

HARBORSIDE CONDOMINIUM TRUST

TRUSTEE MEETING MINUTES

AUGUST 2014

The August meeting of the Harborside Condominium Trust Board of Trustees (BOT) was held Wednesday, August 13, 2014. In attendance were Trustees Jon Curtis, Leslie de Moraes, and Jim Walters (via phone). A quorum was present.

Also in attendance, were homeowners Joyce Raymond, Bill Siddall, Bert & Liz Michaud, and Dianne Reich, and via phone, Dottie Martin, Bart Jones, Chuck and Muffin Zoubek, and David Gold.

The August Trustee Meeting was recorded via FreeConference.com for archival purposes and to assist in preparing the minutes for the meeting. All participants in person and via phone were notified of such recording prior to meeting and as owners joined via conference call, during the meeting.

1. HOMEOWNER ITEMS

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 and Building Commissioner. Peter Pittman (architect), Jon Curtis, and Bruce Paradise met and reviewed plans for the reconstruction and egress.

The Egress plans application to the Zoning Board of Appeals is being worked on. The Surveyor should have the final report tomorrow, August 14, 2014 and will be picked up by the BOT. The plans will be on the Agenda in the month of September, but the date of this meeting is not known at this time. Once the BOT received the Egress plans in electronic format, they will be posted on the HCT website for viewing.

Bruce is working on finalizing the pricing on the Emergency Egress. *Will this project go out for bid?* Trustee Curtis stated the BOT will wait to see the number from Bruce Paradise before making the decision. If the number for reconstruction comes within the budgeted amount, this project may not go out for bid. If however the quote seems too high, the BOT may elect to place this portion of project out to bid.

Deck replacement D-2/D-3: The deck refurbishment has been deferred until Year 2015. The obvious rotted boards have been identified, replaced, and painted by Paul Haggett.

From David & Marianne Gold:

- o 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 has spoken to the BYC and raised this issue to the Commodore. The Board of Trustees received a response from the BYC stating they acknowledge the HCT's concern due to the recent fire. In addition, it is the policy of the BYC to not allow storage of any flammable items in this building. In addition, they would take this opportunity to remind their members of storage restrictions. On Monday, August 11, 2014, the BOT met with Captain Mike Porter and discussed the use of a water curtain or another water suppression system in this area. Captain Porter advised the BOT that he did not feel this would be effective given the amount of heat that would be needed to set off the suppression system, the building would be engulfed in flames. Owner Gold disagreed with Captain Porter's assessment and offered to discuss in further detail with the BOT when he returned September 1, 2014.
- o 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.
- o Requested that the roof above their sliding glass door be inspected and repaired. Leak appears to be from the deck of Unit C-6/7. Paul Haggett installed a temporary repair over the slider. Paul Haggett has been authorized to remove the decking and replace with decking, properly pitched away from the building.

North Retaining Wall: The BOT met with Peter Hermann, structural engineer, and reviewed the South East corner of the Sea Wall and the North Retaining wall (the wall on the rear side of the connector between Building A/C). The most critical area is the small section between the carport and Building C. The wall in this area looks like it is being held up by an electrical conduit box. Peter Hermann and the BOT went into the basement of Building A and found there was a large cement foundation installed to reinforce the retaining wall. Peter Hermann will be returning, excavating small amount outside Building A for a clearer understanding what is there. A report is expected at the end of next week.

Trustee Curtis stated something will need to be done in corner of Building A, but what it is will not be known until the board reviews the report by Peter Hermann. Jack hammering will not be allowed and the HCT will need to go before the Conservation Committee before any work is done.

Trustee Walters asked if a repair to Building C will be needed before the winter. Trustee Curtis stated the report will provide more information.

Owner Liz Michaud asked if the BYC will be involved in this project. Trustee Curtis stated to some capacity, yes. That is the plan. The BOT will utilize Don Nowland as he is on the House Committee at the BYC.

2. INSURANCE

Flood Insurance: At the time of the meeting, the Trust has received two premium invoices (building B & C) which reflected moderate increases. Management received a third premium notice which had not been opened at the time of meeting.

Peter Ogren is continuing to work on the LOMA application to ensure four buildings and the Sea Wall are corrected on the map. Trustee Curtis will follow up with Peter Ogren.

The Master Insurance Policy with Travelers is up for renewal on October 6, 2014. It is still unclear at this time whether or not Travelers will continue to insure HCT or a new carrier will be needed. Travelers have requested additional items be completed or have a confirmed date of completed before renewal:

- o Travelers mandated that all doors which enter into a common hallway be 20 minute fire rated. The Building department stated code requires 90 minute doors and Bob Ives has stated they need to be 60 minute doors. Any door on a unit that leads to the common hallway but will be sprinklered, only needs a 20 minute door. The doors will look identical from the hallway despite different fire ratings. Paul Haggett is finalizing a price on the doors, which come complete with framing and closers. The difference in price between 60 minute and 90 minute is ~\$300. The BOT has agreed this is the rating to use. There will be a total of (10) 90 minute doors and (4) 20 minute doors.

Owner Bert Michaud stated he would like to see the door prior to the installation. BOT agrees and will make the door available to owners as soon as Paul Haggett has provided link.

Owner Raymond asked if the Trust need a waiver with the removal of lead door trim. Trustee Curtis said the amount of lead was only found in the trim and therefore would be below the level needed for specialized removal.

- o Travelers mandated that there be absolutely no open flame grills on the property with the exception of the first floor which would then need to be 10' away from building. Notice was sent to owners explaining this revised rule and a courtesy call was made to any owner this directly affected.
- o In late 2012 the property was inspected for lead paint. A report was received in early 2013. There are a few places that showed elevated levels of lead paint: The corner boards and some trim on the front of Building A; Some of the windows on the first floor of Building C; Trim around door of Nancy Segue's unit. Since there are no children living at the property under the age of 6, Travelers originally did not require additional notification be done. Currently the Board is seeking clarification on the notification Travelers is now requiring.

The Insurance Workshop was very productive. The BOT is working on the letter with Attorney Janet Aronson which will satisfy the requirements of individual homeowner insurance policies. Trustee de Moraes will schedule another meeting soon.

3. PAINTING

Neptune Painting services has completed about 2/3 of the painting project. The painting project has been adjusted slightly from the original estimate of \$25,000 to \$29,770. H Ritt (Neptune Painting) has assured the Trust that the final costs will be under \$30,000.

4. BUILDING B FIRE UPDATE:

Travelers insurance company and our public adjuster, Panakio, are nearing the end of their settlement talks. Travelers have agreed to pay \$925,000 to HCT (\$900,000 for fire and \$25,000 on code upgrades). *Owner Liz Michaud asked if the Trust is still trying to get more money from Travelers.* The BOT intends to move forward with the reconstruction and then file with Travelers additional claim amount with proof of invoices of what was actually spent.

The Trust has received \$746,787.81 and has paid out \$374,980.65 leaving a balance in Insurance Claim Checking Account of \$ 371,807.16 as of July 31, 2014. Expenditures to date include Paradise Construction, Panakio Adjusters, Legal, Accounting and miscellaneous items.

The BOT was asked at the annual meeting to provide an accounting of funds spent to date on architectural fees. Trustee Curtis stated to date \$14,200 has been spent on the fire reconstruction and \$23,244 on the emergency egress since the October 2013 fire for a total of \$ 37,444. Management was instructed to print in minutes, the total of expenditures pre-October 2013 for architectural fees. In Year 2011, \$6,506.38 was paid

to Architect Paul Fermano. In Year 2012, \$7,700.90 was paid to Architect Paul Fermano. In Year 2013 \$8,115.15 was paid to Architect Water Jacob.

The BOT is working with Ben Crowninshield, accountant, on notices of assessment. It is estimated that one simple letter will be sent but with a variety of attachments. Homeowners will determine how much information is given to their individual home owner insurance policies for possible reimbursements.

The BOT approved the filing of amended tax forms for 2011, 2012, and 2013 by Ben Crowninshield.

The Town of Marblehead ran a flow test at the street to ensure there would be enough water supply. The water supply, the alarms and pull stations were approved by the Fire Department.

There will be a certificate of controlled construction signed by Peter Pittman. Josh from Paradise Construction has an appointment on Monday, August 18, 2014 to pull the Building Permit. Bob Ives will be the person signing off on all permits.

Bruce Paradise advised BOT it was time to set up appointments with the 4 gutted units. Peter Pittman has called and set up 3 out of 4 units as of the time of the meeting.

There will be one permit pulled for the reconstruction project. (Subsequently, the Building Commissioner determined there will be five permits: one for the common areas and one for each of the affected units. The Fire Egress will have a separate permit pulled.

The Stove Inspection report was sent to owners. It is clear in report, that the stove did not start the fire. It appears that the fire was concentrated in microwave vent unit. Management was instructed to forward information on the roof vent installed by contractor Tom Jacobs to the BOT.

Owner Siddall asked how the BOT was approaching the contract. Is it a fixed contract or is it variable? Trustee Curtis stated he had gone back to Paradise on some areas he felt he could lower price. Some parts of the contract will be fixed and others will have allowances. The BOT will ask owners to not spend all of their allowances if replacing to like is less than what would be allowed; thereby saving money in overall project. Could there be a few thousand dollars shed of price; answer yes. Could there be tens of thousands saved; answer no.

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.

The BOT is currently working on the 2015 Budget but need the renewal quotes on both the Flood and Master Insurance policies before presenting to owners.

6. PARKING

The Revised Parking Rules during the Building B Reconstruction period remains in effect until further notice. Your cooperation in following the guidelines is appreciated.

7. HDC

The Trust will pay the deferred annual Trust Contribution to the HDC from December 2013 as part of the temporary condominium fee increase.

The docks are squeaking a little bit more than usual. Ron de Moraes has contacted Dave Haley and he is expected to lubricate the gangway plates in the near future.

Owner Liz Michaud voiced her concern with the boats on the Dock during the recent storm. Trustee de Moraes stated the boats are rocking but they are not pulling on the docks.

8. POT LUCK GATHERING.

Trustee Curtis thanked Leslie de Moraes for her work in organizing the Pot Luck and for all who attended. The chairs were presented to Don and Davita, which went over well.

9. DEFERRED PROJECTS

Due to current financial conditions, the following projects continue to be deferred: D-1/D-2/D-3 deck refurbishment (currently under consideration); 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.

10. LESLEY MANAGEMENT will attend to the following:

- Have the growth on the North Retaining Wall removed.
- Send reminder notice on the Temporary Condominium Fee Increase to Owners.
- Have Boston Fire Extinguishers service the property.
- Set up appointment with Bartlett & Steadman to cap the gas lines to the grills.
- Schedule a common area clean out with reminder to owners to remove any personal items.
- Contact CH (Neptune) to remove any paint left in any storage rooms.
- Schedule opening of Knox Box with Jon Curtis to place keys for access to Building B
- Have the winders on the window in the laundry room replaced. [On P. Haggett's list.]
- 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 summer]
- Obtain a price to replace the common area glass window in Building C and forward to BOT for consideration. [On file].
- 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 Ron deMoraes 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.

11. HARBORSIDE WEBSITE

Ron deMoraes has updated the Harborside website to a new more user friendly site. Please use the website.

For your information, the new website is: www.harborsidecondos.info

Password: MHD2401945

12. ADJOURNMENT

There being no further business of the Harborside Condominium Trust Board of Trustees, the meeting adjourned at 5:15 p.m.

The next meeting of the Harborside Condominium Trust Board of Trustees will be held Wednesday, September 3, 2014 at the C6/C7 residence of James Walters. All homeowners are welcomed to attend.

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Attachments: