



# Park Tower CONDOMINIUM ASSOCIATION

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## Board of Directors Meeting Monday February 16, 2009 Minutes

### In Attendance

George Pauley, President; Carlos Vargas, 1<sup>st</sup> Vice President; Lorraine Meyers, 2<sup>nd</sup> Vice President; Sandra Goldberg, Secretary; Laura Cossa, Treasurer; Steve Hanna, Property Supervisor; Tim Patricio, Property Manager; Mavis Mather, Assistant Manager Business Operations; Jacquie Smith, Assistant Manager Security Operations; Jenny Garcia, Administrative Assistant

### Call to Order: (8:46 p.m.)

Topic/Report	Information
ASCO Report: Lorraine Meyers	<p>What ASCO is concerned with is the committee for the state of Illinois is still working on the condo laws that they would like to put in effect. They are still taking testimony, but the man that is in charge of it is a lawyer, and everything he wants you need a lawyer for. They want to license all the condo managers as well as numerous rules and regulations. This is what ASCO is the most concerned with.</p> <p>The motel next to Dominick's has been sold to Dominick's. Everything is on hold, Dominick's is eventually going to build something, but no one can get any funding right now. That is the same with the Admiral; they do not have financing to continue building.</p>

Topic/Agenda Item	Result/Action Item
Approval of Motions from Closed Session	<p><b>A.</b> No Action. <b>B1.</b> Upon due motion by Carlos Vargas and seconded by Lorraine Meyers, the Board voted unanimously to approve 40 insurance fines. <b>B2.</b> Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to approve a \$250.00 fine for a smoking violation. <b>B3.</b> Upon due motion by Carlos Vargas and seconded by Lorraine Meyers, the Board voted unanimously to approve a \$350.00 fine for a move violation. <b>B4.</b> Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted unanimously to approve a \$350.00 fine for a move violation. <b>B5.</b> Upon due motion by Carlos Vargas and seconded by Sandra Goldberg, the Board voted unanimously to not impose a fine for a move violation. <b>B6.</b> Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted unanimously to approve a \$200.00 fine for a construction violation. <b>C.</b> Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted unanimously not to waive a fine. <b>D.</b> Upon due motion by George Pauley and seconded by Carlos Vargas, the Board voted unanimously to collect all past due parking fees, but waive the late charges for a unit. <b>E.</b> No Action. <b>F.</b> No Action.</p>

<b>Topic/Agenda Item</b>	<b>Result/Action Item</b>
Minutes January 12, 2009 Board Meeting	Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted to approve the January 12, 2009 Board Minutes with corrections. George Pauley, Carlos Vargas, and Laura Cossa voted in favor; Sandra Goldberg voted against; Lorraine Meyers abstained. The motion passed.
2009/2010 Budget Approval	Upon due motion by Carlos Vargas and seconded by George Pauley, the Board voted to approve the proposed 2009/2010 budget with a 5.6% increase as amended in the special meeting held on February 16 <sup>th</sup> at 7:30PM. George Pauley, Lorraine Meyers, and Laura Cossa voted in favor; Carlos Vargas and Sandra Goldberg voted against; the motion passed.
Workman's Compensation Insurance	Upon due motion by Carlos Vargas and seconded by Lorraine Meyers, the Board voted to approve the workman's compensation policy to Employer's Compensation Insurance in the amount of \$40,736. George Pauley, Carlos Vargas, Lorraine Meyers, and Laura Cossa voted in favor; Sandra Goldberg abstained; the motion passed.
Security Contract	Upon due motion by George Pauley and seconded by Carlos Vargas, the Board voted unanimously to approve Continuing with Admiral Security on a month to month basis in the amount of \$103,400 per year, or \$16.72 per hour, to provide security coverage for two shifts, seven days a week.
Uniform Contract	Upon due motion by Carlos Vargas and seconded by Lorraine Meyers, the Board voted unanimously to approve the uniform maintenance contract to Cintas in the amount of \$107.00 per week and a \$386.75 set up fee.
Chiller Maintenance Contract	Upon due motion by George Pauley and seconded by Sandra Goldberg, the Board voted unanimously to approve a chiller maintenance contract with Johnson Controls at a cost not to exceed \$15,900.
Health Club HVAC Unit	Upon due motion by George Pauley and seconded by Sandra Goldberg, the Board voted to approve Mega-Therm to replace the 7.5 ton rooftop HVAC unit in the health club in the amount of \$9,900.00. George Pauley, Lorraine Meyers, and Sandra Goldberg voted in favor; Carlos Vargas and Laura Cossa voted against; the motion passed.
Bike Room Renovation	Upon due motion by George Pauley and seconded by Carlos Vargas, the Board voted to approve Geo Bilhorn & Co to provide new bike racks for the bike room which will accommodate 290 spaces in the amount of \$24,825.45; further the old bike racks are to be moved to 2P to create additional spaces. George Pauley, Carlos Vargas, Lorraine Meyers, and Laura Cossa voted in favor; Sandra Goldberg voted against; the motion passed.
Tax Reassessment	Upon due motion by George Pauley and seconded by Laura Cossa, the Board voted to ratify the contract with Terrence Kennedy to prepare for the 2009 property tax reassessment in the amount of 10% of the projected tax savings. George Pauley, Carlos Vargas, Lorraine Meyers, and Laura Cossa voted in favor; Sandra Goldberg abstained; the motion passed.
Motorized Cart Form	Upon due motion by George Pauley and seconded by Carlos Vargas, the Board voted to approve the proposed motorized cart policy form to be used for enforcement; further the Board determined that residents needed to be in compliance within 6 months. George Pauley, Carlos Vargas, Lorraine Meyers, and Sandra Goldberg voted in favor; Laura Cossa voted against; the motion passed.

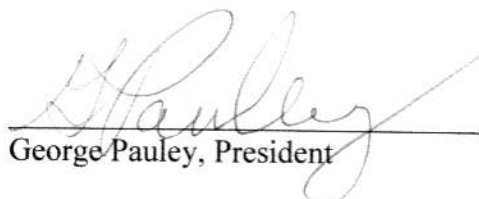
<b>Topic/Agenda Item</b>	<b>Result/Action Item</b>
Exterior Appearance – Shade Requirement	Upon due motion by Carlos Vargas and seconded by Lorraine Meyers, the Board voted to establish that all units must be in compliance with the window shade covering rule by March 1, 2010. Carlos Vargas, Lorraine Meyers, and Sandra Goldberg voted in favor; Laura Cossa voted against; George Pauley abstained; the motion passed.
Luggage Cart Location	Upon due motion by Carlos Vargas and seconded by Lorraine Meyers, the Board voted to relocate the luggage racks to the back by security where they will be locked and residents requesting the keys must provide an ID card to check them out. George Pauley, Carlos Vargas, and Lorraine Meyers voted in favor; Sandra Goldberg and Laura Cossa voted against; the motion passed.
Construction Requests	Upon due motion by George Pauley and seconded by Sandra Goldberg, the Board voted unanimously to approve the remodeling of unit 615, 1203, 1506, and 1914 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.

<b>Topic/Report</b>	<b>Information</b>
Treasurers Report: Tim Patricio	As of December 31, 2008 the total operating funds were \$249,985. The reserve account at Barrington Bank totaled \$205,434. The total replacement reserve funds were \$1,031,310. The total of all cash and investments was \$1,282,807.
Board Report: George Pauley	There is no Board Report for this month.
Management Report: Tim Patricio	<p>A couple of items from the monthly activity report. In the month of January there were 24 chargeable work orders in the amount of \$897, and 94 non-chargeable work orders. There was \$10,264 for health club income with 36 added memberships. There was \$1,040 charged in garage late fees, this is the highest amount all year. There were two sales with a fiscal year to date total of 21. The average sale for January was \$166,500; the overall average for the year is \$159,114. There were five leases for a year to date total of 69. The average lease for January was \$889; the overall average rent for the year is \$1,001. There were 39 assessment late fees totaling \$1,950. The two January sales were a 1-bedroom unit for \$120,000 on the 5<sup>th</sup> floor and a 2-bedroom unit for \$213,000 on the 10<sup>th</sup> floor.</p> <p>An update on the situation with the elevator, if you will recall at the last meeting I told the Board that I had been playing phone tag with the original architect of the building, John Benz, and I have finally had several conversations with him. He referred us to a firm downtown, that his firm trusts, and an individual by the name of Stewart Wright. He has started asking some additional questions of Harold Thurmer, and Michelle McVay from OTIS, so I do have someone looking into this. Continuing to the next level though is going to take some dollars. Mr. Wright predicted that to get to the bottom of this on your behalf, and to decide whether this design flaw is truly a design flaw (his initial gut reaction is that this is a design flaw based on the original drawings) he will need to do about 8 hours of billable research and reporting. His billing rate is \$150 per hour, or a total estimated cost of \$1,200. This is a drop in the bucket compared to the \$250,000 for the proposed repair.</p> <p><i>Sandra Goldberg asked if he finds that this is a design flaw, what recourse do</i></p>

Topic/Report	Information
	<p>we have?</p> <p>There is no recourse.</p> <p><i>George Pauley stated that the purpose is to find out how to fix the flaw.</i></p> <p><i>Sandra Goldberg asked if he would tell us how to fix it or just if it was a design flaw?</i></p> <p>This would be an outside perspective, not for specs. He would give you an overview and opinions, some generalized opinions, on how to go about fixing it. This would by no means be a scope of work or specifications.</p> <p><i>Sandra Goldberg asked if all he would tell us is if it is a design flaw.</i></p> <p>He is basically giving you an opinion for you to test the information that you have been given by Donnelly and OTIS Elevator to date.</p> <p><i>Lorraine Meyers asked if this person had any connection to OTIS.</i></p> <p>No connection, other than that since he is an elevator person he has worked with every elevator company.</p> <p><i>Lorraine Meyers asked if he would be prejudiced.</i></p> <p>His relationship on this issue would be with us.</p> <p><i>Sandra Goldberg asked if he would tell us if we were getting the up and up on the information from OTIS and Donnelly.</i></p> <p>Right, that is exactly what I asked him for.</p> <p><i>George Pauley asked if he would give us some idea as to if it could be fixed or not.</i></p> <p>Yes.</p> <p><i>George Pauley stated that then we would probably want to proceed with him or somebody on how to get quotes to fix it.</i></p> <p>You could yes. You would want to design specifications based on the direction that you want to go. My initial gut on this is that we listen to what he says and then you need to budget for it.</p> <p><i>George Pauley stated that this was just the \$1,200. Can you put it together for us for the next Board meeting to vote on it, or do you want to vote on it right now?</i></p> <p><i>Sandra Goldberg stated that she would prefer it to be put together for the next Board meeting.</i></p> <p><i>Carlos Vargas asked what there was to get together. The guy is going to spend eight hours on it, it's a drop in the bucket lets just approve it now.</i></p> <p><i>Sandra Goldberg stated that the bucket has a hole in it.</i></p> <p><i>George Pauley asked when OTIS was going to replace the ropes, have they given us a date. They had said that the ropes needed to be replaced and they couldn't wait.</i></p> <p>They have not given me a date yet.</p> <p><i>Lorraine Meyers said that they had reported that the elevator would be tied up too.</i></p> <p><i>George Pauley asked how long it will take to replace the ropes.</i></p> <p>Three to six weeks to replace the ropes.</p> <p><i>Lorraine Meyers stated that will affect move ins and move outs.</i></p> <p><i>Sandra Goldberg stated that the spring was coming and you get a lot of move ins and move outs, we need to get them to do it now before the spring comes and we have all that traffic.</i></p> <p><i>George Pauley stated that the sooner the better being as they told us that they could not wait.</i></p> <p><i>Lorraine Meyers stated that before when she was in the audience she had asked if the employees were bonded and was told that it was being worked on. Are the management office employees bonded now? You had stated that some of the Draper and Kramer employees were bonded and some were not and you were going to look into that.</i></p> <p>That is not accurate. The question was, are they bonded and the answer is</p>

Topic/Report	Information
	<p>yes, they are bonded by Lloyds of London. Everyone who works for Draper and Kramer in the office is bonded through this policy.</p> <p><i>Lorraine Meyers asked if that was just the office employees.</i></p> <p><i>George Pauley stated that the office employees were the only ones employed by Draper and Kramer, the rest are our employees.</i></p> <p>You have a crime policy that covers your other employees, that is a part of your commercial package. I'm sorry if I confused you when that came up, but it is a \$5,000,000 per occurrence policy with Lloyds of London.</p> <p>We did want to talk about the gas, hopefully you read my email, but I can just tell you that the experience with Hans Herman so far has been less than exemplary. He has been asked now for three weeks to provide and to make sure that he got me quotes for the 2010/2011 budget period for you to look at, consider, and basically see what his performance would be. Although our Exelon representative has repeatedly provided me with quotes over the past week, Hans Herman has not even responded to my emails. I did reach him on his phone twice, he knew about this, we talked about it, it was supposed to be here at tonight's meeting and its not. By 6:00PM I still had not received quotes from him so I have no idea where it is at. I have copied George and Steve on these emails so he has seen the correspondence and the repeated requests to have numbers at tonight's meeting.</p> <p><i>George Pauley stated that he did assure us that those numbers would be here. Yes, in one of his responses he said no problem.</i></p> <p><i>George Pauley stated that he had fully expected that we would have those numbers tonight.</i></p> <p><i>Sandra Goldberg asked if we would have them for the next meeting.</i></p> <p><i>Carlos Vargas stated that he understands the point is that Tim doesn't feel that he can do anything with Hans. My suggestion is to go to the next guy.</i></p> <p><i>Sandra Goldberg said no, we voted him in and Lorraine will give him a call.</i></p> <p><i>George Pauley stated that we should give it a month, but we are in a position where we have got to get advice when we need advice and we are not getting it.</i></p> <p><i>Sandra Goldberg stated that it wasn't what we would get for 2010. We will not get the low prices today for the future period.</i></p> <p>The prices for the 2010/2011 period have never gone below \$0.70 a therm. Right now they are hovering around \$0.725 per therm. So you are still at the low point for that period of time right now, but that is still lower than what you have been paying for the past five years.</p>

Topic/Agenda Item	Result/Action Item
Adjournment	Upon due motion by Sandra Goldberg and seconded by Carlos Vargas, the meeting adjourned at 11:03PM.

  
George Pauley, President

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Sandra Goldberg, Secretary

\*The Board Secretary has indicated that she will not be signing the minutes