

The Pierre Condominium Association

MINUTES OF February 15, 2006 BOARD OF DIRECTORS MEETING

I. Call to Order

The Board of Directors meeting was called to order at 7:35 p.m. A quorum was noted. The directors in attendance were Gera-Lind Kolarik; Stu Baker; Janet Fisher; Amy Dickinson; Denise Antonucci and. Absent: Randy Mehrberg, Bob Doak, Mary Gootjes Dan Chalifoux from Wolin Levin and building engineer Aaron Jewell were present.

II. Approval of Minutes

The October and November 2005 minutes were approved.

III. Treasurer's Report

THE PIERRE CONDOMINIUM ASSOCIATION TREASURER'S REPORT BOARD MEETING 2/15/06

On January 30, I deposited a check for \$4,946,925.80 in the Pierre money market account for the final payment on the settlement of the Baker litigation. I directed the bank to pay off the remaining balance on the special projects loan and pay the remaining outstanding balance on the most recent invoice from the attorneys.

I am currently working with the attorneys to set up the process for communicating to the unit owners who suffered damages, the amount allocated to their unit for damages. The first communication sent was to obtain releases for the defendants as part of settlement agreement. The next communication will be sent after the releases are finalized and will include details supporting how each unit's damage amount was calculated. This communication will also include a description of the process for unit owners who wish to present additional information that may not have been considered in the original number provided. I would hope to reach agreement and write settlement checks to most of the damaged unit owners within the next 2-3 months. The money received will give us sufficient cash reserves to cover the \$1,160,168 deficit budgeted for 2006.

At 1/31/06, The Pierre Condominium Association had cash balances totaling \$5,509,904, invested in bank money market accounts and bank C/D's. The loan balance was \$285,956. Based on my current estimates of our cash requirements and the current level of interest rates, I anticipate that the cash balances of the Association should generate about \$95,000 of interest income in 2006, \$20,000 over budget.

Standard Parking reported the final garage numbers for 2005. On a cash basis the garage finished the year \$4,972 ahead of budget and on an accrual basis budget was exceeded by

\$1,758. The December results were below budget by \$4,524 primarily because of the payout of previously unused vacation and comp time at the end of the year.

Respectfully submitted,
Robert Doak, Pierre Treasurer

IV. Engineer's Report

Chiller Replacement Project: Two bids for new chillers have been received. Janet Fisher made a motion, which Stu Baker seconded, to purchase two new chillers immediately. This will decrease installation time by about 4 weeks. The motion passed unanimously.

Broken Coil: The main heat exchange coil for the hallways is broken and needs to be replaced. A three way mixing valve and thermostat will be replaced at the same time. Monroe will do the work.

Building Engineer Responsibilities: Aaron submitted a document outlining his responsibilities, which is being revised for distribution at the next board meeting.

Extermination: Bed bugs have been reported and are believed to be contained to a single unit. The exterminator has treated the unit.

Hot water pump and "blow down" valves: Work on the pump is ongoing and readings have been within 120 degrees. Problems in the ES tier are being addressed. Stu Baker made a motion, which Amy Dickinson seconded, to approve the replacement of 5 valves and check valves for \$6,5000. The motion passed unanimously.

V. Management Report

The Board reviewed Dan Chalifoux's written management report dated February 15, 2006 and discussed the following items.

Roof and Pool: The roof replacement project will start in March. Polo Plumbing has completed the pool pipe replacement project. Six to eight Recirculation ports need to be replaced and connected to the new plumbing.

Painting Projects: Second floor hallway painting will proceed with S&S Painting. The North Stairwell painting and wall repairs are underway. The fitness center and bathrooms will be repainted before the new equipment is installed.

Insurance: Dan Chalifoux reported that there have been significant savings in the renewal of the building insurance due to the garage keeper policy. Amy Dickinson made a motion, which Janet Fisher seconded, to approve the insurance quote for the building. The motion passed unanimously.

The board discussed using the savings in the insurance to pay for necessary pipe repair and replacement. The board requested that water shut downs be limited to a specific day of the month to minimize the frequency of the water shuts downs.

Lintel Replacement Project: The Board reviewed the February 6, 2006 proposal by Wiss Janney for lintel replacement and facade inspection. Janet Fisher made a motion, which Stu Baker seconded, to accept the proposal for \$89,500. Gera-Lind Kolarik abstained and all others voted in favor. The motion passed.

VI. Old Business

Rule Change: The Board reviewed the proposed rule change regarding rentals and approved it for distribution to the owners. The Board will vote on this rule change at the March meeting.

Recycling: The recycling program is doing so well that the bins are sometimes overflowing. Either more bins will be added or there will be a second pick up.

VII. Committee Reports

Exercise Room: Denise Antonucci reported that the new equipment will be installed on February 23 and 24, 2006, after the carpet is cleaned and the walls painted. The Board discussed the possibility of new flooring for the exercise room.

Lobby Renovation: Denise Antonucci volunteered to chair this committee. Denise has contacted Darcy Bonner (who previously did drawings for the Lobby). Denise is looking for other owners to serve on this committee.

Windows: Larry Stotts will no longer chair this committee. The Board discussed using Perimeter Builders to work on the window and lobby projects.

Fire & Life Safety: Gera-Lind Kolarik reported that the alderman's office and the fire department are planning a safety meeting for the neighborhood. Gera-Lind was asked to see if the Park District building across the street could be used for this meeting.

VIII. New Business

Renovation to Unit 9BN: Amy Dickinson made a motion, which Denise Antonucci seconded, to approve the proposed renovation to this unit. Stu Baker abstained. The motion passed.

Renovation to Unit 10BS: Stu Baker made a motion, which Janet Fisher seconded, to approve the proposal to move an exterior door, provided that the owner incur all costs to move the door including replacing wallpaper and moving lighting. The motion passed unanimously.

Pipe Work in Unit 11BN: The Board reviewed a letter from Irving F. Lieberman & Associates dated February 10, 2006 regarding pipe work. Stu Baker moved, and Amy Dickinson seconded, to allow the pipe work. The motion passed unanimously.

IX. Unit Owners Comments

There were comments regarding the Baker litigation and settlement letters sent to owners by the attorney. Bob Doak and Randy Mehrberg (the two board members involved in the settlement negotiations) were not at the meeting, therefore, the owners were asked to wait for communication from the board on this topic. A special meeting will be held once the details are finalized.

There were comments on the rebates by DirecTV.

There was a complaint that the window cleaners missing the northeast corner windows. A new company has been hired to do the window cleaning.

The recent cable outage was due to a bad cable and not the weather.

An owner commented that the monthly statement indicated that late fees are assessed after the 10th instead of the 15th of the month. Dan Chalifoux will investigate.

An owner reminded the board that rule changes need to be sent to the owners with the exact wording of the proposed change.

X. Adjournment

The meeting was adjourned at 9:21 p.m. and the board went into executive session.

Minutes from Board Meetings are posted at www.thepierre.com

To send an email to the Board of Directors use: theboard@thepierre.com

To send an email to our Management Company use: mgmtco@thepierre.com

Respectfully submitted by,
Stu Baker Acting Secretary and Mary Gootjes Secretary