

James/Kilmer

Condinium Association Newsletter

Editors: Judy Barnes and Diana Cardenas



James House Unit Owners—Two Important Dates – PLAN NOW!!

Judy Barnes, JK Board Vice President

1) Final Decisions on Window Direct Charge Payment Method Due by June 1

2) Direct Charge Payments are Due August 1

James House Unit Owners need to identify their best financing method to pay for their upcoming windows direct charge. Their **payment selection decision will be due June 1, with payments due on August 1.** Draper & Kramer will be sending out letters to each individual unit owner on these **final** direct window charges by mid May. For

planning purposes use these **estimates** for windows and balconies that were provided previously for studio, one and two bedrooms:

\$11,894 for studios

\$21,244 for 1 bedrooms

\$39,918 for 2 bedrooms.

The Draper & Kramer letter will also outline the interest rates on the payment plan options (if you choose to utilize the

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DATES TO REMEMBER

BANKER'S DAY
APRIL 17, 10:00 -1:00
JAMES HOUSE LOBBY

PET RULES FOCUS GROUP MEETING
APRIL 26, 6:30 P.M.
PENTHOUSE

association loan), the monthly payments and the rules governing that payment plan. As a reminder, the direct charge is the summation of the unit owner window costs, concrete balcony repairs, and railing repairs for the one and two bedrooms. The direct charge for studios will only be for their windows, as studios do not have balconies and railings.

For assistance in evaluating and learning more about financial alternatives in determining your optimal method, please talk with your personal bank or financial institution *first*. Also, to provide owner assistance on becoming knowledgeable about financing opportunities, JK will be hosting a second **Bankers Day on Saturday, April 17, from 10-1, in the JK lobby** with several banking institutions present (Chase, Bank of America, Wells Fargo, Citibank, Fifth Third, Diamond Bank etc.) to speak with individual owners regarding personal financing needs/alternatives. Please note that it may take banks 60-90 days to process your financing alternative, which is why it is important to PLAN NOW.

Also, the Bankers Day benefits Kilmer residents as well. Kilmer owners should utilize this opportunity to look at personal financing alternatives for their future direct charges that are expected in the future on their limited common elements. Please see the President's Corner in this newsletter for a list of Upcoming Kilmer Limited Common Element (LCE) Projects.

As presented in various Town Hall and Board meetings, your choices for the James House Windows payment include:

1. **Pay a lump sum cash total** – funded by your own alternatives that can come from cash, sale of stocks or bonds, CDs, Home Equity Loans (HELOC), mortgage refinancing, reverse mortgages, or a personal loan from your banking institutions. *Your own personal alternatives offer many more financial benefits in terms of your tax deductions and better rates/terms.*
2. **Use of the Association loan to make payments** over 3, 5, 7, or 10 years.
3. **Use a combination of the two** -- part cash, part association loan.

The purpose of the association loan is to assure that everyone has access to financing for this critical project. However, we know that the terms of the association loan may *not* be as favorable or flexible as your personal financing alternatives. For example, the association loan interest will NOT be tax deductible. We offer the association loan as an alternative but potentially not the most optimal alternative for unit owners. So we encourage all owners to check into their own options *first* before assuming the association loan.

Also, please note that as we finalize the association loan with Harris Bank, there may be additional finance charges to the unit owner when using the association loan due to the current unresolved litigation pending against the association. The Association loan will have limited flexibility with respect to prepayments compared to your unit owner personal financing alternatives. Some of the key prepayment rules are listed below:

- a) If an owner sells their unit, they may prepay the loan balance without penalty.
- b) Once a year, owners may elect to pay off the total loan balance without penalty.
- c) You may NOT pay extra each month or year once you have selected your loan terms—if you think you may want to do this, you should secure your own loan with the ability to make those accelerated payments without penalty.

You may be asking “why do I need to pay all my money up front – if the windows aren’t being installed until a later date?” There are a lot of good reasons to pay upfront:

- 1) We were able to drive down the cost of the project by raising the cash now to make advance payment for materials;
- 2) We are able to lock in lower interest rates for the long term by moving now;
- 3) We build a ‘default reserve’ in the least expensive manner, etc.

These are just a few of the reasons why upfront payment benefits unit owners.

We look forward to seeing you at the Bankers Day this Saturday. We thank Barbara Grodzins and Gina Zehr for their great work in organizing the two Banker Events for our unit owners. They are also responsible for recruiting Starbucks to provide complimentary coffee on Saturday morning in appreciation of the JK business we provide.

Presidents Corner

Duane Hickling. JK Board President

Although the recent focus of capital repairs in our association has been on the James House windows, it should be noted that there are several other projects which will be necessary for the association to address over the next two years. This work will fall into both the category of common elements (CEs - funded by the associations capital reserves) and limited common elements (LCEs - funded by individual unit owners).

The projects, which have recently had completed engineering studies and will be scheduled and bid to contractors within the next two years are as follows:

Limited Common Element Funding:

- Kilmer Window Maintenance – This is maintenance on windows which is scheduled to be done 10 years after installation.
- Kilmer Balcony Repair (concrete and railings) – This is scheduled maintenance which is performed as part of the exterior building upkeep, which is performed on Kilmer every 6 years.
- Kilmer Patio Walls/Drain Repair – This is a HOA-initiated project and is part of the overall work to keep the malls in attractive and watertight working order, as well as, to eliminate the water leakage into the JK Garage caused by these needed wall/drain repairs. The patio walls are part of the 8 west side Kilmer ground floor units, and thus these are deemed to be LCE’s and not a HOA-funded project—thus the responsibility of these 8 Kilmer owners. The repair estimate is between \$100,000-\$125,000 and the work is expected to be done this summer.

Common Element Funded Projects:

- Kilmer Façade Repair – This is scheduled maintenance to maintain the integrity of the building exterior and keep it water tight – and is performed every 6 years.
- James House Roof Replacement – This was normal capital renewal which is done as needed--approximately every 20+ years. (Note: The Kilmer Roof was replaced in 2004-2005 timeframe).

Property Manager's Corner

Richard Vicens, JK Property Manager

I. Introduction – Capital Projects that will impact our “Quality of Life” in the next few months

In early March Golf Construction began the **James House remedial concrete repair work as mandated by City Ordinance** (see details below). Most of the work is being done in order to place James House in compliance with City requirements. Construction documents are being prepared for **Kilmer House Façade work** and HOA will be contracting for plaza concrete work which will include repair of the **walls/drains on the eight Kilmer ground floor units** facing the plaza. This is necessary to stop the water leaks in the garage. It is possible that the **Electrical Vault (just east of the fountain) will be replaced this summer**. Finally, the **James House window installation will begin in late August**. Having said all of this, I would ask that you consider the magnitude of ongoing operations and try to be a little tolerant and realize that all of this *work is vitally necessary in order to maintain the assets of the Association*.

II. Heating/Cooling Changeover

It is that time of year again when in a given week temperatures may be in the 70's one day and then fall to the 50's or lower later on in the day. Our Chief Engineer follows the anticipated weather patterns and makes adjustments to compensate for these changes during this period, wherein, one day may call for air conditioning and that same evening, heat may be required. Complicating the effort to provide comfort during this between-seasons period is the fact that there are NO zones for heating and cooling--thus the entire building is either heated or cooled, depending on the mode of operation.

In order to switch between heating and cooling and back again, many valves must be operated and when going from heating to cooling mode the hot water in the system must cool down before the chiller units can be started. It is simply not practical to continually switch between heating and cooling, given system constraints.

So when the sun is strong and shining on the south and west sides, these units may be too hot while those with north or east exposures may be too cold. We may switch to cooling mode for several days only to find that there are many complaints of units being too cold.

Residents on the west and south sides of the building may want to consider closing their blinds during warm sunny days until the system is switched to full cooling.

This situation is very common and a problem that has to be addressed in virtually all residential buildings of this age, which have a central heating and cooling plant. Generally the system is switched to cooling sometime between May 15 to May 30 and we ask for your understanding and patience during the interim period.

The situation is complicated this year because of the concrete work. Residents cannot open their windows during the work day and we cannot supply air conditioning at this time.

III. Penthouse Refuge

Understanding that the ongoing project work is disruptive and given that residents will not be able to stay in their units when their windows are being installed, we are creating a refuge in the south room of the penthouse. Wi-Fi is now in place and there are four card tables for your use. Additionally, we plan on having daily newspapers available, as well as magazines. Donations of magazines from residents would be greatly appreciated. Please bring them to the Management Office.

IV. Window Washing

Some James House residents are upset about the fact that their windows were not washed in the last cycle in March. In fact the contractor was only able to do half the building. The washers will not work below the concrete crews and the concrete crews will not work if the washers are above them. It is a matter of worker safety which cannot be compromised. Even if the windows were to be washed in the work tiers, it would not be long before the dust and dirt would reappear. The contractor is not expected to be off of the south façade until the end of May at which time those windows would be washed.

V. Concrete Project

Golf Construction presently has six locations rigged for work and intends to install a seventh. The reason for this is that they are getting shut down on the south side quite a bit because of wind conditions. At this time, work is underway on Tier 1 (south), Tier 2 (south), Tiers 1 west & ½ of 3, Tiers 5 & ½ of 7 and Tier 11 (balcony). Within two weeks, work will begin on Tier 2 (balcony) and Tier 15 (balcony). *The work period is 8:30 a.m. to 4:30 p.m. on weekdays and 9:00 a.m. to 4:30 p.m. on Saturdays if the contractor loses a day during the week due to weather conditions.* We will always post a notice if there will be Saturday work.

Work on a typical scaffold drop consists of:

- 1) An inspection of the top to bottom drop by K&H, our engineer and areas requiring demolition are identified
- 2) The contractor then performs top to bottom demolition
- 3) The engineer then performs another inspection to see if the demolition has been done correctly
- 4) The demolished areas are then prepared for concrete placement and there is another

engineer inspection

5) The repair concrete is put in place and the engineer makes a final inspection. Given this scenario, when the drop is being worked the scaffold will be up and down continually until the work there is finished.

Some residents have been experiencing dust infiltration and we ask that you make sure that all of your windows are closed during the work period and that if you have a balcony, place a rolled towel along the base of your sliding door, making sure that the door is tightly closed. *The best way to limit dust infiltration is to use masking tape (blue only) to seal your windows. If you have a balcony you will have to remove furniture and other items such as planters and grills when your tier is being worked on. Arrangements have been made to store grills in a garage area.*

The contractor has requested that you keep your blinds or shades drawn when workers are on your tier. This is to avoid any misunderstandings or awkward situations.

The contractor has also asked that you immediately notify the Management Office if cracks or deflections appear in your unit as the work progresses.

We have a progress meeting every Tuesday at 10 a.m. and we go over resident issues, changes in schedules, weather conditions and unusual findings at that time. Please bring any special concerns to the attention of the Management Office so they can be discussed at that meeting.

In case you are wondering, the contractor will be finished with the entire south side in time for the pool opening.

VII. Windows Project

Under present planning, **the windows project will begin on August 23**. Prior to this, each unit window will be individually measured so that fabrication can take place. *The measurement process will start on or about May 3*. During this time all units will be inspected and any unusual conditions requiring special attention will be noted. The inspection will be performed by our Project Coordinator, Paulette Demers. Paulette will be the liaison between this office, the contractor and residents. She will be meeting with residents to ensure that there is an understanding of the process and that each unit is properly prepared before the contractor arrives.

On the day of your window installation the contractor will first remove all of the windows. The front door of your unit will be left open and for safety reasons you will not be able to remain in your unit. We will have a security guard present to prevent unauthorized persons from entering your unit. *Ideally all pets should be removed rather than locked in a bathroom*. If for some reason the pet gets loose there will be great danger to the animal with all of the windows removed. Unless there are problems, all new windows will be installed by the end of the work day. Prior to work in your unit, furniture must be moved, pictures have to be taken down and floor and furniture protection has to be in place. Once the work is finished, the unit

has to be restored to pre-installation condition. *Detailed information regarding this will be made available to you well before your installation date.*

The contractor will be performing the work in *four phases*. The first phase will be on the west side of James House and will include units 3 through 11. This phase is expected to take 60 days, begin on August 23 and end on November 5. The contractor will be proceeding in a counter-clockwise direction and second phase will include tiers 1 and 2. The work for these tiers will begin on November 15 and end on February 4, 2011. The third phase will include tiers 4 through 10, begin on February 21, 2011 and end on April 29, 2011. The final phase will include tiers 12 and 15, begin on May 16, 2011 and end on July 29, 2011.

These schedules will be adjusted for weather conditions; however to get an idea as to when your unit would be done, the installation will be top to bottom with one floor completed per work day.

VIII. Mini Town Hall Meetings

Project Coordinator, Paulette Demers and I will begin holding briefing sessions for the windows project in about a month. We will answer questions and provide more detail regarding individual unit preparation and any changes in the schedule.

Tentative Schedule for James House Balcony Concrete Repairs and Tentative Schedule for James House Window Installation

Judy Barnes, JK Board Vice President

TENTATIVE SCHEDULE FOR JAMES HOUSE BALCONY/ CONCRETE REPAIRS

<u>Tiers</u>	<u>Start/End Dates*</u>
1 and 3 (Not Balcony)	3/8 to 5/28
5 and 7	3/8 to 4/30
11 (Balcony Only)	3/30 to 5/5
2 (Balcony Only)	4/15 to 5/28
1 South	4/5 to 5/28
3 (Balcony Only)	4/5 to 5/28
2 South	4/5 to 5/28
7 and 9	5/28-7/28
11 and 15	5/28-7/28

TENTATIVE SCHEDULE FOR JAMES HOUSE BALCONY/ CONCRETE REPAIRS

The following start and end dates for the following tiers are to be determined the Week of April 19 and updates to follow:

12 (Balcony Only)	15 North	15 (Balcony Only)
12 North	2 and 4	8 (Balcony Only)
10 and 12	6 (Balcony Only)	10 (Balcony Only)
6 and 8	4 (Balcony Only)	1 (Balcony Only)

*Please note that this schedule will change depending on weather, wind and unanticipated conditions.

TENTATIVE SCHEDULE FOR JAMES HOUSE WINDOW INSTALLATION

<u>Phase I</u>	<u>Start/End Dates*</u>
Tiers 03, 05, 07, 09, 11	8/23/10 to 10/29/10
<u>Phase II</u>	
Tiers 01, 02	11/15/10 to 2/4/11
<u>Phase III</u>	
Tiers 04, 06, 08, 10	2/2/11 to 4/29/11
<u>Phase IV</u>	
Tiers 12, 15	5/16/11 to 7/22/11

*Please note that this schedule may change depending on weather and unanticipated conditions.

JK Condo Website

Ron Miller, JK Website Webmaster

The JamesKilmerCondo.org website will be used to communicate window project status to help keep unit owners informed.

The website has been updated with garage employee photos. Our goal is to make it easier for residents to identify our hard working staff when letting our garage manager, Eddie Main, know what a great service they continue to provide.

The Board of Directors are in process of having their photos taken for the website, and the Management Office is considering adopting the same program.

The JK Web Committee appreciates all feedback.

Finance Committee Update

Betty Latson, JK Treasurer, Finance Committee Chair

At the March Board meeting, the Finance Committee recommended and the Board approved Harris Bank to be the lender to the Association. Harris Bank is one the most experienced lenders in the area of condominium and cooperative lending. We have been working closely with Harris Bank for some time now, and expect to receive a loan commitment from Harris Bank in the next few weeks. We will then be in position to finalize the remaining details of the direct charge and payment plan features and notify unit owners..

Each unit owner will receive a letter detailing the direct charge and their payment plan options including interest rates (on the Association loan—should you elect this financing choice) on the 3, 5, 7, and 10 year loan plans, the monthly payments, and prepayment rules for this payment method. We expect to have letters out to unit owners in the first half of May 2010.

Unit owners will then have until June 1st to decide on their payment plan selection. Unit owners will receive their invoice from the Association at the end of July 2010. All payments whether a lump sum cash payment or a partial payment of the direct charge or monthly payments on the Association payment plan all begin on August 1st, 2010. We know that the process of identifying the direct charge and providing details of the payment plan options has taken a great deal of time. We thank you for your patience.

Please contact the JK Management Office or me with any questions that you may have.

Window Sub-Committee Update

Nancy Slattery, Window Design Sub-Committee Chair

On March 30, four window design options were put on display in the James House lobby and on the Penthouse floor in the North Room. James House owners were asked to fill out a survey and give us their opinion on which design option they preferred. The options were on display through April 8th, and during that time we had a wonderful response from the owners with an impressive 273 surveys being filled out.

The Window Design Sub-Committee met with J/K Property Manager, Rich Vicens, to go over the surveys. Of the responses we received, 146 preferred Option A which consists of Dark Bronze Frames and Panels and Grey Tinted Windows and the Eggshell Concrete Color. On recommendation by the architect, designer and K&H, the balcony railings will be painted to match the Frame and Panel color (Dark Bronze). The committee agreed to recommend Option A to the Board, and presented it during the April 8, J/K Board of Directors Meeting. This recommendation/motion was approved by all present Board members.

If you'd like to see a breakdown of the survey results, it has been posted on the J/K Website.

Next steps will be getting approval from the HOA Board of Directors. The recommendation has been forwarded to Jack Vedra, President of the HOA Board and it will be voted on at their April 28 Board meeting. We will keep you posted when we have approval.

This has been a long, involved process and a very important one. The Window Design Sub-Committee would like to thank all James House owners for the great response and support that we have received.

Project Coordinator Introduction

Judy Barnes, JK Board Vice President

Paulette C. Demers has joined the JK team as Project Coordinator for both the windows and balcony concrete projects. She will work closely with Rich Vicens, Property Manager, and will be the interface or link between residents and the project team, which includes: contractors/engineers/installers/JK Mgmt team. Paulette brings several years of project coordination, customer service and design experience to us. Some of the window replacement/concrete restoration projects she has recently coordinated include:

- 1) Grand Ohio Condominium at 211 East Ohio (600 units)
- 2) Imperial Towers Condominium at 4250 Marine Drive (862 units)
- 3) 3470 N. Lakeshore Drive (60 units)
- 4) 720 Gordon Terrace (268 units)
- 5) 3180 N. Lakeshore Drive (197 units)

Paulette has begun her coordination/scheduling work with the concrete balcony project and will also begin scheduling the *measurement process on the James House windows on or about mid May*. For the measurement process, she will accompany *a representative of the window installers, Softer Lite, who will do the critically important process of measuring EVERY James House window*. She will be in touch with all unit owners directly as this measurement process begins. She shares an office in the Penthouse (south room) with our other contractors. She can also be reached by phone--312-654-1560 (ext TBD), or her mobile, 773-526-6585. As we work through all phases of these projects, she will be the tactical communicator and day to day interface with ALL residents on ALL phases of these projects e.g. measurement, unit preparation, installation, inspections, final walk throughs. She will be your contact person you call with ALL your questions regarding this work, installations and scheduling.

Please join us in welcoming Paulette as an important and experienced team member on these projects over the next several months.

Garage and Parking Operations

Frances Andrews, Garage Committee Chair

As reported in the previous newsletter, the Parking Garage Industry, including both public and private lots, is not recession proof. Like many garages across the country, JK garage revenues have declined. However, we look forward to realizing some revenue increases as Latin School employees continue to sign up with our garage as their existing contracts with other garages expire.

Although not an extremely significant problem, we continue to deal with delinquencies amongst monthly parkers. Shortly, the Board will be voting on implementing a policy to address delinquent parkers.

Finally, as we move forward with major projects (i.e. The James House Windows Project, ComEd Vault repair, James House Concrete repairs and the HOA repairs), we will keep you informed as we coordinate traffic flow, parking and garage operations. Thank you in advance for your patience!

Staff Highlights

Nichelle Wilson, JK Assistant Property Manager

JK Staff Updates

- New Employee -Edgar Tenorio was hired on February 25th as a part time employee. Mr. Tenorio will fill-in at the door station and in the receiving room.
- Employee Workshop - Draper and Kramer will be holding a MANDATORY Five-Star Training Workshop for ALL employees on April 30. The workshop will focus on teamwork and how each individual employee feels about being a part of the team.

JK Resident Reminders

For security purposes, residents are responsible for carrying a key fob when leaving and entering the premises. If a resident does not have their fob, they must sign-in to be admitted into the building. If the door staff does not recognize the resident, you must present an ID to verify that you are a resident.

Door personnel will assist in opening the doors when residents are carrying packages/luggage; but the resident must have their fob visible and use it to unlock the entry door.

Residents with physical challenges will be helped with their fob.

Kilmer Lawsuit Update

David Beck, JK Secretary

With regard to the lawsuit filed by Dan McNamara and Suzy Ridenour, the attorneys are waiting to hear from the appellate court regarding whether there will be oral arguments on the appeals or whether the court will decide the appeals based solely on the briefs that have been filed. It is unknown at this time when that decision will be made or when there will be an ultimate decision on the merits of the appeals.

Engineer's Corner

Kurt Kruger, JK Engineer

In an effort to maintain enjoyable living conditions, I remind all residents to adhere to the existing rules regarding refuse disposal - please wrap/tie all garbage, bags, cans, bottles, etc. before putting in chute. Leave large items on the floor in the Chute Room as the maintenance crew will remove them. The timeframe within which one may dispose of refuse down the chute is:

- Weekdays 7:30a.m. to 10:00p.m.
- Weekends 9:00a.m. to 10:00p.m.

Cooling season is not far away, I remind all residents who don't clean and oil the original metal filters, to have disposable fiberglass filters replaced at least every six months. All residents can benefit by having Anti-bacterial tabs placed in the condensate pan during the cooling season. Filters and tabs can be ordered from the Management Office and installed by the JK maintenance staff or delivered to your unit or left at the Receiving Room for your pickup.