

HARBORSIDE CONDOMINIUM TRUST

TRUSTEE MEETING MINUTES

MARCH 2014

The March meeting of the Harborside Condominium Trust Board of Trustees (BOT) was held March 5, 2014. In attendance were Trustees Don Nowland and Jim Walters. A quorum was present.

Also in attendance, were homeowners Joyce Raymond and via phone, Roger & Sally Plauché, Jennifer Coolidge, Leslie deMoraes, Bill & Deanne Siddall and Jon Curtis.

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.

Part of the reconstruction of Building B from the October 2013 fire requires the Association to bring the emergency egress up to code. Trustee Nowland will follow up with Bob Zarelli for the drawings. Paradise Construction has prepared a rough cost estimate of \$270,000 for the egress.

The rough estimate and drawings will be shared with owners as part of the overall reconstruction plan.

Deck replacement D-2/D-3: Owners Bert & Liz Michaud asked Management to have the rotted wood in their deck identified and repaired. In addition to the rotted wood repair, the window trim and door trim will be caulked. Services are rescheduled for the Spring and will be addressed by Paul Haggett. Owner Michaud asked that composite material be used on the replacement of the rotted wood instead of pressure treated wood.

Storm Windows: Unit A1/A2: Owner Reich is installing new storm windows, as well as the correct awnings. Painting services will be done in Spring 2014, and the windows will be taken down or worked around.

From David & Marianne Gold:

- Concerned the BYC is storing flammable liquids in the building directly adjacent to Building C and asked that the BYC install some protection to the buildings by working with the Marblehead Fire Department. Trustee Nowland will speak to the BYC. Trustee Nowland is meeting with the BYC on Thursday, March 6, 2014, and this subject is on the agenda.
- Owner Gold supports the installation of a sprinkler system in all buildings. Once the sprinkler system is approved for B Building, the Trustees will review costs for installing such a system in other buildings.
- Requested that the roof above their sliding glass door be inspected and repaired. Leak appeared during recent storm and appears to be from the deck of Unit C-6/7. Paul Haggett installed a temporary repair over the slider. Haggett suggested re-pitching the decking away from the building, when the weather warms. Management will obtain a proposal for these services.
- Light Fixture falling off wall and needs to be resecured. This will be completed when the wall is repaired.

2. INSURANCE

Flood Insurance: It appears the national flood insurance program will be put on hold for now. 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.

The Senate has passed a Bill, having FEMA redo the Flood Zone Maps, with financial impact consideration, but the House has yet to take a Vote. The New Flood Zone Maps and new rates are delayed at least one year at this time.

Trustees Nowland and Walters will follow up with Hayes Engineering, who has been asked to file a LOMA and approach FEMA to reclassify Buildings A & B.

The BOT will take into consideration forming a Committee of Unit Owners to work on the Flood Insurance for HCT.

Trustee Walters informed owners that the House voted to approve the Bill. To his understanding, the Bill will make some things permanent, also noting that the Bill will cap the annual increase to 18%. The Bill will not help with grandfathering any buildings for HCT.

{Note, since the March Trustees Meeting, a number of Congressional actions have occurred and other updates are being worked with respect to the Harborside Flood Insurance. We will report out as soon as these actions are clarified.}

3. PAINTING

Neptune Painting services has been selected by the BOT to provide painting services to HCT. This project is on hold until Spring/Summer of 2014.

The order of service will be Building A, Building D, then Building C. Management will set up appointment with Trustee Nowland and Neptune Services for early April.

4. BUILDING B FIRE UPDATE:

The BOT is updating owners/residents regularly. Please forward any questions to the BOT.

The demolition has been completed in B1, B2, B5, B6, B10, the mechanical room, and the common area hallway. Travelers insurance company and our public adjuster, Panakio, continue their settlement talks. Owner Jennifer Coolidge, unit D-1, spoke of some concerns on the March 5, 2014 Update:

- Concerned some decisions have been made without owners input.
- Appreciates the amount of information provided, wished the weekly updates were distributed before the BOT meeting, thereby allowing unit owners time to review prior to the meeting. Trustee Nowland and Trustee Walters explained that there was no intent to delay, but much of the information contained within the weekly update was just received.
- Wants a more detailed explanation of the variance between Travelers and Panakio. (~\$200K-\$300K). Trustee Nowland stated the variance comes from Travelers not having a data rich picture and the prices quoted by Paradise. In response, Jennifer questioned whether Paradise feels they can charge more since they are the only bidder on the project. Trustee Nowland stated the main reason the BOT has opted not to price out project with other companies is that Paradise has good data which would not be shared with competitors. Both Trustee Nowland and Walters feel Paradise is operating in good faith. Owner Curtis added that it is the norm to work with one contractor for the entire project. If the project was bid out, the architect would need to meet and supply other companies with multi-data. A good working relationship with the contractor is essential; something the Board has expressed they have with Paradise Construction.
- Requested that the financial information be presented in a spreadsheet format for easier viewing.

Owner Curtis finds and appreciates the enormity of the information being provided.

Owner Raymond requested that the drawings for the units and emergency egress be available for viewing. Trustee Nowland will redistribute these drawings and make available the egress plans once they are available from the architect. All homeowners are encouraged to contact their homeowner policies to see if they have coverage for "unforeseen conditions". In addition, many homeowner policies contain "loss assessment" which will assist in offsetting any assessment.

The cause of the Fire per the Marblehead Fire Department is accidental; Travelers continues their investigation and at the time of the meeting, there has been no other determination provided.

The BOT is in process of securing a construction loan with Marblehead bank. The loan amount and details are not yet confirmed, but is looking for a 5yr term. Details on the loan will be forwarded to unit owners as they are being finalized.

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 owners 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.

The BYC has advised Trustee Nowland that parking will not be available as of May 1, 2014. Owners should make alternate plans for parking after that date while construction is still going on.

7. HDC

The BOT is deferring the annual Trust Contribution to the HDC from December 2013, and will review in April.

8. DEFERRED PROJECTS

Due to current financial conditions, the following projects continue to be 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.

9. LESLEY MANAGEMENT will attend to the following:

- Have the winders on the window in the laundry room replaced. Windows were closed, but entire winder mechanism needs replacement.
- Contact Marblehead Building Department to confirm there are no open permits on the property.
[With BOT]

- Have Attorney Aronson create a Non-Smoking Amendment and forward to BOT for consideration. **[on Hold]**
- Have minor deck repairs done outside Unit D2/D3, as well as caulking services. **[Spring 2014]**
- Have the rot on the front of Building A (Lee St side) patched. **[Spring 2014, as part of the Painting Project]**
- Have the gate in lower lot (southern side) repaired from plow damage. **[Spring 2014]**
- Ensure the gutters are cleaned. **[Spring 2014]**
- Contact Paul Haggett to inspect and report back on the condition of the door and threshold of unit B7. **[Ensure work is completed in the Spring]**
- Obtain a price to replace the common area glass window in Building C and forward to BOT for consideration.
- Management was instructed to have the traps for the raccoons removed and returned in one week. Management will send notification to owners and residents on status and locations. **[Done]**
- 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.
- Determine what is causing the excessive water run-off behind the D Building **[On Hold]**.
- Schedule a semi-annual check of keys in the Knox Box. **[Scheduled for May 2014]**
- Follow up with Harbor Landscaping to ensure ivy has been removed from the BYC side of the north retaining wall (under the A Bldg).

10. 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.

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

User Name: owner

Password: peace123

11. ADJOURNMENT

There being no further business of the Harborside Condominium Trust Board of Trustees, the meeting adjourned at 4:45 p.m.

The next meeting of the Harborside Condominium Trust Board of Trustees will be held Wednesday, April 2, 2014 at the C-6 residence of Jim Walters. 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:

Snow Removal Parking Procedures

HARBORSIDE CONDOMINIUM TRUST

2013-2014 PREPARATION FOR SNOW REMOVAL

When snow is forecasted, please park your vehicle in the lower lot, up against the B or 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.

A “no parking” cone may be placed in the “Compact Car Only spot next to the entry way to the C Building, as it’s very difficult to get cars out of the carport if a snow bank prevents you from pulling far forward.

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. 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