

# Window Project Due Diligence Report

Joint Committees start critical bid review process

**On April 21** there was a combined meeting of the Infrastructure, Finance and Windows Design Committees to review the James House windows and concrete repair bids recently compiled by the Association's engineering firm of Klein and Hoffman. Peter Powers and Jim Swint of K&H chaired this kick-off meeting. Over 50 owners participated in this meeting.

This set of bids from the installation contractors and window manufacturers represents 6 different combinations of installation methods and product suppliers. Most of the installers and manufacturers participated in the mockup window installations this last winter to gain first hand experience in the specific working conditions and building variables our ultimate project will entail. That process should result in more realistic bids and less surprises in project.

The bids for window and installation came in at ranges of \$10 to \$12 million. These prices are close to 2006 levels due to the lack of the anticipated inflation rates, a result of the recent economic climate hitting the construction industry so hard.

Please note, while the installation and product bids are the bulk of the total project costs, these still don't include the additional engineering fees, concrete contingency,

project management and resident moving and painting service fees. The committees are in the process of discussing and collecting bids on these remaining items to arrive at a "total project cost" estimated at \$12-\$14 million.

**Last week:** May 6 and May 7 meetings of the Infrastructure (IC) and Window Design committees started the process of narrowing options and developing questions that will further refine our total project costs. Approximately 100 owners participated in Mockup window surveys this year and gave feedback that the committees are continuing to use in all variables being discussed.

The IC is working through accessibility design questions along with other features of the window design that could impact future HVAC building opportunities.

The Window committee made up of over 30 owners has now broken down into subcommittees focused on Exterior Design, Contractor Interviews and Sample Show Room Planning. This last sub-committee will be working towards bringing together sample windows and doors, glass colors and frames and demonstrating these features to all owners within the next 30 days (goal.) Key to this demonstration will be showing owners how these features look on both the east and west sides of the building each with unique issues.

## TOWN HALL MEETING 2

### JULY GOAL

*The Committee Chairs are coordinating efforts to conclude these final stages of research in order to bring a comprehensive status report to owners in the next 60 days. We recognize that the wait has been agonizing, the hallway chatter less than accurate at times and the economic environment a new challenge for many. We are listening.*

## Window Litigation Update

As all owners are aware, a judge recently issued a ruling, in a lawsuit filed by four Kilmer owners, that the board could not assess Kilmer House owners for the replacement of the James House windows, ruling that the windows are limited common elements and the cost should be born solely by the James House owners. The four Kilmer owners are also challenging the Association's ability to use the capital reserve fund for the windows as well as the Association's right to borrow to help James owners pay for the windows over a period of time. The court, in its recent ruling, did not address the issue of reserves or borrowing.

At its April 28, 2009 meeting the Board authorized the Association's attorney's to file a motion to clarify the issue of reserve use and borrowing and that motion was presented to the court on May 5, 2009. The court has set a briefing schedule on those two issues. There will be a hearing on June 19, 2009 at 3pm before Judge Maki of the Circuit Court of Cook County at the Daley Center. Proceedings are open to the public.

Once these issues are resolved, the Board has authorized the Association's attorneys to appeal those issues where the Association believes the court has erred. A typical appeal can take from six to twelve months to resolve. The appeal can be expedited, but that is solely within the discretion of the appellate court.

We remind everyone that no special assessment has yet been voted or project approved at this time. We will keep all owners advised as this matter progresses. *David Beck, President*

## Postal News: Prices increase on first class mail and proper address is required for delivery

The US Post office has increased the price of *first class mail* to .44 (from .42). *Express Mail* now starts at \$13.05 and *Priority Mail* starts at \$4.95. Prices took effect on May 11.

Please be aware and alert all of your friends and correspondents, that the Post Office will not guarantee that your mail will be delivered to your home if the complete address is not on the envelope (apartment number must be in address). This is *not* a James/Kilmer rule or operational issue, this is a US Postal Service Regulation over which we have no control.

Finally, please use the "return mail slot" located on the mail door or the Kilmer Box if you receive mail that does not belong to you rather than leaving on the mail ledges. Thank you.

### Upcoming Dates:

**May 14<sup>th</sup> 7pm**  
Computer Group Meeting

**May 18<sup>th</sup> 7pm**  
Penthouse Committee Meeting

**May 19<sup>th</sup> 7pm**  
Infrastructure Committee Meeting

**May 21<sup>st</sup> 7pm**  
**May 28<sup>th</sup> 7pm**  
Finance Committee Meetings

**May 25<sup>th</sup> Holiday**  
Memorial Day Office and Receiving Room closed for holiday.

**May 26<sup>th</sup> 7pm**  
Board of Directors Meeting

*All meetings held in Hospitality room*

