



# Capital Repair Projects- Planning Funding & Oversight

KELSEY DUNN, P.E., SIMPSON GUMPERTZ & HEGER  
HOWARD GOLDMAN, ESQ., GOLDMAN & PEASE, LLC  
BENJAMIN KETCHEN, CAMBRIDGE SAVINGS BANK  
CANDICE MORSE, CPM<sup>®</sup>, THAYER & ASSOCIATES, INC.

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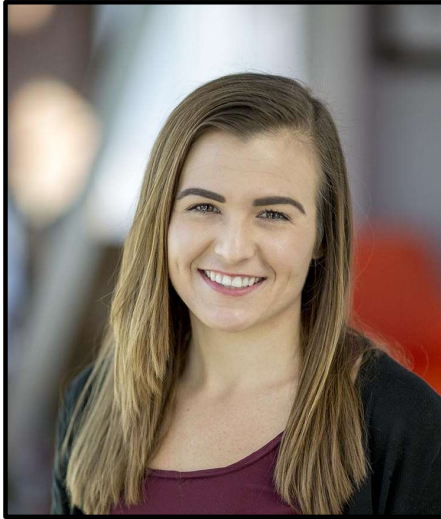
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**Kelsey Dunn, P.E.**

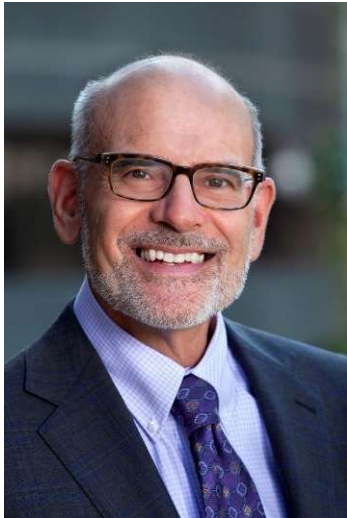
Senior Consulting Engineer

Simpson Gumpertz & Heger

*Phone: 617-963-5423*

*Email: [KADunn@SGH.com](mailto:KADunn@SGH.com)*

- Northeastern University, B.S. in Civil Engineering.
- Joined SGH in 2013.
- Building Technology group in the Boston, MA downtown office.
- Professional Engineer (MA)
- Relevant Work Experience:
  - New Construction Consulting
  - Restoration Projects
    - Condition Assessments
    - Investigations
    - Design
    - Construction Administration



**Howard Goldman, Esq.**

*Goldman & Pease, LLC 160 Gould Street, Suite 320, Needham, MA 02494*

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*Email: [hgoldman@goldmanpease.com](mailto:hgoldman@goldmanpease.com)*

Howard S. Goldman is the founding member of Goldman & Pease, LLC, concentrating his practice in real estate, condominium law, and real estate litigation. He served on the CAI New England Chapter Board of Directors, is an active member of the CAI Lawyers Committee, Real Estate Bar Association, RI Bar Association and the Institute of Real Estate Managers, and is a frequent lecturer on real estate and condominium matters. For 40 years, he has been providing professional legal counsel to condominium associations, lending institutions, management companies, condominium developers and property owners. His firm offers a full range of real estate services, including condominium law, safeguards against negligent security cases, rules enforcement, real estate development, condominium fee and superlien collection, transfer or extinguishment of developer rights, and developer transitioning.



## **Benjamin Ketchen**

*Cambridge Savings Bank, 81 Wyman St, Waltham, MA, 02451*

*Phone: 617-520-5349*

*Email: [bketchen@cambridgesavings.com](mailto:bketchen@cambridgesavings.com)*

Ben Ketchen is a Relationship Manager in the Corporate Banking division of Cambridge Savings Bank where he quarterbackes commercial banking relationships, with a specialty in commercial lending. With over 20 years of experience in the banking industry, Ben has been leading the condo association banking efforts at CSB since 2018. Ben and CSB offer their commercial banking customers personalized service a full suite of products including loans; deposit accounts; online banking; ACH; wires; and Lockbox services, among others, Ben is an active member of CAI-NE, having served on both the Seminar and Conference Committee and the Golf Tournament Committee, for the past four years.





## **Candice Morse**

*Thayer & Associates, Inc., AMO, 1812 Massachusetts Ave, Cambridge, MA, 02140*

*Phone: 617-354-6480*

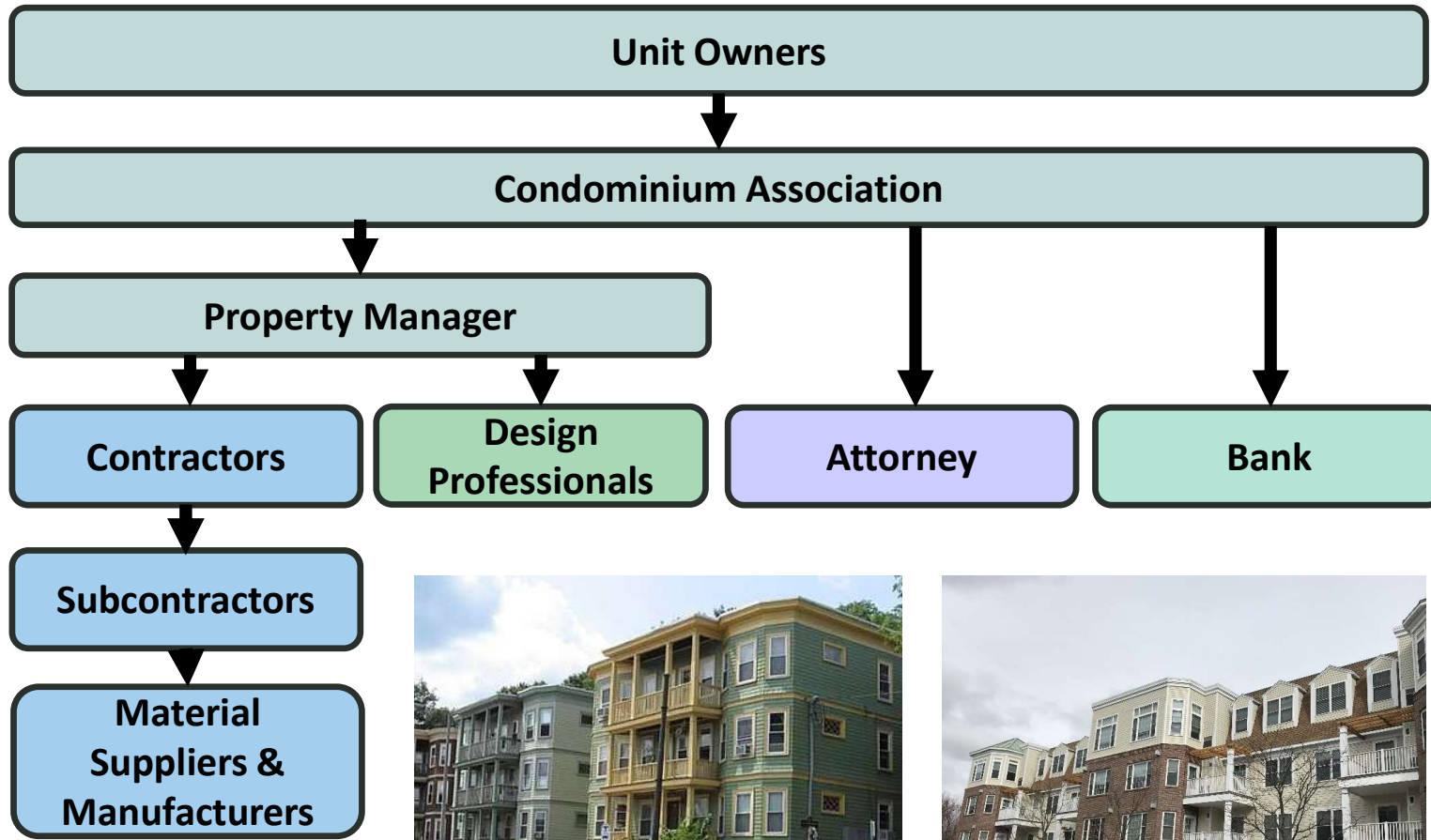
*Email: [CMorse@thayerassociates.com](mailto:CMorse@thayerassociates.com)*

Candice Morse joined the Thayer & Associate's property management team as a fourth generation real estate manager in 2003 and now serves as President of Thayer & Associates, Inc. Candice received her Accredited Residential Manager and Certified Property Manager designations through the Institute of Real Estate Management- Boston Chapter. She was awarded the first Fourth Generation Award through IREM as the first fourth generation Certified Property Manager in the Institute's history. In 2007, Candice was inducted to serve on the Executive Counselors Committee for the IREM Boston Chapter. She previously chaired the IREM Professional Women's Committee and served as the 2016 Chapter President. Candice is an active member of the Community Associations Institute- New England Chapter.

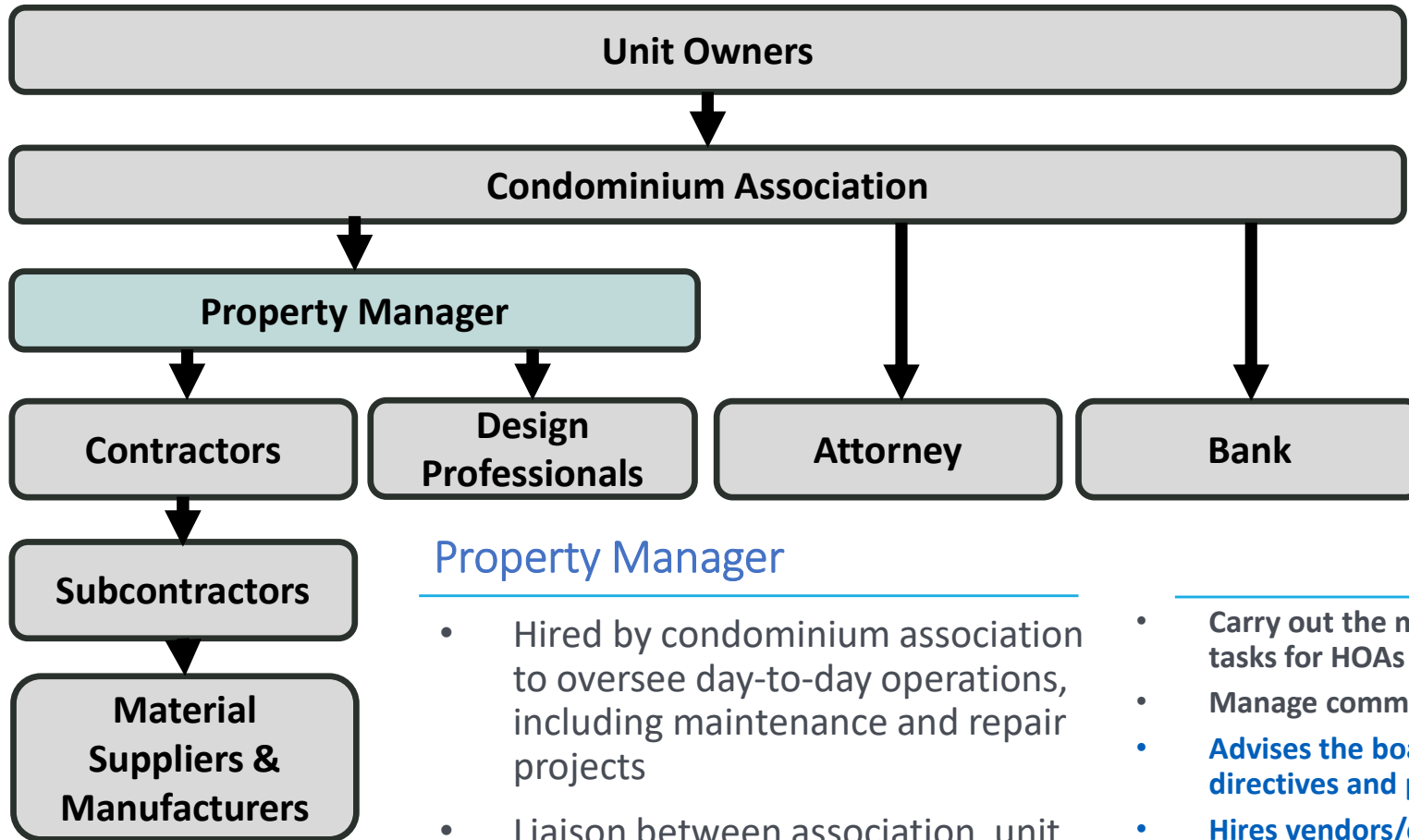
# Identifying Members of the Project Team, Roles & Responsibilities

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# Common Relationships and Responsibilities



# Common Relationships and Responsibilities



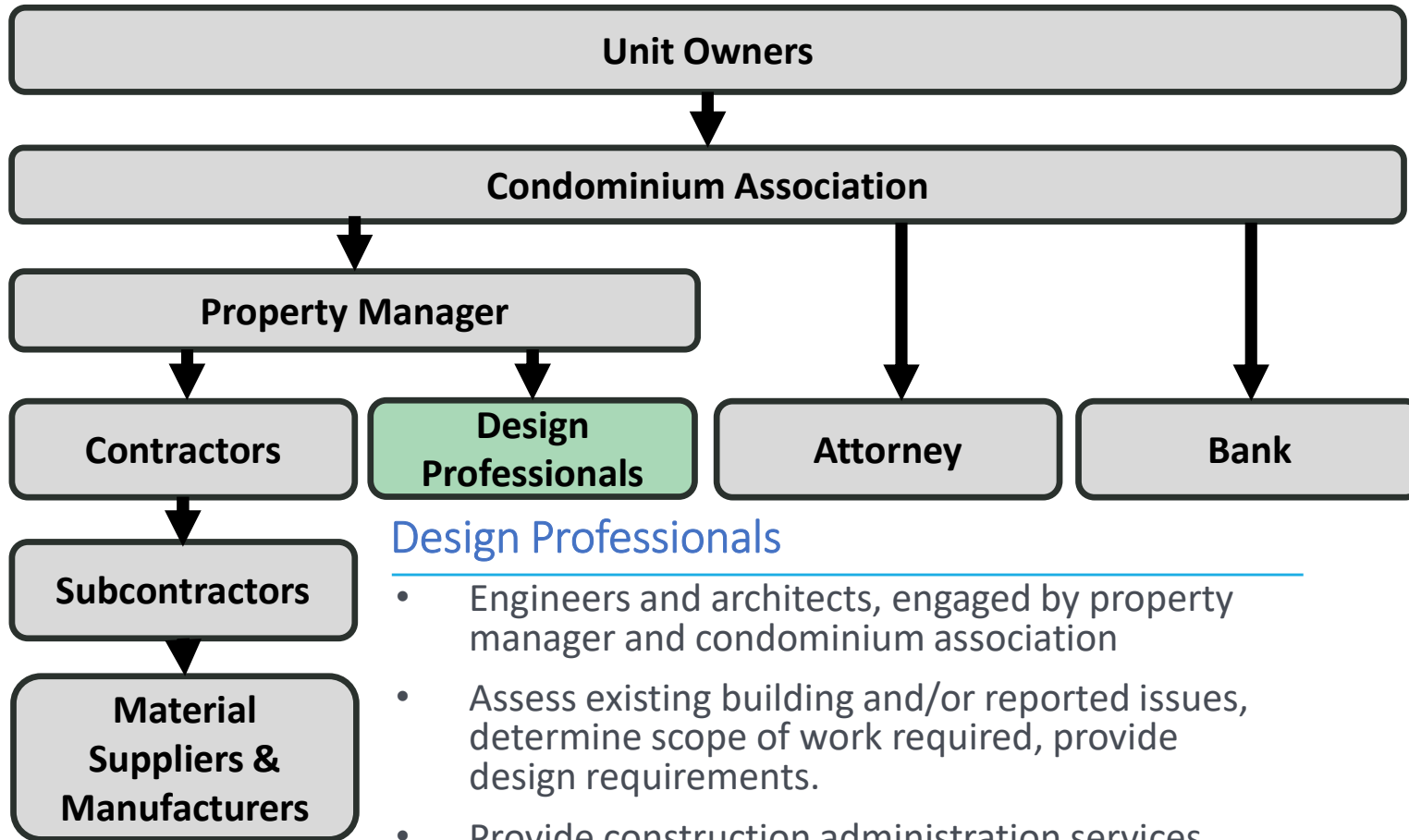
## Property Manager

- Hired by condominium association to oversee day-to-day operations, including maintenance and repair projects
- Liaison between association, unit owners, and external contractors and professionals

## Tasks

- Carry out the management and enforcement tasks for HOAs
- Manage communities,
- **Advises the board; executed the board's directives and policies**
- **Hires vendors/completes maintenance and repair of common areas.**
- Collects homeowner dues and late fees
- Services as HOA's bookkeeper and accountant.

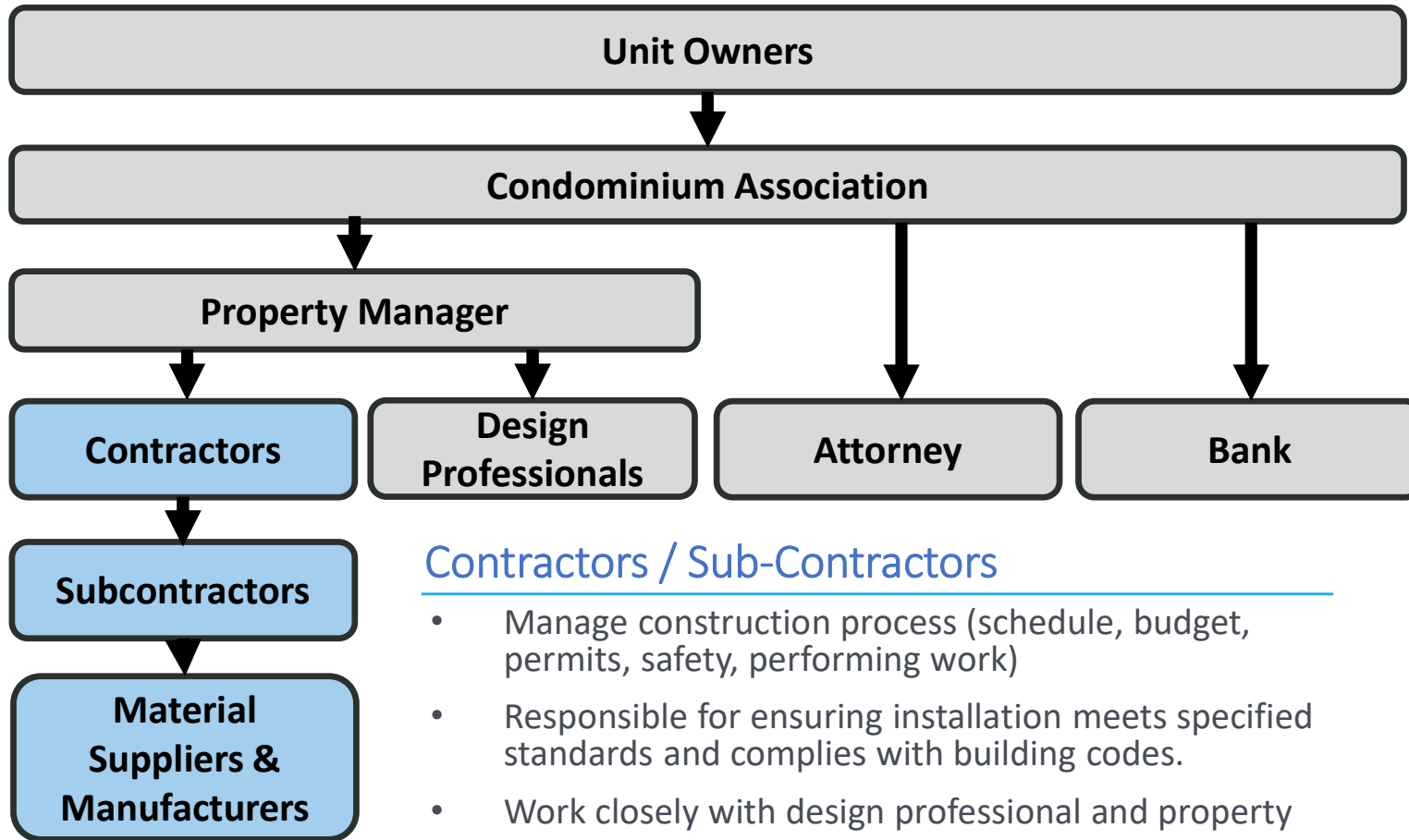
# Common Relationships and Responsibilities



## Design Professionals

- Engineers and architects, engaged by property manager and condominium association
- Assess existing building and/or reported issues, determine scope of work required, provide design requirements.
- Provide construction administration services during construction.

## Common Relationships and Responsibilities



### Contractors / Sub-Contractors

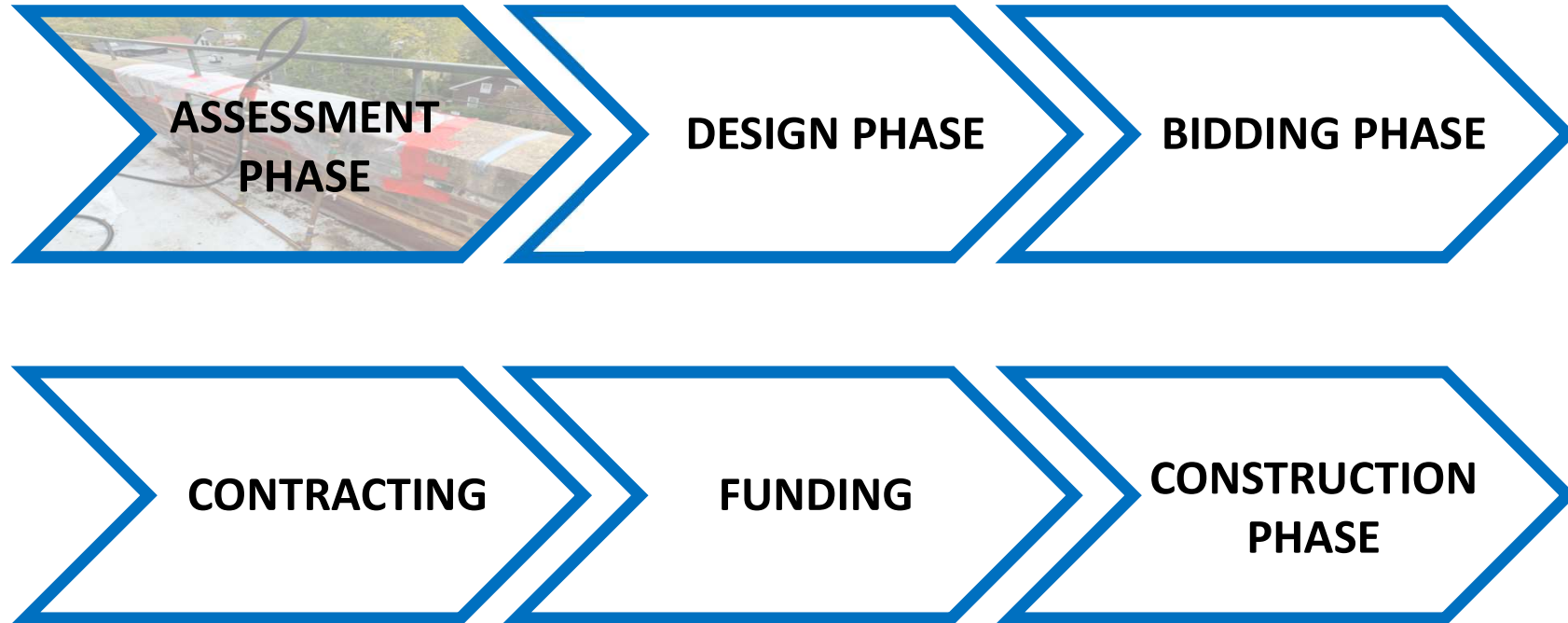
- Manage construction process (schedule, budget, permits, safety, performing work)
- Responsible for ensuring installation meets specified standards and complies with building codes.
- Work closely with design professional and property manager
- Offer workmanship warranties



# The Project

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# Condition Assessment



Spalled Cast Stone



Cracked/Spalled Cast Stone



Deteriorated Mortar



Deteriorated Interior Finishes  
(Water Leakage)



Deteriorated Window





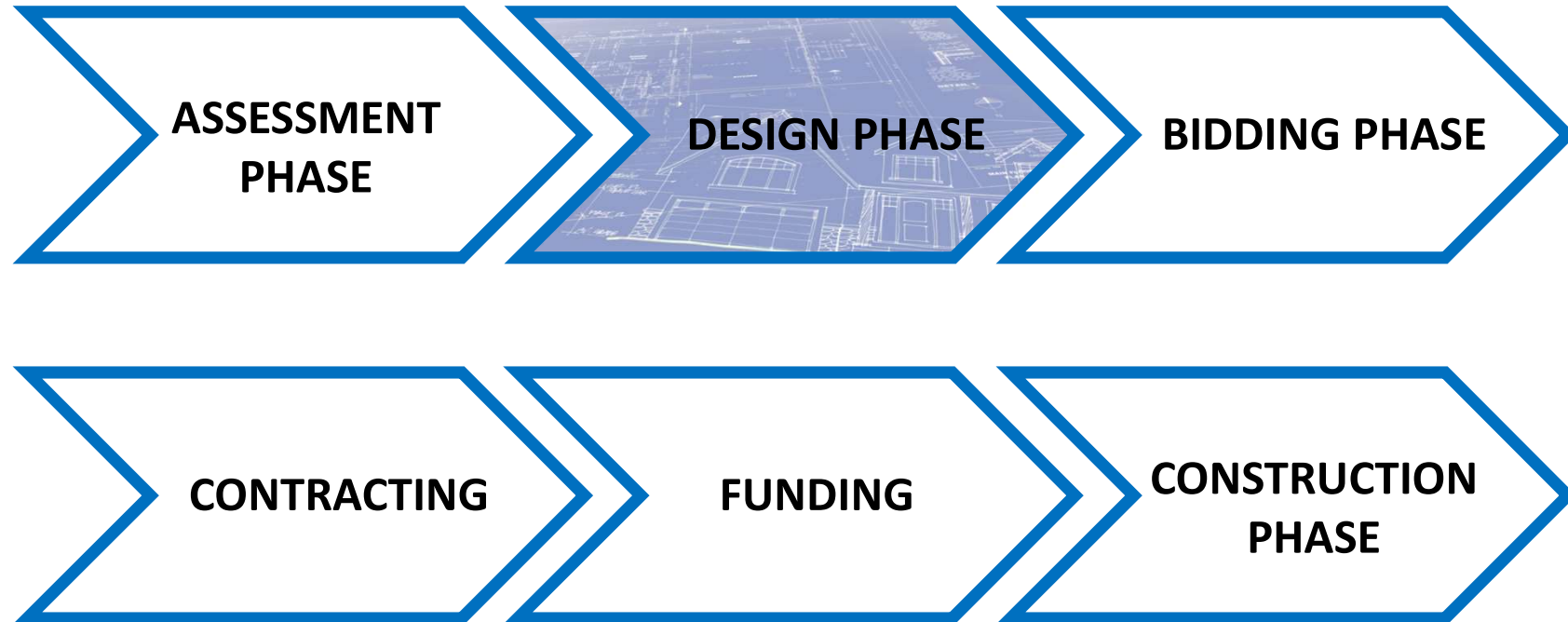
# Water Leakage Investigation



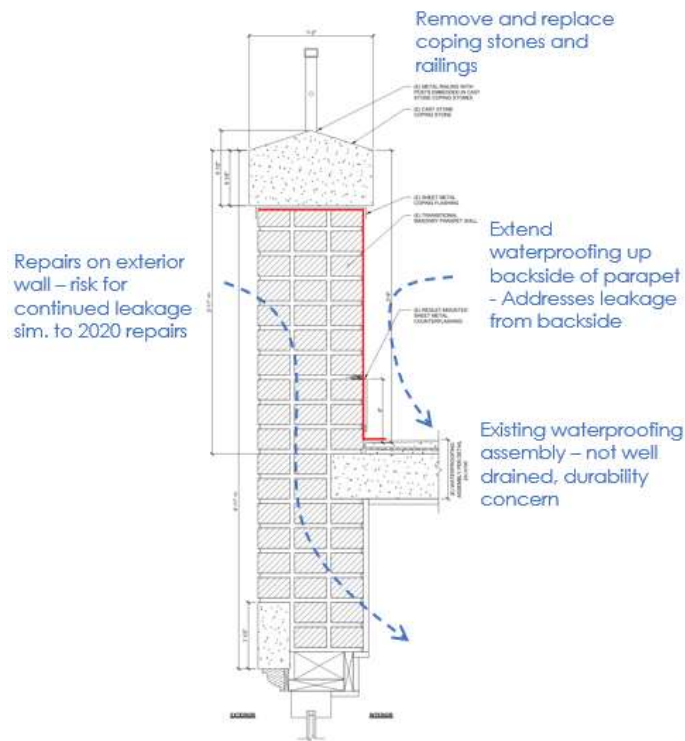
Flood Testing



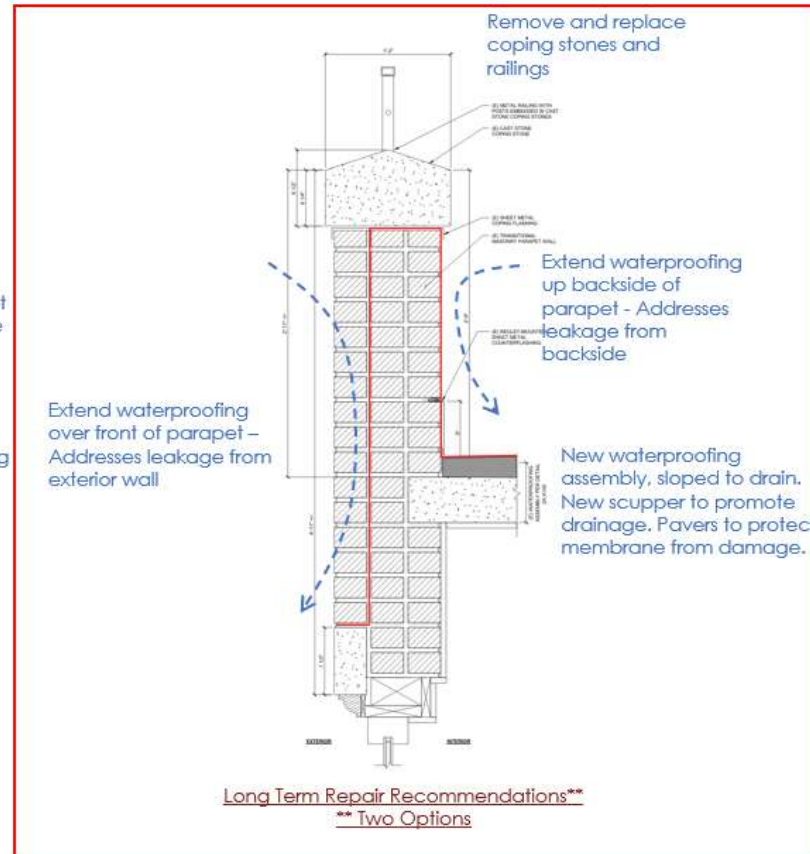
Spray Rack Testing



# Define the Scope of Work



'Medium' Term Repair Recommendations




Long Term Repair Recommendations\*\*

\*\* Two Options





# Drawings



**BALCONY WATERPROOFING REPAIR AND MASONRY RESTORATION**  
PERMIT SET - 21 FEBRUARY 2024  
SGH PROJECT NO: 190290.04

**SGH**  
SEAPLANNING COMPANY & ARCHITECT  
1000 WASHINGTON STREET  
BOSTON, MA 02109  
TEL: 617.552.1000  
WWW.SGHPROJECTS.COM

**COVER SHEET AND DRAWING INDEX**

**C000**

**BALCONY WATERPROOFING AND MASONRY RESTORATION**

**SGH**  
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BOSTON, MA 02109  
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WWW.SGHPROJECTS.COM

**BALCONY WATERPROOFING AND MASONRY RESTORATION**

**PHASE 2 - SOUTH ELEVATION REPAIR QUANTITIES**

ITEM	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
1	REPAIR OF EXISTING BRICKWORK	SQ. FT.	150	12.00	1,800.00
2	REPAIR OF EXISTING STONEWORK	SQ. FT.	80	15.00	1,200.00
3	REPAIR OF EXISTING MASONRY	SQ. FT.	200	8.00	1,600.00
4	REPAIR OF EXISTING CONCRETE	SQ. FT.	100	10.00	1,000.00
5	REPAIR OF EXISTING METAL	SQ. FT.	50	20.00	1,000.00
6	REPAIR OF EXISTING GLASS	SQ. FT.	30	30.00	900.00
7	REPAIR OF EXISTING ROOFING	SQ. FT.	200	5.00	1,000.00
8	REPAIR OF EXISTING PAINT	SQ. FT.	100	10.00	1,000.00
9	REPAIR OF EXISTING ELECTRICAL	SQ. FT.	50	20.00	1,000.00
10	REPAIR OF EXISTING PLUMBING	SQ. FT.	50	20.00	1,000.00
11	REPAIR OF EXISTING MECHANICAL	SQ. FT.	50	20.00	1,000.00
12	REPAIR OF EXISTING INTERIORS	SQ. FT.	50	20.00	1,000.00
13	REPAIR OF EXISTING EXTERIORS	SQ. FT.	50	20.00	1,000.00
14	REPAIR OF EXISTING LANDSCAPE	SQ. FT.	50	20.00	1,000.00
15	REPAIR OF EXISTING UTILITIES	SQ. FT.	50	20.00	1,000.00
16	REPAIR OF EXISTING STRUCTURE	SQ. FT.	50	20.00	1,000.00
17	REPAIR OF EXISTING FINISHES	SQ. FT.	50	20.00	1,000.00
18	REPAIR OF EXISTING FIXTURES	SQ. FT.	50	20.00	1,000.00
19	REPAIR OF EXISTING EQUIPMENT	SQ. FT.	50	20.00	1,000.00
20	REPAIR OF EXISTING ACCESSORIES	SQ. FT.	50	20.00	1,000.00

**1 SOUTH ELEVATION (WEST END) - PHASE 2**    **2 SOUTH ELEVATION (COURTYARD) - PHASE 2**    **3 SOUTH ELEVATION (EAST END) - PHASE 2**

**BALCONY WATERPROOFING AND MASONRY RESTORATION**

**SOUTH ELEVATIONS (PHASE 2)**

**A201**

**SGH**  
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BOSTON, MA 02109  
TEL: 617.552.1000  
WWW.SGHPROJECTS.COM

**BALCONY WATERPROOFING AND MASONRY RESTORATION**

**PARAPET REPAIR DETAILS**

**A502**

**1 DEMOLITION - PARAPET SECTION**    **2 BASE BID - PARAPET SECTION REPLACEMENT**

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**BALCONY WATERPROOFING AND MASONRY RESTORATION**

**MASONRY REPAIR DETAILS**

**A500**

**1 BRICK - REPOINTING SECTION**    **2 BRICK - REPOINTING DETAIL**    **3 STONE - REPOINTING DETAIL**    **4 BRICK - OUTER WYTHE REPAIR**

**5 STONE - CRACK REPAIR**    **6 STONE - SPALL REPAIR, CEMENTITIOUS PATCH**    **7 CAST STONE - LINTEL REPLACEMENT**

**8 CAST STONE - SILL REPLACEMENT**    **9 CAST STONE - BAND COURSE REPLACEMENT**    **10 LIMESTONE - REPLACEMENT**



# Specifications



SGH Project 190290.04

## PERMIT SET

### BALCONY WATERPROOFING REPAIR AND MASONRY RESTORATION

21 February 2024

SGH Project 190290.04



**PREPARED FOR**  
Thayer & Associates, Inc.  
1812 Massachusetts Avenue  
Cambridge, MA 02140

**PREPARED BY**  
Simpson Gumpertz & Heger Inc.  
800 Boylston Street, Suite 2320  
Boston, MA 02199  
o: 617.963.5400

## SECTION 046600

### BRICK MASONRY REPAIRS

#### PART 1 - GENERAL

##### 1.01 GENERAL REQUIREMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

##### 1.02 SCOPE OF WORK

- A. Remove and rebuild masonry parapet down to the head of the fifth-floor windows at the sixth-floor balcony as shown on the drawings. Build a new reinforced CMU parapet back-up wall and rebuild the outer wythe of brick masonry to match the existing.
- B. Contractor to salvage and reuse brick at all locations where possible. New brick to be used to rebuild the outer wythe of brick masonry above the fifth-floor windows at the sixth-floor balconies.
- C. Replace brick where displaced, deteriorated, damaged, or otherwise shown on the Drawings. Provide brick ties at replaced brick.
- D. Replace mortar where cracked, deteriorated, or displaced, as shown on the drawings.
- E. Remove all ivy vines from all masonry walls. Remove down to 6 in. above grade in locations shown on drawings.

##### 1.03 RELATED WORK

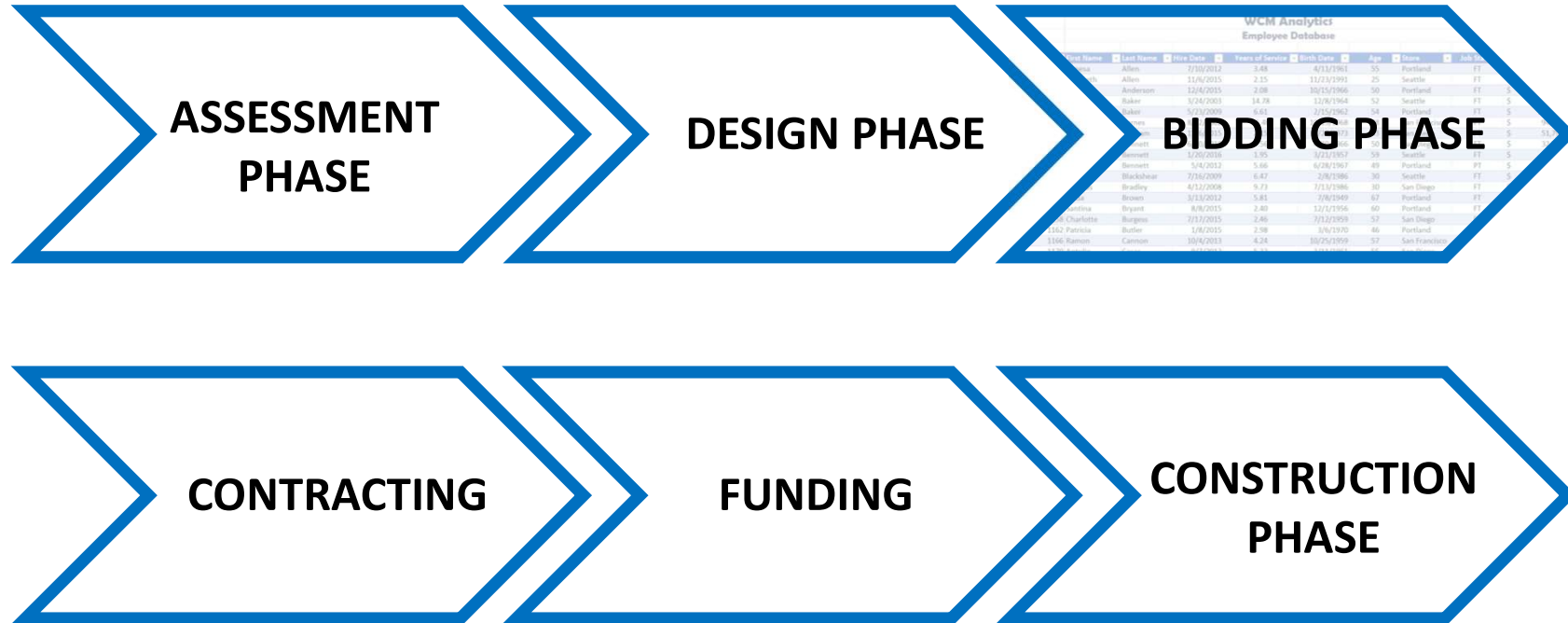
- A. Work in conjunction with the other trades employed on the Project by promptly completing the Work of this Section as required to meet the Project schedule and so as not to impede other trades. Coordinate the Work of this Section with other trades so that the intent of the Drawings and Specifications is carried out.

##### 1.04 SUBMITTALS

- A. See Section 013300 - Submittal Procedures.
- B. Product data for each item.

Waterproofing Repair and Masonry Restoration

PERMIT SET  
Brick Masonry Repairs  
046600 - 1

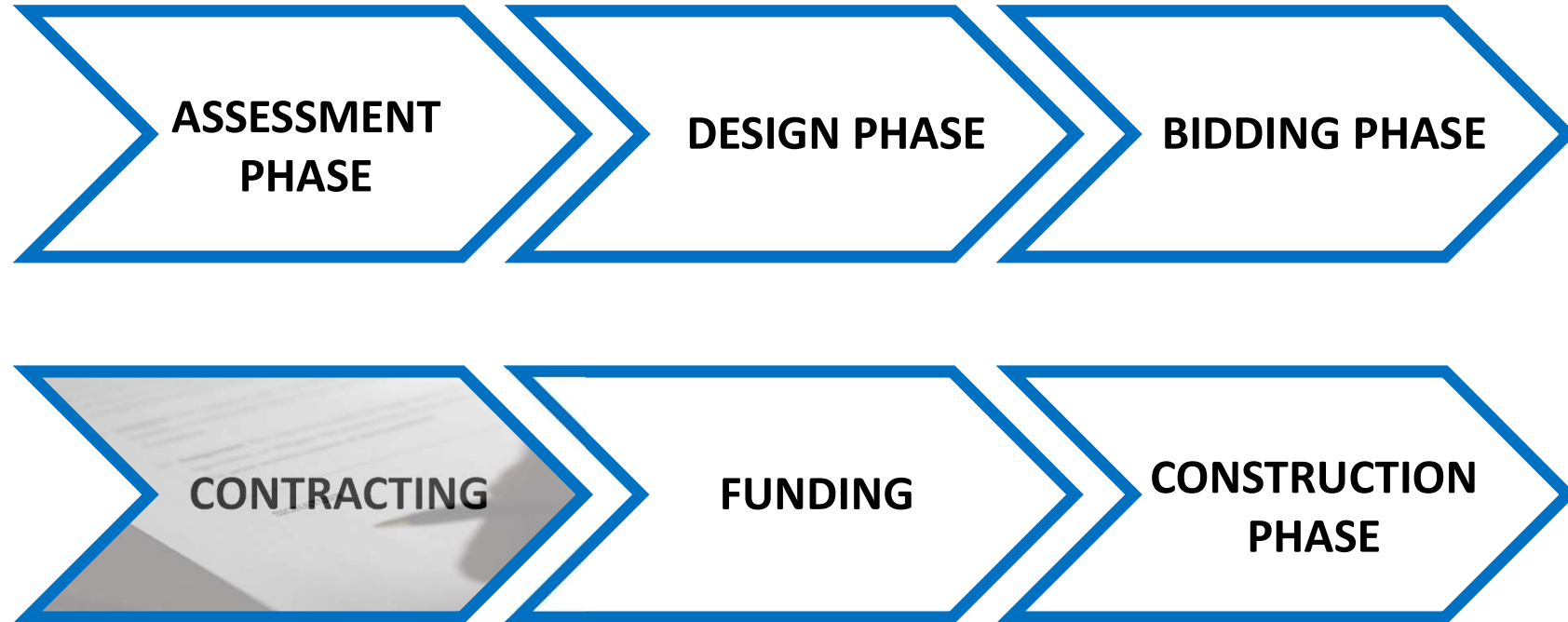




# Bidding Process

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1. Pre-Qualifying Bidders
2. Pre-Bid Walkthrough
3. Addenda
4. Bids Due
5. Bid Leveling / Post-Bid Meetings
6. Project Award



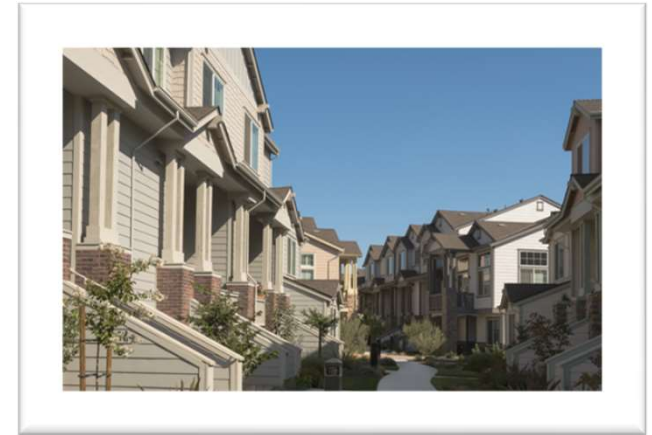
# The AIA Contract Documents

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# Elements To Include In AIA Cap Contracts That Protect Condominiums

- Dispute Resolution
- Changes in Work
- Owner's Representation
- Contractor to Identify the Project Supervisor and Foreman (experience)
- Owner's Representation
- Retainage
- Warranties
- Performance Bond
- Lien Waivers
- Liquidated Damages Clause
- Substantial Completion/  
Retainage

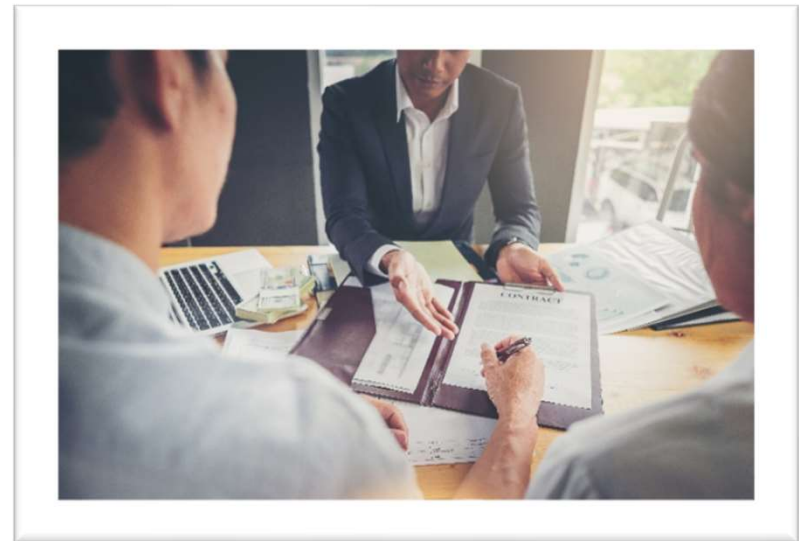


## Liquidated Damages Clause

- provide an amount of predetermined, stipulated compensation recovered upon the occurrence of a particular event (simply put, contractor financially penalized for certain delays).
- Liquidated damages provisions are helpful in capital projects where it is often difficult to prove damages due to delays.
- Drafting note – your LD must be a *reasonable* estimation of damages under law, otherwise court will find it unenforceable
- Difficult to recover LD if Condo's conduct contributed to delay

## **Performance Bond** (Article 17, Sections 17.3: Performance Bond and Payment Bond)

1. Protects condo from financial disaster caused by contractor failure to perform the capital improvements
2. Guarantee agreement issued by corporate surety – guarantees “principal” – contractor – will perform the “obligation” – the defined scope of work.
  - i. Creates legal relationship between contractor and Condo before work commences and throughout project (compare insurance policy):
  - ii. Bond is void if contractor fully performs, and is in full force and effect if contractor defaults
3. Effect of default under performance bond – options:
  - i. Call upon surety to complete obligations through its own contractor; or
  - ii. Select and pay for a new contractor to contract directly with Condo





## Lien Waivers

Lien waivers eliminates risk and prospectively waive ability for the GC or subs to claim a lien. (Not to be confused with release or “waiver” of a previously filed lien). Massachusetts statutorily requires specific waiver forms and language.

- Assures project completion and guarantees subs will be paid, relieving condo from risk of liens by unpaid subs

(Article 11, Sections 11.1, 11.2 & 11.3: Subcontractors)

- Types of waivers

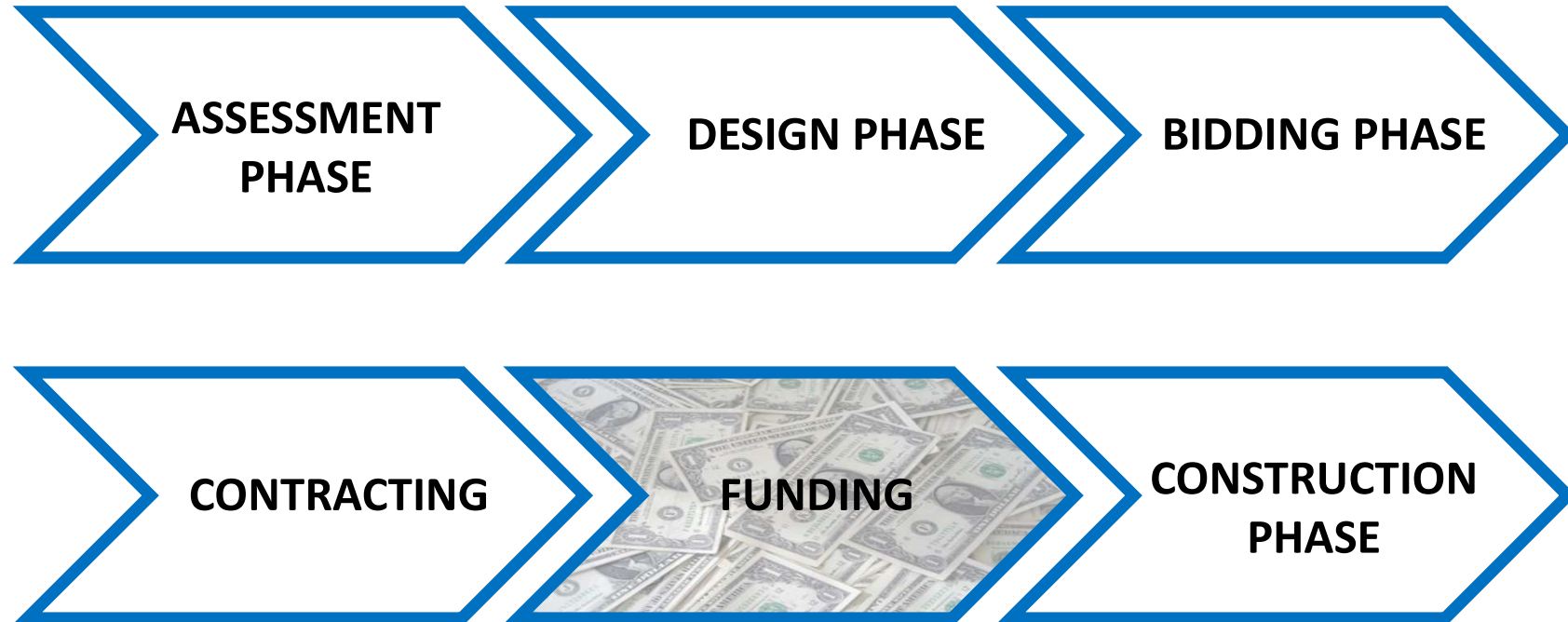
### 1. *Partial vs. Final*

- a) Partial waivers - when the contractor expects more payments to be made under the contract. Usually include a “through-date,” identifies cut-off date for value of labor or materials. partial waivers reserve other claims to payment or retainage
- b) Final waivers used for receipt of the last or full payment under the contract. waive all remaining lien rights for labor or materials furnished to the project.

### 2. *Conditional vs. Unconditional*

- a) conditional waiver - effective upon a condition being met, namely the actual receipt of the specified payment.
- b) unconditional lien - effective upon execution, which means that once signed, lien rights have been waived whether the payment has been received or not.





# Project Funding Options

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## SUPPLEMENTAL ASSESSMENT

### PROS:

- No Interest Payments
- One-Time Expense
- Transparency

### CONS:

- Immediate Financial Burden
- Potential for Increased Delinquency
- Risk of Underfunding
- Home Sale Considerations

## HOA LOAN

### PROS:

- Cash Flow Management
- Budget Planning
- Preservation of Savings
- Funds Immediately Available

### CONS:

- Interest Costs
- Long-Term Commitment
- Impact on HOA Fees



# I. Supplemental Assessment v. Special Assessment

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- A. Fashioning assessment for capital financing as “Supplemental” allows for superliens
- i. Strengthens ability of trustees to collect,
  - ii. Enables association to leverage that mortgage lender pays outstanding condominium fees on behalf of delinquent owner
  - iii. Reason for care in language: 183A§ 6 provides that priority liens “shall not include amounts attributable to special assessments...” but “[Section 6] does not affect... the priority of liens or other assessments made by the organization of unit owners.”



# The Loan Process

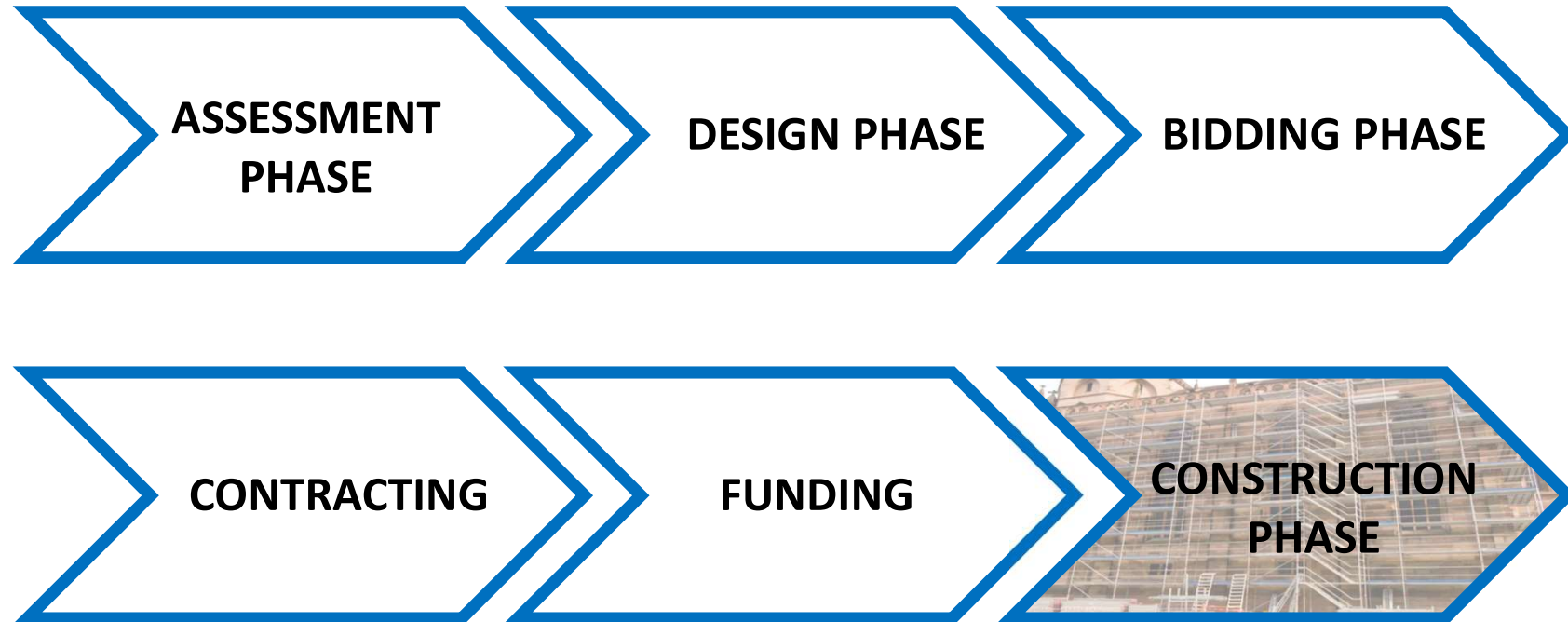
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# Bank Assignment of Condominium Fees

Bank loans are secured not by the condominium itself; lenders take an assignment of the condo fees and the future income stream represented by the regular payment of those fees by unit owners.

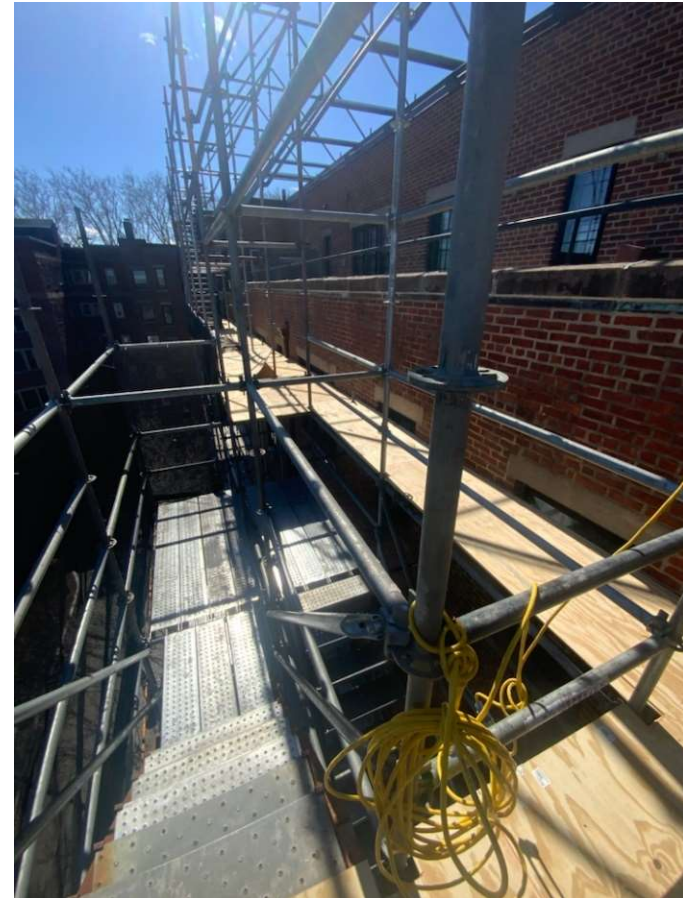
- A. In other words, lenders are given the right to collect condo fees in lieu of the Condo if the Condo does not satisfy the terms of the loan
- 1) Default rates are very small
  - 2) Express language in condo documents to authorize trustees to borrow funds from a bank and to grant assignment of condo fee
  - 3) Fees
  - 4) Legal enforceability
  - 5) Opinion
  - 6) Means to perfect
  - 7) Security interest to
  - 8) Bank UCC and
  - 9) Recording







# Construction Phase



# Sample Weekly Project Meeting Agenda

Construction Meeting Agenda / Minutes

Project: Property ABC

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Meeting #: 02

Meeting Date: 3/19/2024

Meeting Time: 10:00am

Scheduled Attendees:

- I. Review Open Items from Last Meeting
- II. Schedule of Work
- III. Submittals and RFI's
- IV. Change Order Review
- V. Payment Requisition Review
- VI. New Business
- VII. Set date, time and place of next meeting

ENTER EXPENSES

# Sample Project Budget Summary

ENTER EXPENSES

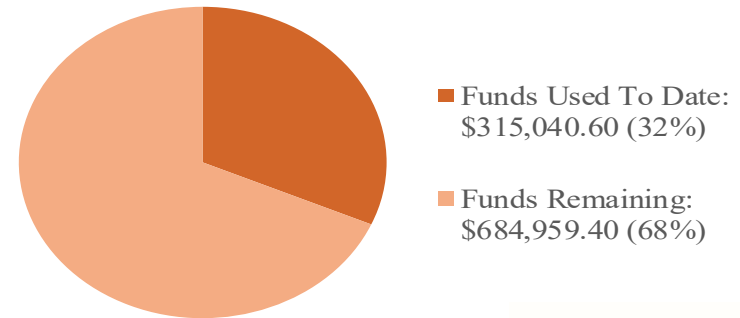
**Property Name** Elevator Mod Project

## PROJECT INFORMATION

Project Name	Elevator Modernization Project
Project Description	Modernization of two residential elevators located in main building of "Anywhere" Condominium
Contractor	Cleary Elevator - Contractor   Syska Hennessy - Engineer

## FINANCIAL STATUS

Financed Amount	\$1,000,000
Total Allotted Funds	\$1,000,000
Funds Used To Date	\$315,041
Funds Remaining	\$684,959



## Project Closeout

1. Punchlist Walkthrough
2. Contractor Response Period
3. Final Confirming Walkthrough
4. Design Professional Closeout Report
5. Closeout Submittals:
  1. Maintenance and Operations Manuals
  2. As-built Shop Drawings
6. Final Payment – Retainage Released



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# QUESTIONS



# 2024 CHAPTER PARTNERS



## DIAMOND

Adam Quenneville Roofing, Siding, Windows, Decks

Brigs, LLC, AAMC

Brookline Bank

Marcus, Errico, Emmer & Brooks, P.C.

Mirrione, Shaughnessy & Uitti, LLC

Moriarty Bielan & Malloy LLC

National Cooperative Bank

Perkins & Ancil, P.C. Attorneys at Law

## GOLD

Barkan Management Company, Inc.

The Dartmouth Group, AAMC An Associa Company

Masterpiece Roofing & Painting

## SILVER

Allcock & Marcus, LLC

Alliance Association Bank

Bloom Cohen Hayes LLC

CCA, Construction Consulting Associates, LLC

Enterprise Bank & Trust

Goldman & Pease, LLC

Mercantile Property Management Corp., AAMC

South Shore Bank

Thayer & Associates, Inc., AMO

## BRONZE

AssuredPartners

Atlantic Coast Engineering, LLC

FirstService Residential, AMO, AAMC

Great North Property Management, Inc., AMO

Maine Properties, LLC

Prime Touch Services, Inc.

Schernecker Property Services, Inc. (SPS)

Swerling Milton Winnick Public Insurance Adjusters, Inc.