



## VINTAGE GRAND CONDOMINIUM ASSOCIATION NEWSLETTER 2019 #14

### The Vintage Grand Condominium Association Newsletter

The newsletter is a team effort of the Vintage Grand Board of Directors and reflects the input and review of each of us. Our goal is to provide key information through this newsletter on a monthly basis. More time-sensitive information will be communicated by e-blasts and President's Letters between newsletters.

### Key Goals and Priorities

1. Continuous progress on the remediation of buildings
2. Renewed focus on the care and maintenance of grounds and common elements
3. Proficient and professional management of the day-to-day operations of our association
4. Open two-way communication with owners

The past 4 weeks have been very busy for the Board of Directors. Four eblasts or Presidents Letters were issued, and are available here for full information:

- 1) September 2019 change in Officers of the Association  
<https://vintagegrandcondo.files.wordpress.com/2019/10/september-2019-change-in-officers-of-the-association.pdf>
- 2) Negotiated settlement of the Developer Lawsuit  
<https://vintagegrand.org/developer-lawsuit-settlement-information/>

## 1. Building Remediation Update

### Current Phase of Remediation:

- Detailed Schedule and Building Status Information:
  - Owners who are interested in the detailed task schedules and current status of remediation work on the buildings that are currently in progress (now buildings 27 and 10) can now access that information on the Owners' page of the Vintage Grand website, by clicking the Building Remediation Project link <https://vintagegrand.org/building-restoration-project/>. There you will see links to a variety of documents including the latest published work schedule, the latest biweekly progress update which was written the day after the Association's last regularly scheduled progress meeting with R. L. James and Delta Engineering, and copies of weekly field reports issued by Delta Engineering that show pictures of work completed or in the process of being completed by R. L. James in the field.
  - Starting with this newsletter and going forward, our monthly newsletters will provide more of a "top down" view of the project including a review of the overall progress of the project compared to contractual schedule commitments, actual versus estimated costs for completed work and project financing and staffing status.

- Overall Progress vs. R.L. James' Contractual Commitments:
  - The scope of the current R.L. James contract includes full remediation of a total of nine (9) buildings plus attic repairs on the five buildings that were remediated by Elias Brothers in 2017-2018 and permanent repairs to the support structures for three balconies in other buildings which are not scheduled to be remediated before 2021.
  - R. L. James started work in August of 2018 and, to this point, four (4) of the scheduled nine (9) buildings have been fully remediated and all of the referenced attic repairs and permanent repairs of balcony support structures have been completed and accepted by the Association. An additional two (2) buildings (buildings 27 and 10) are currently in progress and on track to be fully remediated by early November and early January, respectively. That would put them about two months ahead of the schedule that was specified in their contract (the contract called for completing a total of 5 and ½ buildings by the end of 2019).
  - Going forward, we now expect them to be able to complete the remaining three (3) buildings in their contract (buildings 20, 21 and 23) by September 30, 2020. Their contract showed the last of those three buildings to be completed by December 20, 2020.
  - *Therefore, the "big picture" is that R.L. James is now progressing significantly ahead of their contractual commitments and will likely finish about three months earlier than promised.*
- Actual vs. Estimated Costs for Completed Work:

The accumulated actual cost of completed work is monitored monthly and compared to the original cost estimates for that work. Through the end of September, the accumulated actual costs exceeded the original cost estimates by about 3%, which is excellent for a project of this size and complexity. The spending on balcony support structures and attic repairs has significantly exceeded the original estimates but that has been offset by underspending on wood frame repairs behind the stucco walls and on breezeway arch rebuilds, netting out to an aggregate 3% overrun.
- Project Financing Issues and Staffing Status:
  - In July of this year, the Board requested and ultimately obtained owner approval to use up to \$600,000 of capital reserves funds to pay a portion of the costs of the remediation project, subject to a requirement that any funds taken from the capital reserves accounts must be repaid to those accounts by December 31, 2021. With that provision in place, the Board could take steps now to further accelerate the pace of the project if it chose to do so.
  - However, additional acceleration now does not make sense unless we are certain that additional sources of significant project financing above the current \$2,000,000 per year contingency fund assessments will become available in 2020 and/or 2021. Those "additional sources" could include a potential payout on our insurance claim against the Lloyds of London consortium (see discussion below) and/or a possible construction loan in 2021, assuming that we can find a lender that would be willing to extend a loan to our Association and that owners would approve such a loan by the required voting margin spelled out in our By-Laws (2/3 of a quorum).
  - Due to current uncertainties about future project funding, we have directed R. L. James to recalibrate their work processes and staffing levels to stay on pace with but not get ahead of the current published work completion schedules for buildings 27 and 10. In response, they have noticeably reduced their on-site staffing levels over the past several weeks and have shifted into more of a "one building at a time" mode of operation.
  - With a smaller staff on-site, it's more challenging for R. L. James onsite management to keep work moving forward through each step of the process without interruption. The Board has heard concerns from some of the residents of building 27, saying they are seeing less staffing around and things seem to be moving much slower than they were a month or so ago. Their observations are correct and the total cycle time to finish building 27 will be approximately 4.5 months, one month longer than what was achieved on buildings 24 and 26.

### Status of Legal Proceedings:

- Breach of Warranty and Breach of Fiduciary Duty Lawsuit Against Developer and Developer-Appointed Board: A negotiated settlement in the amount of \$435,000 was approved by the Board and announced to all owners on October 4, 2019. Information about this settlement can be found on the Vintage Grand website at <https://vintagegrand.org/developer-lawsuit-settlement-information/> . The formal settlement agreement is still in the process of being drafted and we do not currently know when the funds from the settlement will be deposited to the Association's bank account.
- Building Collapse Claim Against Association Insurance Carriers (Consortium lead by Lloyds of London): We have been informed that the arbitration hearings on our building collapse insurance claim will be held in New York City in July of 2020. Our lawyer is now communicating with legal counsel for the insurance carriers regarding scheduling of the many depositions that the two sides want to complete before the arbitration hearings.

## 2. Grounds and Common Elements Update

### Property Improvement Updates:

- The gym has been repainted and refreshed.
- The basketball court has been pressure washed and the damaged backboard has been replaced.
- The rest rooms at the rear pool have been fixed up.
- Weeding of the grounds is starting up and vines that have grown around trees in the front part of the property are being cut back.

### Bicycle Storage

- 70 abandoned bicycles were removed from the bicycle racks following the tagging of bicycles and notification to owners outlined in the last newsletter.
- The bicycle storage racks and surrounding area have been pressure washed and look very nice.
- The Board is concerned and dismayed by reports that a number of locked bicycles have been stolen from the bicycle racks over the past few months. We are considering bicycle storage solutions, and these will be communicated before year end.
- Please note that bicycles are not to be stored in breezeways as this is deemed a safety hazard.

## 3. Proficient & Professional Management of the Association

### Use the Request Form to contact the Office!

- We are repeating what we've said before...**owners must use the Request Form** [Request Form to Vintage Grand Office](#) to contact the office for any non-emergency query or request. Our office staff will deal with the problem (e.g., light burnt out) or get back to you with the information you require.
- When you complete this form, the information is automatically populated to a spreadsheet which the office staff actions, and which the Board can easily access to track issues etc. The Board cannot be aware of trends and recurring issues if we have no line of sight to owner requests.
- The forms and spreadsheet become a "To Do" list for the staff, and allow them to better organize their time and tasks rather than continuously dropping what they're doing to respond to calls and walk-ins.
- This process and technology were implemented for us by our community association management firm PCM, and have been successfully used in other associations which they manage. *Let's give it a try!*

### Issues, Problems ...Who Ya Gonna Call?

- Call Signal 88 Security at 941-217-7300 for these problems:
  - Noise issues
  - Suspicious activity
  - People in pools after hours
- Call the Police to report:
  - Criminal behaviour (Drugs, domestic issues)
  - Dangerous animals
- Call 911 for:
  - Fire
  - Medical emergencies
- Call the Office 941-923-7380 during or after hours for:
  - any water intrusion from another unit
  - fire sprinklers going off in your unit
  - trash compactor not working
- Any other problem that is not part of your owner property and is not your responsibility to repair:
  - Use the owner request form to contact the office, and someone will deal with it or get back to you. [Request Form to Vintage Grand Office](#)

### Lease Applications – Reminder to Owners

As per our Association's governing documents, we wish to remind owners who lease their units that:

- Owners must have no outstanding fees or fines when submitting a tenant application to the Association. Applications will be returned to the owner or rental agent if the owner's account has a balance owing. This is being strictly enforced.
- The minimum lease term is 6 months. Failure to comply will result in fines and guest vehicles being towed. Additionally, the Association has the right to take legal action for this violation of our governing documents.
- All adult occupants of a unit, not simply the person named on the lease, must be listed on the tenant application form, and all tenants must be approved by the Association. Failure to comply will result in fines and possible eviction of your tenant.
- A maximum of one pet is permitted per unit. Please ensure that your tenants respect this rule both at the start of the lease and throughout the lease term. Failure to comply is a breach of the Association rules, and is grounds for fines to the owner and eviction by the Association.

### July & August Financial Results

- July and August financial results were ratified by the Board at the Sept 20<sup>th</sup> and 27<sup>th</sup> meetings respectively, and have been posted to the website.
- July results:
  - Our Operating budget was a small \$1,600 over budget in July. This showed good expense management of our discretionary items, as the monthly expenses were unusually high due to there being 3 staff bi-weekly paydays that month. Additionally, the \$5,900 monthly budget overage caused by the high renewal premiums of our insurance policies was a challenge to our budget, but was successfully managed within the month's expenses. This insurance cost overage will occur in each month from June to December 2019.
  - On a year-to-date basis the operating budget stood at a \$52,693 deficit. As noted in previous months, this is largely attributable to the building maintenance category, which year-to-date is \$75,800 over budget. (Note that this is not the building remediation project, but the ongoing maintenance of roofs, drywall, and other building expenses.

Water intrusion and plumbing continue to be issues that are costing us more money than anticipated to repair.)

- August results:
  - Our Operating budget came in \$7,300 under budget in August, which is good news. This reduced our year-to-date operating budget deficit to \$45,400. This compares to a year-to-date operating deficit of \$32,500 at August 31 last year.
  - Building maintenance was \$6,500 under budget, Grounds maintenance was \$2,200 under budget, and Common areas were \$2,000 over budget due to pool area repairs. Utilities was \$1,400 over budget due to less received as water recovery payments from units than budgeted. Surprisingly, the administration category came in on budget despite our insurance premium being \$5,900 higher than the amount budgeted.
  - On August 16 we moved \$300,000 from the bank account held in the name of reserves to the bank account that we fund the contingency expenses from. As we expected, at August month end the contingency account would have had only \$55,000 remaining in it. It will be several months before we need to use these funds, but they provide a cushion in the event that the timing of invoices for the remediation project do not coincide with dues received from owners.

#### 4. Two-Way Communication with Owners

- All newsletters are posted on the website in the Owners section, for handy reference.
- Please remember to use [Request Form to Vintage Grand Office](#) for all correspondence with the office.
- We have updated the listing below to reflect the new roles of some Directors as of Sept 27/19.

Contact information:

<b>President</b>	Dave Carter	dwcvg18@gmail.com
<b>Vice President &amp; Treasurer</b>	Karen Domaratzki	Karen_vgboard@aol.com
<b>Secretary</b>	Jackie Vizzi	jvdirectorvg@gmail.com
<b>Director</b>	Joseph Gianino	gianinojosephr@gmail.com
<b>Director</b>	Joe Joseph	Jsting56@gmail.com
<b>Association Manager</b>	Glenn Aitelli	<a href="#">Request Form to Vintage Grand Office</a>
<b>Website</b>	<a href="https://vintagegrand.org">https://vintagegrand.org</a>	Password to Owner section: PalmTree40
<b>Vintage Grand office</b>		941-923-7380
<b>Vintage Grand: After Hours Emergencies</b>		941-923-7380 and follow the prompts to leave a message.
<b>Signal 88 Security</b>		941-217-7300