



APPROVED MINUTES

THE PIERRE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING MINUTES

Pursuant to notice duly given, a Board of Directors Meeting of the Pierre Condominium Association was held on April 9, 2002 at 7:30 p.m. in the hospitality room.

Attendance was recorded as follows. Directors: Stu Baker, Wayne Lau, Gera-Lind Kolarik, Bill Waterston, Denise Antonucci, Bob Zabors (7:50 p.m.), Adam Landsman (7:55 p.m.), Randy Mehrberg (8:28 p.m.); Kamran Jeffery, Standard Parking; Joe Bright, Wolin-Levin; Debra Russo, Recording Secretary.

I CALL TO ORDER:

It was announced that Mr. Landsman was expected to arrive late for the meeting and, in his absence, Vice President Mr. Stu Baker would conduct the meeting until his arrival. Mr. Baker called the Board of Directors Meeting of April 9, 2002 to order at 7:44 p.m. A quorum was noted.

II GARAGE OPERATION REPORT:

Mr. Kamran Jeffery, the Senior Garage Manager from Standard Parking presented a financial update on the operation of the garage for the period ending February 28, 2002. Mr. Jeffery reported \$14,497 in total revenue with \$16,167 in expenses for a net operating loss of \$1,670.

Standard Parking has been pursuing outside monthly parkers and now there is a total of 93 monthly parkers, including 75 resident parkers (including first and second cars), and 8 nonresident/transient parkers.

Mr. Jeffery also addressed questions, comments and concerns from Board Members and attending unit owners. Additional security measures have been taken with keys for the upper level front cars, they are now in a lock box, and there is an auto request book in the office for requests other than for the current day.

Thanks was extended to Mr. Jeffery and he was excused from the meeting.

III SECRETARY'S REPORT:

a) Minutes of March 12, 2002 Board Meeting

Mr. Lau reported that the Board had been given the opportunity to review the minutes of March 12, 2002 in advance of the meeting, and reported that no changes that had been suggested to the draft minutes. Mr. Lau called for final comments or corrections, there were no additional changes.

Upon motion duly made, Mr. Lau motioned to approve the March 12, 2002 Board Meeting minutes as presented, seconded by Mr. Baker, and unanimously carried, the following resolution was approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, approve the March 12, 2002 Board Meeting minutes, as presented.

In Favor: Mr. Baker, Mr. Lau, Ms. Kolarik, Mr. Waterston, Ms. Antonucci, Mr. Zabors, Mr. Landsman.

Note: Mr. Mehrberg was not present for this resolution.

IV TREASURER'S REPORT:

a) Finance Report

Mr. Lau announced that the Association's Treasurer Mr. Bob Doak was unable to attend the meeting, however, in his absence he provided the Board with copies of a documented Treasurer's Report that was distributed to the Board and attending unit owners. Mr. Lau summarized the report and noted that the report will be attached as part of the minutes.

The Board also discussed budget variances and the total costs of various projects to date.

b) Statement of Accounts

The Association's cash/investment balances as of March 31, 2002 were: Wolin-Levin account \$69,046, Harris Bank Special Projects account \$73,403, Salomon Smith Barney General Reserve account \$298,518, and the Salomon Smith Barney Insurance Settlement account \$322,178.

(The Pierre Condominium Association Treasurer's Report Board Meeting 4/9/2002 is attached as part of these minutes.)

V MANAGEMENT REPORT:

a) Damage Reports

Management reported that the damage assessments prepared by The Ritter Group have been distributed to all of the unit owners, and to date 12 unit owners responded with additional damages.

b) Elevator Modernization Project

A preliminary payment was made to Otis Elevator Company for the elevator modernization project in the amount of \$84,000. Management was asked to schedule the pre-construction meeting.

c) Insurance Premiums

Full payment was made to Rockwood Insurance for the annual insurance premium.

d) Reserve Transfers

\$39,000 was transferred to the Harris Bank to cover the initial payment issued to the Otis Elevator Company.

e) Annual Meeting

Management reported that notice of the Annual Meeting along with the candidate forms were distributed to all unit owners. The meeting has been scheduled for May 14, 2002.

f) Exterior Facade Repairs

Wiss, Janney, Elstner is expected to send out the proposal and bidding packages for the facade work within the next few weeks.

g) Construction Rules

The Association's attorneys reviewed the proposed draft Construction Rules and have indicated that they have found them to be consistent with the other association documents and they would not recommend any changes and are approved for distribution to unit owners.

h) Pool Resurfacing

Management reported that the pool resurfacing will probably be completed toward the end of April, weather permitting. The pool is expected to open on time for the Memorial Day weekend.

i) Plumbing Repairs / Water Shut Offs

In response to an owner's inquiry, Management reported that several recent water shut offs were necessary to accommodate plumbing repairs. Most of the work was completed by our building head engineer Aaron Jewell and the building staff.

VI OLD BUSINESS:

a) 2120 Construction Project Insurance Claims

Mr. Landsman reported that the judge expressed displeasure with the lack of compliance on the part of Traveler's representatives to meet several scheduled deadlines to produce their damage assessments. The judge has ordered them to appear on April 15, prepared to settle the case. If they are not prepared on April 15, the judge could intervene and move to determine the settlement or the case will proceed to litigation. The estimated claim is just under 5 million dollars without punitive damages.

Mr. Landsman further reported that the Association's attorneys will also be meeting with the Baker defendants on April 29th. The two cases are not dependent on each other. The difference in the two hearings are primarily punitive damages. Legal fees may also be recovered from Baker as well as any other costs that Travelers may not agree to.

THE PIERRE CONDOMINIUM ASSOCIATION
TREASURER'S REPORT
BOARD MEETING 4/9/02

For the three months ended March 31, 2002, the association incurred a net deficiency (cash basis) of \$9,437 before consideration of Special Assessments received and Special Project costs paid out. This was primarily the result of paying the annual insurance bill in March.

Special assessments received through 3/31 totaled \$507,666 against which \$373,610 was expended for garage work and \$2,000 was expended for elevator work. I have attached a schedule summarizing the special project activity to date.

At 3/31, The Pierre Condominium Association had the following cash/ investment balances:

Wolin-Levin	\$ 69,046.85
(originally reported as \$44,515.33 in error)	
Harris Bank Special Projects A/C	\$ 73,403.56
Salomon Smith Barney- general reserves	\$298,518.22
Salomon Smith Barney- Baker damage insurance A/C	\$322,178.94

\$29,711.03 was paid from the Insurance A/C during March for the concrete joint repair work.

My current forecast for the year ending 12/31/2002 is that we should achieve results, in total, very close to budget. This forecast includes the significant, offsetting variances mentioned in the next paragraph.

Insurance (including workmen's comp) premiums totaling \$73,430 were paid for the full year in March, an increase of \$22,000 over budget and \$26,000 over last year's costs. Doorman's costs may be about \$3,000 over budget for the year due to Jimmy's surgery. We are obligated for (and have paid out) all sick pay as well as short-term disability. Gas costs thru Feb., 2002 are about \$5,000 under budget and \$20,000 below last year. Management fee (without the budgeted onsite manager) is running about \$17,000 annualized under budget.

The garage operation while still behind where we would like to be financially, made good progress during March. Standard contracted with the Belden Stratford for 11 monthly cars starting May 1.

Respectfully submitted,
Robert Doak
Pierre Treasurer

PIERRE CONDOMINIUM ASSOCIATION
Special Project Costs and Related Cash Sources

SPECIAL PROJECT SUMMARY AS OF MARCH 31, 2002

	<u>Actual to date</u>	<u>Budget Total Project</u>
Special Assessments Collected	507,666	725,000
Garage Revenue- allocated to special projects	<u>23,534</u>	<u>450,000</u>
Total cash sources	531,200	1,175,000
Project Costs:		
Garage	(373,610)	(425,000)
Elevator	(2,000)	(435,000)
Facade	<u>0</u>	<u>(315,000)</u>
Total expenditures	<u>(375,610)</u>	<u>(1,175,000)</u>
Net Available for future project expenditures	155,590	0

DETAIL PROJECT SPENDING

GARAGE

Garage- painting	2,000
Garage- Eskenazi Farrell & Fodor	6,487
Garage- Hang Tarp	<u>850</u>
Total 2001	9,337
Jan.-Feb. 2002:	
Garage- painting	2,900
Garage- Eskenazi Farrell & Fodor	12,725
Garage- Takao Nagai (W/L statements)	96,211
Garage- Takao Nagai (Harris account)	216,804
Garage- Security	330
Garage- door loops	2,790
Garage- Power Wash	1,650
Garage lighting and Electrical Panels	24,000
Garage- Portable Ramp	924
Garage- Additional drain	2,600
Garage- Other door repair work	<u>2,831</u>
Total thru 2/28/02	373,102
Garage- Eskenazi Farrell & Fodor	<u>508</u>
Total thru 3/31/02	373,610
est. for new doors	8,000
est. for EFF final bills	<u>2,000</u>
Estimate - total garage cost	<u>383,102</u>

ELEVATOR

Lerch Bates	<u>2,000</u>
Total thru 3/31/02	2,000

b) 2120 Construction Project Repairs

The Board responded to inquiries from attending unit owners about distribution of funds for common area damage and coordinating floor repairs with surrounding units. Unit owners were advised that the floor repair costs obtained by the Association are binding for two years. If the work is not completed within that timeframe, any additional costs would be the unit owner's responsibility. Mr. Mehrberg will contact the attorneys for clarification of the issues related to scheduling the common area repairs within the units.

c) 2120 LPW / Barbecue Grills

The smoke emanating from the barbecue grills on the patios at 2120 Lincoln Park West is creating a nuisance for some of the Pierre owners on the north side of the building. Management will try to schedule a meeting with the 2120 LPW Board of Directors in hopes of negotiating an equitable solution.

d) Construction Rules

Mr. Lau reported that the Board has reviewed the final update of the Construction Rules. And as mentioned earlier the Association's attorneys have also reviewed the Construction Rules and advised that they are in compliance with the Association documents.

Upon motion duly made, Mr. Lau motioned to approve the Proposed Construction Rules for Unit Renovation as of April 2002, seconded by Mr. Waterston, and unanimously carried, the following resolution was approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, approve the Construction Rules for Unit Renovation as of April 2002, as presented.

The Board commended Mr. Lau and Mr. Waterston for their time and efforts in creating the new rules and guidelines. Mr. Lau will proceed to have the document duplicated and be ready for distribution by Management in approximately two weeks.

VII NEW BUSINESS:

a) Bicycle Room

Owners will be notified that building staff will be removing unclaimed bicycles from the bike room. Identification tags should be placed on all bicycles stored in the bike room. Any unclaimed bikes will be donated to charity.

b) Right of First Refusal

Management reported on the following sale: unit 3FN sold for \$185,000.

Upon motion duly made by Mr. Lau, seconded by Mr. Baker, and unanimously carried, the following resolution was unanimously approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, ratify approval for the sale of unit 3FN and waive the Association's right of first refusal.

VIII COMMITTEE REPORTS:

a) Window Committee

Ms. Gail Ruden reported that three engineering consultants will be making presentations to the committee on window replacement this week. The committee expects to be able to present a recommendation at the May 14th Annual Meeting.

IX OWNERS COMMENTS/QUESTIONS:

The Board addressed comments and questions from attending owners.

a) Intercom System

A unit owner reported the need for intercom repairs explaining that calls intended for his unit are ringing in his neighbor's unit. Management will investigate the cause of the misdirected calls.

b) Cable TV

Another inquiry concerning recent increases in cable charges lead the Board to a discussion concerning the cable contract. The cable contract will be reevaluated prior to expiration.

c) Common Hallway Temperature Fluctuations

Management will ask building staff to monitor the temperatures in the common hallways as some floors were reported to be too cold.

X RECESS/CLOSED SESSION/ADJOURNMENT:

With no further business to come before the regular Board meeting, and upon motion duly made by Mr. Landsman, seconded by Mr. Baker, and carried, the Board recessed into a closed session of the open meeting at 9:30 p.m.

The purpose of the closed session was for the Board to review a response letter regarding a unit owner's damage claim that occurred a common element area of the building.

The closed session of the open meeting concluded and reconvened into open session at 9:40 p.m.

Upon motion duly made, and unanimously carried, the meeting adjourned at 9:40 p.m.

Respectfully Submitted,

A handwritten signature in black ink that reads "Wayne Lau". The signature is written in a cursive, flowing style.

Wayne Lau, Secretary
The Pierre Condominium Association

Debra Russo, Recording Secretary