

Tuesday May 27 2014

Harborside Update: May 27, 2014

Owners' Vote of Approval

Owners were asked to authorize the Trust's borrowing of money, in an amount not to exceed \$900,000 from a recognized lending institution, to fund necessary reconstruction of and code upgrades to Building B. That request was approved by a vote of 82.52% of the ownership interests. The Trustees appreciate this vote of approval, as it is essential to our moving forward with the reconstruction project and the return of the displaced owners. During the balloting process, many differing points of view were expressed, and we are well aware that some Owners continue to object to the amount of the loan, certain elements of the egress design and other issues raised. Some of those issues were addressed in our memo of May 23rd. In moving forward, the Trustees continue to be mindful of and responsive to the concerns of all Owners.

Non-Binding Pre-Payment Preference

Along with the ballot regarding the loan, Owners were asked to indicate their non-binding preference as to pre-payment of their share of a \$900,000 assessment in one lump sum or in monthly payments over the term of the loan. Although preferences have not been received from all Owners, those received indicate that over \$460,000 could be made in lump sum payments.

Meetings With Travelers Insurance and Paradise Construction

On May 19, 2014, in connection with an inspection of the roof of B Building, the Trustees met with representatives of Travelers Insurance, Paradise Construction and Panakio Adjusters, our public adjuster. The

primary purpose of that meeting was to define the scope and issues to be addressed at a meeting among the same group scheduled for June 4, 2014. That meeting will also include a senior officer of Travelers as well as Bruce Paradise. Our hope is to discuss and resolve outstanding issues and come closer to a settlement agreement. The Travelers representatives have also agreed to furnish us a report of the condition of the roof and a report on the status of the investigation into the cause of the October fire.

Egress Design

The Trustees sincerely regret any misunderstandings or misconceptions that have arisen with respect to the egress plans as prepared by Architect Bob Zarelli. We admit that communications between the Trustees and Bob Zarelli may have been inconsistent and likely confusing. While not an excuse, we believe this stems from turnover on the Board, our attempts to convey concerns expressed by multiple Owners regarding the cost and scope of the design, and the use of an incomplete survey as a basis for the plans. We in no way intended to suggest that the conduct of Bob Zarelli was anything less than fully professional. Rather, we appreciate Bob's skill in creating a design that solves problems we have tried to address unsuccessfully for a long time. The Trustees sincerely apologize for any misunderstanding in this regard. We formally retract the erroneous statement included in the last Update that "the plans were not in conformity with the instructions of the Trustees." It should have read "the plans were likely in conformity with instructions of the Trustees, but did not meet all the expectations of the Trustees."

The egress is an essential element of the reconstruction project. A Certificate of Occupancy for the affected units and common areas will not be granted by the Building Commissioner until the egress is fully in place. Many different concepts, approaches and ideas for the egress have been suggested to the Trustees. We will evaluate some of these

while we also proceed with implementation of the overall project. In the end, the Trustees will determine the plan to be followed and execute its construction. We ask all Owners to understand that the affected units must have a code compliant egress and the Trustees must use their best judgment in selecting and executing a plan.

Loan From East Boston Savings Bank

Negotiations are continuing with East Boston Savings Bank (the “Bank”) to obtain a loan for an amount up to \$900,000. This will take the form of a construction loan, which will be converted into a five-year term loan at 4.75% interest. The final amount of the loan will depend on the settlement amount from Travelers, the amount of the assessment pre-paid by Owners and the final cost of construction.

New Trustee

Following Don Nowland’s announcement that he will not seek another term as Trustee after his current term expires in July, Leslie de Moraes has been nominated to become a Trustee. We appreciate Leslie’s willingness to step forward despite the many issues confronting us at this time. The nominating period will end at the end of the month and ballots will be sent for return by the end of June.

The incredible amount of time and effort given to Harborside by Don Nowland over many years reflects a tremendous depth of commitment. All Harborside Owners are deeply grateful to Don for his years of dedicated service.

Thank you,

The Trustees

Sunday May 25 2014

Harborside Loan Vote

Harborside Owners,

This is to inform you that the Harborside Loan Vote has passed with over 82.5% Ownership percentage.

We will have a more complete count early this week, but wanted to inform all of the vote status this evening.

We thank you all for your participation, and look forward to moving forward. The Trustees have heard your concerns, and we will continue to look for additional cost savings, including alternative approaches to the egress design and construction.

Thanks, Don Nowland (On Behalf of the Harborside Trustees)

Friday May 23 2014

Harborside Reconstruction Vote – Ballot Clarification

Harborside Owners,

Some have asked for more clarification reference the Ballot due today.
Please find that information as attached.

Thanks, Don Nowland (On Behalf of the Trustees)

[052314Ballot Clarification](#)

Also posted under “Memos and Meeting Minutes, Financial Memos”.

Thursday May 22 2014

From Liz and Bert Michaud:

Memorial Day is this coming Monday and the docks are in! Any of you who will be around, how about meeting on the South Dock around 5 pm, BYOB and an appetizer to share. With all that is going on, we still need to celebrate!

Liz

Wednesday May 21 2014

Ballot for Approving Borrowing Funds and Non-Binding Preference for Assessment Payment

Dear All

We respectfully remind you that both the ballot and preference document be returned by Friday, May 23, 2014. Your ballot and preference can be returned via email. But for the ballot, please follow up in hard copy sent to: Lesley Management, Inc, P.O. Box 946, Marblehead, MA 01945. Thank you.

Sincerely,

Kimberly Lord

Lesley Management, Inc.

Property Management Services

B A L L O T _ _ _ _ _
_UNIT_OWNER_APPROVAL_TO_BORROW_FUNDS_FOR_HARBORSIDE_B_BLDGRECONSTRUCTION

PAYMENT_PREFERENCE_(NON-BINDING)_ _
_ASSESSMENT_FOR_B_BLDG_RECONSTRUCTION

Wednesday May 21 2014

From the HDC:



The Docks are here! You should have access to them shortly!

(May 22 update; You now have full access)

The HDC

Friday May 16 2014

Building B Egress Design Review Sessions

Dear Harborside Owners,

The Harborside Board of Trustees is committed to a continuing discussion about the B Building Code Requirements for egress and sprinkler system. We understand that there are remaining questions, concerns and some misunderstandings about the proposed egress

design, and we want to help you better understand the decisions the Trustees have made.

Owners are invited to attend either of two “design review” sessions on Sunday afternoon, May 18, at 3:00 p.m or Tuesday evening, May 20, at 6:00 p.m., to go through the egress plans and review the current situation on site. We can first go over the plans in Unit C-5, and then step outside to look at the actual conditions. The purpose of this review is to convey reasoning for certain elements and configurations of the design, particularly those that seem to be the subject of the most concern among owners.

Jon Curtis (on behalf of the Board of Trustees)

Also posted under “Capital Projects, B Building, Fire Egress”

Wednesday May 14 2014

The latest B Building Egress Plans are posted here and under the “Capital Projects, B Building Fire Egress” tab.

[11×17 egress balconies 24 Lee St Building B 2014-05-14](#)

Monday May 12 2014

Dear All

REMINDER: All personal items need to be stored in personal storage units only. There is to be NO storage of personal items in the common area or common storage areas without prior board approval. All owners and residents are encouraged to take care when storing potentially dangerous items in their own storage units. Thank you for your cooperation.

Sincerely,

Kimberly Lord Lesley Management, Inc. Property Management Services

Sunday May 11 2014

From The HDC:

Update to the status of the North and South Docks

There has been no movement of our Docks from the beach since the last update (April 30) which was when Dave Haley said it would be about two weeks for us to have our Docks at Harborside. The HDC is actively trying to get the season started!



Saturday May 10 2014

Save the Date!

The Harborside Condominium Trust Annual Meeting is scheduled for Tuesday, July 22, 2014 @ 6:00 PM at The Boston Yacht Club. Meeting packages will be mailed out accordingly before the meeting.

Sincerely,

Kimberly Lord

Lesley Management, Inc.

Property Management Services

Friday May 9 2014

All Harborside Owners,

Attached are two documents for your consideration and action:

1. First is the ballot to be used for the approval to borrow funds for the reconstruction of Building B at Harborside.
2. Second is a non-binding preference for how you would want to pay the assessment associated with the reconstruction of the B Building.

These documents are discussed in the power point presentation I sent to you earlier this afternoon.

We are requesting that both the ballot and preference document be returned by Friday, May 23, 2014. Your ballot and reference can be returned via email. But for the ballot, please follow up in hard copy sent to: Lesley Management, Inc, P.O. Box 946, Marblehead, MA 01945.

If you have questions, we will address these at the Special Owners Meeting tomorrow. If you are unable to attend (or call-in) to this meeting, forward your questions to us Trustees.

Thank you, Don Nowland (On Behalf of the Trustees)

[PAYMENT_PREFERENCE_\(NON-BINDING\)_-
_ASSESSMENT_FOR_B_BLDG_RECONSTRUCTION](#)

Also Posted under “Memos. Financial”

Friday May 9 2014

HARBORSIDE CONDOMINIUM TRUST MEMORANDUM Dt: May
9, 2014 To: Harborside Condominium Owners Fr: Lesley
Management, Inc. Re: Trustee Nominations

Nominations are now being accepted for the one Harborside Condominium Trustee position carrying a three-year term, effective July 2014 through June 2017.

All nominations must be in writing, signed by the nominator and nominee and postmarked no later than May 31, 2014 at which time the nominating process will be closed.

Thank you. Sincerely,

Kimberly Lord; Lesley Management, Inc. Property Management Services

Friday May 9 2014

All Harborside Owners,

Attached is a presentation we plan to discuss with owners at tomorrow's (Saturday) special meeting.

It will be held at 3:00 PM Eastern at the Boston Yacht Club. We will be meeting in the Wardroom on the 2nd floor...it's on the south end of the

Commodore's Lounge (up the stairs, turn right and proceed around the bar to the room.

If you plan to attend in person, please let me know...as the room is somewhat small and I want to ensure we have seating for all owners.

If you are calling in, please use the normal call in number: 1-866-393-8073. When prompted, enter meeting number *8509647*. If you are first to call in, you will be prompted to enter the moderator code of *8529*.

Thanks, Don (On Behalf of the Trustees)

[B_Bldg_Reconstruction_Presentation_for_May_10,_2014_Harborside_OwnersSpecial_Meeting](#)

Also posted under “Memos, October 2013 Fire”

Thursday May 8 2014

From the HDC:



We have installed new life rings at the gates to the North and South Docks. Each is enclosed in a case. When the gangways are not in, they will face the parking lot. When the gangways are in, they will face the water.

Please leave the cases closed unless you have an emergency and need to use the life rings. If you do use them, please inform a member of the HDC so we may properly recoil the throw lines.

Thanks... The HDC

Tuesday May 6 2014

Dear Harborsiders,

It is now time to submit nominations for the Trustees position opening this summer, as my term is expiring.

Kim at Lesley Management will send you all the procedures for submitting nominations and conducting the voting process.

After 12 continuous years in a Trustees position, and 16 of the last 19 years total, I will not be seeking another term.

It's been a great honor serving Harborside owners, but it's time for new eyes and ideas. Jim and Jon have formed a strong Trustee team and so it's a good time to bring a new member onto the board.

I hope you all will nominate a person, or persons, who are willing and able to shoulder the responsibilities necessary going forward. As in the

past, there are considerable challenges to maintaining our beautiful property.

Thanks, Don

Monday May 5 2014

Dear Harborsiders,

Although we are not certain when the B Bldg reconstruction will begin, but we must prepare for the special parking conditions and procedures that will exist during that period.

Attached are the planned rules. Please review and feel free to provide feedback and/or any suggestions.

Thanks, Don Nowland (On Behalf of the Trustees)

Harborside Condominiums

Temporary Parking Rules – During B Building Reconstruction

During reconstruction of the B Building, expected to take several months, Harborside driveways and parking lots will be stressed by construction vehicles, scaffolding, and stored materials.

Accordingly, the following parking rules will go into effect upon notification that the reconstruction period has begun and stay in effect until notification that reconstruction has reached a point where these rules are no longer required:

1. All Residents (Owners & Renters) are permitted to park only one vehicle in the lots (upper & lower) at a time. This applies regardless of the authorized number of parking spaces for their unit(s). The 2nd (or additional) vehicle must be parked elsewhere off the property.
2. If a Resident has a garage or carport, the one authorized vehicle will be parked in that carport or garage.
3. No guest parking will be permitted. No "loaning" of parking spaces will be permitted. However, in unusual circumstances, the resident may park a substitute vehicle as long as they are present at the property, have notified a member of the Board of Trustees, display a Harborside "Guest" pass, and verify that that this is the sole vehicle parked in the lot.
4. Vehicles belonging to service employees and companies (including taxi/limo drivers, cleaners, repairmen, and delivery persons) will be permitted for "drop offs" and "pickups" only.
5. If a Resident is going away for an extended period of time (greater than 2 days), we ask that person to please park his/her vehicles elsewhere off the property until he/she returns. Residents with garages or carports will be permitted to park there when away.
6. Also, if a Resident will be staying here, but not needing their vehicle for long periods of time (greater than 2 days), we ask that he/she park their vehicles elsewhere off the property.
7. All Residents must "register" (i.e., notify and list) their vehicles with the Lesley Management Company and display a parking sticker on the left rear window or left rear bumper of their vehicle. Alternative display of vehicle stickers must be approved in writing by the Trustees. Parking stickers may be obtained from Lesley Management or Don Nowland.
8. All vehicles shall be parked in a manner so as to not impede access to or from the driveways, garages, carports, the designated parking areas of Harborside Residents, and construction access points. Additionally, all vehicles must be parked within the designated parking place "lines" (as best possible) and comply with the "compacts only" signs.

9. The Trustees may levy fines of \$25.00 for violations of parking rules, and may, if necessary, resort to having violators' vehicles towed at the owner's expense.
10. All other parking rules in the Harborside Rules & Regulations will remain in effect.

Thank you for your patience,

The Trustees

Also posted under "Memos, Miscellaneous".

Saturday May 3 2014

Dear Harborside Owners,

Attached is our latest update in preparation for the Trustees Meeting on Wed, May 7th and the Special Owners Meeting on Saturday, May 10th.

The Trustees

Harborside Update: May 3, 2014

This update provides Harborside Owners an update regarding reconstruction of B Building in advance of the Trustees Meeting on May 7th and the follow-on Special Meeting scheduled for May 10th.

Owner Discussion Forum

The regular meeting of Harborside Trustees will be held on Wednesday, May 7, 2014 at 3:00 p.m. in Jim Walters' Unit C-6, and we expect issues having to do with the reconstruction of B Building will be discussed at that time, along with normal Trust business. Because the reconstruction project has reached a point at which important decisions must be made by both the Trustees and Owners, we are holding a **Special Meeting on Saturday, May 10, 2014 at 3:00 p.m. at the Boston Yacht Club.** This Special Meeting is intended to be an "Owner Discussion Forum" at which all issues regarding the reconstruction can be openly discussed by Owners. All Owners are encouraged to attend this Special Meeting either in person or by calling in to the regular call-in number.

Owners' Vote of Approval

Following the discussion at the Special Meeting on May 10, Owners will be asked to vote to approve the proposed borrowing from the East Boston Savings Bank, described below. The vote will be taken by ballot sent electronically to all Owners and to be returned in hard copy.

Trustees' Approval of the Assessment and Construction Contract

Following the Owners' voting and assuming the proposed borrowing is approved, the Trustees will finalize the assessment to cover the loan and the construction contract with Paradise Construction.

Loan from East Boston Savings Bank

The Trustees have negotiated with East Boston Savings Bank (the "Bank") to obtain a loan for an amount 'up to' \$900,000. As reported previously, our expectation is that we will need less than that amount, but we have sought approval of that amount in order to assure coverage of our needs for the reconstruction project. The loan will have a five-year

term with interest of 5% and will be secured by a special assessment dedicated to repayment of the loan. Three representatives of the Bank performed a site inspection of Harborside on Thursday, May 1, 2014. These representatives told us that they were very pleased with our selection of Paradise Construction as the Bank has dealt with Paradise frequently. They also told us that our loan will not require approval by the Bank's internal loan committee. Once our application is complete, the Bank's internal approval will require only the signature of three officers and a closing could be scheduled within approximately two weeks following approval.

As with past loans, Owners will be given the opportunity to pre-pay their share of the assessment amount in order to avoid interest and other charges. Owners may determine their share of this amount by contacting Don Nowland.

Contract with Paradise Construction

The Trustees are negotiating a contract with Paradise Construction for the reconstruction of Building B. The amount agreed to under this contract is estimated to be about \$1,205,000, which reflects a reduction from the proposals first offered by Paradise. Bruce Paradise has been amenable to making changes and reductions in the amount of the contract. Paradise Construction is prepared to start general reconstruction work as soon as the contract is approved by the Trustees and funding is in place. The \$1.205 million figure does not include the sprinkler systems for the affected units nor the egresses for Building B, which still require approval by the Town of Marblehead Conservation Commission and Zoning Board of Appeals.

Negotiations with Travelers Insurance

The insurance settlement negotiations between Travelers and our Public Adjuster, Panakio, are still going on. Through the efforts of Jon Curtis,

we have been able to prepare detailed analyses of the numbers in question and these analyses are being reviewed by Travelers. Our expectation is that this settlement will be in the \$900,000 range. The fact that Travelers is continuing to review our analyses is taken by the Trustees as a positive sign.

“Prior Fire” Reconstruction

Work to restore the Plauche’s Unit B-3 to its condition preceding the discovery of the “prior fire” during demolition has been completed. The Plauches are free to re-occupy their Unit at their convenience. Reconstruction in the common area hallway adjacent to Unit B-3 will commence along with the general reconstruction work on Building B.

Roof Repair and Reconstruction

The Trustees have been made aware that damage to the roof of Building B was more extensive than originally perceived. A specialist in moisture penetration has inspected the roof and given us a better determination of the scope of the damage. In order to prevent further damage from occurring, the Trustees have arranged with Paradise Construction to begin repair and reconstruction work on the roof as soon as permits can be obtained.

Sprinkler System

The architect, Bob Zarelli, has worked with the Town Building Inspector to determine the required scope of the sprinkler system. He has determined that the installation of sprinklers will be required only in the four Units affected by the fire. Paradise Construction is preparing a specific estimate for this system, which we expect will be less than the estimate we originally received. As noted previously, the sprinkler system is not covered under our master policy. Water flow tests have

been conducted to determine if we need to enlarge the pipe supplying water from Lee Street. We have not received the results of those tests at this time.

Fire

At a meeting held on April 15, 2014, the Old & Historic Districts Commission ("O&HDC") approved the plan for the fire egress we are required to construct for Building B. This approval included the stainless steel railing system as proposed. Plans submitted by Bob Zarelli were not in conformity with the instructions of the Trustees, which called for the egress to meet minimal requirements of the Town with respect to a fire egress. Although, this non-conformity will not affect the approval received from the O&HDC, the Trustees have instructed Bob Zarelli to re-draft these plans in accordance with the original instructions. As with the sprinkler system, Paradise Construction is preparing an estimate regarding the fire egress. Again, the fire egress system is not covered under our master policy.

Other Approvals

The Trustees are seeking to expedite the approval process of the Town Boards and Commissions that must review and approve various aspects of the reconstruction project. We are on the agenda of upcoming meetings of the O&HDC, the Conservation Commission and the Zoning Board of Appeals.

The Trustees appreciate the support and patience of all Owners as we work through these difficult issues. We encourage all Owners to attend at least one of the upcoming meetings at which important issues will be openly discussed. Following these meetings, Owners will be requested to vote to approve the Bank loan.

Thank you,

The Trustees

**Also posted under “Capital Projects, B Building Fire Egress”,
“Memos; October 2013 Fire, Insurance, Financial and
Contractual” pages of the Website**