



APPROVED MINUTES

**THE PIERRE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING MINUTES**

**I CALL TO ORDER:**

The Board of Directors meeting of February 19, 2003 was called to order at 7:38 p.m. by Director Ed Burnes. A quorum was noted. Attendance was recorded as follows:  
Directors: Wayne Lau, Bob Doak, Denise Antonucci, Ed Burnes, Randy Mehrberg.  
Others: Joe Bright, Wolin-Levin; Aaron Jewell – Chief Engineer, Pierre.

**II SECRETARY'S REPORT:**

**a) Minutes of January 15, 2003** Motioned by Mr. Doak, seconded by Mr. Mehrberg, and unanimously carried, the following resolution was approved:

**RESOLVED** That the Board of Directors of the Pierre Condominium Association, hereby, approve the Board of Directors Meeting minutes of January 15, 2003.

*In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Mehrberg.  
Abstaining: Mr. Burnes.*

**III TREASURER'S REPORT:**

**a) Financial Report** Board Treasurer Bob Doak presented the Treasurer's Report. *(The Pierre Condominium Association Treasurer's Report Board Meeting 2/19/2003 is attached.)*

**IV 5DS COMMON ELEMENT REPAIRS:**

**a) Summary/Conclusion** Mr. Manuel Silverman 5DS requested permission from the Board to distribute and read a letter summarizing the history, communication and proposed repairs for sounds that originated from pipes within the common element wall of his unit.

Followup by both building manager Mr. Joe Bright and chief engineer Aaron Jewell summarized their perspective and involvement in the situation. Various issues (communication, pertinent facts, personalities and costs) prevented an expedient solution to the problem. Consensus was agreed upon between the Association, Management and the unit owner for resolving and performing the repairs. The Association and Management will attempt to better the procedure for future problems.

**V MANAGEMENT REPORT:**

Joe Bright, the property manager gave a management report including:

**a) Garage Maintenance** Management completed the purchase of a cleaner/power scrubber for the maintenance of the membrane surface in the garage.

**b) Emergency Lighting** Building maintenance inspected all emergency lighting, replacing batteries and testing. Chief engineer Aaron Jewell indicated the emergency lighting is intended primarily for evacuation of the building in an emergency and is not intended to stay on for extended periods.

**c) Storage Area Lighting** Building maintenance installed additional new lighting in the storage area.

**d) Management/Staff Meetings** Management conducted a meeting with the staff to review expectations for cleanliness of the building.

**e) Trash** Boxes of trash by the service elevator were from one of the contractors working in the building. Management/staff instructed them to dispose of their trash and not leave it for the staff to discard.

**f) Doorman Station Issues** Management discussed with Roger Walters of Standard Parking the issue that the garage staff is not allowed at the doorman's station watching TV.

**g) Staff Pension Fund Delinquencies** Management informed the Board of a letter received from SEIU National Industry Pension Fund attorneys regarding delinquencies from 1997, 1998, 1999 and 2000. These purported delinquencies occurred during the tenure of a previous management company. Management is to attempt to investigate and resolve the issue with the Association's accountant and the pension fund's attorney.

**h) Elevator Modernization Process Update** Management updated the Board that Lerch Bates has completed the modernization repairs on the service elevator and that the city has completed their inspection. The service elevator was put back into service on Wednesday, February 19, 2003 and is now available for use and move-in requests. Management will distribute a memo to unit owners stating that the service elevator should now be used for taking pets in and out of the building. Management will also inform unit owners of the new safety features installed on all three of our elevators.

#### **VI OLD BUSINESS:**

**a) Lobby Sensor Panels** Ms. Antonucci informed the Board that the smoked glass had arrived for the recessed sensor panels in the lobby but were not manufactured per specifications and had to be remade and would arrive for installation in about one week.

The Board approved in January the proposal for fabricating the recessed fire and sensor panels, for a cost not to exceed \$3,374. Since that resolution it became necessary to modify the glass panel frame and make it flush with the wall surface increasing costs by \$500. Mr. Burnes stated an amendment to the resolution approving the additional cost would be necessary. Motioned by Mr. Mehrberg, seconded by Mr. Doak, and carried, the following resolution was approved:

**RESOLVED** That the Board of Directors of the Pierre Condominium Association, hereby, approve an additional expense of \$500 for Perimeter Builders, Inc. to design, fabricate, demolition and recessed construction to install the fire and sensor panels for a total cost not to exceed \$3,874.00.

*In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Mehrberg.*

*Opposed: Mr. Burnes.*

**b) AN/BN Common Element Slab and Drywall Joint Repairs** The Association is planning to schedule with Berglund Maintenance Company (concrete work) and an independent contractor (drywall work) for Phase 2 of common element repairs to the joint between the two sections of the building within the AN and BN units this March – May 2003. The Board has agreed that the concrete slab and adjoining drywall repairs relative to the joint area only (excluding floor/wall finishes or coverings) in the AN and BN units can be completed and reimbursed by the Association limited at this time to amounts contained in the Travelers damage estimate.

AN/BN unit owners wishing to complete repairs other than the concrete slab and drywall repairs at this time will need to cover all costs associated with any of the following; floor leveling; repair of damage away from the joint; materials and labor costs to install floor and wall finishes once the joint repairs are completed; any relocation or storage costs made necessary in completing the repairs. Some or all of these additional amounts may eventually be reimbursed depending on the resolution of our pending claims. In an effort to proceed with additional joint repairs, Mr Lau has agreed to contact remaining AN/BN unit owners to see who may be interested in having repairs completed during March-May 2003.

**c) 2120 Construction Project Damage Suits** Mr. Mehrberg and Mr. Doak updated the Board on the most recent settlement hearing that was held on February 5, 2003. The hearing failed to conclude apportionment of financial responsibility for each of the defendants in the case. The case will now proceed towards trial.

**d) Façade Repairs/Lintel Repairs and Replacement** Mr. Doak reviewed funding alternatives for the lintel repairs and replacements indicating a decision would have to be reached whether to complete the carryover Façade and Lintel replacements from last year as well as the balance of all other lintel replacements for the entire building, or complete the carryover Façade and Lintel replacements from last year and defer the balance of all other lintel replacements for the entire building probably until the next Façade Report and Examination in 2007. The Board summarized the current status of reserves and discussed overall costs and priorities for anticipated repairs required to be implemented this year and concluded to defer the complete lintel replacement at this time. The lintel repairs previously contracted by W.J. McGuire Company will continue this spring.

**e) Pool Liner Installation** Management reported that Rainbow Resurfacing, Inc. had submitted a letter explaining the original contract price and supported additional costs for the installation of the new pool liner. After discussion, the Board instructed Management to negotiate a settlement if possible and authorized payment based on the original contract price.

**f) Garage Ceilings** Mr. Lau noted the Board had approved cleaning the lower level ceilings in the garage in September and Management indicated the cleaning would be postponed and completed when the contractors could not work outside due to cold weather. The work has not been started and Management is to contract this work before spring.

**g) Legal Invoices** The Board reviewed the outstanding invoice from Gessler Hughes Socol Piers Resnick & Dym Ltd. related to the 2120 Construction Project claims in the amount of \$44,377.76 for the period 7/1/2002 through 10/31/2002 and concluded to defer payment.

**h) Cable Refund/Contract** A question was raised if the Association had received the cable refund and Mr. Doak had indicated it had not. Mr. Burnes suggested that we should terminate the contract prior to November in order to prevent it from automatically being renewed.

## **VII NEW BUSINESS:**

**a) 5ES Unit Renovation** The renovation plans for unit 5ES were turned over from Management to Eskenazi, Farrell & Fodor for review. A report by EFF was submitted to the Board for approval, indicating use of existing plumbing lines and installation of new flooring with no impact to the structural integrity of the building. Motioned by Mr. Mehrberg, seconded by Mr. Doak, and unanimously carried, the following resolution was approved:

**RESOLVED** That the Board of Directors of the Pierre Condominium Association, hereby, approve the renovation plans as submitted for 5ES provided the work does not require any plumbing changes and subject to obtaining a permit from the City of Chicago.

*In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Burnes, Mr. Mehrberg.*

**b) Building Movement** During the past weeks unit owners on the 10th and 11th floors have reported new cracks, existing cracks expanding, and wood flooring separating. Wiss, Janney, Elstner, Inc. was notified and instructions were given to chief engineer Aaron Jewell for monitoring the top floors.

**c) Intercom System** Management obtained proposals for a telephone entry control system. Motioned by Mr. Doak, seconded by Mr. Mehrberg, and unanimously carried, the following resolution was approved:

**RESOLVED** That the Board of Directors of the Pierre Condominium Association, hereby, approve the proposal from Elite Special Systems, Inc. for installation of a TEC2 telephone entry control panel including labor and materials for a cost not to exceed \$5,800.

*In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Burnes, Mr. Mehrberg.*

**d) Management Fee Increase** Mr. Burnes questioned why a 5.7% management fee increase was initiated in January by Wolin-Levin. Upon clarification, Management had taken the budget figures and increased the fee as of January 1st. Mr. Doak indicated that the budgeted figures included a management fee increase but that a new contract and potential fee increase would not go into effect until May and has not been approved.

## **VIII COMMITTEE REPORTS:**

**a) Annual Meeting Election Committee** Chairperson Gail Ruden reviewed the election issues from last year and summarized several alternatives to be implemented for this year and suggesting it would be best to retain the Associations accountant for tabulation of the vote.

## **IX OWNERS COMMENTS/QUESTIONS:**

**a) Rowing Machine** Mr. Mehrberg announced that he would make available for the exercise room his rowing machine for building use providing that the Board approved. The Board approved and thanked Mr. Mehrberg for his generosity.

**b) Treadmill** Ms. Antonucci announced that she would donate her treadmill for the exercise room use providing that the Association approved. The Board approved and thanked Ms. Antonucci for her generosity.

**c) Pool Staircase** A unit owner asked if the stairs to the pool deck could be cleaned because of the filthy condition it was left at the close of the season from contractors working on the building exterior. Management will have maintenance thoroughly clean the staircase and surrounding areas.

**X RECESS/CLOSED SESSION/ADJOURNMENT:**

With no further business to come before the regular Board meeting, and upon motion duly made and unanimously carried, the meeting adjourned at 10:05 p.m. The Board recessed into closed session at 10:05 p.m. to review late fees. The closed session reconvened into open session at 10:20 p.m.

Motioned and unanimously carried, the meeting adjourned at 10:20 p.m.

*Respectfully Submitted,*

*Wayne Lau  
Secretary, The Pierre Condominium Association*

THE PIERRE CONDOMINIUM ASSOCIATION  
TREASURER'S REPORT  
BOARD MEETING 2/19/03

For the one month ended January 31, 2003, the association has a net cash surplus of \$16,274 before consideration of Special Assessments received and Special Project costs paid out.

Special assessments received from 1/1/02 through 1/31/03 totaled \$594,060 and garage revenue totaled \$87,512 against which \$384,195 was expended for garage work, \$365,755 was expended for elevator work and \$138,041 was expended for façade work. The loan balance at January 31, 2003, is \$221,352.

At 1/31/03, The Pierre Condominium Association had the following cash/ investment balances:

|  |                       |
|--|-----------------------|
| Wolin-Levin                                      | \$ 43,011.60          |
| Harris Bank Special Projects A/C                 | \$ 21,885.72          |
| Salomon Smith Barney- general reserves           | \$247,880.60          |
| Salomon Smith Barney- Baker damage insurance A/C | \$608,208.90          |
| Midamerica Bank- Baker damage insurance A/C      | \$ 96,088.22          |
| Invest Financial- Baker damage insurance A/C     | <u>\$1,001,991.76</u> |
| Total- Cash and Investments                      | \$2,019,066.80        |

Nothing unusual was noted in the January activity.

Monthly revenue for the garage in January was \$18,047 compared to a budget of \$17,225. Income for January was \$1,581 compared to \$2,764 budgeted. Health, Welfare & Pension Costs expensed in the January statement included a charge for both December, 2002 and January, 2003. The December cost included in the January statement was \$1,590.

It should also be noted that the monthly budget for transient parking revenue of \$1,916 is 1/12 of the annual budget (consistent with typical management company budgeting). Since the full year budget for 2003 is \$23,000 compared to 2002 actual of \$23,096; January, 2002 actual is probably a better guide for a January monthly budget. January, 2002 actual was \$464 compared to January, 2003 actual of \$1,103. If a seasonally adjusted budget were used for this line item, there would probably be a positive variance instead of the \$813 negative variance included in the income comparison in the previous paragraph.

Respectfully submitted,  
Robert Doak  
Pierre Treasurer