

HARBORSIDE CONDOMINIUM TRUST

TRUSTEE MEETING MINUTES **OCTOBER 2005**

A meeting of the Harborside Condominium Trust Board of Trustees was held October 5, 2005. In attendance were Trustees Liz Michaud, Don Nowland and Jim Walters. A quorum was present.

1. MOTIONS

The following motions were made and approved unanimously:

- To accept the September 2005 Board of Trustees meeting minutes as written.
- To accept the September 2005 financial statements.

2. HDC Report

- Bob Segee presented the projected 2006 dock budget. As the projections indicate expenses greater than income, Bob suggested various options to balance the projected budget. The Board discussed these options at length and, while the final decision will be made at the November 2005 Trustee meeting, the Board tentatively agreed to:
 - Raise 2006 Dock fees by 30%.
 - Leave the Dock reserve account intact (except for legitimate reserve expenditures).
 - Temporarily withhold payment for 1999 float maintenance loans.
- It was noted that the HDC rules, recent HDC meeting minutes, and the newly adopted HDC membership policy will be attached to these October 2005 Trustee meeting minutes and forwarded to the homeowners.
- Bert Michaud and Bart Jones have volunteered their services as HDC Board members for the next available openings. Bart's recent request will be forwarded to the HDC.
- Roger Plache requested that his name be placed on the outhaul waiting list. This request will be forwarded to the HDC.

3. INSURANCE

- The Board discussed the upcoming 2005/2006 insurance coverages and noted that the recent appraisal, authorized by the Board, indicates a common property value (excluding the interior of all residences) of \$3,800,000. This is in keeping with the present insurance coverages that have been written by St. Paul Travelers. The Board agreed to raise these coverages an additional \$460,000 as recommended by the appraisal to ensure appropriate coverage for balconies and chimneys. The Board has anticipated that the \$460,000 increase in coverage will result in a small increase in cost, so the Board is exploring the possibility of increasing the policy deductible in order to lower the premium expense. Markwood Management will forward the deductible/premium information to the Board as soon as it is available.
- Insurance for the docks (floats and gangways) was also discussed at length. A proposal is on the table to insure the docks against property damage with a premium of \$1,750 annually. This item will be reviewed as soon as Markwood obtains additional information as to whether the gangways are included and the term of the policy (6 months/12 months). Markwood will

also let the insurance agency know that the docks are anchored and are not attached to pilings. Markwood will forward updated dock insurance information to the Board as soon as it is available.

4. LAW SUIT UPDATE

- A Mediation Hearing will be held on the 19th & 20th of October to negotiate a good faith agreement between the Arrigo's and the Harborside Trust with respect to the restoration project. In the meantime, a Temporary Restraining Order has been issued by the Court regarding the posting of signs in the windows of unit B9. Trustee Nowland to prepare an update for the homeowners regarding the status of the lawsuit. This update will be forwarded to the homeowners as soon as possible.

5. LANDSCAPING

- The board reviewed proposals from Harbor Landscaping, Abbot Property Maintenance and the RJL Company. The decision was made to use Harbor Landscaping for the 2006 landscaping season.

6. BREEZEWAY PROJECT

- The breezeway area between buildings A and C is scheduled for refurbishment beginning October 17, 2005. Osgood Painting and Contracting will be doing the work per specifications recently issued by the Board.

7. BUILDING D STRUCTURAL BEAM

- The Board approved a re-inspection of the deteriorating structural I-Beam under building D. Trustee Nowland to work out the details of this re-inspection with Bergman Engineering.

8. RECYCLING PROGRAM

- The Board discussed various options to encourage all Harborsiders to recycle. The options include:
 - Putting all recyclables on the curb for town pick-up.
 - Asking individual homeowners to take their recyclables to the Marblehead Recycling Center.
 - Devising a program where by the existing trash company would pick up all recycled material and take it to the recycling center.
- Markwood will contact the trash company to discuss this matter.

9. 2006 PROPOSED BUDGET

- Due to the possible increases caused by dock insurance and the hiring of a new landscaping company, the following increases are probable against the presently proposed 2006 budget:
 - Landscaping- \$4,630

- Cleaning-\$500
- Dock insurance-\$2,100
- Total- \$7,230

Note: Markwood will provide to the Trustees an adjusted 2006 Budget at the next Board meeting.

10. TRASH ROOM

- Please make every effort to secure your rubbish in plastic bags and to dispose of these bags directly into a trash barrel. This will assist in keeping your trash room clean and rodent free.

11. PARKING ETIQUETE

- Please, in the spirit of good neighborship, park your vehicle within the designated parking lines. Also, please obey the compact parking areas. Please do not park in the fire lanes. Your assistance will greatly be appreciated.

12. MARKWOOD MANAGEMENT was instructed to attend to the following:

- Continue to work on obtaining a certificate of completion for recent seawall maintenance and repairs.
- Continue to obtain cost estimates for painting the D building hallway. Provide a carpeting cost estimate for the D building hallway based on the same price per yard of the carpet recently installed in building B.
- Update the annual maintenance schedule ensuring that the gas inspections are done annually.
- Inspect and clean trash room weekly. Cost increase amount to be forwarded to Board.
- Move forward with the collection of delinquent condominium fees and assessment amounts.
- Obtain remaining keys for the KNOX BOX and work out final details with the Marblehead fire department.
- Ensure that “emergency contacts information” and/or an extra set of vehicle keys for all unit owners or residents are available at Markwood Management in the event that vehicles must be moved in an emergency and/or when necessary for snow removal.
- Obtain a final pricing from Monaco Construction for building B window replacement, building B crawlspace rot repair and building B storage area rot repair. If Monaco does not respond in a timely fashion, go ahead with the RJL Company as these rot issues will need to be rectified as soon as possible. The Building B crawlspace work will be done when the B9 remediation project has the dividing wall open for easy access.
- Re-format the HDC budget.

- Forward correspondence to Attorney Swierczynski indicating that the building B crawlspace has been inspected for visible mold by Servepro with the results of that inspection. Also explain that to repair any rot in building B crawlspace will be done when the wall between B9 and crawlspace is opened during remediation.
 - Ensure that cleaning contractor is cleaning the B Building utilities room.
 - Ensure that Osgood Painting completes the two remaining items on the “punch list.”
 - Ensure that chimney cleaning done last year included all appropriate units (chimney cleaning is done every other year).
 - Coordinate with Attorney Aronson with respect to a request by the Board to draft a Mold Resolution.
13. The next meeting of the Board of Trustees will be held November 2, 2005, at 3:00 p.m. at the residence of Trustee Nowland (D4).
14. There being no further business of the Harborside Condominium Trust Board of Trustees, the meeting adjourned at 5:00 PM.
15. Minutes prepared and submitted by Markwood Management.