

Dear Fellow Harborside Owners,

As we near Year-End 2019 the Board felt it would be a good time to review activities and accomplishments of 2019 and our hopes and plans for 2020.

First and foremost, despite a large amount of work required and undertaken at Harborside in 2019, both planned and unexpected, we avoided any fee increase or assessment. The reserve account was tapped for the first time and was much of the reason that we could avoid any assessments for the year. We anticipate at year-end that the reserve account will show a net decrease of \$50,000 from the level at the beginning of the year. Next year we will resume our annual budgeted \$44,000 to the reserve account and do not plan to raise fees for the 4th year in a row while undertaking several key projects in 2020 and beyond, which we will touch on shortly.

Before we address the activities we want to be clear about how the Board views its responsibilities as they relate to adherence to the Association's Rules and Regulations. The R&R have been painstakingly put together by Boards past and present with one goal in mind: the preservation of everyone's right to the "peaceful enjoyment" of their property consistent with legal requirements. Every one of us agreed to adhere to these rules and regulations when we purchased our units. Not some of the time. Not only with the rules we agreed with. Not only when it's convenient to do so. When any individual owner violates the covenant of trust, which is exactly what our Rules and Regulations represent, it is a direct affront to all owners. The Board views such violations as serious matters. Any owner who repeatedly violates any of the Association's Rules and Regulations will be subject to corrective actions by the Board up to and including fines and legal remedies. It is important to understand that the right to peaceful enjoyment of one's property goes well beyond the jurisdiction of the Board, it is Massachusetts law.

The Board urges all owners make themselves familiar with the Rules and Regulations. All condo documents are readily available on the Harborside website. Help us make Harborside a place where respect for one another is paramount.

Moving on, the following visible areas of achievement in 2019 were:

The reinforcement of the southern and eastern seawall foundation under D building.

The significant construction of a foundation for C Building and the remediation of many significant structural issues found under the C Building.

The residing of D Building/Unit B3 deck area in Hardie Plank.

Various efforts that impact parking on the property including restriping of the parking lot, filling major sinkholes formed by storm damage.

The seawall reconstruction has been on the project list after being identified by the geoengineering firm GZA in 2017 as a high priority. This capital project was budgeted over a two year period and planned for over a three year period in addition to our on-going annual sea wall maintenance. The project was completed on-time and the overall seawall maintenance line will be about \$12,000 over our original budget because GZA determined the poured concrete wall needed to be several inches taller. Going forward the Board is planning to work with GZA to determine the next seawall area of concern to prioritize. The Board continues to schedule annual maintenance to reinforce and protect the work already completed.

C Building's significant structural remediation took up a lot of the year as more was uncovered as we progressed through the rebuild process. All the issues have been addressed and completed with one minor exception. In the next few months, two

sump pumps will be installed in the common area crawl space as required by FEMA. The net impact of all of the reconstruction was we anticipate ending the year \$150,000 over our expectation for this item.

We also addressed and replaced many 30+-year-old roofs around the property which have been an ongoing source of leaks and frustrations.

On a much lesser scale, the Parking Committee was busy earlier in the year. Aside from answering questions and making recommendations, such as should there be assigned parking spots, there were visible actions taken as a result of their recommendations. The first was issuing new visitor parking passes so that all vehicles parked on the property are either owners who have registered their cars or visitors who visibly display the passes on their dashboard. The other visible action was the relining of the parking lot to provide clarity to the parking spaces. Given that there is still work to be done on the drainage and repaving of the parking lot, this temporary solution was deemed necessary.

Some of the other activities across the property were:

Replacing the B Building fire alarm notification from cellular to a landline. This was necessary given the intermittent nature of cellular service at Harborside and the annoying alarm it produced.

Beginning the evaluation process for the rebuild of the D Building egresses. To that end, the Board has retained the services of architect Jeff Tucker. He has begun to "map" D Building's exterior. Going into 2020, he will be developing site plans and comprehensive interior as-built unit plans, designing and recommending various egress options for the Board to review. The Board hopes we will be able to begin the budgeting process for the project, interview and hire a general contractor and begin the bureaucratic approval process.

And, the ceiling in the walkway between B/D Building was repaired.

Enclosed, please find a copy of the Working Budget for Year 2020. As you will see, there is no change in total income and no change in monthly condominium fees approved at this time. The Board of Trustees does not anticipate any supplemental assessment. The Budget, as noted above, reflects the Board's commitment to building the reserve account.

The Board of Trustees has identified two major priority projects to be focused on in Year 2020:

D Building projects: Not just the egresses but the addressing of interior stairwell and exterior walkway work to be done. The stairwell and walkway of D Building will be part of a comprehensive approach to the overall improvement of the building.

As for the walkway, until a permanent solution is developed and approved, the Board has authorized new plywood and an artificial non-slip covering for this winter. In the Spring, the Board has authorized replacing the plywood with new blacktop for that area. As for the interior stairwell, the Board is considering the installation of new carpet and repainting of the interior stairwell of D Building as part of this comprehensive approach. The Board is also considering the installation and addition of new windows in the stairwell, as well as the removal of the roof vent to prevent further water intrusion and enhance air circulation in the stairwell. This may, or may not, be undertaken at the same time the egress project is being constructed.

The first phase of addressing the drainage issues at Harborside will also be undertaken. These include installing new gutters, and drainage in, around and under walkways and the parking lot. The 2018 GZA drainage report's primary conclusion was that water on the property needs to be diverted away from the buildings. The Board, Management and GZA have discovered there are no easy solutions at Harborside. Water comes from a variety of sources

(rain, runoff, ledge moisture, neighbor sprinklers, etc.) all of which will need to be addressed in an issue-specific manner while at the same time not creating bigger problems. The Board continues its work on this issue.

HDC 2019 YEAR-END REPORT:

The Harborside Floats were finally removed to the beach on December 16... a record! The silver lining is we may be first (or close to it) to be splashed in the Spring. The Floats are in the best condition they've ever been in. New flotation for the South Float was installed this season. Also, commercial-grade dock bumpers were installed on both Floats. We're still a little concerned about the chains being tensioned correctly but this is not new and is addressed as a problem is noticed.

Electric service to the Floats is something we are working on. It hasn't been for lack of desire on the part of the HDC. We have received estimates of what it would cost to supply proper power (50amps) to both Floats... over thirty-five thousand dollars. That's a price beyond what the HDC can afford. The next estimate we asked for was to provide less power (30amps) to both Floats. That estimate was fifteen hundred dollars. However, the proposed work falls physically short. The proposal was to provide power to the corner of C building only. Obviously, short of the Floats. Further, there is a fundamental issue of swimmer safety that needs consideration in light of fairly recent water safety-related regulations. Regulations that have requirements not only for the shore connection but also for the boats that are to be connected. We are asking for a reasonable estimate to provide that lesser power all the way to the Floats and we will report the results of that when we receive it.

We hope the above provides a snapshot of the work completed in Year 2019 as well as the goals and direction of the Board of Trustees heading into Year 2020. We wish everyone a very safe and Happy Holiday Season and wish everyone a Happy New Year.

Harborside Board of Trustees