

Park Tower CONDOMINIUM ASSOCIATION

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

Board of Directors Meeting Monday October 12, 2009 Minutes

In Attendance

George Pauley, President; Lorraine Meyers, 1st Vice President; Sandra Goldberg, 2nd Vice President; Laura Cossa, Treasurer; William Fortuna, Secretary; Steve Hanna, Property Supervisor; Tim Patricio, Steve Bisping, Chief Engineer; Property Manager; Mavis Mather, Assistant Manager Business Operations; Jacque Smith, Assistant Manager Security & Operations

Call to Order: (8:18PM)

Roll Call

All Board Members were present constituting a Quorum as defined by the Association's Declarations and the Illinois Condominium Property Act.

Agenda

Upon due motion by Sandra Goldberg and seconded by William Fortuna, the Board voted unanimously to accept the proposed agenda.

Topic/Report	Information
ASCO Report: Lorraine Meyers	<p>The ASCO Board Meeting was October 6th. There were a lot of things that took place at the meeting, but nothing was really that important except for Osterman Beach. The plans are coming along fine and the new beach house should be put in next spring, they are going to work on it all winter. The Chamber of Commerce is going to open 17 new parking spaces along Ridge Avenue for parking; it's only going to be one single lane. The Alderman insists that we have plenty of room for traffic and this is going to go through.</p> <p>What most of the people are really concentrating on now, since we are not going to have the Olympics, is the last four miles of the lake front. In other words, on the north side the drive stops at Hollywood and on the south side it doesn't go through all the way either. Well its four miles and what they are going to do, Friends of the Park and Loyola University have gotten together and they want to put islands out into the lake and extend the outer drive all the way to Evanston. They are making plans and ASCO is making plans. Most of the ASCO buildings are on the lakefront from Hollywood on up. They are objecting to it, but it is going to be inevitable, but I don't want it like ours. Our area behind the building is neglected; if you have walked on the sidewalk there it is all broken and is very hard to take if you are handicapped. It is very hard to take a cart down that sidewalk. Also, it is flooded over near Foster Avenue where it is constantly under water. I have called the City and the Alderman uncountable times, I have written a letter to the Mayor and nothing has ever been done about it. It is still like that and I don't see them doing anything about it at all. I can see where the other condos on the north of Hollywood would be concerned because they will have the same thing behind them that we have behind us. ASCO is going to be concentrating on that aspect of the lake front for the next couple of years.</p> <p>The census is next year and they are going to handle it differently. There is not</p>

	<p>going to be any long forms, it will all be short forms. They are looking for help on that and they pay \$18.00 an hour. You have to go and take and pass a test. I have the cards here that tell you all about it. If you would like to come up here and help yourself to it if you are interested. They are looking for twelve people from every building, so they are looking to hire twelve people from this building. I also have cards from something they call Merkel Small Steps, it is a paper towel and one of these entitles you to one roll. Please help yourselves to these also.</p>
<p>Budget and Finance Committee: Paul Groeninger</p>	<p>I just finished the minutes today, so I apologize to the members who do not yet have them. We met on September 22nd and had a very lengthy agenda. We started the meeting with some updates from Tim on the draft of the financial statements, the results from the curtain wall study, discussed the time frame for budgeting and completing the life safety system, an update from Lorraine on how El Lago was able to hold of on assessment increases for two years, discussed and finalized the proposed budget dates for reviewing the 2010/11 budget, had discussion on the July financials, received the draft of the 2010/11 budget and adjourned the meeting. It was a lengthy agenda and I am not going to go into all of it.</p> <p>I will tell you that we did finalize the meeting dates and they are: Meeting #1-Tuesday 10/13/09-Topics for review are Administrative, Payroll and Utility Expenses. Meeting #2-Tuesday 10/13/09-Topics for review are Operating, Maintenance and Repair Expenses. Meeting #3-Tuesday 10/27/09-Topics for review are Recreations Expenses, Garage Income and Expenses, and Reserve Contribution. Meeting #4-Wednesday 10/28/09-Topics for review are continuation of Reserve Contribution, Other Income and Assessments. Meeting #5 -Tuesday 11/10/09-Final review of proposed budget and B & F Committee votes on recommendations to the Board. Meeting #6-Tuesday 11/17/09-Board Workshop: B &F Committee to present their recommendations and or changes to the proposed draft of the budget to the Board for discussion.</p> <p>As a part of our follow up questions from the previous meeting we had talked about ways to increase our garage revenues since ours are in decline and we are not alone. Tim did a survey of all of the D&K properties and garage revenues are sinking at all the properties. One of our fellow members, David sitting next to me, came up with the idea of having an IGO or Zip car space in the garage. When this came up for discussion, Cy Peiser wanted to know if there would be an insurance issue, we got some answers from Tim. Our insurance company suggested that it would be a good step forward and there would be no insurance issues. I suggested that we do this on 1P and use a valet space so that you could access it via the mall and not have access to the rest of the building. I called for a recommendation and we are now making a recommendation to the Board. Cy made a motion that the B & F Committee recommends to the Board that Park Tower provide one valet space for rent by IGO. The motion was seconded and passed unanimously. We are asking the Board to consider that recommendation as a way to help us increase the revenues in the garage. IGO has stated that they would like to start this on a trial basis with one car because they like the idea of providing a space that is indoor and covered. The only request that they have is that we allow signage so that they can advertise their car.</p> <p>Next one of the things that we did was ask Tim if he could find out how our parking rates compare to others. I will tell you this because I feel that it is important that people in the building know this and are cognizant of it as well. Tim thank you for getting me all this information, I know I ask a lot, but I am glad that you got it. Here are the examples: Malibu-Self park \$130, Tandem \$118, Valet \$107, 2nd Valet Space \$135, 5445 n. Sheridan-\$95 inside and \$93 outside, Breakers-\$130 plus \$30 processing fee, 5455 N. Sheridan-Valet-\$114,</p>

	<p>Self Park \$134, 2nd vehicle \$129, East Point-Valet \$100, 2nd space \$125, 5757-valet \$142, self \$165, 5510-\$70 indoor and outdoor \$60. The reason that I brought these up is so that you can see that we are not over or under, we are in the mid range for our parking. It is not pricing that is causing us to loose people, it is just the economy.</p> <p>Also I would like to call the Board's attention to page four where it discusses in great detail how to read the new A/R Aging report that is included in the financial statements. I would ask that the Finance Committee and the Board please refer to these notes; there is a lot to tell on it. Please bring these to your Finance Committee Meetings there are several points to keep in mind as we review the budget.</p>
<p>Health Club Committee: Susan Pestine</p>	<p>We really don't have anything to report now; we have a meeting scheduled on this Wednesday. What I would like to recommend for myself and other people who have told me, the flowers on the plant in the cardio room is bothering a lot of people. Their allergies and sense of smell are suffering so I thought I would bring it up at this meeting and Wednesday.</p>
<p>Home Improvement Committee: Nancy Ledvina</p>	<p>The Committee unanimously voted to recommend to the Board that we go with the carpet that we selected for the lobby in our redecorating plans for the entire building. What we are hoping for is that we might have an option if the carpet is available in tiles and it is not cost prohibited to go with that style in tiles. That way if there is damage it would be a lot easier to replace sections rather than the entire floor. We are recommending going with that carpeting because have observed and Tim has observed that it has weathered very well. There were concerns that it is dark and might make the hallways look dark, but we are hoping with lighter paint and adjustments to lighting that it might be an option for us. Apparently there are about ten floors that are in really bad shape. We would recommend that those floors would need to be done first. We were looking at ten floors per year for a five year period, but the Board would need to look at that. It is my understanding from Tim that if we do two floors we get a discount, we are looking at doing the second floor and a sample residential floor so that we can look at it and see if we like it, which we failed to do the last decorating bout.</p> <p>The pool flooring was also a topic. We decided to investigate into new flooring possibilities and also have the Health Club Committee look into new flooring and then get back to the committee with their findings. We were discussing going with either similar flooring, or a sand colored concrete.</p> <p>The next area was landscaping. We had a lot of concerns about the decline in the quality of landscaping. We want talk to Brickman about 5455 and what a beautiful job they did. Problem, their budget for their circle planter is more than our entire budget. It was suggested that we get bids from other companies to bid for the contract. We also want to check in with who does the Breakers. Gregor said he would contact homeowner who worked with the Chicago Park District to get input on plantings.</p> <p>Our next topic was the entry sign and front desk. It is our understanding that was have budget approval of approximately \$10,000 for the entry sign and a budget of \$29,000 for the Front Desk. Bill suggested an architect or an interior design person, to see about combining the 2 projects so that there is some semblance to tie them together. Moving the desk totally and checking out signage from monument style with lights shining on it to signs with light from within.</p> <p>Finally I had brought to Tim's attention a number of times, and he is as frustrated as I am with our Alderman's office, sirens blaring, and all emergency vehicles any time of the day or night. I would like to have someone check with the alderman and fire, police departments to find out why in the middle of the</p>

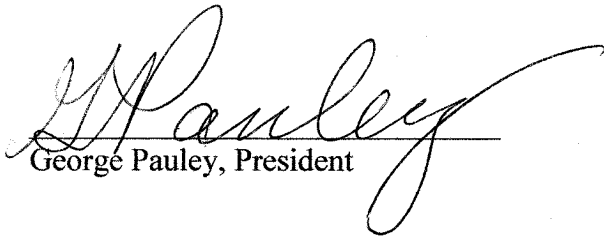
	night fire, police, ambulance, and such emergency vehicles blare their sirens constantly with no cars on Sheridan Road and not just at the lights
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Topic/Agenda Item	Result/Action Item
Motions from Closed Session	A1. Upon due motion by Sandra Goldberg and seconded by Lorraine Meyers, the Board voted unanimously to not approve a fine. A2. No Action. B. Upon due motion by George Pauley and seconded by Laura Cossa, the Board voted to not waive parking charges. George Pauley, Sandra Goldberg, Laura Cossa, and William Fortuna voted in favor; Lorraine Meyers abstained; the motion passed. C. Upon due motion by William Fortuna and seconded by Sandra Goldberg, the Board voted unanimously to not waive legal charges. D. Upon due motion by Sandra Goldberg and seconded by Lorraine Meyers, the Board voted unanimously to not waive late fees. E. Upon due motion by George Pauley and seconded by William Fortuna, the Board voted unanimously to not pay a garage claim. F. Upon due motion by George Pauley and seconded by William Fortuna, the Board voted unanimously to authorize use of the health club for the term of membership. G. No Action.
Minutes September 21, 2009 Board Meeting	Upon due motion by William Fortuna and seconded by George Pauley, the Board voted to approve the September 21, 2009 Board Minutes. George Pauley, Lorraine Meyers, Laura Cossa, and Bill Fortuna voted in favor; Sandra Goldberg voted against; the motion passed.
Reschedule November Meeting Date	No Action
Bad Debts	Upon due motion by George Pauley and seconded by Lorraine Meyers, the Board voted unanimously to approve a write off in the amount of \$36,849.49 for bad debt not collected during the audit year of 2008/09. This bad debt consists of uncollectible debt accrued from foreclosures and bankruptcies found in the approved audit.
Fire Hose Replacement	Upon due motion by Lorraine Meyers and seconded by William Fortuna, the Board voted unanimously to approve Martin Mack to replace the 111 fire hoses throughout the building, as submitted, in the amount of \$12,227.93.
Management Contract	Upon due motion by Laura Cossa and seconded by George Pauley, the Board voted to approve the proposal from Draper and Kramer to provide management services from March 1, 2010 through February 28, 2016 as submitted with years one, two, and three at no increase, a 5% increase for years four, five, and six, and no increase in the cost of garage management. George Pauley, Lorraine Meyers, Laura Cossa, and Bill Fortuna voted in favor; Sandra Goldberg voted against; the motion passed.
Laura Cossa left the meeting at 10:07PM.	

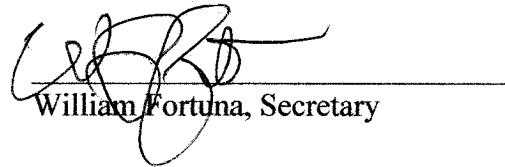
Topic/Report	Information
Treasurers Report: Tim Patricio	As of August 31, 2009 the total operating funds were \$144,945.45. The total replacement reserve funds were \$1,301,152.81. The total of all cash and investments was \$1,446,098.26. Upon due motion by George Pauley and seconded by Lorraine Meyers, the Board voted to ratify the purchase of a CD at Republic Bank for 16 months in the amount of \$100,000.00 at a rate of 1.98%. George Pauley, Lorraine

Topic/Report	Information
	Meyers, and William Fortuna voted in favor; Sandra Goldberg abstained; the motion passed.
Board Report: George Pauley	There is no Board Report.
Management Report: Tim Patricio	I am just going to tell you that there were two sales in the month of September, a 1-bedroom on the 26 th floor for the amount of \$136,400 and a commercial unit for \$160,000. It should be noted that the commercial unit was a result of foreclosure action. Only one item for my management report, I will be on vacation the week of October 31 st through November 7 th .
Garage Report: Jacquie Smith	The wait list for self park for level 1P in the garage is 39 people. The wait list for self park for level 2P in the garage is 49 people. The tandem parking wait list is five people. The fall garage power washing will take place from November 9 th through November 12 th .

Topic/Agenda Item	Result/Action Item
Adjournment	Upon due motion by Sandra Goldberg and seconded by Lorraine Meyers, the meeting adjourned at 10:17PM.



 George Pauley, President



 William Fortuna, Secretary