

October 2018 Palermo Newsletter

The Palermo Board of Directors wishes to provide owners with a brief update of material activities occurring within our Association that were discussed at the October 1, 2018 Board meeting, as well as a few other timely updates.

Next Board Meeting: Thursday, November 1, 2018 at 2 p.m. This meeting's prime Agenda item will be the Board's review of the 2019 Budget, which will be distributed for informational purposes to homeowners in advance of the Board meeting.

Lennar Town Hall: Monday, November 5, 2018 at 5 p.m. Lennar will hold a Town Hall Meeting for Palermo residents (as well as the Palazzo neighborhood residents) primarily to discuss the deficiency in tree plantings by WCI that is impacting these two neighborhoods. See **Common Areas Surrounding Palermo**, below.

Annual Membership Meeting: Wednesday, December 12, 2018 at 2 p.m. The Annual Membership Meeting will include the election of three Board members to serve one-year terms commencing on January 1, 2019. The First Notice of the Annual Membership Meeting (attached hereto) has been sent out to all homeowners and includes the procedures for having your name listed as a candidate for one of these three positions. Please note that all three of the existing Board Members have decided not to run for the Board to provide an opportunity for additional homeowners to serve the community. We encourage all interested homeowners to file the required paperwork to be listed as a candidate by the November 8th deadline.

October 18th Board Meeting Summary:

Palermo Financial Status:

- An unaudited Palermo balance sheet and income statement through August 31, 2018 was distributed and discussed by Mark Faford, Treasurer and Secretary.
- There is \$86,531 of cash on hand at the balance sheet date, mostly due to the timing of quarterly collections and timing of expenses payable (mulching and insurance are due and payable in the latter part of the calendar year; \$15,000 planned for sod replacement this year is only partially expended at this time).
- All quarterly fees due to date are current.
- Expenses incurred have been slightly less than those budgeted, primarily due to timing as explained above. Budgeted annual expense contingency of \$6,000 has not been expended yet. Irrigation repairs, representing replacement of broken sprinkler heads, are over budget (see more in **Irrigation**, below).
- The Palermo financial statements as of August 30, 2018 can be found on the Palermo Web Site. (www.mypalermohoa.com)

Insurance Renewal: Mark reported that the Association's insurance is due for its annual renewal. The cost will increase by 17% for the policy year, which we understand from our insurance agent is a result of the industry's increased liability claims experience for Homeowners Associations. While this increase is substantial as a

percent, it amounts to approximately \$2 per quarter per homeowner and hence will not result in an expectation of quarterly fee increases next year.

New Sod: The Board has budgeted \$15,000 for calendar 2018 for sod replacement at homes for which bare areas are not progressing. Phase I of the sod replacement occurred with great success at a cost of \$4,629 earlier this year. Based on a homeowner survey of backyard bare area sod needs and several walkthroughs of Palermo by Sunstate, ArtisTree, Board Members, and members of the Landscape Committee, Phase II of the sod replacement has been evaluated. Several bids for this next phase of sod replacement were solicited to get the best pricing. Unfortunately, the vendor that committed to do this work ultimately decided he was no longer interested. A second vendor then committed to the project and this vendor proved not to be willing to provide the Association the required legal paperwork that must be obtained to pay Association vendors. Therefore, for the third time the Board went back to the drawing board to seek a reputable vendor. An acceptable quote is now in hand and as a first step, recommended soil testing has been carried out to ensure we have a good handle on soil conditions that would require treatment prior to laying new sod. The soil testing results have been received and an evaluation of the course of action is being discussed.

Irrigation: The VG&RC CDD is the responsible party for deciding whether homes are permitted one or two watering cycles (total of two hours each) per week. Since May, 2018 only one watering per week has been permitted, with periodic turnoff of the pumps when rain has occurred. Further, at least one time in the past several weeks, the VCDD forgot to turn the pumps back on, after a prior shut off, causing some homeowners not to get watered at all one week. Now that the dry season is upon us, the once a week watering schedule will likely start to dry out the lawns. Homeowners can attach sprinklers to their own domestic water spigots if desired to supplement the VCDD provided water, but short of that practice, the Association has no means of delivering enough water to each lot to keep the grass bright green, without the help of Mother Nature.

Wet checks are performed by ArtisTree on each property once per month, but a lot can go wrong if a watering problem is not caught for a month. Therefore, please report to Brian at Sunstate any irrigation malfunction that you are aware of (i.e. when pavers don't look wet the morning after an expected watering, or any abnormally dry patches of your lawn), so that ArtisTree can be dispatched to check your Irrigation Control Box and lawn condition.

To try to address the cost of sprinkler head replacements, several meetings have been held with ArtisTree personnel. Unfortunately, the more durable sprinkler heads that ArtisTree prefers cannot be effectively used to replace all existing sprinkler heads, as too many of these more durable heads will ultimately impair the water delivered to each home, as the irrigation pipes installed at Palermo have a smaller diameter than appropriate for these heads. Nonetheless we can install a limited number of the more durable heads as replacements for broken heads in some locations. A program to install a limited number of the more durable heads has been approved going forward.

Landscaping: After the May Board Meeting, at the request of the Board, ArtisTree agreed to replace our Account Manager effective immediately. Our new Account Manager is Gary Murray. The Board Members and Sunstate have found Gary to be much more responsive and much more of a problem solver than our previous Account Manager. Several on site meetings have taken place with Gary to discuss various matters and as a result, the Board believes our landscaping service has improved. That said, we will be sending out a landscaping survey to all homeowners soon to get additional input from homeowners that were unable to give us their feedback in person at the recent Board meeting.

Please note that Sarasota County does not permit fertilization in the months of June through September, which does impact lawn health. ArtisTree and homeowners are expected to comply with the County regulations.

Also note that if you have opted not to have Round Up used on your property, the homeowner is responsible for keeping up with weed control.

NOTE: All issues of any type, including Landscaping Issues, are to be reported to Brian Rivenbark at Sunstate, either by email or through the Association Web Site portal, and NOT communicated directly to ArtisTree.

Mulch: Cocoa Brown mulch was applied to planting beds in November 2017 and plans are to apply Cocoa Brown mulch again this year, starting approximately October 29th. Plans are for a Board or Landscape Committee Member to be on site to monitor installation to help ensure the mulch is more carefully cleaned up from hardscapes. RAMCO has also been asked not to pile excessive mulch around tree roots.

We expect to apply 150 cubic feet of mulch to each home's planting beds and tree surrounds, with an opportunity for homeowners to order in advance, at their own cost, any additional mulch they would like delivered for homeowner application, because a few properties have larger beds than the average home. Instructions regarding how to order additional mulch at homeowner's cost were provided in a community eblast to all homeowners (see attached). Note that the eblast also asks for any homeowner wishing to forgo mulch entirely or to install delivered mulch themselves to let Sunstate know as soon as possible.

Note that last year we did incur some vandalism, with mulch being stolen before applied. Mulch companies deliver pallets of mulch a day or two in advance of application, so please be vigilant and report any unauthorized removal of the wrapped pallets of mulch stacked at the roadside and secure any separately ordered mulch bags upon delivery.

Common Areas Surrounding Palermo: All of the areas of land surrounding Palermo that are not part of homeowner properties are common areas that will ultimately be owned and maintained by the VCDD. These areas include lakes and lake banks, the preserve areas and adjacent land, the roadways, the construction road area, the entrance structural monument area, the area next to 460 Padova, an area next to 512

Padova, and the cul de sac planting circle. Presently most of these areas are owned/maintained by Lennar. Note that the Palermo Board, VCDD, or POA has no ability to control the adequacy of Lennar's maintenance efforts and is disappointed that they are not doing a better job. Recently Lennar has engaged Brightview (the VCDD Common Area landscaper) to maintain the Palermo common area surrounds, so there should at least be some consistency in the landscaping efforts (i.e., if flowers are planted in the structural monument planters around Venetian, they should be also included in the Palermo planters). Note that the Venetian protocol for mowing of common area Bahia grass is to mow half as often as the protocol for mowing homeowner's St. Augustine. Therefore, now that the dry season is upon us, St. Augustine mowing will take place every other week, and therefore, the Bahia is to be mowed monthly.

The Association has been informed that the transfer of ownership, amongst other things, will be subject to the completion of a punch list, which we do not have access to. The Association is not involved in this transfer and has no role in signing off on any punch list. That said, we have been told that it is expected Lennar will remove construction debris that had been thrown into preserve areas during building before transfer.

At the recent Board Meeting it was discussed that in connection with review of the items yet to be completed by Lennar, it has been discovered that the developer did not comply with the City of Venice code requirements for tree plantings when building out the Palermo neighborhood. As a result, numerous trees are required to be planted, many of which were supposed to be included on homeowner lots. The failure of these trees to be located on the subject lots causes each homeowner to be subject to a code violation. As a result, Lennar wishes to clear up this compliance problem. Each Palermo homeowner was recently sent a letter by Lennar explaining this matter and inviting homeowners to a Town Hall on Monday, November 5th at 5 p.m. at the River Club to ask further questions. If you feel you did not receive this mailing please let Nancy Spokowski (philnans@verizon.net) know as soon as possible and she will attempt to arrange for another mailing to be sent to you by Lennar, as there is important paperwork needed from each of you to move this process forward.

The Palermo Board of Directors
Nancy Spokowski -- Phil Occhino -- Mark Faford

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