



## VINTAGE GRAND CONDOMINIUM ASSOCIATION 2021 NEWSLETTER #2

### The Vintage Grand Condominium Association Newsletter

The newsletter is a team effort of the Vintage Grand Board of Directors and includes input and review by each of us. Our goal is to provide comprehensive and useful information about the Association's operations, plans and policies in this newsletter on about a bimonthly basis. More time-sensitive information on individual topics will be communicated by President's Letters or owner update e-blasts between newsletters.

### Key Goals and Priorities for 2021

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

## 1. Building Remediation Update

### Current Phase of Remediation:

- Schedule and Status Information:
  - Detailed schedule and status information for the buildings that are currently in the 2021 work plan is posted on the Owners page of the Vintage Grand website at <https://vintagegrand.org/building-restoration-project/>
- 2021 Work Plan:
  - Buildings 1, 2, 3 and 6 will be remediated in 2021. Milestone schedules for those four buildings are posted on the Vintage Grand website.
  - R. L. James work on building 1 started in mid-December of 2020 and is now substantially complete. The Association has arranged for post-remediation work (new gutters and downspouts, drainage system improvements, landscaping, etc.) to take place from mid-May through mid-June.
  - R. L. James started work on building 2 in late February and is progressing about three weeks ahead of their posted schedule. Their work on that building is now about 50% complete and substantial completion should be achieved by mid-July, barring any major weather events.
  - Work on building 3 started on May 14 and building 6 work should start on August 10.
  - Owners and residents of units in the affected buildings should refer to the "What to Expect" document located [here](#) to prepare themselves for the building remediation work.
- Actual vs. Estimated Costs for Completed Work:
  - Through mid-May, the accumulated cost of work completed under R. L. James contract for the 2021 work plan exceeded the initial contract cost estimate by only 0.6%. Spending on building 1 balcony and breezeway support structures exceeded the original cost estimate but that increase was offset by lower-than-expected spending on attic truss repairs in building 1.

- Project Financing:
  - We plan to complete the remainder of the building remediation project through continued self-financing (contingency fund assessments) at \$2,000,000 per year. Under that financing plan, project completion will be achieved by the end of 2024. We may be able to accelerate that schedule somewhat if we are successful in obtaining additional project funding through the “lawsuit against insurance agencies” that is described below.

#### **Status of Legal Proceedings:**

- Lawsuit Against Insurance Agencies:
  - The Association filed a complaint in the Sarasota County Circuit Court in January of 2021 against the two insurance agencies that were engaged in the acquisition of the Association’s 2016 property insurance policy. Our complaint alleges that those firms were negligent when preparing and processing the Association’s 2016 policy application. That application erroneously stated that the Association had not had a previous policy cancelled within the prior three years. The application error compromised last year’s settlement of the Association’s building collapse insurance claim with the 2016 insurance carriers.
  - The two insurance agencies filed motions with the Sarasota County Circuit Court to have our complaint dismissed. Our lawyer has filed opposing arguments on why our case should go to trial. A hearing before the judge of the Sarasota County Circuit Court has been scheduled in July. Meanwhile our lawyer has prepared and communicated our discovery demands to the legal counsel of the two opposing parties.
- Hurricane Irma Roof Damage Insurance Claim:

A lot of activity has taken place on this claim since our March 22, 2021 newsletter:

  - We received a “Roof Damage Assessment” report from the forensic engineering firm (Structural Engineering and Inspections, Inc. or “SEI”) that was hired by our lawyer. That report strongly supported our claim and was sent to the insurance carrier in late March.
  - In early May, we obtained a copy of a “Hurricane Irma Damage Assessment” report prepared last fall by the forensic engineering firm (Engineering Systems, Inc. or “ESI”) that was hired by the insurance carrier. That report did not support our claim.
  - A third engineering firm, Triad Restoration Services, was engaged to develop a detailed cost estimate for full roof replacements. Their estimate came in at \$8.2 million, which is much higher than the \$2.6 million estimate developed by our association engineer, Delta Engineering, during a Capital Reserves Study performed in April of 2015. That lower estimate has been the basis for our annual capital reserve requirement calculations since then.
  - In a May 5 letter to the insurance carrier transmitting the Triad roof replacement cost estimate, our lawyer asked the carrier to “promptly agree to pay all amounts rightfully due and owing for these losses.”
  - We are hopeful that the carrier will respond soon indicating agreement to negotiate a settlement rather than denying our claim and requiring us to seek remedy through a formal arbitration hearing in the State of New York.
  - The above referenced documents are posted on the Owners page of the Vintage Grand website at [click here](#)

## 2. Grounds and Common Elements Update

### **Maintenance and Improvement Projects:**

Projects that were completed since our last newsletter was published include:

- Power Washing, encompassing:
  - The exterior walls and breezeways of the eleven buildings that were remediated prior to 2020 (part of our planned transition to two-year power washing cycle for all residential buildings)
  - The clubhouse exterior walls and roof
  - The picnic area gazebos behind buildings 6, 14 and 19
  - All carports
- Clubhouse Pool: replaced the main pump, repaired the south gate, cleaned out drain and replaced the sump pump there with a more reliable model.
- Back Pool: Repaired the west gate and secured an area on the north side of the pool where children were squeezing through the fence.
- Roof Repairs: on buildings 1, 8, 16 and 19.
- Clean-out of Common A/C Drain Lines: all residential buildings
- Building 19 Landscaping Enhancements: Modified and added plantings on the west end of building 19 and installed a new concrete curb on the east end to prevent soil erosion onto the sidewalk entering the building.
- Fire Safety Systems: Made various repairs to fire protection systems including FACP box repairs in buildings 2 and 19.
- Electrical Repairs: Repaired the main electrical panel box on building 2.
- Mail Kiosks: Repaired a door on the south mail kiosk and repainted the north mail kiosk.
- Entryway Signs: Repainted all 4 entrance signs on Crockers Lake Boulevard and Potter Park Road
- Parking Lot: Painted all stop signs and handicap parking signs and replaced five broken parking stops

Projects that are scheduled to be completed over the next month or so are:

- Fire Safety Systems: Semi-annual smoke detector inspections and testing throughout the complex will be performed by the Vintage Grand maintenance staff.
- Gutter Clean-out and Removal of Tree Saplings on Roofs: A contractor will perform this work on all residential buildings.
- Water Meters: A contractor will replace all non-reading meters in building 20 and units that we could not gain access to earlier.
- Flower Plantings: Westcoast will be sprucing up the flower beds at the entryways and in other common areas.

### **Irrigation System Performance Improvements:**

- Our association manager, irrigation contractor (Hostetler) and a technician from the company that manufactured our irrigation pump drives (Eaton Corporation) collaborated over the past several weeks to identify and resolve issues with our complex and expensive irrigation pumping system. The efforts were successful, and all irrigation zones have been operating reliably on schedule since mid-April.
- A copy of the current irrigation zone operating schedule is posted on the Owners page of the Vintage Grand website at [click here](#). Residents are encouraged to provide feedback to the office on whether they are seeing irrigation occurring when scheduled and whether the amount of irrigation provided appears to be adequate.

### 3. Proficient & Professional Management of the Association

#### Leadership Changes:

- Karen Domaratzki, a Board Director and Treasurer since January of 2018, and our Vice President since September of 2019, will be resigning her positions as of May 31, 2021 because she has sold her unit in our condominium complex. We thank Karen for her many outstanding contributions over those years, including her leadership role in assembling and editing our owner newsletters.
- Charlie Benedict has agreed to take on the role of Vice President. Thank you, Charlie.
- Don Sheehy, a former Board Director and Treasurer, has agreed to fill the pending Board Director vacancy and re-assume the Treasurer role. Don has a wealth of accounting and association management experience and we welcome him back to the Board.
- The above appointments were approved by the Board of Directors during its May 13, 2021 meeting and will become effective on June 1, 2021.

#### Board Composition Concerns *(Statement by Karen Domaratzki):*

- About 80% of owners at Vintage Grand are property investors/landlords. For the past three years, two of the five Board members were property investors. With Jackie Vizzi's resignation in January and my departure now, four part-time residents and one full-time resident will serve as Board members, with no investor owners on the Board.
- All current Board members have the good governance and success of Vintage Grand as their key goals. However, from time to time there have been topics that arose where the investor owners on the Board have presented a different point of view than the resident owners. This perspective will be absent with the new Board membership.
- I urge investors to get involved with the Board. Elections to the Board of Directors are held every January. If you are unsure about becoming a Board Director now but want to "test the waters", volunteer to take on a project or special assignment in support of one of the Board's many improvement initiatives. Important work can be done remotely, as the current Board has proven.
- Please contact Dave Carter, President at [dwcvg18@gmail.com](mailto:dwcvg18@gmail.com) to discuss the possibilities.

#### Insurance Update:

- At the May 13, 2021 Board of Directors meeting, the Board approved the purchase of a comprehensive package of insurance coverage to replace our current set of policies that will expire on June 4, 2021. The total annual cost of the new set of policies will be \$79,362 higher than the annual cost of our expiring policies. That increase is about 23% overall and was driven by two primary factors:
- We are required to insure our property for full replacement cost based on an independent appraisal which must be updated every three years. Last year's property insurance premium was based on a 2017 appraised value of \$44.6 million. This year's premium is based on a 2020 appraised value of \$51.4 million, a 15.4% increase over 2017.
- Market conditions continue to drive premiums up for both property and general liability insurance coverage. Our property insurance premium per dollar of replacement cost increased by 6.4% in this renewal cycle and our general liability insurance premium for the State-required level of coverage increased by 30%.
- The overall increase in premiums that we will experience beginning on June 5, 2021 exceeds the increase that we projected when preparing our 2021 budget by \$13,700 dollars. The Board will need to closely monitor and control other operating expenses during the last seven months of the year to keep our overall spending on track with the 2021 operating budget.

### **Presidents Letter – Enforcement of Governing Documents:**

A President's Letter on the above topic was mailed to all owners on April 22, 2021. It states that the Board of Directors is aware of several instances where provisions of the Vintage Grand governing documents were not consistently enforced by past Boards and/or by employees of management companies that the Association has engaged since 2005 to help manage condominium property and enforce the governing documents. The letter states that ongoing violations are now being examined with the aid of our Association Attorney and that some may ultimately need to be "grandfathered in" for specific owners. However, the existence of any grandfathered violations will not prevent or interfere with uniform enforcement of all governing document provisions going forward.

Currently the Board is focusing its attention on reducing, eliminating, and preventing violations in the following three areas:

#### **1. Owner Modifications:**

- Sections 9.1 and 17.4 of our Declaration require that owners obtain prior written consent from the Board of Directors for any modification that they plan to make to their unit or to a balcony or lanai that is appurtenant to their unit.
- The current form for requesting a modification is housed on the Owners page of the Vintage Grand website at [click here](#). We are in the process of developing a new, easier to use form which will more clearly spell out the types of modification projects that do and do not require prior consent and the design standards that must be adhered to on certain types of projects. That new form should be available for owner use within the next month or so.
- Declaration section 17.9 provides the Board of Directors the authority to establish and enforce sound insulation specifications for new or replacement flooring. In 2017, the Board decided that all installations of hard surface flooring, including laminate, hardwood, vinyl flooring and tile, must include an underlayment rated IIC or STC 65 or higher, to reduce sound transmission.
- The 2017 Board also decided that new installations of any type of hard surface flooring on balconies will not be permitted, due to concerns about potential damage to the balcony wood decks (potential wood rot). Installation of such flooring on ground floor lanais will be permitted if there are adequate design provisions for water drainage.
- Declaration section 9.1 states that the Board of Directors may condition its approval for any proposed modification "... in any manner including, without limitation, retaining approval rights of the contractor, or others, to perform the work ...". The Association's policy is that all electrical, plumbing and HVAC work must be performed by individual practitioners or employees of contract firms who are licensed by the state of Florida to perform such work. The new request form will require that the individuals or contractors who will be performing the work be specifically identified.
- Board consent can be obtained within five (5) workdays if all required information regarding worker licensing and sound insulation provisions for flooring are provided on the request form, or with documentation attached to the request form.
- Owners who make modifications without prior written Board consent will be held liable for all damages resulting from their modifications and may be required to immediately remove them under the Association's authority as spelled out in section 17.9 of the Declaration.

## 2. Balcony and Lanai Use:

- Since early 2019, our maintenance staff has been performing monthly patrols to identify and document violations of the Association's balcony and lanai use rules that are spelled out in section 17.11 of the Declaration and in Rule #12 on Schedule A of the Bylaws. Those violations have been addressed through the levying of fines against the unit owners. Despite such regular attention, the number of violations that have been documented monthly has been steady, ranging from about 15 to 25 such violations per month.
- To make it easier for residents to find and understand the rules, an abbreviated Balcony and Lanais Rules document has been created and posted on the Owners page of our website at [click here](#) and on the Renters page at [click here](#).
- The Board of Directors goal is to eliminate all balcony and lanai violations. The Board is asking all owners to read and follow the rules as posted on our website and to communicate those rules to their tenants and rental agents, where applicable.

## 3. Short-Term Rentals:

- On several occasions in the past, we have discussed short-term "vacation" rentals that have been occurring at Vintage Grand. These rentals, advertised on Airbnb and the like, are violations of section 17.8 of our Declaration which sets the minimum rental period at 6 months and requires that all lease applications receive prior written approval from the Association. This activity has been going on for many years and was not challenged by the Boards of Directors or management companies that were in place prior to the time when the developer turned over the Association to owners in late 2014.
- Beginning in 2017, the Association initiated a series of legal actions against one owner who has repeatedly advertised and rented units on a short-term basis in violation of our governing documents. Those proceedings eventually produced a court judgement that she must halt all short-term rentals and fully comply with our governing documents. However, despite that court judgement, we are again seeing and compiling evidence of short-term rental violations by that owner, are levying fines against that owner and will soon be reopening our court case against that owner.
- The six units that the offending individual still owns in our complex and that have been the locus of short-term rental activities in the past are 628, 1514, 1616, 2016, 2314, and 2326. People who observe any activity in these units that is indicative of a short-term vacation rental are encouraged to report their observations to the Vintage Grand office immediately.

## Financial Update:

- The March 2021 financial report was ratified at the May 13, 2021 Board meeting. That and previous monthly reports can be found on our website at [click here](#)
- Through the end of March, our operating expenses were about \$20,500 over budget. This is largely attributable to the major tree trimming of all the palms and hardwoods, the Brazilian pepper tree trimming, the leaf removal activities and the seeding to enhance the winter appearance of the lawns, all of which were booked in January or February, while the budget for those major grounds activities is spread evenly throughout the year. Most other operating expense categories were tracking at or below budget through March.
- On PCM's guidance, we have not budgeted for any miscellaneous revenue – such as fines, late fees, interest on overdue fees, or fees for rental and sales applications. Through the end of March, we received or invoiced about \$19,100 in miscellaneous revenue. So overall, our **total operating budget** only had a \$1,400 budget deficit through the end of March. That year-to-date performance is very

encouraging, given that we have our major winter grounds maintenance expenses under our belt for the year.

- Overdue amounts from owners stood at about \$179,500 at the end of March, up \$19,500 from year-end, 2020. A large portion of that increase is attributable to water meter replacement billings which have not yet been paid. When assessments and/or other billed amounts are not received by the 10<sup>th</sup> of the month, PCM sends owners a friendly reminder letter, then an overdue amounts letter in the following months. When the total amount owing exceeds \$1,000 and is 90 days past due, the account is referred to our collection attorney for action, and he issues a demand for repayment letter. Late fees are applied as well as overdue interest of 14% per annum. **The Board is obligated and committed to taking all actions possible under Florida state law to collect past-due balances from owners.**

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

- We have reorganized the Owner’s page of the Vintage Grand website to make it easier for owners to find the information that they need. We would love to hear owner feedback on this change.
- All owner newsletters are posted on the website in the Owners section, for handy reference.
- The Board Directors and Officers as of June 1, 2021 are listed below. Contact any of us with questions or concerns about the Association’s operations, plans and policies.
- Contact our Association Manager, Glenn Aitelli, about on-site property management issues.
- Routine service requests from residents should be submitted via the on-line “Request Form to Vintage Grand Office” provided at the bottom of the Owners page of the Vintage Grand website or communicated to our Administrative Assistant in the Vintage Grand office (Nancy Webber).
- Contact the PCM office about issues related to the billing and collection of assessment fees and other amounts owed to the Association.

#### Contact information:

<b>President</b>	Dave Carter	dwcvg18@gmail.com
<b>Vice President</b>	Charlie Benedict	BenedictCharlie94@gmail.com
<b>Secretary</b>	Joe Joseph	Jsting56@gmail.com
<b>Treasurer</b>	Don Sheehy	Donsheehy1717@gmail.com
<b>Director</b>	Joseph Gianino	gianinojosephr@gmail.com
<b>Association Manager</b>	Glenn Aitelli	vintagegrandoffice@gmail.com
<b>Vintage Grand Website</b>	<a href="https://vintagegrand.org">https://vintagegrand.org</a>	Password to Owners section: PalmTree40 Password to Renters section: BrownZebra
<b>Vintage Grand Office Administrative Assistant</b>	Nancy Webber	<a href="#">Request Form to Vintage Grand Office</a> vintagegrandadm@gmail.com 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
<b>PCM, our Community Association Management company</b>	For billing matters, address changes, coupon books, etc.	<a href="http://pcmfla.com/progressive/outside_home.asp#">http://pcmfla.com/progressive/outside_home.asp#</a> then select Homeowner Services and the desired service