



Park Tower CONDOMINIUM ASSOCIATION

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Board of Directors Meeting Monday, March 10, 2008 Minutes

In Attendance

George Pauley, President; Carlos Vargas, 1st Vice President; Sandra Goldberg, Secretary; Steve Hanna, Property Supervisor; Tim Patricio, Property Manager; Mavis Mather, Assistant Manager Business Operations; Michael Rupert, Assistant Manager of Security & Operations; Sara Kacheris, Administrative Assistant Resident Services

Absent

Phoebe Helm, 2nd Vice President; Laura Cossa, Treasurer

George Pauley began the meeting by saying that Laura is not here tonight because she had her baby; she had a healthy baby boy with no labor. That's wonderful news. She went to work one day, decided to go to the doctor and had a baby. We are congratulating her and we hope that she will be back with us soon. We have a guest speaker tonight, Steve Mays and Matt Swanson from Elara, who will be answering questions about the cooling tower. This will be open to everybody to question them and then we will open up for homeowner questions and comments.

Elara Energy

Matt Swanson stated that since the last time they were here they have completed the engineering and went out to bid on February 22nd as planned. Bids were received from the contractors approximately one week later. Since they have signed a letter of intent with the contractor, Elara is recommending Johnson Controls as the contractor on the project. They will be assigned to the purchase of the cooling tower and pump and all work involved with the project. As a note Johnson Controls has worked in the building before and was the low bidder on the project. Subsequently they have been very fast out of the gate. They have already done the site survey and are in the process of applying for the helicopter permit. They have confirmed that it will not be a problem to get a permit before the proposed lift dates. Secondly they are knowledgeable with the product and are comfortable with laying out and getting the work done in the time that we have proposed. They have modified the schedule a little bit and they are not going to actually demolish the cooling tower until they get the new one onsite. This has taken all the risk involved in the project out of the project. At this point we recommend moving forward as scheduled and completing the project before this cooling season. Our scheduled completion date is around the 18th of April. I have spoken to both the manufacture of the cooling tower and of the pump and both products are on schedule and are still scheduled to arrive on the dates that we have called out on the documentation. Everything is proceeding very smoothly according to plan and we are not seeing any reason for not being able to have the tower up and running before the cooling season begins.

Carlos Vargas asked if they had found anything about asbestos.

We were able to confirm that there is asbestos in the tower. Fortunately even if we were to proceed with the asbestos abatement tomorrow the actual cooling tower fill is not asbestos only the slats are asbestos. Even if those were removed and we did not get the cooling tower on time you would still be able to use your current cooling tower. There would just be an increase in the cost of chemical treatment and water cost. The cooling tower would still be able to

perform. With that there is very little risk left in this project and we are very confident that it will get done on time.

A Homeowner asked if there was a big difference between Johnson and the rest of the bids? Are they using the same quality materials?

Absolutely, that's a very good question, as I said previously Johnson has done work in the building before and as such they were able to understand how it is to work in this building. They are familiar with the intricacies. Because of that they were able to be much more aggressive on the bid than the other contractors. Also they have an in-house control division, and because of that they have in-house control engineers to do that part of the project. This also allowed them to be aggressive on their price.

George Pauley stated that Johnson controls put in all of the cooling that was redone a few years ago including the chillers and the vibration isolators. We will have a complete system by one company.

Carlos Vargas stated that it should be pointed out that Johnson Controls bought York International, which is why it's the same company now.

Once again Johnson Controls installed the chillers and that is why we are very confident in their abilities in this building compared to the other contractors.

A Homeowner asked when are you thinking the helicopter lift date will be and what will that mean to people in this building and in this area?

Basically the way that the helicopter lift is going to work is that we propose approximately the date of April 5th as the lift date. That is a weekend, but Johnson Controls has approached me about possibly doing this during the week as there will be less traffic in and out of the building. During the time that the helicopter is lifting there will be no access in and out of the building at all. The top two floors will need to be evacuated just in case there is an accident and the tower falls. In Steve Mays time this has never happened but we have to take that as it is. There will be two streets closed, Sheridan will need to be closed but we are not sure about Foster or Bryn Mawr. I am not positive about that but the helicopter contractor is initially telling us that we will be able to lift right from the driveway. Because of that we will not have to interrupt any park district activities behind us. We originally thought that we would be lifting from the back of the building but the helicopter guys said that they could lift from the front. There will be six individual lifts that will take place, the cooling tower comes in six pieces and will then be assembled on the roof.

A Homeowner stated that they had said something about the old tower staying in place. Are you going to keep the old tower operational until you get the parts up there for the new tower?

We don't actually need a cooling tower right now and we are being conservative by saying that we will need it by mid-April. What the contractors are recommending that you do is that once the contractors have received the tower and have it in their possession they will remove the tower that is up there before they lift the new one on the roof. There won't actually be two towers on the roof at any point. They don't want to do that just because they are unsure of the structural components on top of the roof and they don't want to have to large of a load on the roof unnecessarily.

A Homeowner asked if they were saying that they won't take the current tower off until the contractor has the new tower in their possession?

That is correct. Getting back to the helicopter lift, there is weather involved and it can't be too windy, or snowing, or raining, or anything like that. This is another reason why they are proposing to do it during a weekday. It is easier to do it the next day rather than waiting a whole week. Again that was the contractor's suggestion, and it was a good suggestion. Its really not ultimately the contractors decision, ultimately it is the City of Chicago that mandates what day it will get lifted. We can go in with suggestions but ultimately it is the City that says no I don't want it done on a Wednesday I want it on the weekend.

They are going in with the request for a weekday but it could change once the City gets involved.

A Homeowner asked when would we know?

We will know if we are able to lift in a couple of weeks. It has to go through the City and the police. They have to make sure that there is no event on the day that we want to lift, that there is nothing else that they would need to close the road down, or some large event that they would need to have access to the building during that time.

A Homeowner asked if there would not be access into or out of the building during that time?

During the time when the cooling tower is lifted onto the roof, nobody would be able to get in or out of the building. I'm not sure if it's the police but someone will be guarding the entrances and exits. The cooling tower when it lifts we are only talking about an hour to an hour and a half.

A Homeowner stated that when the building next door changed their cooling tower they lifted from the park.

That confirms our anticipation that we can do that. Thank you for the information.

Carlos Vargas asked if when the lifting is done does the other tower come down too?

No the old tower will be disassembled, cut into small pieces, and literally carried out of the building through the elevators.

A Homeowner asked if we get the permit for whatever date and it is too windy do we have backup dates or do we have to wait another two weeks to get another date?

What we have is an alternate date; we went in with documents such that if it has to be a weekend we have an alternate date. The contractor knows that they need to pick a date and an alternate date. As we said before we think that Johnson Controls is going to ask for a weekday and have the next day as an alternate.

Carlos Vargas asked if there would be an additional price or cost if we cannot do it on the original date?

No there would be no additional cost.

Carlos Vargas asked if the helicopter was coming from Michigan

No fortunately because of the weights involved with the cooling tower we can use a local helicopter representative.

A Homeowner asked that if the date turns out to be the 5th that's a Saturday?

That is correct, that is why Johnson Controls suggested to move it to a weekday, I said approximately April 5th, I don't know when the exact date will be yet. That date would be one week from the date that we expect the tower to be here.

A Homeowner I remember hearing a \$700,000 number for the cooling tower.

How come this is going to be so much less?

We never heard that number.

George Pauley stated that the original estimate was taken from the reserve study and they had put it in as \$760,000. Everything that they had put into the reserve study, which covers a 30 year period of time was based on their estimates. When we went out we found that they were way off on that number. It was an educated guess. The reserve study was just completed a couple of months ago and includes everything that needs to be replaced in the next 30 years including carpeting, redecorating, everything. Its quite lengthy but we can provide the spreadsheets for the list of projects and amounts. There were two studies one is a reserve study and one was an engineering study.

Carlos Vargas stated that Elara did a fantastic job picking out the mechanical contractors but what we have here is the cream of the cream of mechanical contractors in the Chicago land area.

A Homeowner asked if we would be able to pay for the cooling tower in the space of one year? Is that the plan of the association to pay all at once and will our present reserves allow for this.

George Pauley stated that the tower has to be paid for at once. We will not need to borrow money from the bank to do this. We have allocated funds, \$500,000 out of this year's budget that was just approved to be paid into reserves, the \$300,000 will come out of the \$500,000 that we are putting in. It is all going to be paid for.

Sandra Goldberg stated that by preordering the cooling tower the Association saved approximately \$13,000.

Tim Patricio stated that what he thinks she was thinking of was that there would be about a \$10,000 savings in expenses.

Sandra Goldberg stated that she thought that by pre-purchasing the tower that the Association saved money.

Tim Patricio stated that one of the points was that since they were not buying it in the peak of the cooling season, we are not purchasing it at a premium. We cannot speculate on the savings on that.

Carlos Vargas asked if we would need any help from the Alderman in regards to the permits or anything like that?

Certainly it wouldn't hurt. One of the major points in the helicopter permitting process is approval by the local Alderman. If anyone knows that person it wouldn't hurt to place a phone call or email to just say that this is coming along. Johnson has put the feeler out there and is in the process. Just on a sidebar whenever an Association like yours decides to put in a cooling tower that is more energy efficient, it gets us excited too. We wanted to talk briefly about some other services that we offer. We do offer energy auditing services. We have done many energy audits. We go through your building systems and see what else there is that could be saving you energy. We did notice a couple of things and we are hoping that we could give you some proposals on those services.

George Pauley thanked Elara and stated that they did have a couple of proposals for energy auditing services and that they would review them and are seriously considering it.

Call to Order: (7:40 p.m.)

Unit Owner	Open Comments and Questions
Sheldon Atovsky	<p>I'm a little confused about the assessments. There may have been a misunderstanding but I thought that our assessments were going to increase 5%. I understood that there was a breakout of the RCN part but I thought that meant that there would be a 5% increase and the breakout would be within it. George Pauley stated that there has been a lot of confusion about it. There is a 5% increase in the assessments; there was a 7% increase by RCN in their billing. We moved the RCN out of the assessments but we made some changes in how that was divided up. The way that RCN bills us is at 17.92 per unit times 696 units. There were 728 but there are now 696 because of combined units. In the past this was all thrown into the assessments. If you had a small unit on the 3rd floor you were paying \$8.00 per month for cable. If you lived on 55th floor and had an east view you were paying \$35.00 per month. If you had a combined unit you were paying two cable fees to the association and the association was paying one fee to RCN. This created problems when dealing with unit owners in combined units as RCN would charge on top of the two units that were being charged twice through the assessments. There were a lot of changes this year. 50% of people in the building were paying a higher amount for their cable than they were last year</p>

Unit Owner	Open Comments and Questions
	<p>beyond the 7% increase. 50% of the people's cable fees went down. We are passing on the exact amount per unit for cable that RCN is billing us. Did that clarify it at all?</p> <p>It's kind of messy. I really don't think that there is anyone who is not nonplussed about this. It would be useful for all of this to be publicly posted where everyone could see it so that we would all know this.</p> <p>George Pauley stated that it was posted in the September Board meeting when it was voted on. There was an article that we put into the newsletter. That did not go into this detail at all. Now that this has happened this has made a bigger impression on people to understand. It is not unreasonable to let people know.</p> <p>George Pauley stated that it was not unreasonable and they had thought that they had done that. There has been a notice that was posted.</p> <p>Tim Patricio stated that the biggest question that we have been getting in the office is simply 90-95% of the calls have just been why is there a line item and have not asked about the 5% issue.</p> <p>My first reaction was this must have been a mistake and then to wonder when we would get clarification. We have automatic debit so we need to know when the debit was and what was going on.</p> <p>George Pauley stated that the newsletter article that was written did give the amount that was off about a dollar because at that point it was based on a projected charge and the projection on what the taxes were was off about \$1.00. The intent was to make it as clear as possible and obviously that did not happen.</p>
Beverly Storemont	<p>Someone who has RCN would their telephone bill be as high? IF you have anything RCN would you have a smaller phone bill?</p> <p>George Pauley stated that you would get a discount because you are bundling your cable service with your telephone service. There is considerable discussion trying to get RCN to send out a rate sheet for all unit owners that would say what telephone and internet would cost packaged with the bulk cable. My last conversation with them was on Friday and they are assuring me that they are putting something together. I did not realize when I asked for a list of rates that they did not have something created.</p> <p>I was told that you should not be paying more than \$25.00 for telephone.</p> <p>Carlos Vargas stated that he has RCN and is disappointed with it. If you have internet and you have phone and you call in it should be less. Just call them and tell them you have basic cable and if they don't discount you will switch to AT&T. There is a possibility that the market will open up and more vendors will be in it but now there is only RCN.</p> <p>George Pauley stated that the only other option for a cable provider at this point in time is Comcast and everybody has their own horror stories about Comcast. AT&T is coming into the market but right now we are trying to work with RCN to get this worked out.</p>
A Homeowner	<p>I did negotiate with RCN and they did come down for me, but all the stuff that they charge about the converter box, this has to be an error. Shouldn't the box be free?</p> <p>George Pauley stated that had not changed and the box should be included in the bulk fee. Every unit gets one converter box in our bulk rate. You have to rent after the first box.</p>
Becky Rossof	<p>I think that the way that this was set up, it still needs some explanation and clarification. I know that I talked to Tim and at one point he mentioned getting a statement from our lawyer. I just wanted to know if we got that and if it was a</p>

Unit Owner	Open Comments and Questions
	<p>part of the explanation.</p> <p><i>Tim Patricio stated that he received the legal opinion. The Associations attorney talked about why associations are allowed to do this.</i></p> <p>Are allowed or they have to?</p> <p><i>Tim Patricio stated that this is written into the condo act that Boards can make this decision.</i></p> <p>They can but they don't have to?</p> <p><i>Tim Patricio agreed. The attorney stated that the specific reason and intent by the legislator to pass this law was to give the power to the Board to decide if the Association should charge per unit. In fact he said that ASCO played a pivotal role in getting this legislation passed in the mid 90's. If you recall several Sheridan Road condos were active in the push to charge per unit on cable contracts specifically because of this. Prior to this legislation you had no choice but to charge a %. He also said that since the act allows the Board to go either way, the overriding factor in determining whether it is fair or not is if RCN recognizes combined units as one. If RCN bills combined units as one unit then charging by percentage of ownership carries more risk. He said that in his opinion that would be unfair. He also talked about the issue of the 5%. He said that it was the Board's responsibility to give notice of the operating budget increase, which in this case was 5%.</i></p> <p>Because in fact for some people their increase in assessments was 8% and some are paying less, I think that is even more reason why there needs to be further explanation. If you have a studio you are very well feeling that your assessments that you are paying are 8% more than last year since you don't have the option of not having cable.</p> <p><i>Tim Patricio stated that he had 4 owners that he talked to about this since the statements started arriving. The average was \$10.00 by ownership and now everyone is paying \$17.00 by unit. On average a studio unit is paying \$7.00 more, for 1-bedrooms it was about a wash, for 2-bedrooms they were paying \$30.00 on average so that went down. Combined units they were paying twice. The other thing is that commercial units were paying for cable.</i></p> <p>In order to maintain the integrity of what we say, when we say a 5% increase and some people are feeling an 8% increase, then as an Association these people may not believe what we have to tell them.</p> <p><i>George Pauley stated that was the reason why they decided to put it on as a separate line item. They could have chosen to keep it a secrete and just put it in there and everyone would have shown different increases in assessments. This way it is purely a 5% assessment increase and the cable charges are broken out.</i></p> <p><i>Tim Patricio stated that one of the points that he asked the Attorney he stated that he would never had recommended to the Board that they get involved in informing the owners what their individual increases would be. I am quoting David Bendoff that you had a 5% increase in your operating expenses and that is what your responsibility is to disclose to the owners. He would have recommended against issuing a notice that would have gone into an individuals percentage. He stated that it was the owners responsibility to take that assessment figure and multiply it by the percentage of ownership to arrive at the assessment amount.</i></p>
Sheldon Atovsky	<p>It would have been clear, but when I get an assessment amount I don't know how much of it is for cable or anything. So I just took the assessment amount and multiplied it by 5% and expected that to be the amount. But as you break it out, in order to do that I would need to know in the past how it was broken out.</p> <p><i>George Pauley stated that was the very thing that Tim Patricio and David</i></p>

Unit Owner	Open Comments and Questions
	<p><i>Bendoff, the attorney were talking about. That then becomes each individual unit that changes.</i></p> <p><i>Carlos Vargas stated that we need to look at this in a positive way and not a negative way. I was on the Board when we brought RCN into the building 20 years ago. I didn't connect this at the time but now we are doing something that should have been done a long time ago. Now we are going to see increases in assessments and in the cable. We are correct in this and it's a positive way. I had a friend who came to me that did not understand her statement and she never knew what she was paying for assessments. This is a positive way to do it now.</i></p>
Betty Terry-Lundy	<p><i>I understand it now that you have explained it and I think this is a much fairer way. Some were paying twice for cable when we all had the same service. I applaud this change. The people in the mall do not have access to cable so why are they being charged?</i></p> <p><i>George Pauley stated that they used to be charged but they are not charged anymore.</i></p> <p><i>Tim Patricio stated that it used to be that cable was a part of the expenses as a whole so your payment to RCN was your percentage of ownership. So if your percentage of ownership was 1% and our annual bill from RCN was \$150,000 then your annual payment for cable was \$150.00. Since you have commercial units that have a percentage of ownership they by default were paying that. Its just like any other service that the building has that was charged back by percentage of ownership. That's where it was tied into the operating budget. Is that why the assessments increased, I did not see a reduction in the assessment amounts for the commercial spaces.</i></p> <p><i>Tim Patricio asked if she meant a decrease in the contract? The total amount of the contract wouldn't change.</i></p> <p><i>George Pauley asked if she had a line item on the commercial space ledger for cable in the amount of \$17.92? You should not.</i></p> <p><i>No I do not but the percentage of increase should have reduced but it did not. George Pauley stated that she should check with Tim but that the mall units are not even wired for cable so if they wanted it they couldn't get it. We were charging them for the cable under the old system. They were paying a hefty price for cable.</i></p> <p><i>Tim Patricio stated that essentially now what you have is a service, just like if you asked for a work order or were a member of the health club. This is something that could be identified on a per unit basis and can be charged back that way. Let me make one example. I had one association in the past in which each unit was sub metered for water. Every unit would literally get billed back for water. Even though there is nothing in the condo act that would technically allow for specifically water to be charged back per unit, because they were able to demonstrate that they could measure the amount being used it was determined to be fair. For over 90 years the unit owners have been being billed for their water monthly based on what they actually use. Again you cannot measure how much you are watching TV but it's similar. This is what is being used per unit and this is what RCN is billing per unit. I was not here at the time, but the argument is that this is something that can be demonstrated as the fairest way to bill back the cable line item.</i></p>
Susan Pestine	<p><i>Isn't the cable included in the Assessment? Are we paying 5% more plus the \$17?</i></p> <p><i>George Pauley asked if the owner had looked at their statement that they just received, there is an assessment on there and that assessment amount went up by 5%, and the cable charge is separated. The actual increase in the cable</i></p>

Unit Owner	Open Comments and Questions
	<p>charge was 7% because that is what the cable contract was for this year. It says here that you are bidding out for contract for the laundry room. Why would we want the same vendor for the laundry room?</p> <p><i>George Pauley asked that this be talked about when they open up the laundry item on the agenda.</i></p>
Nancy Ledvina	<p>Personally my comment is not about the cable. When I come to meetings there is always a scant few people here and its only when things go wrong that you start to hear rumblings from the people. A lot of people have no idea what is going on. One of the things that we do not utilize is our TV station. Not only in terms of notice of meetings but we have a big contact with RCN. When we do get that back up and running why can't we have something more user friendly. Not just scrolling boring thing, but to be able to have some highlights of what is going on so that we don't get these rumblings in the building.</p> <p><i>Tim Patricio stated that we are anticipating the potential to change that from the character generator, which we have trouble with. The Board and Budget and Finance Committee did budget for some new computer equipment for us. We are planning to move one of the computers being replaced to be used with a PowerPoint style type of presentation rather than the character generator. This will eliminate some of the work on our part as well as upgrading the technology of something that is over a decade old.</i></p> <p>Is it out of commission until you do that? Things like the elevator being out since the weekend a lot of people who go by don't have any idea of why it's out or when it's going to be fixed.</p> <p><i>We have a work order with RCN. We talked about this on Friday. There is a problem with the line right now, not specifically the character generator as far as we can tell. We are working on getting that repaired. I would love to see it up with the PowerPoint style which would be much easier for us and have something a little more presentable.</i></p>

Topic/Report	Information
<p>ASCO Report: Lorraine Meyers</p>	<p>First of all we had the ASCO meeting here last Tuesday, which was an open meeting that all who lived in the building was invited to. We had an election of officers; they do the same thing that we do with one group first and the second group the next year. That was cut and dry. They did make the announcement that Dominick's has bought their property. They have bought the corner store as well as the motel. They have not made any plans yet, the only thing that they did say was that they were going to have the bus turn around, but I don't know what else they are going to build. They are going to enlarge the store, but they won't do that soon. It's years down the road as they have to go through the whole process. In this ward it always takes a year or two years to get through the process. We also had a speaker Hans Hermann and he was head of the property division of Cost Containment International. He gets bids from all different gas companies. There are 29 companies that you can get gas from. His job is to get the best price and the gas companies pay him not us. It was a very good meeting. One of the things that I wanted to ask you about, I represent you at the planning and Zoning commission for the 48th Ward. In May they are going to have landmark properties in our Ward. Some of the properties are going to be made landmarks and once you are a landmark property you can't make changes to it. You would have to go through the regular procedures like the Edgewater Beach. They changed their windows and had to take them out and redo them because it was a landmark building</p>

	<p>and they did not have approval of the type of window that they replaced. That is one of the drawbacks but I do not think that we will be marked as a landmark building.</p> <p><i>George Pauley stated that he thought that you had to be at least 50 years old to be considered for landmark status. There are tax advantages to becoming a landmark, a 10 year tax freeze or something similar, but we still have a few years before the building is old enough.</i></p> <p>What they are going to do is publish a list and bring it up for vote at the May meeting. I don't know what this list is but I would like to post the list so that we can get feedback next month so that I do not have to go in there without any Board input.</p> <p><i>George Pauley stated that certainly the Board would like to know if we are on the list but that there could be considerable advantages to a building like ours being on the list. I am glad to hear that Dominick's bought their own building and that we will not be contending with the congestion through that area.</i></p> <p>Just because Dominick's bought the property does not mean that there will not be a tall building. Since they are still in the planning I don't know what it will be.</p>
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Topic/Agenda Item	Result/Action Item
Motions from Closed Session	<p>A1. Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve insurance fines. A2. Upon due motion by George Pauley and seconded by Carlos Vargas, the Board voted unanimously to approve the recommendation from the Rules and Regulations Committee for a \$200.00 fine. B. Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to waive a late fee. C1. Upon due motion by George Pauley and seconded by Sandra Goldberg, the Board voted to refer the renter to the Rules and Regulations Committee. George Pauley, Sandra Goldberg voted in favor; Carlos Vargas voted against; the motion passed. C2. Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted to allow a resident to meet with the Board. George Pauley, Sandra Goldberg voted in favor; Carlos Vargas voted against; the motion passed. D. No Action. E. Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted to not waive the construction fee. George Pauley and Sandra Goldberg voted in favor; Carlos Vargas abstained; the motion passed. F. Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to not waive any fees. G. No Action.</p>
Minutes January 22, 2008 Board Meeting	Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the Board voted unanimously to approve the minutes of the Board Meeting from January 22, 2008 with corrections from the Board Secretary.
Minutes January 28, 2008 Board Meeting	Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted unanimously to approve the minutes of the Board Meeting from January 28, 2008 with corrections from the Board Secretary.
Minutes February 11, 2008 Board Meeting	Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted unanimously to approve the minutes of the Board Meeting from February 11, 2008 with corrections from the Board Secretary.
Cooling Tower Contractor	Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve the contract with Johnson Controls, to be

Topic/Agenda Item	Result/Action Item
	administered by Elara, for the cooling tower and condensing water pump replacement project in the amount of \$302,100.00.
Homeowner Comments Regarding the Laundry Room Contract	<p>Susan Pestine stated that for us to bid out to Universal again would be disastrous. The machines do not work, they do not ring the clothes out, they don't wash, the driers never work, and they are just terrible. What do you mean about leasing it out? They lease the laundry room, or do we own it? <i>George Pauley stated that Universal owns all of the equipment in the laundry room. They maintain it, and they also pay for painting and doing some of the remodeling. We get a percentage of the amount of money collected. Each of the various companies has given us a different percentage.</i></p> <p>A Homeowner stated that we needed to change the laundry room or own our own or something that was not rebuilt washing machines, but have new washing machines.</p> <p><i>George Pauley stated that all of the contracts include new machines. Our machines are seven years old.</i></p> <p>A Homeowner stated that the machines were not brand new but that they were rebuilt. Just like the elevators they were not new washing machines or driers, but were rebuilt machines.</p> <p><i>George Pauley stated that perhaps at that time the Board entered into a contract for rebuilt machines, but we have been very specific with all three vendors that the bid would include new machines.</i></p> <p>A Homeowner stated that she was going to put her own in. I cannot handle going down to the laundry room and spending dollar after dollar and getting nothing accomplished but wasting my time.</p> <p><i>George Pauley stated not to tell the Board that she was putting it in, because they would make her take it out.</i></p> <p>Don Yuratovic stated that he would like something to be done about the hot water pipes when the new washers are installed. The hot water in my apartment works wonderfully it comes out hot and fast but the hot water in the laundry room comes out too slow.</p> <p><i>Tim Patricio stated that the problem with the hot water does not have anything to do with Universal. It has to do with the plumbing. Chuck and his crew have been working on it and they have identified a potential problem that could be making the situation worse. When they take out the existing equipment to put in the new washers they do intend to look into that as well as a couple of other problems that the timing of which will help here.</i></p> <p><i>Tim Patricio stated that when the proposals came in, and through meeting with the different contractors for the laundry room I would like to reiterate something that I have said in the past couple of meetings. Since I have been here I believe that the majority of the problems that have been brought to my attention are internal. I have been handling the problems that have been brought to my attention on a case to case basis. We have had problems with the hot water, and the driers and 9 out of 10 of those problems have been ours to address and not Universals. A greater level of communication between management and the residents is required to ease the problems in the laundry room. Whether we make a change in management or not I want to encourage owners and residents to communicate with us if they have a problem. What machine is it and what the problem is. Since I have been dealing with Universal they have shown and demonstrated a willingness to be more proactive on some of the issues. Other managers would tell you that any of these companies you will have the same problems. Sometimes it takes going through a process like this and being very aggressive with your contractor to</i></p>

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	<p>start seeing results. A manager who will stay on top of them and I do intend to do that whether it is Universal or one of the other vendors. There is an issue with their commission rate. They have been paying us 68% but the other vendors are offering a higher amount. I have met with all of the vendors and gone through the contracts line item by line item. Coinmach has some fine print that could mean up to about \$6,800 a year of additional fees and charges or about 8-10% of the commission. Also Family Pride, as I was checking their references I got a lot of negative feedback from other property managers specifically as it relates to customer service, equipment outages, and response times. I am comfortable saying that we can renew with Universal, they have also indicated to me that they will increase their commission rate from 68% to 72%. I am confident that if we renew with them that I will be able to work with them on unit owner issues and that I can work and stay on top of our team to do a better job internally. You see the list of improvements that each company is recommending that they would do. Each vendor was told to take a look at the laundry room and make a recommendation for what they think would look best. Each of the vendors came up with different improvements to the laundry room. They all included painting and molding but had different ideas for what would make the laundry room more efficient. Universal has stated that they would match any of the other significant improvements that the other vendors provided. I know that there have been problems that have been brought up at the meetings and we have tried to address them on a case by case basis. We are trying to deal with some of the plumbing issues but I do feel comfortable recommending that you continue your relationship with Universal. We need to stay on top of them and communicate with them and address our internal issues more quickly and efficiently, but I think that they have demonstrated a willingness to be more proactive on the situations that I have seen. If you are seriously considering moving to another company I would recommend that the Board designate a task force to meet and interview with these vendors and with some others.</p> <p>George Pauley stated that really what Tim was saying was that in terms of considering this they should eliminate Family Pride due to references from some of the buildings that they are serving.</p> <p>Tim Patricio stated that there is some questionable language in their contract that could also mean some extra monthly fees but it is not as clear as in the Coinmach Contract. What I saw on the Coinmach contract was that the references came back saying that they had problems similar to what we had with Universal but that they were recommending that we stay with Universal due to the language in their contracts. At the end of the day we can negotiate the contracts and get rid of some of the fine print that is questionable but they are going to lower their commission rate.</p> <p>Lorraine Meyers asked if that meant that Universal would keep machines that they have in their now instead of new machines?</p> <p>Tim Patricio stated that all the machines would be replaced.</p> <p>George Pauley stated that there would also be a redecorating of the laundry room itself. Last time the redecoration was not a home improvement committee project; I think that we will give the Home Improvement Committee the project to pick out the colors.</p> <p>Tim Patricio stated that each of the vendors said that they would provide a Sherwin Williams paint swatch for us to choose from before that happens.</p> <p>A Homeowner asked if it would go to the committee and not to the management to choose.</p> <p>Tim Patricio stated that it would come to him first and if you ask for an opinion</p>

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	<p><i>on the color I will give it to you. I have not been asked so therefore it will be forwarded to the Home Improvement Committee.</i></p> <p>Carlos Vargas stated that in the material about the pictures about the machines and money machines, in one of them you mention something about there being 3% higher if we use the credit card machine. I don't want that. I would like the same thing that we have right now.</p> <p><i>Tim Patricio stated that what he was bringing up was information that he had provided in his weekly report. We did look at the option of providing a credit card/debit card machine down there and what each vendor indicated was a huge expense for them that they would have to have in the contract so we did not consider that and did not provide it tonight.</i></p> <p>Carlos Vargas asked if we were keeping the same thing?</p> <p><i>Tim Patricio stated that we were. However, Universal did agree to put in another vending machine so that if one breaks down you would still have the ability to add value to your cards. Also one thing that has changed is that they have provided the management office with a desk top unit, which if you have a problem with the card you can bring it to the office and we can test it with a whole other unit. We also had a problem with refunds. When people would move out it would take forever for the refunds. I asked them to provide us with this desktop unit and what we do is issue the refund ourselves and then we send a monthly schedule and they provide a check for us. These are the little things that they have done that have demonstrated their willingness to be proactive. They have been a lot more flexible; they have been here a lot more often and have stayed on top of the communications with us. Every problem that we have had, that was their responsibility to take care of, they have been on top of. I will stay on top of them to try and keep that moving on.</i></p> <p>Sandra Goldberg stated that the first question she had was the laundry room license agreement looked pretty standard and we probably have the same one this year, but it seems here that the term of the agreement shall be automatically renewed from year to year on the aforementioned termination date with the same terms and conditions as set forth here in unless and until either party elects to terminate any such renewal term at the last date of that renewal term within these 90 days written notice to the other party prior to the termination date. Do we have a choice? Did you give them 90 days notice?</p> <p><i>Tim Patricio stated that the Association did have the choice.</i></p> <p>Sandra Goldberg asked if we did give them 90 days notice.</p> <p><i>Tim Patricio stated that 90 days notice had been given. Even so by providing us with a proposal, I have dealt with these clauses and they are tenuously legal to begin with. By the mere fact of them providing us with a proposal and I made it clear in an email that we are interviewing other companies. They are well aware of this.</i></p> <p>Sandra Goldberg asked if the 72%, and thank you for saving us the 4%, does that include the monies after the refunds and taxes? Is that truly what we are getting or is that before any refunds? The contract states that they will deduct the refunds and taxes. Is that reflected in the \$65,765 or is that before?</p> <p><i>Tim Patricio stated that this was reflected. The amount is the actual receipts after the refunds and the taxes.</i></p> <p>Sandra Goldberg asked if they were willing to meet with what the other vendors were proposing could we get Universal to update our venting system and if a machine is broken for more than a week then we would request that they would replace it with a new machine. Can we put that in our proposal with them?</p> <p><i>Tim Patricio stated that we could negotiate that into the contract. They may not</i></p>

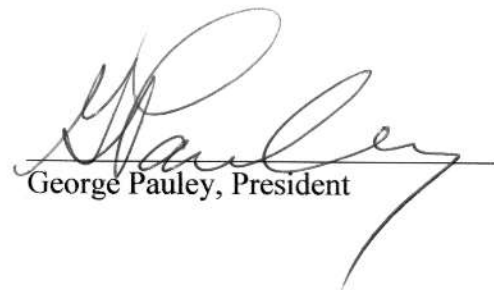
Topic/Agenda Item	Result/Action Item
	<p><i>go for a week but we can try.</i></p> <p>Sandra Goldberg stated that previously they had sent us something about they had an extra machines. I don't remember if it was the Maytag that they were talking about. They wanted to see if we wanted more of the Maytags. Do you recall? We only want new machines. I think that they were going with a different brand weren't they?</p> <p><i>Tim Patricio stated that they were proposing Speed Queen for some of the equipment and Maytags. Their proposal right now is to replace the main washers and dryers with Maytags, the six cycle choice, and the heavy duty equipment would be the Speed Queens. They did indicate that they are willing if we want to have the Speed Queens on all the machines.</i></p> <p>Sandra Goldberg asked if we could do that. Universal had said that they had some left over Maytags that they would give us but we don't want to be married to them in case things break down or we switch to a different vendor. If the state of the art is the Speed Queen can we have them replace everything with Speed Queen?</p> <p><i>Tim Patricio stated that Universal had indicated to him the other day when negotiating the commission rate that they would be willing to go to the heightened level Speed Queen on the main washers and dryers.</i></p> <p>Sandra Goldberg stated that she was not saying on the main but on all 35 machines.</p> <p><i>Tim Patricio stated that they had agreed to all of them. They are already saying that the heavy duty ones Speed Queen.</i></p> <p>Sandra Goldberg stated that then it says 12 new Maytag computer controlled gas stacked driers.</p> <p><i>Tim Patricio stated that those were the driers. When I say main driers, that is what I mean by main. So that would be Maytag as is but they indicated that they would change them to Speed Queen.</i></p> <p>Sandra Goldberg stated that we would be going with Speed Queen all the way.</p> <p>Carlos Vargas stated that the estimated annual income would be \$96,434 of which \$65,575 would be given to Park Tower is that correct?</p> <p><i>Tim Patricio stated that would be the commission.</i></p> <p>Sandra Goldberg stated that would be based at the 65% or 68% we would have a higher number.</p> <p><i>Tim Patricio stated that the new figure would be approximately \$4,000 more.</i></p> <p>Sandra Goldberg asked if they could also negotiate to actually paint the laundry room twice? Seven years is quite a long time to only paint the room once.</p> <p><i>Tim Patricio stated that he did not think that would be a big issue.</i></p>
Laundry Room Contract	<p>Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the Board voted unanimously to approve Universal Laundries to provide laundry services, contingent upon the contract stating that they will paint the laundry room twice during the term of their contract, that if the machine is broken for more than a week and it is not repaired that it will be replaced with a new machine, all the driers and washers will be Speed Queen, and they will update the venting system, and replace lens covers on the lights and anything else that the other vendors said that they would do that Universal will match, and also that they will put in an extra card machine in the amount of 72% commission rate.</p>
Landscaping Contract	<p>Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted unanimously to approve Brickman for a one year contract to provide landscaping services in the amount not to exceed \$13,418.</p>

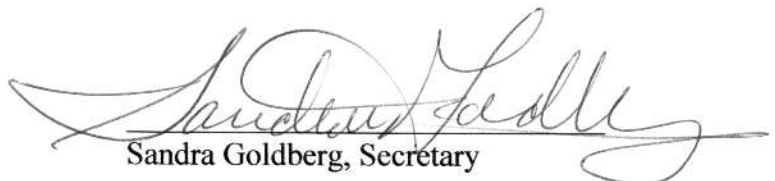
Topic/Agenda Item	Result/Action Item
Garage Handicapped Access	Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve JLJ Construction to perform the concrete work on 1P and 2P as well as the installation of the automatic doors leading to the mall elevators on level 1P, in the amount of \$22,280.00
Planter Repairs	Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve JLJ Construction to repair the north and south planters in the amount of \$78,985.00
Plant Removal	The Board tabled the plant removal proposals.
Window Leak Survey	Upon due motion by George Pauley and seconded by Sandra Goldberg, the Board voted unanimously to approve sending out a curtain wall survey to the residents of the 11, 05, and 06 tiers with individual unit window plans.
Pipe Insulation	Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve Falls Mechanical to perform pipe insulation in 24 units, in an amount not to exceed \$34,000.00.
Construction Requests	Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the Board voted unanimously to approve the remodeling of units: 3515, and 2401 as submitted by the owners, following the recommendations of the chief engineer as outlined in their written specifications and in accordance with the Rules and Regulations and remodeling guidelines of the Park Tower Condo Association.

Topic/Report	Information
Treasurer's Report: Sandra Goldberg on behalf of Laura Cossa	According to the January 31, 2008 Financial Statements the total operating funds were \$86,051.91. The MAX SAFE account at Barrington Bank totaled \$287,036.87. The total replacement reserves fund was \$1,439,531.45. The total of all cash and investments was \$1,525,583.45. There are three CD's that are coming due this month at Centennial Bank, Advanta Bank, and Countrywide Bank that will not be rolled over. We are going to transfer these funds to pay for the cooling tower.
Board Report: George Pauley	Everything I had to say I said either at the beginning of the meeting or in response to questions.
Management Report: Tim Patricio	At the last meeting there was a question from a unit owner about the manager getting into the building and inspecting floors and having a process for doing inspections and making repairs as needed. We have put a program in place now that I have shared with the Board and the Home Improvement Committee that calls for a level of evaluation after 30 days. I am hoping that those who got that memo have an idea as to what the plan is. I am intending to start the plan next week on Monday so by our next meeting we will have a preliminary evaluation. I will report on this in my weekly report so you will have copies of those inspection worksheets and we will see if this is successful. This will need to be something long term which is why I have allotted for a review at the end of the 30 day period. Also management is putting together a bicycle room improvement plan. I won't go into any specifics tonight, although I have shared quite a bit of information with the Board. Our preliminary findings and some of the things that we would like to see including replacing the existing bike racks

Topic/Report	Information
	<p>with racks that would hold more bikes more comfortably. If you have a bike in there now you know what I am talking about. Also the room isn't clean. It needs to be repainted. We are thinking of suggesting something more neutral. The big issue being that there is technology now available which you can have more bikes fit more comfortably. We will be taking a look at this probably in the next 30 days.</p> <p><i>Sandra Goldberg stated that just to let the homeowners know, since it is an alteration to a common element this will be discussed in an open meeting. We do want homeowner input. Was this originally put into our budget?</i></p> <p>Tim Patricio stated that this was an unbudgeted expense.</p> <p><i>Sandra Goldberg stated that since this was an unbudgeted project the Board would be looking at it very closely, but we do want homeowner input.</i></p> <p>Tim Patricio stated that this was not something that was suggested but it was brought up during the process of budgeting, and I believe that the Budget and Finance Committee specifically mentioned during the discussion on the increase in the bike room fee from \$25 to \$30, that management take a look at the bike room and say what the owners who have bikes are paying for and what we can do to improve it. We put together a preliminary plan that would increase your revenue and pay for itself. We will get into more details when we have the chance to talk about this more. Also there has been the suggestion by the Garage Committee that we look at adding some bike spaces on 2P where we could fit 20 bikes. We are not fully prepared right now to present the plan and it is already late. We will be fully prepared when we present the proposal. It is unbudgeted but we feel that we can justify it, since its not that huge of an expense, that we can work out a plan where it will be paying for itself over time.</p> <p>In the month of February there were 31 work orders that were charged back in the amount of \$1,509. There were 119 non charge work orders. The total health club income for the month was \$5,578. We did not get an opportunity to calculate the change in memberships but we will be doing that and will forward the information to you. There was one sale in the month bringing the year to date total for the fiscal year to 27. The monthly average sale was \$131,500, the year to date average sale was \$219,293. There were three leases for the month of February bringing the total for the year to 111. The monthly average lease was \$808, overall year to date average was \$1,046. There were 30 late fees for a total of \$1,500 in income.</p> <p>We only had one unit sale and that was a 1-bedroom bringing our total of 1-bedroom sales to 17 this year with an average price of \$188,323. 5 studios sold in the fiscal year for an average \$123,808. 9 2-Bedrooms sold for an average of \$312,948 and one combination unit sold for \$625,000.</p>

Topic/Agenda Item	Result/Action Item
Adjournment	Upon due motion by Sandra Goldberg and seconded by Carlos Vargas the meeting adjourned at 9:52PM.


 George Pauley, President


 Sandra Goldberg, Secretary