

PALM LAKE HOMEOWNERS' ASSOCIATION

BOARD OF DIRECTORS

MEETING MINUTES

OCTOBER 19, 2023

Board members present: Russ Carlson, Fred Lenz, Dr. David Boyer, Tory Wozny and Mike Ketchum

Homeowners present: Mike Faragalla, Joe Saunders, Sal Haider, Scott Ziegler, Rose Ann Ketchum, Steve Hunter, Steve Maloney, Dr. Ann Hajek, Dan Butler, Simon Hemming and Louise Hemming

The meeting was called to order by President Russ Carlson at 7:03 pm.

SECRETARY'S REPORT

Mike Ketchum was recognized and presented for approval the minutes from the Sept. 5, 2023 Board Meeting. A motion was offered and seconded to approve the minutes without objection.

An inquiry followed regarding the availability of the board minutes to homeowners. Ketchum replied that the draft board minutes are posted on the Palm Lake website several days after the draft minutes were provided the board for an initial review with their final approval occurring at the next board meeting.

COUNTY NEIGHBORHOOD GRANT APPLICATION STATUS

Mike Ketchum was recognized to present an update on the status of the application process for an Orange County Neighborhood Grant. He indicated he was awaiting the remaining bids that are being secured by Fred Lenz for the several projects. Once received, under the grant protocols he explained the board will be required to indicate its approval of the projects in the minutes of a board meeting along with Treasurer David Boyer certifying the availability of the matching funds in the Palm Lake budget. Ketchum was requested by Fred Lenz to inquire if the county will allow the proposed grant projects to exceed the \$30,000 threshold with the HOA paying the difference over the 50/50 match.

OPERATIONS REPORT

Russ Carlson provided an update on several operations issues. He noted the completion of the recent security system upgrade and cited the ongoing tree stump removal work scheduled for tomorrow at his residence and the Dugan residence.

ARB RULES AND REGULATIONS

Tory Wozny was recognized to summarize and discuss the process leading to the development of the proposed draft ARB Rules and Regulations. He indicated the board's charge to the ARC

was to provide greater clarity, consistency and guidance for our Rules and Regulations rather than to expand or go beyond what the governing documents currently state.

Wozny proceeded to review the comments received from various homeowners on the proposed draft. The comments offered by homeowners included inquiries as well as recommendations in the following areas:

- Number of pets allowed
- Container storage
- Basketball goals
- Number of flags flown
- Landscaping planters and containers
- Whether ARB approval is needed for new landscaping and plant selection as opposed to existing design changes
- Standards for placement of trash containers
- Number of flags flown
- ARB Request process
- Location of seasonal gardens
- Acceptable number of weeds in yards
- Mailbox maintenance
- How the rules will be enforced
- Responsibility for landscaping maintenance for shrubs overlapping lots
- Roof cleaning requirements

A sustained discussion among attendees followed with respect to the proposed draft trash container placement and roof cleaning requirements.

With respect to trash containers, the consensus resulting from the discussion was that trash containers should be out of sight which could be achieved in a variety of ways that could be defined by the board.

On roof cleaning, Steve Maloney advocated for a mandated roof cleaning requirement every four years instead of the ARC's draft recommendation for roof cleaning which could be requested by the ARB. Sal Haider, who authored the draft recommendations, stated roof cleaning was omitted from the draft document because our governing documents provided no mention or specific authority for requiring it. Mike Ketchum reported on a recent HOA legal seminar he attended hosted by a panel of HOA attorneys who cautioned against the ex post facto (or after the fact) enforcement of rules whereby an HOA cannot require homeowners to make changes based on rules adopted after homeowners have bought their homes under the pre-existing rules and regulations. He added rules, to be valid, must be linked to the specific

governing document authorizing language. Following further discussion, a consensus was reached by the board to not to mandate roof cleaning.

PROPOSED COVENANT AMENDMENTS

Russ Carlson reported on plans to draft and submit several proposed covenant amendments for approval at the 2024 Annual Meeting. The amendments related to limiting proxy voting, permitting Lease-to-own, one family unit per household and prohibiting a registered sex offender from purchasing a home in Palm Lake.

Discussion followed on each proposed amendment. It was pointed out by Mike Ketchum a previous legal opinion requested and provided to the board prohibited any HOA limitations on proxy voting. The proposed amendment was subsequently tabled.

Concerning "Lease-to own," Mike Ketchum referred to Section 559.9233, Florida Statutes, which describes and regulates "Rent-to purchase" agreements and further defines in Section 559.9232 (1)(b) the lessee in a "Rent to purchase" agreement as a "renter." He pointed out that our documents currently prohibit rentals and the Florida law supersedes and preempts any attempt to "carve out" an exception for "Rent to purchase" agreements in our governing documents. In addition, Ketchum pointed out Article V11, Section 3 of our governing documents confirms that provisions in state law trump our governing documents. Fred Lenz maintained that he felt "Rent to purchase" agreements could still occur in Palm Lake notwithstanding the language found in the Florida Statutes.

To conclude the discussion, the board decided drafting for consideration at the 2024 Annual Meeting would include only the proposed covenant amendments relating to limiting occupancy to one family unit per household, prohibiting time-share like ownership of any Palm Lake home and prohibiting any registered sex offender from purchasing a home in Palm Lake.

TREES CONCERN

Steve Maloney voiced his concern over certain trees that may be damaged by vines and present problems.

SEX OFFENDERS

Russ Carlson noted the recent arrest of a Palm Lake resident on various sex related crimes.

MONTESSORI SCHOOL UPDATE

Mike Ketchum was recognized to provide an update on the proposed nearby Montessori School. He indicated the lawyers of record continue to engage with counter motions while Duke Energy continues to seek further clarification on certain issues from the school.

The meeting was adjourned at 8:52 pm.

Respectfully submitted,

Mike Ketchum, Secretary