

Park Tower CONDOMINIUM ASSOCIATION

5415 N. SHERIDAN ROAD • CHICAGO, IL 60640 • (773) 769 3250 • FAX (773) 769 0047

Board of Directors Meeting Monday, April 14, 2008 Minutes

In Attendance George Pauley, President; Carlos Vargas, 1st Vice President; Sandra Goldberg, Secretary; Laura Cossa, Treasurer; Steve Hanna, Property Supervisor; Tim Patricio, Property Manager; Mavis Mather, Assistant Manager Business Operations

Absent Phoebe Helm, 2nd Vice President
Guests Tom Taylor, Vice President of Draper and Kramer
David Bendoff, Kovitz Shifrin Nesbit
Joel Davis, Mesirow Financial

Call to Order: (7:36 p.m.)

Unit Owner	Comments Regarding Agenda
George Pauley	I would like to make a couple of comments and then introduce the people who are here. First of all, I have been told that there are a number of renters here tonight. It has always been the policy of the Association that renters do not attend Board meetings but tonight I will make an exception to that but renters will not be allowed to talk or comment or speak. This has been an issue that has been established a long time ago that renters do not come to meetings. Prior to this they would have been asked to leave but given the nature of peoples concerns tonight I feel that they should hear what is going on.
Dominick Pileggi	I have just been asked to give 400 some petitions to the Board and to Draper and Kramer. <i>George Pauley thanked Mr. Pileggi and stated that they have been supportive of the petition. We were aware that people had been asked to sign the petitions.</i>
Rosalie Sutcher	I want to talk about Michael Rupert. First of all I feel like Michael should be here tonight because the issue as I see it. Tim, from the memorandum on the bulletin board is broken hearted because Michael has resigned and he doesn't want Michael to be gone. George the other night said that he would like to sign our petition, that he liked Mike and was in favor of having Mike here. <i>George Pauley stated that was not exactly what he said.</i> You said that you were sorry that you could not sign our petition because he had resigned and Michael says that he didn't resign. My feeling is that if Tim doesn't have an issue and George doesn't have an issue and Michael doesn't have an issue, does anyone else have an issue? What I really want to say is I know for a personal fact that Michael did not resign. I saw Michael about 10 minutes after he had been fired. He came over to shake my hand and tell me goodbye and his voice was shaking and he was almost in tears. He had been at that time told to leave the property to get his things and get out. I had a chance

Unit Owner	Comments Regarding Agenda
	<p>to talk to him and I asked what was going on and what happened. He pulled out about 2 pages of documentation where he sighted the harassment that he had been subjected to in this building by a Board member and I would have to say that he didn't talk about anything else but that one Board member. He said that he had asked for support from his supervisors, that he had asked for help from Tim and that he had asked for help from Steve. He talked to them about the harassment that he was getting and asked what he had to do. They said nothing you are doing a good job, she just doesn't like you. I could go on and on about the things that he sited that this person on the Board had done. Right now I want Michael Rupert back and everyone else wants him back. What I am trying to say is that we can make this a win-win situation tonight. We have the opportunity to close this down quietly and get him back without anything else happening. All we need is for clearer heads to be thinking about this. Bring him back so that we don't have to worry about lawsuits and getting everybody else upset and abuses of fiduciary trust, getting rid of people for personal reasons rather than something that has been done. I think that we ought to bring him back.</p>
Nancy Ledvina	<p>I don't think that anybody in this room liked Michael more than I did, but I would like to hear the facts before we have this mob scene. We are hearing a lot of contradictory things. I happened to be present about a year ago when Michael was also resigning from his security post, tearful and carrying a box of stuff. I asked him what was wrong and he told me that his superiors at that time were not supportive and I walked into the management office and they were able to calm him down and convince him to stay. Before we all go off pointing fingers at people are you going to give us some information or are we just going to get pitched into this feverous pitch? This is getting personal now, I have been approached by so many people in the elevator and in the lobby. Some people just want to know what is going on and other people are spinning tales. My feeling is that it would be helpful that if you are going to give information that you give it before this continues.</p> <p><i>George Pauley stated that the Board would give information on what actually happened because the information that has been spread around the building is not true. I would like to hear what some of the other concerns and issues are from homeowners. We have stated over and over again that Michael resigned. Each of the Board members was shown his resignation letter. There is not a lot that we can say beyond that but we will be sharing information regarding the circumstances.</i></p>
Betty Terry Lundy	<p>Usually when someone resigns there is an exit interview, especially with someone who had so many accolades such as Michael, even from Board members and people in the building. Additionally I am concerned as an owner that if he was released and he didn't want to go than this could bring additional fees to us in the future at a time when we don't need extra costs. Also I think that for someone to resign in these hard economical times with a family, two children and a wife, with insurance having such high premiums, I just cant see Michael doing that.</p> <p><i>George Pauley stated that it was a very rash decision. One of the things that you need to understand is that Michael did not work for Park Tower. He worked for Draper and Kramer. None of the Board members or the Board as a whole had the ability to fire Michael. That is just a point of clarification.</i></p>
Don Yuratovic	<p>I would just like to say that I am disappointed with Draper and Kramer. That</p>

Unit Owner	Comments Regarding Agenda
	management office is a revolving door. We need consistency down there. First we lost the building manager Christina. Then we lost Sara who was very knowledgeable with what was going on. Now we lost Michael. Whom are we going to loose next? We need consistency, we need people who know the tenants, who know the owners, and who knows the building. Every time someone leaves that management office it is stress on the residents and the owners, it's stressful on the Board people and it's stressful on the people who work in the office. I want some consistency down there. Bring Michael back; if not you guys won't be here when your contract is up.
George Pauley called for order and stated that he would like residents to only speak when they have the floor and that if residents could not follow that rule this part of the meeting would be terminated.	
Sofia Zitek	My opinion was that Michael was a very sweet man. He would always open the door for ladies and ask to help them. He was very nice, loved the people, loved to joke, offered to help, and would always open the door. <i>George Pauley stated that everybody on the Board would agree that Michael was a very nice person. The last time that I talked to him was to commend him about a situation that happened in last months Board meeting. Michael did resign and there were circumstances around that resignation.</i>
Addie Brosen	Can we see the letter of resignation? Or do we have to take your word for it?
David Bendoff	I would say no. I am a lawyer and I have to speak in legalese for a moment and I apologize for that. The law as related to personnel and employees is very strict and it is intended to protect the employee, and very little at all can be disclosed from an employees personnel file and certainly that letter cannot be. It would be an invasion of his privacy and would violate the Illinois law. The young lady very aptly noted that nothing should be done that further exposes the Association to any liability and discussing that would certainly do so.
Addie Brosen	I don't believe you. I don't believe any of you.
Kings	What I have is something to say about Michael. Michael was someone who was married to his job. You would never see Michael sitting down, Michael never sat at all. When anything was brought to his attention he would take it very seriously and would go about it until it was corrected. I believe that Michael was very good at this building and good at his job for the short time he was with the building.
A Homeowner	I am relatively new to the building; we have been owners for just under a year now. I understand that you all have very fond feelings for Michael but I do have to add that I only wish that I had the same experience with Michael that you all had. Being new to the building I did not, I had spoken briefly with some members of the Board where I had an incident in the garage and I felt that Michael lacked fundamental concern. He handled the situation very poorly and overall lacked customer service. I want to echo on his point that we do need consistency, it is a revolving door, but I would just like to say that going forward in the interest of consistency it is important to choose someone who will have consistency with how they handle things in the building. It is important to understand the people that you are working for and understand that when they are not happy you have to respond well. I am not saying that he deserved to be fired but it is difficult to listen to everyone saying that he was the golden boy when I cannot agree with that.
A Homeowner	As a homeowner here for many years through the 90's, I was always impressed with how this building was managed. I too recently moved back in

Unit Owner	Comments Regarding Agenda
	<p>December and purchased another apartment. I have to say that it is disgraceful what I am seeing. What is the plan to get the building back in order? I knew that this was a very sound running building and I am alarmed by what I am seeing.</p>
Terry Gorman	<p>Sheldon met Michael in a similar situation close to the time period that he was fired but I would say this. If the story of his supposed resignation is true then you have the option of not accepting his resignation. I would imagine that you would have the option of altering your decision of your acceptance if you did actually accept the resignation. You should have the option of undoing those transactions. Our experience with Michael was a good one, everyone has the right to mature into a job and for someone who didn't have 30 years of experience yet, but he was developing that sense of maturity. I remember my first day on the job, I was really good but I was spectacular by the time that I had been there 30 years. He seemed to be developing on those lines and I second all the positive remarks. Some of the rumors that are going around are very dark and upsetting. I am not going to discuss them but I know that some of the people know what they are. They are things as dark as sexual harassment and blackmail.</p>
Cy Peiser	<p>The major thing here, forgetting Michael's merits, is that somebody is misstating something. Michael made a mistake or something; David is saying that he has seen a letter of resignation that he can't share with us. I think that unless that is shared, there are so many people here who said that he resigned and they are saying no. We have to see some kind of acknowledgment otherwise this whole thing is going to be angry. I am glad that Tom is sitting here and that he came to a meeting but in reality when George turns it over and says that it is Draper and Kramer's problem. There is over 50% of the building that will be voting in an election in June and unless you folks can explain to us something that we understand then you will not be here. Maybe you don't care, maybe this building is too much of a problem but when George says that it's yours and that the Board may not know something, there is something goofy about what is happening here.</p> <p><i>George Pauley stated that he is not saying that. What I said was that Michael was an employee of Draper and Kramer, and that everyone at this table has seen the resignation letter that Michael submitted.</i></p> <p>So then he is either crazy or a liar.</p> <p><i>George Pauley stated that he was perplexed as to why people would think that we would want to get rid of Michael. Everyone on this Board and management has had very positive experiences with Michael up until now. We will explain some of the circumstances that might have made Michael decide to resign.</i></p> <p>Maybe that is the next thing that you have to have happen before we go through everything.</p> <p><i>George Pauley stated that we are running out of time and I will take two more comments from people who have not spoken.</i></p>
Patricia Jones-Blessman	<p>This is my first meeting. I have been a resident and owner in this building since 1988. I have been here a long time and I own three units, so I have a substantial investment in the running of this building and making sure that it is operational. What I am concerned about is the inconsistency in the staff turn around this year. We have a community here; we see it at the front desk and the doorman going in and out. Michael was great; you could see it in the community here and in the experience. When we had problems he was forthcoming and forthright. He knew all the residents and the tenants. He was loyal. This is twenty years of experience living here; he was the best thing to</p>

Unit Owner	Comments Regarding Agenda
	<p>happen to this building. Here is a 29-year-old man with a wife and children and he is walking away from a job in a management position on the north side. I don't think so. I know how the game is played in corporate America; I've been there. You tender your resignation or you will be fired. I don't know how it went down but I can imagine it, something may have happened, I don't know. All I know is that he loved being here. He would never tender a resignation so there must have been some reason why he would feel like he needed to do this. I don't know what it was if he had personality conflicts with people on the Board or if they were with his supervisor or something. But something happened that he would need to do that. You can be harassed to the point that you might decide to tender a resignation. You all need to do whatever you need to do to get him back and to start thinking about how we are going to build family amongst the staff and teamwork amongst the staff so that we can have a good community.</p>
Paul Groeninger	<p>Many of you know me, I have lived in the building over 30 years, I am a prior Board member, I served on the Board for 12 years and I must tell you also that I liked Michael and I thought that he was a very nice employee. I also have to say a couple of things. Some of the things that are being said here tonight really show an angry side of the residents in the building that I hate seeing. It was not like this in the past and I hope that it ends. This is not the first time that I have heard things like this, we went through similar circumstances, similar accusations, and similar statements when Christina Epple left the building as well. I can also say that this is the first time that when an employee has left the building that I have seen people going around the building and having petitions signed and accused the Board of lying and that kind of thing. I well remember when one of our best employees, Chuck Brown, our engineer resigned there was not one person that came to a Board meeting and said what did you do? There were no petitions taken, I remember when Robert and Phoebe were in charge of the Board and Vio was fired and paid a severance package. Where were the outcries and the petitions then? Chuck Brown was brought back, but I don't like seeing these nasty comments and these presumptions of guilt when you can't defend yourself. As a prior Board member, Scott being a prior Board member, Rosalie being a prior Board member, Becky is a prior Board member, we know by law you cannot respond in public to legal matters, or employee personnel matters. You can't do it. It's against the law. To continue to ask the Board to respond is unfair. Just imagine yourself being in a position where you were asked to divulge information that was illegal and you couldn't. You had to sit there and you couldn't defend yourself. Imagine how you would feel when you had a constant barrage of accusations and talking as if you committed some horrendous act. Now since the Board is prohibited by law from discussing legal and personnel issues, assume that we are only hearing what may and may not have happened. We are not members of the current Board. We are not part of the management team, and the only way that we have any information is from Michael. Which, according to what Rosalie said, she did that. I have to ask, how do you know that the employee is telling the truth? It wouldn't be the first time that a disgruntled employee would lie. The point is simple. The Board cannot defend itself. It can only tell you the information that it is able to. What I don't understand is why so much energy is being used and so much anger is aimed at the Board when an employee leaves the building. Are we going to be subjected to this every time an employee resigns or is fired? Personally I was more upset when a prior Board wanted to spend \$500,000 on a driveway project that we didn't need. Why all this energy over</p>

Unit Owner	Comments Regarding Agenda
	<p>an employee issue? Could it be attempts to discredit the Board and the management company? Everybody here knows that I was a big favorite of Community Specialist and I stand by them to this day. I think that they were an excellent property management company. I decided to give Draper and Kramer a try. I worked with Christina and I really didn't have a falling out with her, and I have worked with Tim and I don't have an issue there. When Don asked me to sign the petition to bring Michael back, I said that I couldn't do it because I didn't know the circumstances that surrounded it. If he resigned then he doesn't want to come back. If he was terminated then why would I want him back? When I was told that Michael was escorted out of the building I became a little curious. I knew that the Board couldn't talk to me and I knew that management couldn't talk to me without breaking the law and I wouldn't ask them to do that. I don't have a PC so I went offsite to a friend's house and did some research on the internet. What I found was that on February 2, 2005 Michael Rupert was arrested on a 4th degree felony charge. On April 26, 2006 he was convicted. I have copies of what I found on the internet if you would like to see it. What I would like to know is why would Christina Epple and a prior Board hire a convicted felon to be head of security and manager of the garage operations and have unrestricted access to each of our units? If Christina did not know he was a convicted felon, why did she not as a standard practice perform background checks on all employees?</p>
Paul Groeninger	<p>Can the Board or management find out and report to the members of the Association why a security company would hire a convicted felon? I would like any Board members who were on at that time answer to us if they knew that he was a convicted felon, and if so why they would approve his hiring to such a sensitive position which placed the Associations assets and members at risk. My last question is what action is the current Board going to take to ensure that all future employees undergo a background check? I know that this is not what a lot of people wanted to hear and its not what I wanted to hear but it is a fact and this needs to be addressed.</p>
Becky Rossof	<p>I was not on the Board at the time; however, I did have a conversation with Robert Pierce on Tuesday and he approached me and said that at the time that Michael was being hired on management that in fact a background check was done. Before the background check was done Michael was upfront with people and said that he had a DUI. I assume that this is what Paul has found. He was very upfront about it and he handled it very well. He was not trying to hide it from anyone and they discussed it and because of his excellent record with the security company, they had not had any problems with him, whatever it was it was not relevant to his job that he was doing here and they decided that his services were what they wanted. Again I was not there but I did have this conversation with Robert on Tuesday.</p>
Tom Taylor	<p>My comments are going to be brief. There is no question that Michael was very personable, we can set that aside. I have been in this business way too long, over 24 years and I have sat at meetings like this many times when someone who is well liked and well respected for whatever reason there is a departure. The gentleman back there is very correct that there is not a lot that we can discuss. We knew how important Michael was. I have gone to our counsel and I have prepared a letter, I thought that I would have enough copies for everyone here this evening but I don't. It is in the management office where there are additional copies. I cannot say any more than I am going to say right now. It is very important and it says a lot. Your manager observed Michael on the premises consuming alcohol. That is clearly a</p>

Unit Owner	Comments Regarding Agenda
	violation of your policy and Draper and Kramer policy. Appropriately, your manager discussed it with Steve and with myself. He met with Michael and Michael admitted that he routinely drank on the job at Park Tower. Michael also went on to admit that he omitted very important facts from his security reports. Omitted, left out. Those facts included physical altercations and drug activity in this building. He admitted it. I am not going to go any further. He did indeed submit a resignation. Someone early in the meeting asked if there was an exit interview. Three of us met with Michael a couple of days after, a cooling off period. He admitted to those things that we discussed. We can't go any further. There is a lot of detail in what I said. Think about it and I think that you will all understand how serious this is. Thank you. There are copies of the letter.
A Homeowner	You just mentioned and have been talking about over and over and over again how you guys cannot discuss legally exactly what Michael was fired/resigned for and you just pretty much told us what happened. What has changed from 15 minutes ago to now?
David Bendoff	Maybe I can explain that. There was anticipation that there was going to be a large turnout at this meeting. There was an understanding that there were rumors rampant rumors with incorrect information spreading about the building. A decision was made to go to the very edge of the law in order that those rumors can be put to bed and that the incorrect perceptions and statements could be quashed and to lay out to the owners in as much detail without going over that line as possible so that you would have an absolute crystal clear picture of what did happen here so that you do not have to rely on conjecture or on the rumors going around.
Cy Peiser	This is going to be a question for Tom. I understand that Michael on one day was out drinking a beer on the deck when off duty. I know that there is no beer permitted in here. Has Tim every bought beer for the people in the office when they had pizza? Was Michael off duty when he was drinking or was he drinking on the job?
David Bendoff	There really cannot be any more discussion about what happened other than what was said or what is in that letter.
Cy Peiser	You guys sound like the Chaney group.
David Bendoff	Let me explain something. My role as attorney for the Association is not to protect the Board, my role is not to protect the manager, my role is to protect the Association and taking that duty responsibly I am essentially telling you where the line is to be drawn on any further discussion. We do not want to sit here and give a former employee, who apparently has many friends in the building, that which will be necessary to file a successful suit against the building based on incorrect and inaccurate information. This is my role and this is why I feel very strongly about limiting what is said about this issue. The gentleman at the back very clearly stated what position the Board is in, they are not in a defensible situation here because the law is absolutely clear about the limitations that are imposed on them about disclosing that type of information. This group is free to say whatever they want. The Board does not have that freedom and you have to respect that limitation. It is not a point of agreeing or disagreeing. This is the situation. It is regrettable but that is the reality.

Unit Owner	Comments Regarding Agenda
Cy Peiser	I feel embarrassed that after listening to the three people that we wanted to hire I recommended you. I think that I made a mistake; I am going to check up on your record and see how good you act.
George Pauley stated that by now it is very clear that the Board cannot respond. Draper and Kramer spent a lot of time with their attorney to provide what information they felt that they could provide legally.	
Nancy Ledvina	My concern is that a lot of the people who are making these accusations, again I like Michael and I am as hurt and shocked as anybody else that he is gone, but some people who are making these allegations are the ones who would attack this Board and management if you found out that the head of your security had any kind of questionable background or was found sitting and drinking on the job or was omitting things from reports. These same people would be standing up screaming for blood at the Board and at management I have seen it happen.
Don Yuratovic	Can we hire him back? Can Draper and Kramer hire him back? We have 420 names and we want him back.
Tom Taylor	I believe that your manager wants to make a statement, is that okay?
Tim Patricio	<p>I asked for an opportunity to speak to you today because I believe I am at an early but vital crossroads in my tenure with the Park Tower community. I would like to preface by saying I am proud to be a member of the Management and Leadership team at Park Tower. Park Tower is a dynamic community, from the diversity in demographics of the residents and staff, to the physical construction of the building and all the businesses and contractors that help us conduct business everyday. Maintaining this community and its many components presents a challenge that we face as a team. Each of those challenges is an opportunity to improve the quality of life for all the residents of the building and an opportunity for professional success for the staff. How exactly do I approach those challenges. I do so by approaching every issue as if I was a resident. That is common sense, and without actual results it means little more than a noble sentiment. So let me be more specific - my professional philosophy and goal is to achieve effectiveness, efficiency and productivity through integrity, responsibility, and accountability. Effective application of service; efficient application of method and productive management of operations through integrity of process, responsibility of leadership and accountability for all the components that need to perform. At the heart and purpose of my statement tonight, I am here to share some of my observations and concerns - are we as effective, efficient and productive as we can be in our operation and maintenance of Park Tower? It is an easy cliché to say there is always room to improve. But it is our job to constantly consider opportunities to do so. We must all make improvement and support positive momentum. Each part of the team I am responsible to manage – the janitors, doorstaff, security, office, garage and health club are expected to be efficient and productive. But management does not stop there. Owners and residents are a part of the team, and our relationship with you is not limited to customer service and policy enforcement. I want to talk very candidly about this and open a dialogue. This is vital if we are to meet the challenges we now face. I believe there is an opportunity for improvement and betterment in this respect.</p> <p>I have observed many interactions with the staff, where I sense owners and residents become involved with our daily routine, sometimes at an intrusive level – sometimes putting the employees and their supervisors in awkward situations that conflict with our responsibility to operate the business aspect of</p>

Unit Owner	Comments Regarding Agenda
	<p>the condominium. We do need some form of direct involvement by owners in management activities, the question is how much is appropriate for us to do our jobs effectively. It is my present opinion that your team leaders (including myself) can not reasonably be expected to be completely responsible or accountable for the course of some events on a day to day basis because of this involvement. I am asking for your help as an integral part of the Park Tower team, to initiate change.</p> <p>You too are at an important crossroads as a community. I am able to use the recent circumstances surrounding the resignation of Michael Rupert as an example. There are many things I have pondered throughout this difficult time. I have had to consider and address the confusion of our staff, the confusion and disappointment of my superiors, the shock and disappointment of every member of the Board, the heartfelt response and numerous inquiries of owners and residents. Until he left the office on April 2, I valued his contribution to the office and Management team. Until the day he resigned, I had supported his position and had confidence in his abilities. I admire the devotion and gratitude in the response of home owners who collected signatures for the petition in response to his resignation. That sets an example we should all take to heart. It is what has happened since that shows how easy it is to interfere with the checks and balances in place with our daily routine, and it is not isolated to the circumstances surrounding Michael's resignation. Since that time Michael has had personal contact with some of your neighbors, something Michael himself told me and my supervisors. There is a danger to allowing a work place environment where employees are allowed to have and maintain overly social relationships with residents. Regardless of good intentions, such employees can easily circumvent their supervisors and work rules. They can make unqualified statements unopposed and have instant credibility without question or due process. And unfortunately, given the politics – which are present at almost every condo – it is easy for some of your neighbors to be targeted and taken advantage of to produce a means to an end. These relationships have no productive regard to the planned and necessary course of business for a condominium. It becomes nearly impossible for supervisors to be accountable for that employee's time on the clock and daily responsibilities.</p> <p>There is another financial component to this. Your payroll budget is the biggest single category on the budget. It is an unrecognized victim of this process. Without accountability for an employees time - if your leaders govern in an atmosphere of awkward fear to exercise or enforce policies with particular employees because they are politically protected by members of the community, your payroll dollars are going out the window! Consider the time of employees who have been stopped from their routine, and any time their supervisor must devote attention to any problem that results, or to apply other resources to make up the difference. This behavior creates interruption in our routine; a routine that I am sure we can all agree is challenging enough.</p> <p>This process needs to change significantly. Chuck, the office staff, and Draper and Kramer can not be successful if we can not lead our staff with a comfortable and reasonable measure of independence. In the example of Michael's resignation, while I appreciate how many owners and residents felt deeply and cared for him, we have to consider our position in managing the staff and making the best decisions for our entire team. If an employee wants to return after resigning, or if an employee does not feel he or she is being treated fairly or equitably, there are professional avenues of protection and appeal. Our union workers have their representation if they have any grievance. All the non-union employees, including Draper and Kramer employees such as myself, have many legal and governmental options at our disposal should we have an issue to grieve.</p>

Unit Owner	Comments Regarding Agenda
	<p>So where do we go from here. I have distributed a document called the "Professional Code of Conduct" to every employee. This is a guide for the behavior of all the employees. This has been presented to the Board and every employee on the staff and I have been working with each department to have all employees understand what it means, and they are signing it as an agreement between me as the Property Manager, and themselves. I would like to suggest that each owner get a copy of this and that the Board consider enacting it as policy. I am also asking that each owner and resident of the Park Tower read and help us observe the terms of this agreement. It is useless and meaningless to our team without the support of residents and owners. And very frankly, we can not be expected to be accountable for our employees behavior if owners and residents do not participate.</p> <p>I greatly appreciate this opportunity to make this statement - I greatly respect that I am able to speak honestly and candidly with you. It is my goal to have a long and prosperous tenure at Park Tower by making productive and positive contributions to the community. I hope that by bringing these observations and concerns to your attention that we are taking a very big step in that direction.</p>

<p>Joel Davis, Mesirow Financial</p>	<p>I want to thank you for the introduction and I would like to thank the Board and Draper and Kramer for allowing me to speak. Its very rare that I get to see the unit owners and speak to the Board but I do enjoy doing so. I have been involved with community association insurance for 12 years, the last 3 with Mesirow Financial and those years were as a representative for Park Tower. I am on a team and our duty is to provide the insurance for the common elements of your building. We also provide coverage that handles individual insurance for unit owners and renters, but my purpose tonight is to discuss the policy for covering the building and the liability, the Boards liability and the crime coverage. The worker's compensation renewed back in March. The upcoming renewal is on May 1st so my main purpose here is to present our renewal proposal to the Board. I can entertain questions from individuals but I am sure you can get my phone number from Tim later on if you have questions relating to your own coverage. I would like to focus primarily on the commercial coverage for your Association. Right now the main policy that we have covering your building is what we call a package policy and is comprised of property and liability coverage. This is currently with Fireman's Fund. Fireman's Fund has insured your building for a number of years and has even paid out some claims. This year Fireman's Find has a serious challenge from another company that we represent Admiral Indemnity. The good news is that Fireman's Fund came in \$20,000 less than last years premium. The tough decision is that Admiral Indemnity, a company based out of New Jersey has come in \$11,000 less than Fireman's Fund. This is going to test your loyalty to Fireman's Fund as to whether you choose to stay or not. To help the Board with this decision-making I have given them a 42 page proposal. It's a lot to digest at once but you will see a loose page that I have done a side by side comparison of the features and financial size and stability to help you. I don't expect a decision tonight, if you gave me one that would be wonderful, but certainly we have until May 1st.</p> <p><i>Sandra Goldberg stated that one of the questions that she had was if there was a drawback to switching insurance carriers?</i></p> <p>Yes there is a drawback to switching. If you are with a specific carrier especially for a period of time, as with your personal insurance there is a relationship there. They have paid some claims for you, if you leave them I cannot guarantee that they would offer a renewal or a proposal to you for</p>
--------------------------------------	--

coming back. A lot can happen in a years time and you might not get the same price that you had with them before. One of the things about sticking with the same company is if you have a bad year but they have a history with you there is some loyalty and they will renew you. A drawback to switching to a new company like Admiral Indemnity is that they are relatively new on the scene and you do not have a history with them. If you were to have an adverse year with a number of claims they don't have the history and they could decide to not renew.

Sandra Goldberg asked if Fireman's Fund have a reputation of sticking by their clients if they have had a couple of claims or do they just terminate the client? They have a reputation of sticking with you if you have a couple of claims in a year, but if it gets very bad, like \$millions of losses, they would have second thoughts. That's where we come in as your agent. We say look there are really good attributes here and its worth sticking with them.

Sandra Goldberg asked that on page 32 the general liability annual aggregate was reduced from \$3,000,000 to \$2,000,000?

That is the proposal from Admiral Indemnity. Fireman's Fund is still at \$3,000,000, Admiral Indemnity is at \$2,000,000 aggregate. But what I would say is that you have a \$25,000,000 umbrella policy on top of that. Really whether you have a \$3,000,000 or a \$2,000,000 aggregate its really very minor. Fireman's Fund has not lowered their aggregate.

Sandra Goldberg asked if it was under Fireman's Fund or Admiral that the receiving room has insurance increased to \$25,000 from \$10,000?

If you see the comparison sheet, it lists the receiving room characteristics. Fireman's Fund is offering \$25,000 with a \$250 deductible. Admiral is offering a \$20,000 limit with a \$5,000 deductible. The receiving room is where any deliveries are held and that is a valid point for comparison. Overall Fireman's Fund has a few more enhanced limits than Admiral Indemnity. Is it enough to overcome an \$11,000 difference in price? That is what you need to decide. I am here to help you with that but its up to you.

Laura Cossa asked where she would find how many claims we have had.

If you look at the proposal to the front there is a history of the claims that have been paid out for property liability, workers compensation, crime, directors and officers liability, its on page 4 and 5. Normally if you want to know what the loss history has been for your policy, you just go to the agent and we can print it out any time. We traditionally do it at the time of the renewal so that the Board can see what's been paid in the past. We have to send this to the insurance carriers as well so that they can evaluate you. Just like on your personal insurance they evaluate you based on a database of claims.

Sandra Goldberg asked if there was a reason why each claim an annual aggregate excluded but on our current policy it is covered by \$1,000,000?

It is an enhanced coverage that is offered this time around.

Sandra Goldberg stated that it is excluded this time, we have it now but it is not listed in the proposal.

That excluded from Admiral Indemnity. You have it with Fireman's Fund. We can get Admiral to add that in. I am not here to put one above the other I am an agent for both of them.

George Pauley asked if Admiral was relatively new in this area of insurance?

They are new in the mid-west. We have seen them come on the scene last year and this year they are very aggressive in their pricing. I can tell you that 5 years ago no one had Admiral Indemnity around here.

What is the comparison of their rating?

They are both A+ rated superior. However, in a financial size notice on the second category Fireman's Fund is at a 15 which means that they have assets in excess of \$2,000,000,000. Admiral is a 12 which is not bad but they are around \$1-1.2,000,000,000. So Admiral is a little smaller than Fireman's Fund

but they both have an A+ rating.

Carlos Vargas asked why there was a difference of \$4,000,000 on the building law coverage, what is that?

The building ordinance and law coverage is split into three categories. The first category has to do with rebuilding a part of a building that has to be demolished after a loss because the building department has judged the building unsafe. For coverage A we have the entire building value insured. For coverage B we are talking about demolition costs and debris removal following a loss, Fireman's Fund is offering \$1,000,000 and Admiral Indemnity is offering \$5,000,000. Coverage C has to do with increased cost of construction because of changes in the building code. A major item in this building would be putting in a sprinkler system. Fireman's Fund has \$5,000,000 and Admiral has \$1,000,000. I could get Fireman's Fund to increase those limits but it would increase the premium.

Carlos Vargas asked that if we would be covered at those amounts.

Yes you would be covered.

George Pauley stated that the thing that strikes him the most would be the garage keepers with a \$500 deductible with Fireman's Fund and a \$2,500 deductible with Admiral and we do have a substantial number of garage claims.

Tim Patricio stated that he wouldn't qualify it as substantial but that yes there were garage claims. There are not many that exceed \$500 on the insurance, it would be a wash. I do believe that we established a threshold for when a claim would be made in the first place so that we are not nickel and diming the insurance company which would result in a higher premium. We were using a threshold of \$900 for a claim, if it is about double our deductible that is what we were using.

Carlos Vargas stated that there were only two bids and asked if there was difficulty in getting a third bid.

I found it difficult to find a number of companies that would wish to quote on your insurance given the bug value of the building and the fact that you are not fully sprinklered. Travelers was approached and they looked at this building in the past and are aware of the pricing and needs of park tower. They stated that they could not improve upon what Fireman's Fund had quoted. The numbers from Admiral did not come until this afternoon. They have been very aggressive.

Tim Patricio asked why every year the insurance bids are so last minute from carriers?

I think that they are strategizing. They are looking for someone to go out there first so that there is a target to undercut them. They don't want to give 60 days advantage because it puts a target on there for people to go after it. I feel that Admiral Indemnity could have released the quote earlier but they wanted to wait until the last second so that Fireman's Fund could not react. Right now its bad for the insurance industry because it is a very soft market. It is a buyers market the prices are dropping. Good for you not so good for us. When it gets a hard market pricing will go up. Clearly a \$20,000 drop bodes well and Fireman's Fund did their job. If it were a very close difference between them I would say do you really want to leave them but this is significant. Fireman's Fund has done well by you and you know them. They have paid some significant claims and a number of large associations are very loyal to them. They are both excellent companies. If you were to ask me what the long track record with Admiral Indemnity is I couldn't tell you because they have not been in this area that long. You just brought up the deductibles, Admiral Indemnity and Greater New York another new player are east coast and do not have an appetite for garage risk and garage keepers like you have here. If I were to ask them to lower that deductible they would say that it is what it is. That is all they want they do not want to pay a lot of little auto claims. Fireman's Fund is

	<p>familiar with what has been going on with Chicago condos and they want to keep your business.</p> <p><i>George Pauley asked if there was any chance that they would be able to go back to Fireman's Fund and have them reduce the policy any more?</i></p> <p>Tim has seen my earlier numbers and he can see that they have responded with a \$6,000 drop from the original quote as a courtesy last look. Right now it is what it is. They made a good bid to begin with and were able to reduce it. If this were a smaller building and was sprinklered you would probably have a dozen quotes.</p> <p><i>George Pauley asked if he could go back or if he thought that they would say this is as far as they go.</i></p> <p>I think that if I went back I might see a \$500 or a \$1,000 drop and that would be it. I have gotten about as much as I can get out of them.</p>
--	---

Topic/Agenda Item	Result/Action Item
Building Insurance	Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve the building insurance policy commercial package to Fireman's Fund, as submitted with an annual premium of \$172,520.
Approval of Motions from Closed Session	A1. Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the Board voted unanimously to reduce the fine to \$100.00. A2. No action. B. Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the Board voted unanimously to waive a late fee. C. Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted not to waive a lockout fee. George Pauley, Carlos Vargas, and Laura Cossa voted in favor; Sandra Goldberg voted against; the motion passed. D. Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the Board voted unanimously to make an exception to approve a valet parking space. E. No action.

Topic/Report	Information
ASCO Report – Lorraine Meyers	<p>I represent both the Planning and Zoning Committee for the 48th Ward as well as ASCO. The first thing that I want to tell you is that Nookies is supposed to be opening, they are working on the inside and they are supposed to open in the fall. This will be on Bryn Mawr near the L station. The Blue Water Group, they have the empty lot across the street. They have asked for a change. They would like to put two more units on the roof of the condos that they are building across the street. CVS Pharmacy will be opening up on the corner of Foster and Broadway. The Edward church at Berwyn and Kenmore has been put on a national registration of historic places. Saturday, on the second or third of April I brought flyers to be put up on the bulletin boards, three large one and two small ones.</p> <p><i>George Pauley stated that he knew that the small one was on the bulletin board opposite the cleaners.</i></p> <p>That space was supposed to be for the big flier because that thing is so big it would accommodate it. It was about three feet tall and a foot wide. It was empty and there was nothing on it. The whole thing is that there was no one from Park Tower there. It was held at Loyola University on Saturday and it was fantastic. Some people had asked me about the brickledge for the underpass on Bryn Mawr. They worked on it that day. They are going to have flowers and butterflies as part of it. Some of the people were making flowers out of clay and others were painting the butterflies. It was a fantastic event and I was very</p>

	<p>sorry that there wasn't anybody from Park Tower that attended. With ASCO what happens is that we had a meeting the third of April and they are going over the bills that are before the House of Representatives in Illinois. They are passing about 5 bills that they are putting before the rest of the assembly that they want concerning condos. Some are good and some are bad. ASCO was asked as a Board to vote for which ones we wanted to foster and which we wanted to oppose. If you want me to post that somewhere let me know.</p> <p><i>George Pauley stated that he had received a letter this week from the Edgewater Historical Society about declaring this area as a historical area, which would prevent buildings in the area from making changes to the exterior. They wanted to come tonight to speak, but I felt that we really didn't have room for them tonight. I would ask that you talk to them; they wanted to inform everybody, they really don't want a representative to show up to vote on this issue without information.</i></p> <p>I need to ask you the Board how you want me to vote because you are only allowed one vote per building.</p> <p><i>George Pauley stated that the Board needed more information and if you could get that information on the pros and cons. If this passes the houses in the area, any exterior side that is visible from the street cannot be altered. For us all sides are visible. This also puts restrictions on demolitions as well. I don't know all the details to if we are historical or not.</i></p>
--	---

Topic/Agenda Item	Result/Action Item
Minutes March 10, 2008 Board Meeting	Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted to approve the minutes of the March 10, 2008 Board Meeting with corrections by the secretary. George Pauley, Carlos Vargas, and Sandra Goldberg voted in favor; Laura Cossa abstained; the motion passed.
Health Club ID Policy	This item was tabled until further information is gathered.
Plant Removal	Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted to approve the proposal from Brickman Landscaping to perform landscaping services associated with the planter repairs in the amount of \$16,390. Carlos Vargas and George Pauley voted in favor; Sandra Goldberg voted against; Laura Cossa abstained; the motion failed. This item was tabled until further information is provided.
2-P Parking Spot Approval	Upon due motion by Carlos Vargas and seconded by Laura Cossa, the Board voted to ratify the permanent creation of 1 space on 2-P of the garage, as specified by the Garage Committee and referenced in the February Board Meeting. George Pauley, Carlos Vargas, and Laura Cossa voted in favor; Sandra Goldberg voted against; the motion passed.
Laura Cossa leaves the meeting at 9:32PM	
Annual Meeting Schedule	Upon due motion by Sandra Goldberg and seconded by George Pauley, the Board voted unanimously to approve the following time chart for the annual meeting: mailing of applications by Friday April 18 th ; deadlines for applications on May 9 th ; meet the candidates' night May 19 th ; and annual meeting date June 9 th .
Owner Requests to Remodel	Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve the remodeling of units 706, 4207, and 4515 as submitted by the owners, following the recommendations of the chief

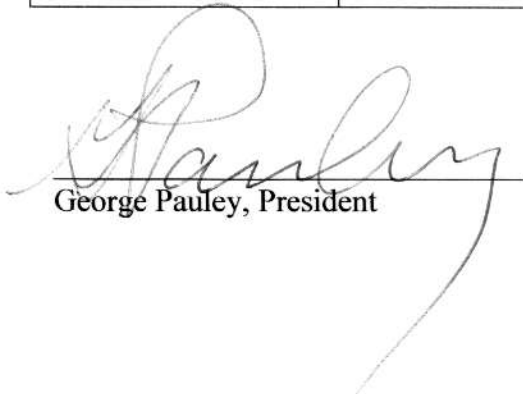
Topic/Agenda Item	Result/Action Item
	engineer as outlined in their written specifications and in accordance with the Rules and Regulations and remodeling guidelines of the Park Tower Condo Association.

Topic/Report	Information
Treasurers Report: Tim Patricio on behalf of Laura Cossa	<p>Laura Cossa had asked me to point out that the most recent schedule of cash and investments that the Board has is dated February 29, 2008. There were three CD's in March which we asked not to be renewed to be able to pay for the cooling tower and other projects that we know are pending. Those are the CD's at Centennial Bank, Advanta Bank, and Country Wide Bank each in the amount of \$95,000. Where there any other details from the Cash and Investments that should be mentioned?</p> <p><i>Carlos Vargas asked about the moneys that were not renewed. Do we have them in an account that in making interest?</i></p> <p>Yes, they are in the money market fund that is gaining interest.</p> <p><i>Sandra Goldberg asked about the status of the CD at Saint Charles Bank, it matured on April 11th?</i></p> <p>That CD was not renewed either, I am going to be making an updated cash flow projection for next weeks Budget and Finance Committee Meeting and at that time I will be prepared to make a recommendation about the cash flow that will be remaining for the expected projects. We may be able to renew the May 9th CD to see if it is advantageous. The planter project in particular right now seems like we will come in well under expected, but there are still elements that we will need to do with the exterior terrazzo. I will look at all those projected costs and the committee did ask me to come prepared with the updated cash flow projection.</p>
Management Report: Tim Patricio	<p>Very quickly, we have coming out with our statements an updated contact information form and we are going to be asking owners to provide us with an email address. We have identified about a dozen different email groups made with various committees, Board notices, and things like that. Owners are going to have an option to check which mailing groups they would like to be on. That is coming out with the statements. The work in the garage that was approved by the Board is tentatively scheduled to begin May 1st. They are waiting for some materials that were ordered, particularly with the doors that are being automated. You will see notices go up and you may see barricades in the garage when they are doing work and need to protect a particular area. There is going to be concrete work going on. The garage committee meeting is tentatively scheduled for this Friday, and we will have more information at that time if you would like to join us for that meeting. I don't have concrete dates for that but I have been told that it will be tentatively May 1st. Also, we are still working out some details with Universal Laundry about the laundry room. I have some information to present to the Home Improvement Committee tomorrow night and I anticipate that they will make some recommendations about some of the specifics. I have indicated some of the work that we were suggesting for improvements that Universal would not be paying for or that we would be sharing the cost on and I have some details about that and some samples for the committee to look at tomorrow evening and hopefully make some recommendations. I have abridged my management report for this month. If you have any questions about particular activities, please let me know.</p> <p><i>Lorraine Meyers asked if the deck would be closed for the summer while they</i></p>

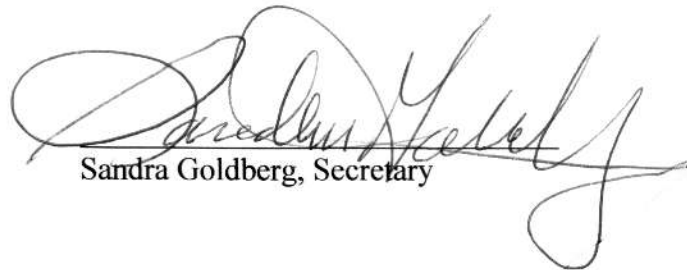
Topic/Report	Information
	<p><i>worked on replacing the stringers.</i></p> <p>They are hoping to be done with the deck by Memorial Day. They are making quite a bit of progress, and we are hoping that it will be open in time for the warm weather.</p> <p><i>George Pauley asked where we were at with the cooling tower.</i></p> <p>The vendor has anticipated major completion date of work for next Friday, April 18th. The project is still on schedule and that would actually be two days ahead of the original schedule. After that time we expect that there will be some other things that they will be here to do, some residual work and testing on the controls, not everything will be plugged in at that moment but the major completion is still anticipated for next Friday.</p> <p><i>George Pauley asked if he meant this Friday.</i></p> <p>April 18th, the end of this week.</p> <p><i>George Pauley asked when we anticipate that the cooling tower would be hooked in and we would have the ability to turn on air-conditioning.</i></p> <p>The anticipated would be April 18th. My understanding is that they can run the chillers with the work that they will be completed with on Friday. What this means is that it will be working or at least acceptably operational by that time. Not all the controls will be there.</p> <p><i>Carlos Vargas stated that he did not remember what happened the last time that they did it, but the laundry room will be out for at least 2 – 3 days. I would like to have one week advance notice all around for people who do their laundry in advance so that they know that they will not be able to do their laundry on those days, I was reading your report from last month when you were talking about Universal and it caught my attention that we might have to do a lot of plumbing work down there before they come and bring in the new units. Is that correct?</i></p> <p>Just the front load washers. The plumbing on two of the washers right now is a non gravity drain and they have been having some problems with a few of the other drains. We do have some plumbing work that we will be working with but that is just the 4 front load washers. The other one is fine. While we will be coordinating with them to get in and do some minor work to the lines that will be advantageous when we are done. I have not signed the agreement because again, although you approved it, I am going to continue to work out those little details and get as much as I can squeezed in for you and done. Before those details are handled I am not going to sign the agreement. Yes part of that is the plumbing and it will probably be a two and a half week project.</p> <p><i>Lorraine Meyers asked if it was possible to raise the front loaders up higher so that you don't have to scoot down to load the washers?</i></p> <p>I can ask them, I know that two of them are really low and part of the plumbing work is to allow them to be raised up. All of them will be higher like the two of them that are in there.</p> <p><i>A homeowner asked about the leaking window frames.</i></p> <p><i>George Pauley stated that we did have a major project involving them, which is part of a multi year process. The project this summer is to identify what the problem is and to plan what they will do about it. This is a very major problem that has been going on with the building for 35 years. We have corrected most of it 10-12 years ago when we spent about \$10million to redo the windows and now we are starting a project to find out what the problem is as we experience more infiltration.</i></p> <p><i>A Homeowner asked if there was a possibility that the problem can be fixed from inside the unit.</i></p> <p><i>George Pauley stated that there is no way to fix them from the inside. They are not fixable other than through a major project like we did several years ago.</i></p>

Topic/Report	Information
	<p><i>This building is one of the few high-rise buildings of this type that has been able to solve the water infiltration problem throughout the country. The Hancock has talked to us about how we did it, Lake Point Tower asked us how we did it. It is a given that with this type of construction you have water infiltration, or at least it was 35 years ago. When we finally addressed the problem 12 years ago, the only reason it could be fixed at that point was that technology was then available that was not available when the building was built. We now need to find out, we are assuming that there are maintenance issues going on, that is why the Board has approved that we are starting this project in the summer. Then we will start to take a look at what we can do to fix it.</i></p>
Board Report: George Pauley	I have nothing else to say for the Board Report.

Topic/Agenda Item	Result/Action Item
Adjournment	Upon due motion by Sandra Goldberg and seconded by George Pauley, the meeting adjourned at 9:53PM.



George Pauley, President



Sandra Goldberg, Secretary