

BOARD OF DIRECTORS' MEETING

January 23, 2020

<https://www.111eastchestnut.org/wp-content/uploads/2020/01/2020-1-23-Board-Meeting.mp3>

ATTENDEES

Board: Jane Santogrossi, Tony, Samantha, Valerie and Serap

Management: Graf, Sara, Kat and Jonathon

Homeowners: Arleen Kolman, Minh Dao, Roosevelt Hayward and Brian Connolly

APPROVAL OF PRIOR MEETING MINUTES

- December 12, 2019 Closed Session APPROVED

- December 12, 2019 Open Session APPROVED with minor correction (“began at 6:06pm”)

TREASURER'S REPORT — Presented by Sara Rudnik in Carolann Randall's absence

This report is for the full calendar year 2019 during which we budgeted \$4.2 million of income and \$3.3 million of expense, leaving about \$900,000 for reserve spending and overages. For the full year we were on target for both revenues and expenses. All monthly budgeted reserve contributions have been made for 2019 totaling \$905,000. The reserve account currently totals \$1,164,906. Reserve expenses totaled \$537,690, \$405,000 which was spent on the facade project. Other expenses were attributed to boilers and compactor expenses. Final work and bills for the facade project and concrete repairs are expected to total another \$450,000 in 2020.

MANAGEMENT REPORT — Presented by Sara Rudnik, Property Manager

- Next meeting is schedule for February 20.

- The RCN contract expires the end of August. We are putting the service out to bid and exploring other options. If we renew, RCN will increase Internet speeds to 250Mbps (currently at 50Mbps). RCN is also introducing new home HD receivers which will add a DVR functionality that will be fully integrated with phone apps and related technologies. The board and management will explore alternatives to a bundled package.

- Discussions continue regarding the HVAC unit on the North deck. Sara reported that the owner is investigating whether it can be moved, as well as other noise mitigation options.

- 22.1 Disclosure Statement APPROVED AS AMENDED with two minor corrections (take out the modifier “all” regarding replacement of stairwell fire hoses; also \$405 has been paid to date to Quality Restoration).

NEW BUSINESS AND ANY OTHER BUSINESS THAT MAY COME BEFORE THE BOARD

1. The firm Costantini and a budget of \$12,000 was APPROVED to consult on the rooftop air-unit replacement project.

-- Management provided the board information on three firms, i.e. Alara, Costantini and Knight Engineering. Very comparable services. Bids: Alara \$44,200, Costantini \$9,000, and Knight at \$25,000. Costantini has the most experience with 111 having worked on numerous projects. However, compared to the other two vendors, Costantini did not have a designated structural engineer. So management has earmarked an addition \$3,000 in case we need a structural engineer.

- Milazzo recommended we also consider sound mitigation to offset penthouse unit complaints.
- 2. The firm EDA and a budget of \$11,870 was APPROVED for preliminary phases I and II for the freight elevator modernization project.
- Where the Reserve Study has this project beginning in 2021, management recommends that we at least start the process in 2020. By getting bids now for 2021, management expects that will increase the likelihood of a better price.
- Also, the Otis contract provides that modernization would permit us to go secure another service and maintenance provider.
- We've worked with EDA. They helped convert the Otis contract to a performance contract. And per Sara, as an added benefit, our contact there "likes to give Otis a hard time."
- Per the Board President, Jane: "Technically the board should go and get additional bids but we're not sure it's worthwhile getting additional bids on what might only save us a couple thousand dollars."

HOMEOWNER QUESTIONS

1. How much did the Association collect for the Employee Holiday Fund in 2019? How did the Association record that income? Were Tax Withholdings taken from the employee Holiday bonuses?
2. What has the Board and management done to ameliorate the residual crystalline silica dust from the facade project since the project's inception? Why didn't management do anything to control the dust after the 8/15/19 visit from Chicago Dept. of Public Health?

NOTE: The Board refused to answer the homeowner questions and walked out.