

HARBORSIDE CONDOMINIUM TRUST

TRUSTEE MEETING MINUTES

APRIL 2014

The April meeting of the Harborside Condominium Trust Board of Trustees (BOT) was held April 2, 2014. In attendance were Trustees Don Nowland, Jon Curtis and Jim Walters. A quorum was present.

Also in attendance, were homeowners Jennifer Coolidge and Joyce Raymond and via phone, Ron & Leslie deMoraes and Dianne Reich.

1. HOMEOWNER ITEMS

Jim Walters welcomed and thanked Jon Curtis for joining the Board of Trustees. Jon Curtis updated owners that he purchased unit B8.

Emergency Egress, Building B Fire Escape Redesign: As a part of the reconstruction of Building B, code compliant fire egresses are required by the Marblehead Building Department. Architect, Bob Zarelli is designing the egresses.

Trustee Nowland will follow up with Bob Zarelli for the drawings. Paradise Construction has prepared a rough cost estimate of \$270,000 for the egresses.

The rough estimate and drawings will be shared with owners as soon as available.

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. Management and Trustee Nowland are scheduled to meet with Paul Haggett to review scope of services on Monday, April 7, 2014.

Storm Windows: Unit A1/A2: Owner Dianne 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. Management will confirm meeting with Paul Haggett and Neptune Services for same time on Monday, April 7, 2014.

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. He suggests a deluge system between the buildings. Trustee Nowland will speak to the BYC. This issue has been raised to the Commodore. The general manager resigned at the BYC, but Don is meeting with them on April 16, 2014 and will bring issue up again.
- 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. Trustee Nowland will research options with vendor.
- 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 roof and deck away from the building, when the weather warms. Management will obtain a proposal for these services.
- The light fixture was re-secured to side of building.

2. INSURANCE

Flood Insurance: Trustee Curtis provided an update. It appears the national flood insurance program increases will be capped for the immediate future for “grandfathered” properties. The BOT is investigating the impact to the 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 annual flood insurance premium is \$45,030.

Jon Curtis met with Peter Ogren, Hayes Engineering, a consulting engineer familiar with FEMA, to confirm whether or not a letter of map amendment (LOMA) for Building B is necessary. The map amendment would not benefit buildings A or D, but the sea wall is not depicted on the map as high as it is in place and will need to be corrected. FEMA has delayed the financial impact on certain policies.

The next step is for Peter Ogren to obtain the proper history which would support a LOMA application. The new map shows 2 buildings (A/C and B/D) and not 4. This also needs to be corrected even though the policies are written as 4 separate policies.

3. PAINTING

Neptune Painting services has been selected by the BOT to provide painting services to HCT. This project will be completed this Spring/Summer.

The order of service will be Building A, Building C, then Building D. Building B is deferred until the end of reconstruction.

A walk through meeting is scheduled for Monday, April 7, 2014.

4. BUILDING B FIRE UPDATE:

The BOT is updating owners/residents regularly (see update of April 4, 2014). 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.

Trustee Nowland reviewed highlights of the expected update:

- The March 5, 2014 weekly update to unit owners stated there would be a special meeting of unit owners, however, at this time, the claim is not at a point where a productive meeting could be held.
- There still has not been a settlement decision with Travelers.
- The BOT wrote a strong letter to Travelers via Panakio Adjusters stating that the BOT felt Travelers was not negotiating in good faith.
- The variance between the Travelers settlement and the Proposal from Paradise Construction contains a shortfall on sq. footage, a shortfall on the demolition, and other discrepancies.
- The variance noted in the March 5, 2014 update has not changed; however the BOT is working to drive Travelers to reconsider their numbers.
- The reconstruction done in the late 1980’s, which included repairs from the prior fire, was done properly and recorded in Marblehead Town files. The work inside the Plauche unit (B3) and immediate hallway has been started.
- The BOT is still working with the rough estimates of \$270,000 for the emergency egress and \$110,000 for the sprinkler system. The BOT met with Zarelli and Paradise to review progress on these two projects. The emergency egress plan is on the agenda for the Old & Historic Districts Commission for the 2nd week of April. Once approved, it then would go to the Zoning Board of Appeals. The BOT may hire a local attorney to help expedite this process.

- The BOT has agreed to use a steel frame construction for the egresses which would require less long term maintenance cost and allow for a longer span between columns (reducing sight and parking lot obstructions).
- The sprinkler system will be installed in the 4 units that were gutted, as well as the common areas. Paradise Construction is reviewing the available water service line from Lee St.

Owner Leslie deMoraes asked the following questions:

- Is there an update on the cause of the fire? Trustee Nowland stated that Travelers continues their investigation and at the time of the meeting, there has been no other report provided?
- Are there other ways to obtain funds which will help offset the costs of the reconstruction? Trustee Nowland stated this has continued to be discussed with the Association's attorney, Marcus Errico Emmer & Brooks.
- Leslie advised owners that all unit owners should review their own personal homeowner policies to understand their coverage, as well as question if they have proximate cause coverage or law & ordinance coverage. Note: More guidance will be provided by the BOT soon.

Owner Joyce Raymond asked that replacement of the B Bldg roof be reviewed with Travelers, given the recent leaks into her unit. Trustee Nowland stated that review is underway.

Jennifer Coolidge asked what other legal action could be taken in the event that the BOT were unable to reach a satisfactory settlement with Travelers. Trustee Walters stated that we continue to review all possible action with our attorney. Both the "reference" process and direct litigation remain as options if a satisfactory settlement is not achieved.

Owner Joyce Raymond also asked whether the repairs to Unit B3 might be covered by homeowner's personal insurance? Trustee Nowland stated that this would be checked.

Marblehead Bank has deemed that they will be unable to assist HCT in a business loan using monthly condominium fees and assessment as collateral. The BOT has since contacted East Boston Savings Bank and is in process of preparing a loan application.

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

The BOT will be revising Summer Parking Procedures for the 2014 season to account for the expected reconstruction activities. Once published, your cooperation in following these guidelines is appreciated.

The BYC has advised Trustee Nowland that parking in their lot will not be available as of May 1, 2014. Owners should make alternate plans for parking after that date.

7. HDC

The BOT is deferring the annual Trust Contribution to the HDC from December 2013, and will review in the Summer. The docks are expected to go in the 2nd/3rd week of May. The HDC will update owners accordingly.

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:

- Send a statement of account to owner Jon Curtis from November 2013 to current.
- Have the winders on the window in the laundry room replaced.
- Have the windows in the laundry room opened for the warm weather..
- 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 and leaks repaired. **[Spring 2014]**
- Have the small gutter leak inspected during cleaning of gutters over Jennifer Coolidge's unit.
- 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 2014]**
- Obtain a price to replace the common area glass window in Building C and forward to BOT for consideration.
- 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

Ron deMoraes is in process of creating a new website. Ron is currently uploading historical information and is hopeful the website will be up and running by Easter. Login and password information will be forwarded when available.

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, May 7, 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***.

.....