HARBORSIDE CONDOMINIUM TRUST

TRUSTEE MEETING MINUTES

NOVEMBER 2013

The November meeting of the Harborside Condominium Trust Board of Trustees (BOT) was held November 20, 2013. In attendance were Trustees Don Nowland, Joyce Raymond and Jim Walters (via phone). A quorum was present.

Also in attendance were homeowners Dianne Reich, Liz & Bert Michaud, Dottie Martin, Jon Curtis, Sally & Roger Plauche, and via phone: Bill & Deanne Siddall and Ron & Leslie deMoraes.

1. HOMEOWNER ITEMS

Emergency Egress, Building B Fire Escape Redesign: As a part of the reconstruction of Building B, code compliant fire egresses will be required by the Marblehead Building Department. Architect, Bob Zarelli will design the egresses after a site plan has been produced by Hayes Engineering.

Recycling Program: The recycling program has been successful at HCT, although we are not fully through the learning curve. All owners can sign up for Health Department's emails, which provide updated information on trash removal, recycling, and other important dates. Questions can be directed to Board of Health at 781-631-0212 or recylcepro@hotmail.com.

Building A/C Walkway and Building D Roof: **Reminder: There is to be absolutely no walking or keeping of any storage items on any roofs where membrane roofing exist.**

Deck replacement D-2/D-3: Owners Bert & Liz Michaud asked Management to have the rotted wood in their deck identified and repaired.

Building A: Sprinkler System Completion: Metro Swift Sprinklers completed the installation of a sprinkler system in Building A. Management obtained a certificate from Metro Swift and forwarded a copy to the BOT. Trustee Raymond contacted Travelers Insurance to see if the sprinkler system qualified for a credit toward the premium. A credit would be available if each building had sprinklers.

Laundry Room: Please remember it is the responsibility of all that use the laundry room to clean the dryer vents after each use. In addition, please check the laundry washers to make sure no lint or other debris is being left in the tub after use. Recently, some kind of synthetic fiber is being left in the washing machines.

Kindly report any misuse of machines to management.

2. INSURANCE

Flood Insurance: It appears the national flood insurance program will be put on hold for four (4) years. It is unclear what this means for 2014 flood insurance rates. FEMA reclassified Harborside's property in 2013 from Zone C to Zone VE. We have hired Hayes Engineering to determine whether part of our property can be reclassified out of the VE category. Our current flood insurance premium is $45,030. The BOT will continue to monitor the political process with respect to the flood insurance law.

Dock Insurance: Travelers Insurance discontinued its marine insurance coverage. Dock insurance is now provided by Essex Insurance Company, Markel Marine. In November, the policy was renewed with a $4,500 annual premium.

3. PAINTING

Neptune Painting services had been selected by the BOT to provide painting services to HCT. This project is on hold until 2014.

4. BUILDING B FIRE UPDATE:

The BOT is updating owners/residents weekly. Please forward any questions to the BOT. With the placement of scaffolds and barriers in the driveway, there was concern regarding the accessibility of the lower parking lot for large vehicles. A snowplow and fire truck came on-site and both were able to access the lower parking lot.

Trustee Raymond has drawings for the reconstruction of units and the common areas for all to view. Owners have reviewed and provided corrections to any inaccuracies. The drawings were sent to the insurance adjusters to be used in preparing cost estimates to reconstruct the units and common areas.

During the course of demolishing Building B's hallway, evidence was found of a prior fire. The extent of the damage is unclear at this time. The structural integrity of the framing will be examined by a structural engineer; we expect a report by mid-December.

There will be a few different "bins" for repair/reconstruction costs: (1) costs covered by the Master Policy, (2) additional costs to bring the building into code and safety compliance, (3) costs for the 3rd floor Emergency Egress, and (4) costs to repair damage from the prior fire. The BOT expects that a bank loan will be necessary to pay for damages and reconstruction not covered by insurance. This will lead to a new Special Assessment. Details will follow.

Trustee Raymond has taken responsibility to coordinate all permits, zoning board appeals, and OHC appeals. She is working on expediting the processes. The plans have been discussed with the Marblehead Building Commissioner.

Trustee Nowland reminded owners that the HCT By-Laws mandates that owners notify the BOT of upgrades to their units. A copy of the Insurance Resolution is attached.

On Monday, November 25, Wayne Alarm will be on site looking for heat sensors and appropriate safety items in Buildings A, C, & D.

Owners present thanked the BOT for going over and above their "call of duty."

5. FINANCIAL REPORTING:

Units delinquent more than 60 days are in legal collections with Marcus Errico Emmer & Brooks. It has always been the BOT's position to not comment on individual delinquent accounts, but confirmed that units that fall behind are being charged late fees according to the HCT Rules and Regulations and legal collection efforts are initiated when necessary.

6. PARKING

Attached are the Snow Removal Parking Procedures for the 2013-2014 winter season. Note they are modified to accommodate reconstruction work on the Building B. Your cooperation in following these guidelines is appreciated.

7. **DEFERRED PROJECTS**

The Board determined that because of current financial conditions, the following projects are deferred: Repair of the North Retaining Wall between Harborside and the Boston Yacht Club; D-1/D-2/D-3 deck refurbishment; seal coating and lining of parking lot; composite refurbishment of the north dock; addition of blue stone at the C Building entry; and replacement of the ceiling at entrance to Building C and by Trash Room with bead board or exposed beams.

The BOT will consider a new Infrastructure Review and Report, as follow up to the mid-90's Goddard Report. Trustee Nowland will make copies of the Goddard Report available to the Board.

8. **LESLEY MANAGEMENT will attend to the following:**

- Contact Marblehead Building Department to confirm there are no open permits on the property.
- Have Attorney Aronson create a Non-Smoking Amendment and forward to BOT for consideration.
- Have Bartlett & Steadman return to place a cap on the water line that was cut back on Building C.
- Have all the outside faucets turned off and lines bled for the winter season.
- Have minor deck repairs done outside Unit D2/D3, as well as caulking services.
- Have the rot on the front of Building A (Lee St side) temporarily patched.
- Forward contact information for Dyer Vent Wizard to Owner Dianne Reich.
- Have the gate in lower lot (southern side) repaired from last season's plow damage.
- Have the small recessed light by owner Reich's unit cleaned.
- Have the sand barrel placed to block out the parking space adjacent to the driveway down to the lower lot.
- Ensure the gutters are cleaned in the fall. **[On Hold for Spring 2014.]**
- Have Bart Jones review the current problems with Privacy Settings on the HCT Website. Have Bart install a login/password with a higher degree of security.
- Have the gap by Unit C1 (far end) sealed up between two poles with small piece of chain link fence.
- Contact Paul Haggett to inspect and report back on the condition of the door and threshold of unit B7. **[Paul contacted and on list with other smaller maintenance items.]**
- Continue to clean the drains in the walkway between the B and D buildings and under steps to unit D2-3. [on-going]
- Continue to secure all outstanding tenants lease information.
- Follow up with Attorney Aronson on the recovery of expenses for services to Unit B9. [on-going]
- Continue to work with Bart Jones to update the website.

- Have the vent in the exterior door to Building B Mechanical Room cleaned monthly.

- Continue to ensure all dryer vents have been cleaned.

- Determine what is causing the excessive water run-off behind the D Building (coordinate with Michaud's and Nowland's).

- Ensure Architect Walter Jacob's invoice has been paid.

- Schedule a semi-annual check of keys in the Knox Box.

9. **HARBORSIDE WEBSITE**

Tony, Ron deMoraes' son, will be updating the Harborside website to a new more user friendly site. Bart Jones will continue to be the "webmaster" and update the new website with current information. The starting cost is $300, which Ron deMoraes has offered to pay. Thank you, Ron. **[On Hold]**

For your information, the website is: www.harborsidecondos.net
User Name: owner
Password: peace

10. **ADJOURNMENT**

There being no further business of the Harborside Condominium Trust Board of Trustees, the meeting adjourned at 4:20 p.m.

The next meeting of the Harborside Condominium Trust Board of Trustees will be held Thursday, December 19, 2013, at 3:00 PM at the D4 residence of Don Nowland. All homeowners are welcomed to attend.

NEW CALL IN INFORMATION:
Please join us by conference call by calling 1-866-393-8073. You will be prompted to enter the meeting number ***8509647*.**

If you are the first to arrive at the meeting site, you will be prompted to enter the "moderator code". The moderator code is ***8529*.**

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Attachments:
Insurance Resolution
Snow Removal Parking Procedures

HARBORSIDE CONDOMINIUM TRUST

2013-2014 PREPARATION FOR SNOW REMOVAL
(Modified IAW Building B Reconstruction Project)

When snow is forecasted, please park your vehicle in the lower lot, up against the C Buildings or along the seawall starting from the north. The goal is to not have any vehicles in the upper lot or in the path of the plow to the south end of the seawall. The plow can clear the whole upper lot and move the snow down to the south end of the lower lot. Note: Please park cars as far north as possible in the lower lot, leaving a pathway for the plow to get to the far southeastern portion.

After the plowing and shoveling, cars may be parked in the upper lot, but pull your vehicles as far forward as possible against the C Building and pull in as close as possible along the south side of the upper driveway. Do not block the garages or carports.

Do not park in the "Compact Car Only spot next to the entry way to the C Building, as the scaffolding on the B Building has narrowed the driveway down to the lower lot.

By contract, the snow plow will come periodically during and after a snow storm, and usually early in the morning. Snow shovelers are to come within one hour after the end of a snow storm or when we have 3 inches of snow, except when the storm ends between 10:30 PM and 4:30 AM. In that circumstance, snow shoveling will commence at 6:00 AM, and they are to shovel all sidewalks / walkways to their full width. They will not shovel out individual vehicles, unless requested of Lesley Management, Inc. (in the event of a large storm).

Thank you,

Harborside Board of Trustees

HARBORSIDE CONDOMINIUM TRUST

AMENDMENT TO RULES AND REGULATIONS

Insurance Resolution

We the undersigned, being a majority of the Board of Trustees of the Harborside Condominium Trust, under Declaration of Trust dated October 13, 1983 and filed with the Essex County (S.D.) Registry District of the Land Court as Document No. 191063 and noted on Master Certificate of Title No. C23, as amended ("Trust"), do hereby adopt the following policy resolution to establish orderly procedures and regulations relating to property insurance claims, repairs and deductibles, pursuant to the provisions as set forth in Article VIII of the By-Laws which are appended to the Trust as Exhibit A, as follows:

1. Master insurance policy: The Condominium shall maintain insurance as required by Article III, Section 4 of the By- Laws as appended to the Trust as Exhibit A, as amended.

2. The Trustees shall determine the amount of the deductible which is currently $10,000.

3. The Unit Owner (s) sustaining the property damage shall be responsible for the payment of the Master Policy deductible. In connection therewith, the Trustees shall have the right to assess the deductible to Unit Owners as the Trustees may determine, in their sole discretion, including, but not limited to, assessing and apportioning the deductible to Unit Owner(s) sustaining property damage to their unit(s).

4. In the event of property damage to a unit or units, the Trust shall not be responsible for the payment of the deductible but rather said Unit Owner or Unit Owners shall be responsible for same regardless of the cause of the claim.

5. Each Unit Owner is solely responsible to obtain his or her own insurance coverage in appropriate kinds and amounts to insure any portion of his/her Unit not covered by the Master Insurance policy, personal effects and contents, unit improvements and coverage for the Condominium Trust's deductible, as well as, insuring for liability and all such other coverages which said Unit Owner desires.

   A. It is suggested that all Unit Owners obtain endorsements to their policy for various coverages including, but not limited to, all risk coverage, loss assessment coverage, coverage A in satisfactory amounts, and any other insurance deemed necessary by the Unit Owner or his or her agent to provide coverage for the Condominium's deductible.

B. It is recommended that all Unit Owners review their own insurance coverage with their own insurance agent or insurance advisor.

C. Investor Owners should also obtain coverage for loss of rent, liability and all other appropriate coverages. Investor Owners should obtain written verification that their tenants have appropriate insurance coverage.

6. <u>Damage Less than Master Policy Deductible.</u>

If a Unit Owner sustains property damage in amounts less than the Condominium Trust's Master Policy deductible, the Unit Owner shall be solely responsible for the cost to repair the damage, and the Unit Owner should notify his or her insurance agent. The Trust will not be responsible for property damage to a unit in an amount less than the deductible, and no Unit Owner shall file a claim under the master insurance policy. The Unit Owner must resolve the claim with their individual insurance agent or carrier.

7. <u>Damage in Excess of Master Policy Deductible.</u>

The following steps should be followed when damage occurs in a unit in excess of the Condominium Trust's master policy deductible:

A. Damage in excess of the Condominium Trust's Master Policy deductible must be reported within 24 hours to the Management Agent. Failure to report claims promptly may result in the claim being denied by the Insurance Carrier. The Trust will not honor claims that are denied by the Carrier because of failure to report in a prompt fashion. Unit Owners shall also notify their Insurance Carrier at the same time. The damage may be inspected to assess the approximate cost of the damage.

B. The Management Agent will notify the Trust's Insurance Agent of the loss. Immediate repairs may to be made in order to insure the safety of unit occupants.

C. The Management Agent will instruct the Unit Owner to secure bids to repair the damage within thirty (30) days. These bids are to be submitted to the Management Agent with a cover sheet itemizing the costs and totaling the same. This sheet must contain the Unit Owner's signature. If the damage is less than the Master Policy Deductible, the Unit Owner need not submit anything further and should deal with their own insurance agent or carrier, as per paragraph 6 in this Resolution.

D. During the bidding and damage assessment process, the Unit Owner must work closely both with the Management Agent and the Master Policy Insurance Adjuster in order that the scope of work is agreed upon by all parties prior to commencement of said restoration work. This includes, but is not limited to, making the unit available for inspection, securing additional bids should the Insurance Adjuster request it, and promptly responding to requests made by the Insurance Adjuster and/or Management Agent. The Trust will not be responsible for the timeliness of Insurance claims being paid. If a claim payment is delayed, no interest, penalties or other claims will be honored.

E. In the event there is a dispute, the final approval of settlement costs is with the Insurance Company and the Unit Owner must abide by its decision.

F. Once it is agreed by all parties what the scope and amount of the claim will be, the Unit Owner will be given permission to commence work. Unit Owners may ask that the Trust request payment of the claim in order that the Unit Owner has funds to initiate restoration work. If the Insurance Carrier forwards this amount to the Trust, then the Trust may pass the benefit of this early payment to the Unit Owner. The Trust will only issue payment of the applicable insurance proceeds to the Unit Owner upon receipt of a signed Release, as attached hereto, by the Unit Owner.

G. Final payment will be made when:

i. The Insurance Adjuster has had the opportunity to inspect and approve all repair work, if required.

ii. The Trust has received the final payment from the Insurance Carrier.

iii. The Unit Owner has signed a Release.

8. The Trust shall have no obligation or responsibility to perform or cause to be performed repairs to an individual unit. If the Trust does perform or cause to be performed repairs to an individual unit, upon completion of such work the unit owner must sign the Release attached hereto

9. The Unit Owner is responsible for the condominium master policy deductible for items covered by the Master Policy and is also responsible for all damage to the unit, personal property, improvements, rent loss, etc. not covered by the Master Policy.

10. The Trustees shall have the right to employ a public adjuster and the property manager in connection with handling and overseeing the claim. The Trustees shall have the right to assess these fees, as well as any depreciation or other adjustments, to the Unit Owners, as the Trustees may determine, in their sole discretion, including, but not limited to, assessing and apportioning these fees to Unit Owner(s) sustaining property damage to their Unit(s).

Executed under seal this 10th day of October 2006.

Donald E. Nowland
(Donald E. Nowland

Majority of the Trustees
of the Harborside Condominium Trust
and not individually

Hendriks
(Warren Hendriks

James B Walters
(James Walters

COMMONWEALTH OF MASSACHUSETTS

Essex Cty, ss.

On this 10th day of October 2006, 2006, before me, the undersigned notary public, personally appeared Warren Hendriks, Donald E. Nowland and James Walters and proved to me through satisfactory evidence of identification, being (check whichever applies): ☐ driver's license or other state or federal governmental document bearing a photographic image, ☐ oath or affirmation of a credible witness known to me who knows the above signatories, or ☐ my own personal knowledge of the identities of the signatories, to be the persons whose names are signed above, and acknowledged the foregoing to be signed by them voluntarily for its stated purpose, as Trustees of said Harborside Condominium Trust.

Dolores H. Joseph
Notary Public
My Commission Expires: January 18, 2013
Print Notary Public's Name: DH Joseph
Qualified in the State/Commonwealth of Mass

Notary Seal