

HARBORSIDE CONDOMINIUM TRUST

TRUSTEE MEETING MINUTES

JANUARY 2011

The January meeting of the Harborside Condominium Trust Board of Trustees was held January 5, 2011. In attendance were Trustees Warren Hendriks, Don Nowland and Jim Walters. A quorum was present.

1. GUEST PRESENTATIONS

Bob Alves (C1 and C3) discussed the recent water intrusion problem into C3 from the C6/C7 deck as well as the odor issue with which his C3 tenant has been dealing. The Board acknowledged these difficulties and the water leak issues that others have had to deal with. This has been a very unfortunate period, especially for the C Building owners and residents.

2. MOTIONS

The following motions were approved unanimously:

- To accept the December 2010 Trustee meeting minutes as written.
- To accept the December 2010 financial statements.

3. SPECIAL ASSESSMENT

As previously notified, a Special Assessment in the amount of \$45,000 has been approved by your Board of Trustees. The purpose of this Special Assessment is to fund the following:

- Emergency leak repairs to Unit C2. This extensive repair was done by The Osgood Company. It included removal and replacement of Unit C8 balcony decking/underlayment, removal and replacement of Unit C5 balcony decking/underlayment and replacement of exterior sheathing and clapboards above Unit C2. Cost - \$21,135 less prepaid deposit of \$6,000, leaving a balance due Osgood of \$15,135.
- Emergency leak repairs to Unit C3. This repair, also done by The Osgood Company, necessitated a complete removal and rebuild of the Unit C6/C7 balcony to prevent water intrusion into Unit C3. Approximate cost - \$22,000 less prepaid deposit of \$3,000, leaving a balance due Osgood of \$19,000.

- Payment of 2010 unpaid operating invoices as follows:
 - HDC 2010 Contribution \$5,400
 - 2010 Maintenance (RJL Co/Bartlett-Steadman) \$5,465
 - Osgood Construction (as noted above) \$34,135

Additional 2010 unpaid invoices totaling \$5,525 will be paid with 2011 funds.

Please note, the *Notice of Special Assessment* indicated that \$5,000 of the Special Assessment monies would be used toward the upcoming Building C rear drainage/storage area project. The decision to use Special Assessment funds for this project has been rescinded by the Board as Osgood Construction's final invoicing came in higher than projected.

Please direct any questions or comments you may have to Markwood Management.

4. HDC REPORT

HDC member, Jim Walters, indicates that the recently installed seawall lighting was damaged by the December 26th storm. The Osgood Company has been notified and will affect repairs.

5. MAINTENANCE UPDATE

The Osgood Company has completed repair work as follows:

- Repair of C6/C7 leak into C3.
- Repair of C8 and C5 balconies and exterior clapboards associated with leak into C2.

The owners of Units C2 and C3 have been notified that, as per the Harborside Insurance Resolution, they must file a claim with their homeowners' insurance company regarding damages to the interior of their Units.

- The Board reviewed the current status of the Building C moisture situation, noting the following:
 - Ken Steadman of Bartlett & Steadman Excavating has visited the site and indicates that in order to make a final decision regarding the resolution of water intrusion into the C Building, it may be necessary to remove the rear planting bed and the storage bins. The Board will be sending a letter to all C Building residents in an effort to obtain information as to the most convenient way to empty and remove the storage bins. Once this information is received, the bins will be removed and Ken Steadman will return to gather information that will affect the extent of foundation/flower bed work required. Competitive bids will be obtained for the project.

6. ALTERATION PROTOCOL

Attached to these minutes, you will find the *Harborside Condominium Trust Policy for Addition, Alteration or Improvement to Individual Units and Common Areas*. Please familiarize yourself with this policy, as your Board has determined that protocol has not been completely followed during this year's flurry of repairs and updates at the Harborside property.

Please pay particular attention to prior Board notification and permitting.

7. HARBORSIDE WEBSITE

For your information, the website is: www.harborsidecondos.net

User Name: owner

Password: peace (*Note change of password)

8. DEFERRED PROJECTS

The Board determined that because of current economic conditions it is appropriate to continue the deferment of the following projects: B Building roof replacement; D-1/D-2/D-3 total deck refurbishment; repair of low areas in the parking lot; seal coating and lining of parking lot; composite refurbishment of the north dock, and the addition of blue stone at the C Building entry.

9. MARKWOOD MANAGEMENT will attend to the following:

- Obtain pricing for the installation of upgraded fire escapes on Buildings B and D.
- Forward Draft of the *January Homeowner Letter* to the Board.
- Ensure that the upcoming Marblehead Bank loan takes advantage of all conditions that would afford the lowest possible interest rate. Also, ensure the loan contains a "no penalty" clause for prepayment.
- Have General Environmental contact the owner of D6 regarding ant infestation.
- Work with webmaster, Bart Jones, to update the website.
- Follow up to ensure that the reported water leak in Unit D1 has been repaired.
- Ensure that the snow shoveling clears each unit entranceway out to the plowed parking lot and that all walkways are cleared their entire width and also out to the parking lot. Also clear snow from decks that would be used for a second egress.
- Develop plan to make repairs to the D Building roof where the tree planters stood (estimated at about \$800).

10. ADJOURNMENT

There being no further business of the Harborside Condominium Trust Board of Trustees, the meeting adjourned at 4:10 p.m.

The next meeting of the Harborside Condominium Trust Board of Trustees will be held Wednesday, February 2, 2011 at 3:00 p.m. by conference call. All homeowners are encouraged to attend.

Please attend the meeting by calling 1-866-393-8073. You will be prompted to enter the meeting number *1169611*

If you are the first to arrive at the meeting site, you will be prompted to enter the "moderator code". The moderator code is *1631*

Minutes prepared and submitted by Markwood Management

Attachments:

- Special Assessment Payment Schedule
- *Harborside Condominium Trust Policy for Addition, Alteration or Improvement to Individual Units and Common Areas*

Harborside Condominium Trust
Emergency Special Assessment
February 1, 2011 through January 1, 2012

<u>Unit</u>	<u>% Ownership</u>	<u>Total Loan Amount</u>	<u>12 Month Assessment</u>	<u>Payable Monthly</u>
A1	3.27%	\$45,000.00	\$1,471.50	\$122.63
A2	1.92%	\$45,000.00	\$864.00	\$72.00
A3	3.77%	\$45,000.00	\$1,696.50	\$141.38
B1	4.94%	\$45,000.00	\$2,223.00	\$185.25
B4	2.85%	\$45,000.00	\$1,282.50	\$106.88
B2	2.93%	\$45,000.00	\$1,318.50	\$109.88
B3	4.69%	\$45,000.00	\$2,110.50	\$175.88
B5	2.93%	\$45,000.00	\$1,318.50	\$109.88
B6	2.85%	\$45,000.00	\$1,282.50	\$106.88
B7	2.85%	\$45,000.00	\$1,282.50	\$106.88
B8	2.75%	\$45,000.00	\$1,237.50	\$103.13
B9	2.85%	\$45,000.00	\$1,282.50	\$106.88
B10	3.77%	\$45,000.00	\$1,696.50	\$141.38
C1	3.02%	\$45,000.00	\$1,359.00	\$113.25
C2	5.86%	\$45,000.00	\$2,637.00	\$219.75
C3	3.02%	\$45,000.00	\$1,359.00	\$113.25
C4	2.93%	\$45,000.00	\$1,318.50	\$109.88
C5	4.44%	\$45,000.00	\$1,998.00	\$166.50
C6	2.93%	\$45,000.00	\$1,318.50	\$109.88
C7	2.85%	\$45,000.00	\$1,282.50	\$106.88
C8	4.19%	\$45,000.00	\$1,885.50	\$157.13
D1	3.27%	\$45,000.00	\$1,471.50	\$122.63
D2	4.77%	\$45,000.00	\$2,146.50	\$178.88
D3	4.10%	\$45,000.00	\$1,845.00	\$153.75
D4	5.61%	\$45,000.00	\$2,524.50	\$210.38
D5	4.02%	\$45,000.00	\$1,809.00	\$150.75
D6	6.62%	\$45,000.00	\$2,979.00	\$248.25

HARBORSIDE COMDOMINIUM TRUST

Policy for Addition, Alteration, Or Improvement To Individual Units And Common Areas

Objective – To provide guidelines for the review and approval of additions, alterations, and improvements to individual Harborside Units and Common Areas.

Background and References

- No part of the Harborside Condominium shall be used for any purposes except those set forth in the Harborside Condominium Master Deed and the Harborside Condominium Trust, established by the Declaration of Trust. All Unit Owners and Residents shall refer to the Master Deed and Trust Documents for further explanation concerning the duties and authorities of the Board of Trustees and the descriptions of the Harborside Condominium, its Units, Common Areas and Facilities, and the authorized “uses” and “restrictions” of same.
- In reference to the Master Deed (paragraph 13.A., Units Subject to Master Deed, Unit Deed, Condominium Trust, Etc), the acceptance of a deed or the entering into the occupancy of any Harborside Condominium Unit constitutes an agreement with the provisions of the Master Deed, the Trust, and the By-Laws and Rules and Regulations, and any violation of same shall justify legal action to be taken by the Trustees.

Guidelines

- Nothing shall be done in any Unit or Common Area and Facility that would impair or change the structural integrity of any building. All plans for repair, addition, alteration, or improvement of any Unit affecting any Common Area or Facility, must be approved in writing by the Trustees before any such modifications are initiated. All such repairs, additions, alterations, and improvements must be done by licensed contractors.
- Changes shall not be made in any Common Area landscaping without the prior written approval of the Trustees.
- All Harborside Unit Owners must obtain written approval from the Trustees before proceeding with air conditioner installation. All such installations must conform to the Harborside Policy on the Installation of Air Conditioners (approved in November, 2002), all Marblehead Town covenants, Harborside Condominium By-Laws and Rules and Regulations, and not intrude in any appreciable way on the existing visual or audible landscape of Harborside.
- No electrical device that could cause electrical overloading is permitted. All Units shall comply with the Town of Marblehead Health and Safety Codes.
- No Unit Owner or Resident shall permit anything to be done, or kept in his or her Unit or in any Common Areas and Facilities which would cause the

cancellation of insurance coverage or increase insurance premiums of the Condominium, or which would be in violation of the law.

Requirements

- The attached Addition/Alteration/Improvement Agreement is designed to assist unit owners in communicating to the Trustees changes that they desire to make to individual Units or Common Areas. When considering changes to your Unit or to Common Areas, you must refer to and abide by the Harborside Rules and Regulations requirements for Trustee Approval.
- Approval must be obtained before any work can begin. If a Unit Owner makes any changes without approval, there may be a fine and it may be required that the area of change be returned to its original condition.
- To the extent permitted by law and the governing documents, the Trust shall be entitled to reasonable attorney fees, costs and expenses incurred in the enforcement of this policy. The unit owner responsible for the violation shall pay these expenses.

Approval Process

- Unit Owners desiring to make additions, alterations, or improvements to their Units or to a Common Area must complete and submit the attached Alterations Agreement to the Trustees before initiating any such work. The “Description” must include drawings, pictures, permitting documents, and other pertinent information to facilitate the Trustees in making their decision.
- All requests should be submitted to the Management Company and will be reviewed by the Trustees at their monthly meeting. The Trustees will make every effort to respond promptly.
- The Trustees may decide to conduct “In Process Reviews” to ensure compliance with approved plans, and/or to review any requested changes to those plans. The Trustees may require additional information as a result of these in-process reviews, and may issue a “stop work” order if the on-going work is in non-compliance with approved plans.

Attachment – Addition/Alteration/Improvement Agreement

Approved: Harborside Trustees
May 2006

**HARBORSIDE CONDOMINIUM
ADDITION/ALTERATION/IMPROVEMENT Agreement**

Owner's Name: _____ Unit Address: _____

Owner's Daytime Phone: _____ Evening Phone: _____

Description of Addition/Alteration/Improvement: (attach drawings, permit info, other pertinent specifications)

_____ (Use Continuation Sheets as Necessary)

Desired Project Start Date: _____ Anticipated Finish Date: _____

Submit to: Markwood Management PO Box 900 Marblehead MA 01945

Ph. 781-639-4080; Fax 781-639-0228; email markwoodmgt@hotmail.com

Trustees Approval: Yes: _____ No: _____ More Information Requested: _____

Comments:

In Process Review Required: Yes: _____ No: _____ Comments:

Trustees Signatures: _____

Date Approved _____

Completion Approval: Yes: _____ No: _____ Comments:

Trustees Signatures: _____

Date Approved _____

Nothing shall be done in any Unit or Common Area and Facility that would impair or change the structural integrity of any building. The Trustees must approve all plans for major repair, refurbishment, or modification of any Unit affecting any Common Area or Facility, in writing before any alterations are initiated. Licensed contractors must do all such repairs, alterations, and refurbishment. No electrical device that could cause electrical overloading is permitted. All Units shall comply with the Town of Marblehead Health and Safety Codes. Nothing shall be done or kept in any Unit or in any Common Areas and Facilities, which would increase the rate of insurance of the Condominium (buildings and contents within), without prior written approval of the Trustees. Changes shall not be made in any Common Area landscaping without the prior written approval of the Trustees. (Harborside Rules & Regulations).

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