



Park Tower CONDOMINIUM ASSOCIATION

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Board of Directors Meeting Monday July 12, 2010 Minutes

In Attendance

George Pauley, President; Laura Cossa, 1st Vice President; Betty Terry-Lundy, 2nd Vice President; David Nicosia, Treasurer; William Fortuna, Secretary; Steve Hanna, Property Supervisor; Tim Patricio, Property Manager; Mavis Mather, Assistant Manager Business Operations

Call to Order: (8:15PM)

Roll Call

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

Topic/Report	Information
ASCO Report: Lorraine Meyers	ASCO will be having a meeting with all association presidents in the organization to discuss the lake front and other problems that are coming up that they would like input on. This meeting is what they have been preparing for the last two months.
Cable Committee: Tim Patricio	<p>I had delivered to the Board a memo from myself based on discussion and several months of meetings and research. The Committee has decided to recommend to the Board to renew with RCN cable as stated on the memo provided. Along with the memo you will find a copy of the survey results, from the survey that the committee created. Also attached is a bid analysis from each of the firms that they analyzed. Throughout the process a couple of committee members did drop out and we reached out to a couple of them that were at each meeting and asked them to make recommendations as well based on their participation with the committee. Those letters are attached as well. What the Board will need to do now is to take that recommendation and decide how to proceed.</p> <p>I will go through a couple of points so that you know what the committees reasoning was. Although the technology has changed such that we had more options to look into, RCN remains the most cost effective option for a bulk cable contract. Remaining with RCN would also result in the least amount of disruption to residents, as each of the other options looked at would require wiring upgrades in every unit – except Comcast. However, Comcast was the most costly option. The alternatives did not offer significant enough advantage or improvements to warrant a transition of the increase in fees being proposed, at this time. RCN demonstrated a willingness to negotiate more favorable terms, such as reducing their annual price cap from 7% to 5%, and twice extending a one year hold on the monthly rate. Management has negotiated a 2 year hold at the present rate, should the Board opt to renew the contract. Considering this hold alone Park Tower will save approximately \$50,000 collectively. The reduction in price cap will save \$3,500.00 annually for the life of the contract. The survey results, that you will review, show that a majority of</p>

	<p>respondents were happy or satisfied with RCN. That is the basic reasoning behind the recommendation.</p> <p>Management would recommend that the Board consider directing negotiations to begin on a renewal. Management agrees with the recommendation of the Committee and sees no reason why we could not begin negotiating a renewal immediately, if so directed.</p>
<p>Social Committee: George Pauley</p>	<p>I want to thank everyone who participated in the July 3rd Holiday Party. I think that those of you who attended might say that this is probably the best that we have had in all the years. It seemed to go very smoothly, it was well attended; the weather cooperated and so forth. We had more volunteers this year than in the previous years, and all of them worked very hard. Everyone did an amazing job pulling off such a large party. Thank you to Tim for his work as the DJ. Also thanks to the Market for keeping us supplied with various foods and drinks.</p>
<p>Health Club Committee: David Nicosia</p>	<p>We had a meeting and decided that we needed another meeting. We would like more people to attend the meetings so we are going to contact some old members of the committee, post notices for volunteers, and hope to get more people to participate.</p>

Topic/Agenda Item	Result/Action Item
Board Positions	Upon due motion by Laura Cossa and seconded by Betty Terry-Lundy, the Board voted unanimously to approve George Pauley as the Board President, Laura Cossa as the 1 st Vice President of the Board, Betty Terry-Lundy as the 2 nd Vice President of the Board, William Fortuna as the Secretary of the Board, and David Nicosia as the Treasurer of the Board.
Motions from Closed Session	Upon due motion by Laura Cossa and seconded by William Fortuna, the Board voted unanimously to approve the decisions made in closed session.
Minutes June 14, 2010 Board Meeting	Upon due motion by William Fortuna and seconded by Laura Cossa, the Board voted unanimously to approve the June 14, 2010 Board Minutes.
Board Meeting Schedule	Upon due motion by David Nicosia and seconded by Betty Terry-Lundy, the Board voted unanimously to approve the Board Meeting schedule for August 9, 2010, September 13, 2010, October 11, 2010, November 8, 2010, December 13, 2010, January 10, 2011, February 7, 2011, March 14, 2011, April 11, 2011, May 9, 2011, and June 13, 2011 for the annual meeting. All meetings will begin at 7:30PM.
Committee Liaisons	Upon due motion by Betty Terry-Lundy and seconded by William Fortuna, the Board voted unanimously to approve Board liaisons to the following committees as listed: David Nicosia to the Budget and Finance Committee, Laura Cossa to the Garage Committee, David Nicosia to the Health Club Committee, William Fortuna to the Home Improvement Committee, Betty Terry-Lundy to the Newsletter Committee, William Fortuna to the Rules and Regulations Committee, and George Pauley to the Social Committee.
Creation of Ad-Hoc Committees	Upon due motion by David Nicosia and seconded by Betty Terry-Lundy, the Board voted unanimously to approve the creation of an ad-hoc committee on noise from the 'L, and the creation of an ad-hoc committee on indoor air quality.

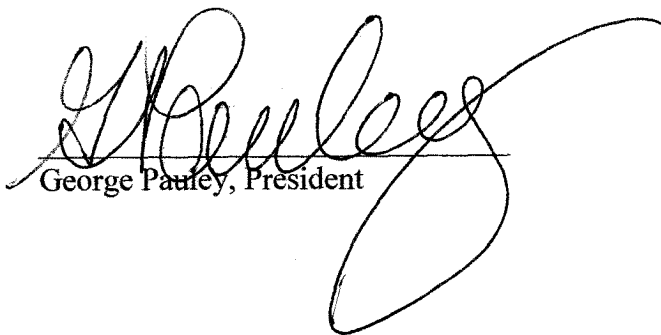
Topic/Agenda Item	Result/Action Item
Ratify Bank Loan	Upon due motion by Betty Terry-Lundy and seconded by David Nicosia, the Board voted to ratify approval of the US Bank loan proposal at 4%. George Pauley, Laura Cossa, Betty Terry-Lundy, and David Nicosia voted in favor; William Fortuna abstained; the motion passed.
Receiving Room Lease	Upon due motion by Betty Terry-Lundy and seconded by David Nicosia, the Board voted unanimously to approve a five year lease for the receiving room, with identical terms to the previous lease, and changes directed to management, with Sue and Jim Kim, August 1, 2010 through July 31, 2012 with a five year option to renew at the end of that term.
Otis Elevator Contract	Upon due motion by Laura Cossa and seconded by David Nicosia, the Board voted to approve the proposed elevator maintenance contract addendum with Otis Elevator for a 20 year term, including 24/7 maintenance response and a 9% discount over their present contract terms. George Pauley, Laura Cossa, Betty Terry-Lundy, and David Nicosia voted in favor; William Fortuna voted against; the motion passed.
Paving Bids	Upon due motion by William Fortuna and seconded by Betty Terry-Lundy, the Board voted unanimously to approve JLJ Contracting to perform the north driveway and loading dock driveway repaving project, as proposed, in the amount of \$24,500.00.
Single Handled Faucets	Tabled.
Construction Requests	<p>Upon due motion by Betty Terry-Lundy and seconded by Laura Cossa, the Board voted unanimously to approve the remodeling of units 505, 604, 2008, and 2614/15, 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.</p> <p>Upon due motion by William Fortuna and seconded by David Nicosia, the Board voted to approve the remodeling of unit 4306, 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. George Pauley, Laura Cossa, William Fortuna, and David Nicosia voted in favor; Betty Terry-Lundy abstained; the motion passed.</p>
Market Sign	Upon due motion by David Nicosia and seconded by William Fortuna, the Board voted unanimously to approve an ad-hoc committee to review the proposed Market sign.
Service Animal Policy	Upon due motion by William Fortuna and seconded by Laura Cossa, the Board voted unanimously to approve the distribution of the proposed service animal policy for homeowner approval.

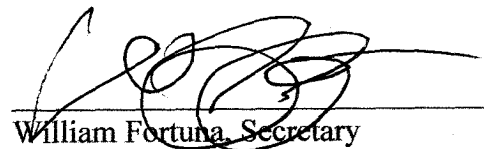
Topic/Report	Information
Treasurers Report: David Nicosia	As of May 31, 2010 the total operating cash was \$186,785.84. The total of all operating cash and investments was \$213,153.84. We have a couple CD's coming due which will be transferred to the money market. The total of all cash and investments was \$1,821,851.71.

Topic/Report	Information
Board Report: George Pauley	<p>I want to thank Lorraine Meyers and Sandra Goldberg for their years of service on the Board and many hours of hard work. Lorraine will continue to be our ASCO representative and our 48th Ward Planning and Zoning Commission representative. Lorraine has been representing us at both of those for quite some time now. Again, thanks to Lorraine and Sandra.</p> <p>As you may have noticed, we are adopting a little bit different way of managing Board meetings. This is our first attempt at a new style and I think that it went relatively well; we will continue to work on it.</p>
Management Report: Tim Patricio	<p>We have had a lot of questions in the office and I wanted to report back to the Board regarding bed bugs. We are likely going to recommend a contract to begin doing inspections, specifically floor by floor. The way it is looking right now, we will recommend inspecting two floors every two weeks with lady who brings the bed bug dog. So similar to right now where we have our regular exterminator come in every Friday and inspect a floor, she would come in every two weeks and inspect two floors. This would begin inspections on a semi permanent ongoing basis. Just based on what we are learning and based on the activity, it is not something to be paranoid about. You do inspections for roaches each week and now we would just be adding bed bugs to what we are doing. This is becoming a reality; they are likely not going away ever, unless the government brings back stronger pesticides to deal with them, which is highly unlikely. We will have recommendations on a contract in the future; we are working on a contract right now with this individual.</p> <p>I have been corresponding with the Board over the past few weeks, this issue came together very quickly and I have tried to get this information out to you, this is with the LED lighting in the garage. This is to switch from the mercury ballasts and florescent tubes that we are using now to LED lights; which, based on scientific research on useful life would pay themselves out within two to two and a half years. If you recall from the budgeting that we did this year, we budgeted for a project for chemical treatment for \$40,000. This was where we were going to change from using a chemical based system to a non-chemical system for the heating and air-conditioning. For the new Board members, I did report to the Board several months ago that we would probably not pursue that project this year because the engineers that helped us with the cooling tower project wanted us to slow down and put the brakes on this after consultation about the different methods suggested to switch from chemical treatment. When we looked at different ways to "green" the building this project came up. This is considered a significant item when it comes to LEED certification, or energy star certification. This is a similar cost project that would pay itself off faster than the chemical treatment. I will give some numbers very quickly; I would like feed back from the Board if I am wasting time on this. We did get three bids already and the lowest bid is \$23,400.00. If we chose to do this we could fit it in the budget this year since we are not recommending proceeding with the chemical free water treatment. I have also received the first bids on getting LEED certification, the first bid was from Johnson Controls for \$12,500.00 so we could actually do both of these projects and fit it into the budget by replacing the water treatment with these two projects. There is money so this is not something that I just picked out of the air. This would be a significant item because you do have 400 bulbs in the garage and they use 300% of the electricity that the LED's use. This would over the long-term save about \$9,000.00 a year plus inflation in electrical costs. This does pay itself off rather quickly, along with other savings that just cannot be quantified. For example the mercury ballasts, which cost \$45.00 to replace and last 4-5 years,</p>

Topic/Report	Information
	<p>would not be needed with the LED lights. We would never have to buy these again; this is not in the \$9,000.00 number. Also, it takes the staff 35 to 40 minutes to replace the ballasts, which based on labor and benefits would save about \$20.00 per ballast as well. But, there are 400 bulbs that work and 200 ballasts down there that work, but we could use these in other areas of the building. If we do this project all at once we could store these to use in other areas of the building. The one thing that I have not mentioned is that these florescent bulbs and mercury ballasts will not be manufactured for much longer. My understanding is that by 2016 that these materials are no longer allowed by EPA regulation. So at some point we will need to switch from these types of figures to another form of lighting. LED has been tested; it has been around for 45 years and is just now becoming popular.</p> <p>For the month of May there were 56 chargeable work orders totaling \$1,992 and 121 non-chargeable work orders. There was \$4,342 in health club income with a net loss of 8 memberships bringing the health club membership total to 313. There were two sales in May; a one-bedroom for \$130,000, and a one-bedroom for \$110,000.00; these were both foreclosed units. There were 7 leases for the month bringing the yearly total to 23 averaging \$1,012. There were 23 late fees charged for the month of May.</p>
Garage Report: Tim Patricio	<p>There is no valet wait list for the garage, parking is immediately available. The waitlist for 1-P self parking is 59 people. The waitlist for 2-P self parking is 89 people. In addition, we received word today that a previous long-term employee of the garage passed away. Miguel Rivas passed away, the family did ask us to inform the owners of the building, but no other details will be provided per the request of the family. They have told us that there will not be services.</p>

Topic/Agenda Item	Result/Action Item
Adjournment	Upon due motion by David Nicosia and seconded by William Fortuna, the meeting adjourned at 9:50PM.


George Pauley, President


William Fortuna, Secretary