

Harborside Update: September 1, 2014

B Building Reconstruction:

Insurance Negotiations – There has been no further progress with negotiations with Travelers. The Trustees will likely wait until the construction is substantially complete and then file additional substantiating information to support our claim.

Building Permits – Paradise Construction has been issued five Building Permits: one for the common areas and one for each of the damaged units.

Zoning Board of Appeals – The Egress plans were submitted to the Zoning Board of Appeals on August 21. The Hearing has been scheduled for Tuesday, September 23, at 7:45 PM.

Egress Construction – Once the Egress plans have been approved by the Zoning Board of Appeals, the Trustees will determine the best course of action to implement the construction. This will likely be the last scheduled construction activity and will determine the occupancy date for the completed Units.

Construction Kickoff – We held a construction kickoff meeting on August 27 including Bruce Paradise of Paradise Construction, Peter Pitman of Pitman & Wardley Architects and Jon Curtis as Trustees' Representative. Mobilization activities were conducted during the week of August 23-29, and construction activities will commence September 2. Construction Parking rules will be in effect as of September 2.

Unit Plans – Peter Pitman has met with Owners of three units to finalize the plan details for in kind replacement. The fourth meeting will take place during the week of September 2.

Supplemental Assessment

The Letter of Supplemental Assessment will be issued to all Owners on September 2, both by email and USPS. Additional supporting information will be provided to Owners to support their individual insurance claims as requested and as available.

Summer Maintenance and Repair Projects

Significant progress has been made on numerous summer maintenance and repair projects.

Painting – Neptune Painting (C.H. Ritt) has completed most of the work under the contract. There are a few areas where minor touch up remains to be done, and the new siding at C-7 where the deck was replaced will be scheduled soon. If an Owner notices any omissions, please contact Lesley Management.

A Building front elevation siding, railings and trim are complete.

B-7 Deck was planned for replacement of rotted decking planks; however, when the work commenced it became clear that more than 75% of the planks were rotted, and a decision was made by the Trustees to replace the all of the wood decking with Azek composite decking. The work has been completed.

C Building siding and trim replacement and repair of C-5 entry railings are complete.

C-3 Deck – The railings and some of the decking were rotted and the deck was unsafe for use. The wood decking has been replaced with Azek composite decking. The new stainless steel wire and teak railings are on order and will be installed in September.

C-3 Roof/C-7 Deck replacement – A leak in the roof over the sunroom of C-3 was identified during the renovations in 2013. A temporary repair was made with the intention to install a new roof and replace the deck for C-7 in 2014. The roof was installed with a reverse pitch such that water accumulated on the roof against the house and did not fully drain. This condition was exacerbated in the winter with snow accumulating against the building and the subject to freeze-thaw cycles.

The roof was removed, and a small area where the top insulating layer adjacent to the C-7 exterior wall was moist. The roof has been properly pitched to shed water, new flashing and weatherproofing were installed, and new Azek composite decking is being installed.

A new clapboard wall is being constructed to the BYC Yardarm building and new stainless steel wire and teak railings are on order and will be installed in September. Jim Walters, Owner of C-7, has agreed to pay the incremental cost for this work above the basic deck and wooden railing replacement.

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D Building Trim and Siding repairs were completed at the same time as painting was performed on sections of the D Building.

D-2/3 Deck repairs – There was significant rot on numerous wood deck planks on the deck outside D-2/3, and replacement of the decking has been postponed for many years. The Trustees determined that the complete replacement of large portions of the wood decking with composite decking was not financially feasible.

However, numerous rotten planks were replaced with new wood planks, and were then painted to blend with the existing deck. The Trustees are aware that an extensive repair of the deck and supporting structure is required and it is high on our priority list for 2015.

North Retaining Wall – The Trustees had a survey completed by Hayes Engineering, and it was determined that the wall next to the BYC building lies completely on Harborside property. The Trustees retained Peter Hermann, PE, to inspect the north retaining wall to determine the need for immediate repairs and to determine a course of action. His preliminary assessment is that the condition of the wall does not pose an immediate threat to the A Building foundation. He believes we should repair our section of the wall without connecting with the section on the property of the 20-22-22 ½ Lee St. Condominium, which appears to be less stable than the Harborside section of the wall.

We will need to make repairs to the grouting and pointing of the rock wall, including the installation of appropriate drainage.

Sea Wall - The Trustees retained Peter Hermann, PE, to inspect the south portion of sea wall to determine the need for immediate repairs and to determine a course of action. His preliminary assessment is that the condition of the wall does not pose an immediate threat to the integrity of the wall. However, repointing of the upper portions and a full inspection of the wall by a company with expertise in marine construction should be undertaken.

Flood Insurance Policies Renewal – The four flood insurance policies were renewed and the collective premium increased to \$47,256, an increase of 3.38%. This is considerably less than the Trustees were anticipating.

Master Insurance Policy Renewal – The Trustees have been notified by Travelers that they will renew the Master Insurance policy. However, some of the coverage may be lower than presently in force, fire door installations and gas grill removals must be completed, conditions for lead paint removal and additional Egress improvements may be imposed. Premiums will likely increase by 10% to 15%, which is more than the Trustees were anticipating.