Condominium Association No. 7 to separate the two previously combined units #2101 and #2102. The motion passed unanimously.

RECESS TO CLOSED SESSION

The Board recessed to Closed Session at 8:07 p.m.

RECONVENE TO OPEN SESSION

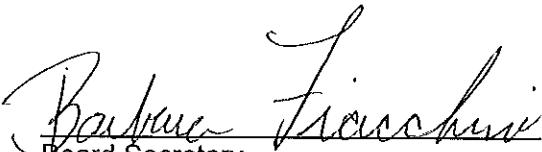
The Board reconvened to Open Session at 8:29 p.m. Upon motion duly made by David Beck and seconded by Barbara Fiacchino, the following resolution was made:

BE IT RESOLVED, that the Board of Directors approve fining the unit owner cited in Closed Session \$200.00 for violation of a pet rule. The motion passed, with Frances Andrews, Tom Meyers and Dorsey Ruley opposed.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Judy Barnes and seconded by Nancy Slattery, the meeting was adjourned at 8:32 p.m.

Respectfully submitted


Board Secretary