

MINUTES OF MEETING
ARLINGTON RIDGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Arlington Ridge Community Development District was held on Thursday, July 15, 2021 at 2:00 p.m., at Fairfax Hall, 4475 Arlington Ridge Boulevard, Leesburg, Florida and via Zoom video conferencing.

Present and constituting a quorum were:

Terry Snell	Chairman
Roy Craddock	Vice Chairman
Claire Murphy	Assistant Secretary
Bill Bishop	Assistant Secretary

Also present were:

Tricia Adams	District Manager
Jennifer Kilinski (<i>via Zoom</i>)	District Counsel
Emily Roslin-Grimes	GMS Community Director
Kelly St.Cyr	GMS Activities & Communications Director
Jasmine Angeles	GMS Resident Services Coordinator
Jacob Bloodworth	Floralawn
Dan Zimmer	Indigo Golf Partners
Justin Fox	Indigo Golf Partners
Donise Streit	Leland Management
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order at 2:00 p.m. and called the roll. All Supervisors were present with the exception of Mr. Piersall.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period

Mr. Snell: At this time we will start the public comment period.

Mr. Craddock: If everyone in the audience would silence their cell phones, we would very much appreciate that.

Mr. Snell: I will remind everybody that time is limited to three minutes. You can ask a question, that question may or may not have an answer at this meeting, but it will get answered.

Mr. Bishop: Mr. Chairman, if I could interrupt. We have a couple of written communications from residents that I would like to respond to, at least the parts that I have knowledge of. The first one is from Ms. Sandy Kinick at 3502 Arlington Ridge Boulevard. There's one plant there that has, over time, taken over all the ornamental shrubbery. A few months ago one of the two oak trees blew over and she is requested that area be replanted. I wanted to state that two weeks from today we will be getting the final landscape plan review from Floralawn in preparation for presentation of that final plan at the August Board meeting. Also the area behind the townhomes, we received written communication regarding beautifying that area. I would like to say that we are working on this, and my hope is that we can do some of the worst first, as far as implementing that plan. And these are certainly the areas that would be high on priority. We all received an email from Mr. Mike Ryan. A couple of the points in it that I wanted to address was, he mentioned whether or not there is going to be any kind of a workshop meeting before we finalize the budget. I'd like to bring that up later in the agenda if that is possible. He mentioned some Cypress trees that were planted in the water retention area by hole 16. Those poor little fellows have had a rough start. They wanted to wait until there was more water in the pond before planting them, they were planted and in the meantime, there was change in their personnel so they weren't planted in the right place. Then about that time is whenever one of the severe thunderstorms came through and blew over some oak trees including those. Now they've been replanted in the right places, and they are turning brown. They are Cypress trees and have a tendency to do that any way. We are certainly going to keep an eye on them. He also mentioned point of sale reports from the restaurant. I don't know what the proper channels are for a resident to request to see such reports. Typically they are internal documents, but I don't know of any reason why we can't honor a legitimate request from a resident to see those. We need to give him some guidance on the proper channels to request them.

Mr. Craddock: I'm glad you mentioned that. One of the items is influencing our budget regarding our Capital Reserve Fund. Some of those issues are going to be addressed later in the meeting. Our budget for these types of things is suffering.

Mr. Bishop: That's why I think we need to have a workshop meeting before the final budget approval.

Mr. Snell: Back to public comments, if anyone has a public comment please come up to the podium and state your name and lot number or address.

Ms. Christine Suslowicz (Lot 566): I know it has been done in the past, the cleaning of the big white fence behind Heritage Trail. I just wanted to know if that is upcoming. We've had a lot of rain and the fence is turning green. Along with that, those beds there where the pine trees are in the common areas, they are full of weeds. The weeds are getting taller and taller. I just had a question if those things are scheduled.

Mr. Bishop: The fencing I believe is scheduled. Is that right?

Ms. Roslin-Grimes: We have a scope out for bids right now. I'm hopeful that we can bring that back to the August meeting so that we can get that scheduled and the fence is included in the pressure washing for the community.

Mr. Bishop: The weeds were addressed rather pointedly this morning with our drive around. There has already been considerable work done in the area eliminating the current weed infestation.

Ms. Alda Vincente (Lot 240): I have a couple of things. I wanted to ask the Board if on the landscape plan, do you have any room to replant some bushes around the utility boxes that are right next to my house? When I moved in 14 years ago there were some bushes. Over the years as the bushes died, they were not replaced. There are only two little bushes there that are covering up the utility boxes. It's kind of an eye sore. I've lived with it, but I think it's time that it be addressed especially if you are looking to redo some of the landscaping.

Mr. Snell: We are only looking at common areas.

Ms. Vincente: It is a common area. If it was on my lot then I would have taken care of it.

Mr. Craddock: Bill, is that on your radar?

Mr. Bishop: I'm not sure where it's at.

Ms. Alda Vincente: The location is as you come in from the back gate and your turn right you go through some grass area with some trees and then you will see the utility box right next to my house. I am the first house as you come in the back gate on the right.

Mr. Craddock: Can you give us the street address again please?

Resident (Alda Vincente, Lot 240): 26619 White Plains Way, Lot 240.

Mr. Snell: Let's let Bill take care of that. That is his area.

Mr. Bishop: I will look into it.

Ms. Vincente: In addition to that, I wanted to ask the Board if you have been in contact with the company that is right next to the cement or rocks that built a wall as you come in the gate. Now a lot of the brush is cleared. I think some Floralawn guys cleaned up the area too. They trimmed some trees. I was assuming that they were going to be building a fence or continuation of the wall that the CDD or company did. I don't know if any of you go through White Plains Way, but as you are going through you see tons of blue tarp bags, pipes, all kinds of things. It looks like a junk yard.

Mr. Snell: I am well aware of what you are talking about, and we haven't talked to them as of yet. I believe we have plans to have some discussion with them in the not too distant future. Emily and I have talked about it a little bit, and I know that we want to go over and talk to them. We will be talking to them, but I can't promise you any outcome because it is their property and their fence.

Ms. Vincente: Well that's true, but it's our property too. I see the sticks with the ribbons that indicate the property line. It's our property and theirs. Usually when you have neighbors you work out a deal to put up a fence.

Mr. Snell: We will be talking with them about it. Bill, in the meantime would you look at it as a landscape issue too.

Ms. Vincente: Before they cleared it, there were bushes and trees and I wasn't looking at blue tarps all day. That's what I'm looking at now.

Resident (George Blackburn, Lot 468): I want to bring to your attention, as most of you know, we've got a blight going on with the trees right now, that green mold or whatever it is. It has affected the trees between my house and the field. Almost every one of those pine trees up through there has that blight. I don't know how far down the road you're planning, but eventually we are going to lose those trees. You might want to keep that in your radar.

Eileen and Bill Heughins (Lot 673): I want to thank the CDD for notifying us and taking care of the tree that fell in our yard while we were away. Also, I was going to ask about the walkway behind the townhouses. I see that Bill has answered that question already and hopefully it will be done soon, and we will be happy. On April 15th at the CDD meeting I requested a four way stop sign on White Plains Way and Arlington Ridge Boulevard. Is there any update on that?

Mr. Snell: I would say no at this point. We are looking at our budget and I think there are a couple other places that we need to look at as well. They may not be in this year's budget but hopefully we will get them in next years.

Eileen and Bill Heughins: Hopefully nobody gets hurt between now and then. It's very dangerous there.

Mr. Snell: I agree, I hope nobody gets hurt.

Eileen and Bill Heughins: I wanted to find out about the sidewalks. You and I discussed this last year about White Plains Way. You said you weren't sure if it was CDD or HOA that would be responsible for putting the sidewalks in after the villas are completed.

Mr. Snell: It's only the builder that is responsible for it.

Eileen and Bill Heughins: So when everything is completed will the sidewalks automatically be done or does somebody have to ask them to do it?

Mr. Snell: There are no plans for any additional sidewalks.

Eileen and Bill Heughins: Why is that?

Mr. Snell: Because the builder is responsible for putting them in as part of the planned unit development. The Board has no plans to do that. Not saying the Board absolutely can't do it, but we have no plans to do it.

Eileen and Bill Heughins: I noticed that whenever a townhouse is completed down White Plains Way around that bad corner, sidewalks are automatically put in. I was hoping for the same.

Mr. Snell: The builder is putting those in as they complete the villas. As is the developer putting them in at the individual houses. Right now we have no plans to add any sidewalks. I don't know where you would even add one right there. Your driveways are there and then on the other side it's going to be private property.

Eileen and Bill Heughins: I do have one more question.

Ms. Adams: That's three minutes.

Mr. Snell: I'm going to be a little bit lenient today. Go ahead.

Eileen and Bill Heughins: The permit for the pool, what happened to that?

Mr. Snell: That will be brought up later in the meeting.

Eileen and Bill Heughins: Okay, good.

Mr. Snell: Okay, who is next.

Ms. Ida-May Hanson (Lot 374): We, the residents of Arlington Ridge, would like to know if our CDD Board has come up with any solution or alternatives to our Arlington Ridge petition presented to the CDD Board on June 17th asking the Board to consider extending our administration office hours. I did receive an email from Ms. Emily Grimes saying the Board made the decision not to change the current CDD administration operating hours. Should not a formal letter from the CDD be sent to all the residents that signed that petition? Rather than just to one individual. I have to wonder if the CDD Board ever answers for themselves or do they only go through the Community Director, Emily. Since we, the residents of Arlington Ridge, brought our petition to the Board, not the administration office, we were expecting a formal answer from our CDD Board explaining to us the reasons why they made those decisions. I was personally sent both an email and a certified mail by Ms. Tricia Adams with a written warning to remind me of the District's policies and rules, plus to govern myself accordingly to avoid ejection from public meetings and or suspension from District facilities. She also added that Florida law provides for removal, suspension, and even arrest for simply talking over three minutes at the meeting. Her letter insinuated that I was disruptive. How was I disruptive? By speaking over my three minutes, by the Board members asking me questions, or by the audience clapping. This kind of threatening letter was sent to a tax paying resident of Arlington Ridge, who is trying to make the community a better place. It begs the question, is Tricia and our administration office working for us or against us? P.S. If anyone is timing me, I know this is well under three minutes. Thank you very much for your time.

Mr. Snell: First of all, you can't get arrested for going over three minutes. While I wasn't exactly aware of it, Roy gave you permission to go over three minutes. I will tell you Ida-May, in watching the video you were talking over the Board members and in my opinion showing disrespect. That is what the letter was about, not about talking over three minutes. Further, when you send something to all the Supervisors as was done, the response is going to be from either Emily or Tricia because if we send you a response and another Board member sees it, it could be a violation of the Florida Sunshine Law. That carries a pretty stiff penalty for us. We are not going to risk that. We choose to have Emily and Tricia, as appropriate, be the spokesperson for the Board to avoid that. With regard to sending an email to everyone who signed that petition, I'm not so much opposed to it, but I don't see the need for it. They all know what the result was. They didn't send an email to us as you did. I will take it under advisement and talk with Emily and Tricia to

see if we do want to send an email response. We will not go to the expense of a paper letter and mailing, that is an unnecessary expense.

Mr. Craddock: You are correct, I gave more time for her to complete what she had to say. The reason that she received the letter from the staff here was because of how she was argumentative and had an attitude toward the staff. It had nothing to do with the three minutes. She was not respectful of the folks who try to help this community or our staff with GMS. They do one heck of a job for us, and I appreciate their time. Further, as you said, I don't think we need to send out a letter to each person who signed the petition. The Board took action, we discussed it, and we voted. We voted not to change the hours.

Mr. Bishop: The details of that discussion will be published in the minutes which will be available on the website for anybody to look at.

Ms. Janice Behr (Lot 661): This pertains to the comment Eileen was talking about. Yes, the builder is putting in sidewalks but there are no sidewalks on Waverly Court, there will be no sidewalks on Bedford Lane.

Mr. Snell: As I said, it's up to the developer or the builder to put those sidewalks in. If they are not doing it, it is not part of the planning of the development. I am sorry about that, but that is how it is.

Mr. Craddock: I agree Terry, but I understand Janice's concern. Can we at least ask INB or whoever the builder is if their intent is to provide a sidewalk and if not why?

Mr. Snell: Sure.

Mr. Craddock: I would recommend that we do that.

Mr. Bishop: The why is, the City is required. When the plans were submitted for approval for the development, that is part of the City approval process. They are the ones that say where sidewalks have to go.

Mr. Craddock: So it's not in the permit?

Mr. Snell: It is not in the planned unit development, and it's not in the permit. I have no objection to asking the builder if they intend to do it, but I know what his answer is going to be.

Mr. Craddock: I just wanted to raise the issue to see if there was something we could do.

Mr. Snell: Further, most of that with the exception of right at the curb, is private property. We can't go on private property and build sidewalks. Are there any other comments from the audience? Hearing none, that will close the public comment period.

FOURTH ORDER OF BUSINESS**Business Items****A. Review and Acceptance of Draft Fiscal Year 2020 Audit Report**

Ms. Adams: Included in your agenda package is the draft copy of the Fiscal Year 2020 audit report. As the Board recalls, you engaged Berger Toombs for the annual audit. This is a statutory requirement. The Board reviews the draft audit each year. This audit was circulated to legal staff for review as well as District management staff. The areas that the Board will want to pay special attention to is the letter to the management. This year there was a comment in this management section, so I do want to bring that to Board members' attention. The management letter starts on page 33, and I always tell Board members you have to go to the back of the audit to see the most relevant information in terms of what Board members need to be aware of. On page 34 there is a finding. This particular finding is not a material finding, it's related to the transfer out to the golf club. There is a note here regarding the expenditures and the necessity for a budget amendment. As Board members recall in year's past, when the budget expenses have exceeded what was budgeted, the Board had approved a budget amendment. That process did not occur in 2020 because the overall expenses did not what was budgeted. The position that staff took in reviewing the 2020 financials is that there was no budget amendment required. However, the auditors took a different position and looked at this inner fund transfer out differently. That's why that note was in there. Accounting staff is reviewing it and determining the need for any changes to future accounting procedures. Again, it is not a material finding, but it is included so I wanted to bring that to the Board's attention.

Mr. Craddock: Tricia, might I ask what was the amount of the deficiency?

Ms. Adams: It's not a deficiency. It relates to the amount that was transferred from the General Fund to the Golf Club Fund.

Mr. Craddock: And that has been transferred?

Ms. Adams: Yes. This was back in Fiscal Year 2020 which was the first year of golf course operations. The amount that was budgeted was transferred out. Again, this is an accounting matter related to how that transfer out occurred from the General Fund to the Golf Club Fund. Because it was internal accounting, it wasn't looked at as an additional expenditure. However, the auditors took a different position.

Mr. Craddock: So it is not a fiscal management issue.

Ms. Adams: No. It was regarding the way the budget was structured and whether a budget amendment was required for interfund transfers.

Mr. Bishop: I think one of the big things was they considered the leasing of the equipment which was \$500,000 as an expense. Then they put the lease obligation as a liability. We didn't take the acquisition of the equipment as an expense. We are just paying it out every month as an expense through the lease payment. Another thing is, if you look at the chart on page 15, the column on the right, the arithmetic is wrong in that column. That relates to this finding as well. I'm not in a position to approve this draft until we get back a correct chart.

Ms. Adams: The budget was actually circulated to staff for corrections. The audit was finalized and filed because it was time sensitive because of a deadline. However, it can be amended going forward. Accounting staff, administration staff, and legal staff have all been working on the audit.

Mr. Craddock: I agree with Bill, if we don't have our t's crossed and our I's dotted, we need an extra month before we approve it.

Ms. Murphy: I have a different approach to that. The auditors were questioning the interfund transfer out from the golf course and food and beverage. For the golf course we were fine, but the food and beverage had no adopted budget but we transferred \$20,000 out. I think this is concerning that transfer out where there was a zero-dollar amount budgeted but we transferred \$20,000 to food and beverage. The golf course transfer is fine because it shows a balance of \$1998 that we under transferred. That's where it's really concerning.

Ms. Adams: Their only finding was a nonmaterial finding, and this was related to the interfund transfer. It was not related to any other matters. Overall, the position that staff took was because the overall budget expenses did not exceed the budget, that no budget amendment was required. The auditors took a different position. That is being reviewed by accounting staff for internal procedure adjustments. I understand the concern regarding approval of the audit but this is time sensitive and it is a statutory requirement. These are filed annually every year, so they do need to be filed. There is an opportunity to make any post filing adjustments. The Board will receive a final copy of the audit.

Mr. Snell: Exactly what do we need to do today?

Ms. Adams: If the Board would accept the draft audit, again the audit has been finalized and filed because it was time sensitive. There is a statutory deadline. We can bring back the final

form of the audit for Board approval. However, staff recognizes there may be some post filing requirements. Jennifer is on the line, I believe she reviewed the audit. I don't know if you have any comments regarding the annual filing.

Ms. Kilinski: No, everything you said today is accurate. We do review it for legal sufficiency, the notes, the substance, the significant events. We don't review it for financial accuracy. We provided comments previously that were already integrated.

Mr. Craddock: How do we move forward?

Ms. Adams: We would be looking for a motion to accept the draft audit. We are recognizing that Supervisors have comments regarding the table on page 15. Were there any other comments?

Mr. Snell: We are not approving the final, we are accepting the draft.

Mr. Bishop: I make a motion that we do not approve the draft and bring it back with the corrections discussed today. If necessary, we will file an amendment at a later date once the Board has approved the audit.

Mr. Craddock: I'll make a second for right now.

Mr. Bishop MOVED to not approve the Draft Audit and bring back corrections to the Board of Supervisors and Mr. Craddock seconded the motion.

Mr. Craddock: I would like to have further discussion about this. What kind of position does this put us in Tricia?

Ms. Adams: There is really no issue. The audit has been filed. We can bring back the audit for further review and consideration.

Ms. Murphy: I wonder what Bill's objections to page 15 are. What is on page 15?

Mr. Bishop: The arithmetic is wrong. In the right-hand column the top sections for revenues, if you do the math there it doesn't work. The numbers in this chart don't tie back to their statements. I can't vote to approve it knowing that those errors are there.

Mr. Fox: I want to clarify that the transfer amounts were all budgeted. We were not over budget just to be clear.

Ms. Adams: Again, it is a non-material finding. That is the area that I brought to the Board's attention because it was a note to management. The auditor took a different position than the accounting staff did on the budget amendment. That is a totally separate issue from Bill's concerns

on page 15. I would need to confer with Bill to get a better understanding of what the concerns are. I think you said the math is not working out on the revenue side, is that correct?

Mr. Bishop: That is part of it.

Mr. Craddock: The material does not add up and there are issues that Bill does not agree with. Why don't we do as the motion is proposed and move forward with it and staff will bring back the correct numbers.

Mr. Snell: I have one question, and this may be more to Jennifer. It does state on page 34 that this is a violation of a Florida statute. Is there any consequence of that?

Mr. Kilinski: The consequence is this audit finding. It's not like there is a civil or criminal penalty for doing that. This finding is not infrequently noted in audits. They are pretty strict about the timeline. In fact this District has had this finding before some years ago where we had a lot going on and we weren't able to get the Board together in time to make the budget correction. So there's no penalty. Like Tricia was saying, just from a legal standpoint this is required to be filed by June 30th. If you don't file it, the joint legislative auditing committee would have sent you a letter that would require a hearing. They can prescribe penalties for not filing on time if you don't have an excuse for doing that. We try to avoid that for all kinds of reasons because you start having to get legal counsel involved. If the Board needs more time on the audit, there is no issue with holding off on approving it in substantial form today. We try to have one round of comments from the auditors because they charge us if we keep going back to them for changes. We will wait until all the Board members provide comments, and we will provide one final amendment we can file with the state.

Mr. Bishop: Just to clarify my position again, we are in compliance with the State. We have no problem there and we filed it on time. We've got a minor violation which they apparently don't care much about. All that I'm asking for is that our audit company do their work and give us a correct audit. If we have to pay extra for that we may need to look for a different auditor.

Mr. Snell: We are ready for a vote.

On VOICE VOTE with all in favor to not approve the Draft Audit and bring back corrections to the Board of Supervisors was approved.

B. Consideration of Letter of Suspension

Ms. Adams: Included in your agenda package under tab 'B' is consideration of letter of suspension. This is a letter of suspension that was issued on June 24 for a period of 30 days. As is customary at Arlington Ridge, suspensions are presented to the Board of Supervisors for consideration. As you are aware you've adopted rules that specify the requirements surrounding termination of privileges and suspension of privileges. This is being brought to the Board's attention. The Board ultimately will determine the length of the suspension. The Board can determine that a period of less than 30 days is appropriate or the Board could determine that there is a longer term of suspension that is merited. Your legal staff worked to put together the Rules of Suspension in accordance with Florida statutes. Jennifer may have some comments on this matter.

Ms. Kilinski: I think you summarized it right. I know this Board has dealt with similar issues before. You've adopted rules according to Chapter 120 that relate to suspension and termination when Board rules are violated. What we will do during this process is, we've heard from staff, and you've read the letter regarding the infractions and the Board has fairly wide discretion consistent with your policies to make a determination about reinstatement. If the resident is there in attendance and would like to make a testimony as to whether the suspension should be reinstated or extended, we would take public testimony and the Board would have discretion to determine the next steps.

Mr. Craddock: I would like to make a comment in that regard. As a Supervisor that previously had amenities under their umbrella of responsibility, I always contended that an infraction as egregious as this should not be less than the minimum 30 days.

Mr. Bishop: Is this the same gentleman who was involved in the situation at the gatehouse?

Mr. Snell: It is.

Mr. Bishop: This is only pertaining to the performance in the administrative office?

Mr. Craddock: I did not realize that Bill. Thank you for bringing that up, that kind of changes my perspective on it.

Ms. Murphy: Did the resident contact the office before the deadline?

Ms. Adams: We have not heard any information back from the resident, nor is the resident in attendance at today's meeting.

Mr. Craddock: So they made no effort to justify their position.

Mr. Snell: I don't think there is justification.

Mr. Craddock: I know that.

Mr. Snell: This person, in my belief, would not make such an attempt.

Mr. Craddock: Is 30 days sufficient or do we need something beyond that?

Mr. Bishop: Are we allowed to take other infractions into account in this situation or can we only take into account what this letter was based upon?

Mr. Kilinski: To the extent we have previously notified the resident or have letters on file that relate to various infractions that are consistent with this current action, you are absolutely able to take that within the purview of your consideration. The reason being is that our policies provide specifically for that. Usually it ramps up, you get a warning, you get a letter the second time, unless the first time is especially egregious. The more warnings or letters that occur, and we have had that here where we have either permanently suspended or suspended for one year.

Mr. Bishop: Did he receive a letter about the first one?

Ms. Adams: Yes. The letter about the first incident is what triggered the visit to the administration office. Because the first incident was not contemplated as part of the amenity policies, because it took place on a public road, it was more to provide guidance regarding the proper persons to reach out to regarding public safety or community concerns. There was a caution regarding confronting others on public roads.

Mr. Craddock: In light of the first situation, which in the words of the CDD staff member felt his life was threatened, I would go for a 6-month suspension.

Mr. Bishop: I agree.

Mr. Snell: Is that a motion Bill?

Mr. Bishop: Yes, it is.

Mr. Bishop MOVED to extend the length of the suspension for Mr. Cortland of 26920 Camerons Run to six months and Mr. Craddock seconded the motion.

Mr. Snell: Is there any further discussion?

Ms. Murphy: I agree with what they've said. We can't have people going into the admin office acting in the way this person did. It was beyond being angry. It was a volatile situation, and the guard house was an extremely volatile situation.

Mr. Craddock: It could have escalated and went beyond their control. We can't have that.

On VOICE VOTE with all in favor extending the length of the suspension for Mr. Cortland of 26920 Camerons Run to six months was approved.

C. Consideration of Proposals for Flat Roof Replacement at Fairfax Hall – Added

Ms. Adams: This item was added to the agenda which circulated to Board members yesterday and is available for distribution today. However, because it was not included on the agenda published seven days in advance of the meeting on the website, it does require public comment. Would you like to take public comment on this item before Board discussion or following?

Mr. Snell: Following Board discussion.

Ms. Adams: Alright. Under separate cover we handed out an estimate from Advantage Roofing. Board members may recall that back in your February meeting you previously considered and approved a proposal for roof replacement at Fairfax Hall. However, subsequent to that approval the proposal provider that was selected withdrew their proposal because of a sharp increase in material costs. This proposal being presented to the Board is for the flat roof, which is the part of the roof that has active water intrusion, and it is time sensitive. We have one proposal from Advantage Roofing. We are anticipating another proposal to come in any time from Springer Peterson, who was the vendor who was previously selected for the roof replacement. This is for a TPO installation, and the total amount of the flat roof replacement is \$52,625. I would suggest that the Board would consider approving a not-to-exceed. That way if the proposal from Springer Peterson who was another qualified comes in at a lesser amount, that vendor could be engaged for the flat roof replacement.

Mr. Craddock: I will make a motion a not-to-exceed the amount of \$52625.

Mr. Craddock MOVED to replace the flat roof at Fairfax Hall in a not-to-exceed amount of \$52,625 and Ms. Murphy seconded the motion.

Mr. Snell: Is there any further discussion?

Mr. Bishop: I hate to see an estimate that doesn't show any quantity on it. Am I missing it or is there no quantity amount?

Ms. Adams: Are you looking for the square feet total that they are replacing?

Mr. Bishop: Yes.

Ms. Adams: I don't see that on this.

Mr. Bishop: That disappoints me. I have the harrowing experience of taking over property of 23 buildings that had flat roofs. They all leaked. This is a different type of material or method than those buildings had. The problem there was that after and during the installation there was faulty inspections of the job which caused endless problems for years after that. I don't know this company at all, but I'm concerned that we are just going to turn them loose on a \$50,000 flat roof. I know it is a serious potential problem in the future if it is not done right. I would hate for us to just turn that loose without any oversight about how the job is done.

Mr. Craddock: Number one, the city is responsible for inspecting the installation. Also, they are offering a five-year warranty. If there's something defective in the installation, we should certainly see it within a five-year time frame, I would think.

Mr. Bishop: The job I'm referring to was inspected by that city and had quite a substantial warranty and both of them meant nothing.

Mr. Craddock: What was the time frame? Was it within five years of completion?

Mr. Bishop: Within 12 months there were problems.

Mr. Craddock: Then the warranty should cover it.

Mr. Bishop: It should. I'm just saying in the other instance it didn't.

Mr. Craddock: Okay, that's fair.

Mr. Bishop: The real issue is the leveling of it and the drainage, to make sure that it's done properly so the flow gets to where it needs to be. The city doesn't care about that. They are looking for the number of fasteners and things like that. They don't check see to see if it's flowing properly. I'm really concerned about a project of this magnitude and the potential problems, and we have no real oversight.

Mr. Snell: What would you suggest for oversight, Bill?

Mr. Bishop: Well, I would like to say that our engineer, if they don't have the capability in house, should be able to recommend somebody who can do a proper inspection of the project.

Mr. Craddock: What you're talking about is the base of the roof has to have a slope, a certain number of inches per foot.

Mr. Bishop: Yes.

Mr. Craddock: I don't know what that number is, but our engineer should know that.

Ms. Adams: Mr. Chairman, I do want to comment for protection of the District, that any agreement between Arlington Ridge Community Development District and the vendor would include a legal addendum prepared by your District staff and that does afford the District protection in terms of workmanship, warranties, and some other protections. We may want to take some comments from Jennifer on the protections that are built into the legal addendum.

Ms. Kilinski: Yes, I would highly recommend that to the extent that there are any repairs or warranty items. Like Bill said, the warranties are sometimes only as good as the company is willing to enforce. It does give us some standing to able to enforce the provisions of that additional addendum.

Mr. Bishop: How much are we outstanding on the pool warranty?

Mr. Kilinski: We can't help bankruptcy.

Mr. Bishop: That's my point.

Mr. Snell: Bankruptcy can occur at any time with anybody. When that happens there is not much you can do about it.

Ms. Kilinski: Yes. We got the seal warranty on that one to come back and do a little job. I understand the point. But you do often have a little more leverage when you have something in writing that requires them to do so. Not having anything in writing, we have been successful more often than not.

Mr. Craddock: I do agree with what Bill is saying. Before we undertake the replacement of the roof, I want to see our engineer say that the slope is sufficient to allow for proper drainage. If that needs to be corrected, let's do that now.

Mr. Snell: Tricia, there's no reason he can't do that right?

Ms. Adams: It's likely that the District engineer might refer out for that particular item. I would need clarification from the Board if you want to engage with a not to exceed for construction management or engineering services in terms of inspection. Are you looking for a pre-construction analysis of the current conditions? I will mention a couple of points regarding both Advantage Roofing and Springer Peterson. They have been vetted in terms of quality references with recent commercial products. Advantage Roofing has been in business quite a few years in Central Florida. With Springer Peterson, I've personally worked with projects where they've installed roofs. This goes back ten or perhaps even 15 years at other properties. They do have deep roots in the Central Florida region and are reputable for commercial products. So I don't know to what extent that

provides comfort to the Board of Supervisors, but we are trying to only present roofing companies that are quality.

Mr. Craddock: I'm sorry to interrupt, but if the sloping is not sufficient to allow proper drainage, it doesn't matter how good the roofing is, it is not going to do what it is supposed to do.

Mr. Snell: Roy is right in my opinion.

Mr. Bishop: What is the issue? Why do we need to do this?

Mr. Snell: The roof leaks.

Ms. Adams: It's at the end of its useful life after being installed in 2006. It has taken a beating over the years with weather conditions and the Florida sun. There is active water intrusion.

Mr. Craddock: They can do a slope check in accordance with the specifications before you rip off the old roof. You don't need to take the old roof off to see if the slope is accurate.

Ms. Murphy: Have we had leaking problems before now? Has it been an ongoing issue or this a new leaking issue and it's just raised its head now?

Ms. Adams: There was a significant roof repair, not on the flat roof, but in a different section of the roof a couple of years ago at Fairfax Hall. Is that what you are asking about?

Ms. Murphy: I'm asking if the flat roof was leaking before or if this is the one and only leak we had so we need to repair it now or has it been leaking over the years and we are just now getting around to repairing it?

Ms. Adams: We are not aware that the flat roof would have been leaking any time before it was currently happening.

Mr. Craddock: For this kind of money, let's do it right. For a few bucks more, let's make sure that the drainage is proper before we replace this roof and still have problems.

Mr. Snell: How would you want to move forward to do that?

Mr. Bishop: I would like to amend the motion.

Mr. Snell: It's your motion Roy, but Bill can amend it.

Mr. Bishop: I would like to suggest that you amend it to include the evaluation and construction inspection not-to-exceed 10% of the cost for construction management and engaging engineering services for a Flat Roof Slope Analysis.

Mr. Craddock: I'm good with that.

Ms. Adams: Mr. Chairman, just to restate the original motion, I believe it was to replace the flat roof at Fairfax Hall in a not-to-exceed amount of \$52,625. The amendment of the motion will include additional evaluation and construction oversight not-to-exceed 10% of the \$52,625.

Mr. Snell: I think that was the right move. Thank you Roy and Bill for bringing up a good discussion because no matter who puts the roof on, as you said Roy, if it's not right, it's going to be a problem. Does this require public comments?

Ms. Adams: Yes, because it was not on the agenda that was published seven days in advance.

Mr. Snell: Does anybody in the audience have any comment? How about anyone on Zoom?
Hearing none,

On VOICE VOTE with all in favor to replace the flat roof at Fairfax Hall not-to-exceed amount of \$52,625, and Engaging Engineering Services for Flat Roof Slope Analysis and Construction Management not- to-exceed 10% of the \$52,625, was approved.

D. Consideration of Application for Security Club – Added

Mr. Snell: This will also require public comment.

Ms. Adams: Yes Mr. Chairman.

Mr. Craddock: Did we receive something from District Counsel on this?

Mr. Snell: Yes, we did. I believe so.

Mr. Bishop: Is Mr. Brown here?

Ms. Adams: Yes.

Mr. Bishop: I just want to comment on this. This kind of goes along with a discussion that we had in the closed session at the last meeting. Mr. Jim Brown submitted an email to me concerning the increased level of criminal activity and so on, in the community. He had a number of people who were interested in participating in a Crime Prevention Program or Security Patrol. Subsequent to our discussion in the Closed Session, I contacted Mr. Brown and reiterated for him that the Board would be interested in pursuing the organization under the auspices of either the City of Leesburg or the Lake County Sheriff's Department. In order to help facilitate publicity regarding it and so on, if they wanted to submit an application to be an approved club, then there could be notices in the newsletter, etc. So that precipitated the application coming in as I understand it. Am I correct, Mr. Brown?

Mr. Jim Brown (Lot 592): Yes.

Mr. Bishop: My question at this point is, have you actually contacted either law enforcement agency?

Mr. Brown: I am in the process right now. The Police Department hasn't gotten back to me yet. I called them two days ago and they haven't returned my phone call. I called the Sheriff's Department. They gave me the email of a gentleman, one of the officers, to talk to about this and he hadn't gotten back to me yet either. I'm hoping that one or the other would do this. Where I lived before was in a retirement community down south of us that had a Citizens Patrol. It operated 24 hours per day working with the Polk County Sheriff's Department. They gave them a patrol car. Of course all the lights were taken off. They patrolled all night long in a car rather than a golf cart. I think it deterred people. Emily said that there were vests leftover from the previous company. They were wearing a vest driving through the community in a golf cart during the day and early evening. I think once people see this going on, it will deter people coming and taking advantage of the citizens/residents.

Mr. Bishop: I don't want to do anything to thwart your efforts, but I think maybe we had the cart before the horse. I think that we need to table this action until you determine which law enforcement you are going to be affiliated with and come back with that specifically. Then we could consider that as the specific group that we are approving, if the Board wishes to do that. That way we are assured that you are under the auspices of somebody and all of the people are properly trained and we are not just turning a bunch of vigilantes loose on the streets. We need to make sure that it's a properly organized and properly trained group of people who are out there doing good for the community.

Mr. Brown: Right. That's why I'm hoping that either the Police Department or Sheriff's Department have a class that the individuals go through. I've already gotten 34 people that volunteered along with myself to do nighttime patrols. I don't want to get into this until I talk to the Sheriff's Department or Police Department to find out if they are going to have a class. I think everybody should go through a class.

Mr. Bishop: They require it. What I would like to do is to table this matter until you zero in on which group you are going to affiliate with and come back and fill us in on the details.

Mr. Brown: Okay. It won't be until October because I will be gone for a month and a half out west starting on August 1st. So we will just have to put it off until then.

Mr. Craddock: Being in charge of security now, I have had several conversations with Chief Hicks of the Leesburg Police Department. I suggest that you focus your attention on Chief Hicks as opposed to the Sheriff. He is our closest ally and he is willing to support us in this. I can facilitate that. I have his personal cellphone number. Whatever we need to do, I would be willing to facilitate that if you would like.

Mr. Brown: That would be great. I appreciate that.

Ms. Adams: Mr. Chairman, may I make a couple of remarks for Board consideration in order to not impede the ability to recruit volunteers?

Mr. Snell: Certainly.

Ms. Adams: In the absence of having an approved club, I think staff could take direction from the Board of Supervisors. If a Neighborhood Watch Program is coordinated with the Police Department or if the Citizens Assisted Patrol Program is coordinated with Lake County Sheriff's Office, there's an ability for either group, either public safety group, under the umbrella of those organizations, to schedule space for the purpose of training or meetings or to recruit volunteers and promote awareness in CDD media.

Mr. Snell: I think that's a good suggestion.

Mr. Craddock: I think it's appropriate. I don't think we need to have this as a club. I think you guys need to be communicating with local law enforcement. That is the right avenue to pursue.

Mr. Snell: As a resident, as she said, you can get the space, Emily and Kelly will work with you on making sure that you can schedule something so if someone had a room scheduled, they don't tell you that you have to leave because we don't want that to happen to you.

Mr. Brown: I appreciate that.

Mr. Snell: Thank you.

FIFTH ORDER OF BUSINESS

Business Administration

A. Approval of Amended Minutes of the May 20, 2021 and June 17, 2021 Meetings

Mr. Snell: We do not have the June meeting minutes yet.

Ms. Adams: Correct. The June 17th meeting minutes will be included in the next agenda package. My apologies for that. If anyone would like to review the Zoom recording, that is available. However, included in your agenda package is a draft copy of the May 20th meeting minutes. Subsequent to the publication of the agenda, we received corrections from Supervisors

Murphy and Snell. So any approval of the minutes would be subject to incorporating those corrections.

On MOTION by Ms. Murphy seconded by Mr. Craddock with all in favor, the Minutes of the May 20, 2021 Meeting, were approved as amended.

Ms. Murphy: I have a comment before moving on. I don't what you need to do at GMS to get these minutes to us faster. A two-month delay in my mind is not acceptable. If you need to hire new staff or additional staff, something needs to be done so that we can get these minutes to us in a more timely manner.

Mr. Craddock: Claire, you are absolutely right. Prior to the meeting, Tricia and I had a conversation about this and I expressed our displeasure regarding the availability of these minutes and we cannot continue the way we are going now. It hurts the Board's ability to do what is expected of us. She understands that. Go ahead Tricia.

Ms. Adams: I was just going to tell Supervisor Murphy that I understand and steps are being taken to improve both the accuracy of the minutes as well as the timeliness of the minutes.

Mr. Snell: Just before this meeting, Tricia and I had a meeting as well. I know that she, Mr. George Flint and Mr. Darrin Mossing, the Senior Partner, are well aware of my displeasure. They are working on it. They told me some ideas of what they are looking at doing. I think George heard an earful from me and so has Tricia. Bill?

Mr. Bishop: I defer to all of you.

Mr. Craddock: I have an expectation. My expectation is at next month's meeting, all minutes of previous meetings will be up to date. Is there a problem with that, Tricia?

Ms. Adams: No, I don't have any further comments other than what Supervisor Snell spoke on and what I discussed with you in terms of some behind the scenes steps that are being taken and understanding the importance of the accuracy as well as the timeliness of the minutes.

Mr. Craddock: We have an expectation. I'm sure that the rest of the Board will be pleased next month.

B. Approval of Check Register

Ms. Adams: Included in your agenda package under Tab B is your Check Register and Debit Summary for June 1st through June 30, 2021. The total is \$175,680.79. Behind the overview is the Check Run. Provided under separate cover were the detailed invoices associated with your Check Run Summary. This is an item that requires Board action, so we would be looking for a motion to approve the Check Register. I would be happy to answer any questions. This is ready for Board discussion.

Ms. Murphy: I have a couple of comments. For Deans Services, I noticed in June that we were paying February, March, and April bills and FedEx sent us an overdue notice. The FedEx bill dates back to February. Why are these bills being paid so late? What is the delay? I think that reflects on us as a community if we can't pay our bills on time. There was a June 2nd check for Deans Services that covers February, March, and April. If I was Deans Services, I would think twice before coming back and doing pest control if my bills are not being paid.

Mr. Craddock: Are we paying a late fee?

Ms. Murphy: No. There are no late fees.

Ms. Adams: Supervisor Murphy, regarding the Deans accounts payable, for some reason those invoices were misdirected and were not received. That situation has been corrected and everything is current with Deans. With FedEx, I would need to look back and see if they had been sending the bill to the proper location or what happened in that circumstance.

Ms. Murphy: Thank you.

Ms. Adams: I'm happy to address any other questions or concerns regarding the Check Run Summary. I just wanted to provide that information regarding Deans because there was a special situation where invoices were misdirected.

Ms. Murphy: I just had those two comments.

Mr. Bishop: As a follow up to that, what is the flow if Floralawn as an example sends an invoice? What address did they send them to?

Ms. Adams: Some invoices went to the Arlington Ridge physical address for the admin building and some invoices are set up so that they go directly to the accounting office. Recently the accountant for this particular District moved from Tennessee to the Tampa location. That will explain if you start to see a different address on there.

Mr. Bishop: So the ones that comes to this physical address are approved by Emily?

Ms. Adams: The process is that everything is sent to the accounting and accounts payable staff to be set up. There may be some preliminary work by onsite staff, but those invoices are provided to Hannah. As they are due, they are sent in batches for approval. They are set up and reviewed to make sure that they are accurate in the backup in terms of a packing list or work orders aligned with the amount that's being billed.

Mr. Bishop: So you send them to her and she sends them back to you?

Ms. Adams: They are sent back for approval.

Mr. Bishop: Why aren't they approved when they are received and sent to her? Then they are approved.

Ms. Adams: They are approved in batches as part of the workflow. That's an internal issue. Emily can sign off on certain things and send it, but it would still be approved as a weekly batch.

Mr. Bishop: It seems like there's an extra step in there.

Ms. Adams: Yes.

Mr. Bishop: Thank you.

Mr. Snell: Roy, do you have any questions?

Mr. Craddock: No. I'm good with that.

Mr. Snell: I'm aware of where two flags are, but where is the third one?

Ms. Adams: The flags are purchased for inventory and replaced on the flagpoles as they become aged.

Ms. Murphy MOVED to approve the Check Register for June 1, 2021 through June 30, 2021 in the amount of \$175,680.79 and Mr. Craddock seconded the motion.

Mr. Snell: Is there any further discussion? Hearing none,

On VOICE VOTE with all in favor the Check Register for June 1, 2021 through June 30, 2021 in the amount of \$175,680.79 was approved.

C. Balance Sheet and Income Statement

Ms. Adams: Included in your agenda package under Tab C are the Unaudited Financial Reports for May. These are inclusive of the financial statements from the golf club. Included under the next tab are the Unaudited Financial Reports for June. This includes the information as of the

meeting date. So whatever financial information was available as of one week ago in the agenda packet was included. This does not yet include the golf club financials. Historically, this Board has taken action to approve the Unaudited Financials that include the golf club information. No Board action is required, but that allows for memorializing the presentation of the financials.

Mr. Craddock: Tricia, on Page 1 of the May invoices, at the top under Page 1, "Assets," there is \$755,297 under "State Board." It is my understanding this is money that we have invested into an interest-bearing account. Is this emergency money that is available to us?

Ms. Adams: Yes. When you receive your tax receipts for the year, you are receiving your money for the Operations and Maintenance (O&M) Fund. Typically in the General Fund with SunTrust, which recently changed names to Truist, I believe. At any rate, there is an Operating Reserve in there for immediate bills that are expected for the upcoming month or months. Surplus Funds are transferred to the State Board. Supervisor Craddock, you are exactly right. That is an interest-bearing account. There is no penalty to withdraw that funding, but it is considered what will be used for the remainder of this fiscal year as well as for your next three months operating reserve until your tax revenues come in for the next fiscal year.

Mr. Bishop: If I'm mistaken, the deposit for Truist formerly SunTrust is only insured by FDIC of up to \$250,000. That's why we keep much more than that in that institution.

Mr. Craddock: It is split into separate accounts.

Mr. Bishop: It is for total deposits. It's no big deal, but they have been doing this for a long time.

Mr. Craddock: I understand. I'm just questioning it.

Ms. Murphy: I have a question, Tricia. On Page 2, where we have \$1.8 million adopted for O&M assessments, but our actual is only \$1.764 million. Is that because of the 4% discount when people pay early?

Ms. Adams: No, but that is a good question. The discount was already contemplated as part of the budgeted amount. Usually what happens in June is the Tax Collector sells tax certificates and the revenues typically come in during June.

Ms. Murphy MOVED to approve the May Unaudited Financials and Mr. Craddock seconded the motion.
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Mr. Snell: Is there any further discussion? I have a comment. I'm a little disappointed in May's performance. Frankly, based on conversations we have been having, I didn't expect it. So I hope that you can make a comment on it when you do your report, Justin.

On VOICE VOTE with all in favor the May Unaudited Financials were approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Kilinski: I don't have anything further to report, but I'm happy to answer any questions the Board may have.

Mr. Snell: Does anyone have any questions? Hearing none, thank you, Jennifer.

B. District Engineer

Mr. Snell: The District Engineer is not here. Do you have anything from him?

Ms. Adams: That is a great question. I recently received communication from the District Engineer. He received the Geotechnical Analysis of the prescribed areas that are being considered for pavement management. From that data, he is developing a scope of work and sending that out for bid. Hopefully at an upcoming meeting in August, or if not August then September, the Board will have some competitive proposals to consider based on the Pavement Management Plan that the Board previously approved. Also tied into that, there are some areas that the Board earlier identified in terms of enhanced traffic control devices such as additional stop signs on Arlington Ridge Boulevard in areas where road painting may have needed to be touched up such as crosswalks or stop bars. All of that is being considered as part of the scope.

Mr. Bishop: Can we encourage him to have that ready for the next meeting?

Mr. Craddock: Yes, absolutely.

Mr. Bishop: It has been a long time.

Mr. Snell: Are there any other comments from Tricia?

Ms. Adams: As far as District Engineer, no.

C. District Manager

Ms. Adams: I just want to circle back in case the Board wants to consider a budget workshop. I heard Supervisor Bishop mention during public comments that he wanted to bring up the idea of a budget workshop. The Board has the option of having a workshop at any time, as long as we provide the required notice, which would be seven days' notice of a legal section of the newspaper. So, if it's 10 days out or so, the Board has the ability to meet at a workshop. The Board would not be taking any action nor providing direction to staff. You don't take any action during that meeting, but you can have as much discussion as you want. The Board can meet in person or via Zoom for the workshop. It would be up to the pleasure of the Board. So I just wanted to circle back to that in case the Board wanted to take action and schedule a workshop.

Ms. Murphy: I think it's really necessary. We have a lot of things to talk about as far as the budget. We have some issues coming down the road that we really need to pay attention to now. If we wait another year or two, it's going to be too late. So at this point, we really need to have a workshop.

Mr. Snell: I concur.

Mr. Bishop: I propose July 29, 2021 at 2:00 p.m.

Mr. Craddock: How does that impact on our ability to change the budget Tricia, if we find out that we need to change it?

Ms. Adams: When the Board approved your proposed budget, you set a cap for your O&M fees for the upcoming fiscal year.

Mr. Craddock: Would you refresh my memory what the cap was?

Ms. Adams: I will provide that in just a moment when I look at the budget. Because the Board approved an amount that is an increased assessment amount, there is a mailed notice that will be delivered to every residential property at Arlington Ridge at the mailing address associated with that to notify homeowners of the proposed budget increase. So that will be upcoming. When you approved that amount, you set the cap. So the Board has the ability to reduce the assessment amount or to approve that same assessment amount, but don't have the ability to increase it above that amount.

Ms. Murphy: If my memory serves me correctly, it was \$97 to \$98.

Mr. Craddock: I think it \$12,000 a year.

Mr. Snell: I believe it was a \$90 some odd dollar increase for the entire year. It wasn't \$92 per month for sure.

Mr. Craddock: I wasn't here so I'm just trying to get up to speed.

Mr. Bishop: I just wanted to clarify that was when we did it.

Mr. Craddock: I wish I had been here.

Mr. Snell: Are there any other comments?

Ms. Adams: Mr. Chairman, would the Board like to take action to set a budget workshop?

I believe the proposed date was July 29, 2021 at 2:00 p.m.

Mr. Snell: Does that require a motion from us or just direction?

Ms. Adams: If you could make a motion, that would trigger the notice.

Mr. Bishop MOVED to schedule a budget workshop for July 29, 2021 at 2:00 p.m. and Mr. Snell seconded the motion.

Mr. Snell: Is there any further discussion? Hearing none,

On VOICE VOTE with all in favor scheduling a budget workshop for July 29, 2021 was approved.

Mr. Snell: Is there anything else under the District Manager's Report?

Ms. Adams: Yes. I also wanted to mention that during public comments Supervisor Bishop brought up the POS reports. I just wanted to reiterate that all District records are public records. If any resident has a request for information they can check with the Community Director, the General Manager, or me to facilitate for the information that they are looking for.

Mr. Bishop: Thank you.

Mr. Snell: Thank you.

Ms. Murphy: Do we have an update on the insurance claims for the restaurant and roofing?

Ms. Roslin-Grimes: As far as the roofing I don't have an update. We are still getting information from the adjusters. As far as the restaurant reconstruction, we supplied them with all the data they asked for. Because they found a plumbing problem in the restaurant when they finally opened up the walls, after the adjustor was present onsite, he then had to take that information back to the insurance company. We are still waiting on an update. Just this week, we provided them with a Profit and Loss (P&L) Statement for any loss of business. So we are waiting and hopefully I will have an update in August.

D. Amenity Management

- i. Community Director's Report**
- ii. Capital Projects Listing**

Ms. Roslin-Grimes: Included in your agenda packet is the Community Director's Report. I have two updates. The first update that I have is that I have notified the resident on Bull Run who has the cart path on her property. We are seeking bids for the removal of that cart path and re-insulation of sod to that area. She is aware of that occurring on her property.

Ms. Murphy: Does she have a problem with it?

Ms. Roslin-Grimes: She's perfectly fine as far as we don't mess up any of her flowers. The second item that I have an update on, as Terry brought up earlier regarding the pool pergolas, Terry actually just signed the Notice of Commencement. We did have a little back and forth between the city and the engineer that did the renderings for the project. So it did take a little longer than we had expected. I am hand delivering that to the city and county tomorrow. Once that is done, the contractor will deliver it to the city, so hopefully we will get this ball moving, but I don't have an update on when we will be able to start until they provide a permit.

Mr. Craddock: Do you know what the additional cost was to take care of the permitting issues?

Ms. Roslin-Grimes: It wasn't our engineer that did it. It was the engineer of the contractor so I don't have that information. I don't have an update at this time. We will have a cost for the permitting that we had to submit, so I imagine there will be engineering costs as well.

Ms. Murphy: We are going to have a cost overruns on that project because we need to replace the caps anyway.

Ms. Roslin-Grimes: Correct. In the Capital Budget List discussion following the Community Director's Report, it was actually approved to include cedar caps. That is the number and then there was a contingency because we still don't know the final amount for the procedure that Roy requested for the paint and stain technique that was applied to each piece of cedar.

Mr. Craddock: But we approved a not-to-exceed amount for that. Correct?

Ms. Roslin-Grimes: Correct. We did have a not-to-exceed; however, that does not include the additional permit process.

Mr. Craddock: So it was simply for the painting application.

Ms. Roslin-Grimes: Correct. If the Board has any other questions, I'm here to answer them.

Mr. Bishop: I have a question on Page 4. Do we have any takers on the memorial bench proposal?

Ms. Roslin-Grimes: We only had one interested party and they backed out due to the price of the bench.

Mr. Snell: Did this person have an alternative price that they would like to see?

Ms. Roslin-Grimes: No. They didn't realize there was a price associated with it at all.

Mr. Craddock: So we don't know what the sweet spot is, so to speak. I was curious to know if we had sold any of the bench placards. It appears that we have not. They have been available since January?

Ms. Roslin-Grimes: I want to say after we received the benches was when we finally put out a notice.

Ms. Murphy: What is the cost of them?

Ms. Roslin-Grimes: \$2,500.

Mr. Bishop: If we can get a couple of the new benches out so people can see what they are getting for \$2,500, that may help.

Ms. Roslin-Grimes: So the holding off on installing any new benches is we have to pour concrete where you would like the new benches to go. We have held off on pouring any concrete until a Landscape Design Plan is approved in case that impacts the repouring of concrete twice in an area where we would install these benches. The benches that were purchased are designated for the Village Green. If we pour concrete and then have to redo it based on the Landscape Design Plan, we are doing the work twice. That's why we held off on any installation of the new benches that were purchased, but they are being stored until you approve a Landscape Design Plan.

Mr. Craddock: Bill, I think that's a good idea. We need to get the benches out so people see them and put a sign up that says, "*YOUR NAME HERE.*"

Mr. Bishop: If the Board doesn't mind, I would like to walk the Village Green with Emily and Andy over the next several days and see if we can pick up some spots that aren't going to be affected by the landscaping. Even if it's put there temporarily. I would like to see that.

Mr. Craddock: I concur.

Mr. Snell: It's your and their time.

Mr. Bishop: It's on my list.

Ms. Murphy: You might want to consider putting one on Arlington Ridge Boulevard because everybody walks by that during the day and it's visible on the way into the community.

Mr. Craddock: More towards the front.

Ms. Murphy: Yes, towards the front. A lot of people sit at the bench that is there now. So that might be a good place to put one.

Mr. Craddock: Absolutely.

Mr. Snell: Emily, do you have anything else?

Ms. Roslin-Grimes: No.

Mr. Snell: Does anyone else have any questions? Hearing none,

E. Golf and Food & Beverage

i. General Manager's Report

Mr. Fox: I have a few updates from last month's meeting. After last month's meeting, I sent the security contract to Star Security to have it signed. We have to pay them a 15% deposit for the golf shop, maintenance building and turf line area.

Mr. Craddock: Do you have an expectation on when it's going to be completed?

Mr. Fox: Not at this moment. I imagine once they get the contract and the deposit, they can give a timeline on when they can install it. Each of the greens were tilled and sprayed shortly after the meeting.

Mr. Craddock: Do you think we are going to have grass this time next year?

Mr. Fox: Ten to twelve weeks is what we are looking at for all of the sprayed areas, the tee boxes and the greens.

Mr. Craddock: So they are playable after 10 to 12 weeks?

Mr. Fox: Yes.

Ms. Murphy: They are starting to green up nicely.

Mr. Craddock: Okay. I looked at them. If that was my yard, I would be concerned.

Mr. Fox: Regarding the financials, we are starting to see a turnaround in the financial performance. The way we budgeted we didn't expect to receive so much membership revenue. So that affected our green fee revenue throughout the peak season. We are seeing that turnaround. We are recouping some of the total revenues. Revenues have been really strong in May and going into June. So we are trending well there. In F&B, we missed with some overtime and food costs.

Obviously, it has been a challenge with COVID. The price of meat has gone way up and we have to reevaluate. We are looking to get out a new menu soon to help manage food costs. In front of the house, we have our Front House Manager, Ashley who has been in that position for a few weeks. We also replaced our sous chef. I'm hoping that will help us to manage the overtime. As a whole for the month of May, we beat the budget by \$7,900.

Mr. Craddock: Lets go back to your sous chef. I'm really disappointed that we lost one we had. The feedback that I was getting was that they were doing a great job.

Mr. Fox: We haven't lost chef Carl. Our sous chef was commuting about 75 miles a day. He moved in with his in-laws. It was nothing we did. He made his own decision.

Mr. Craddock: Sure, I understand.

Mr. Fox: That's all I have for the General Manager's Report unless there are any other questions. If not, I presented some proposals for tree work under separate cover.

Mr. Craddock: Before we get into the trees, where is our beverage cart? I believe we approved that in January.

Mr. Zimmer: The fortunate thing about that is Yamaha provided us with a beverage cart that we can use until our permitted one is delivered. That is about half of the cost of what our permanent cart will be. From that standpoint, it hasn't impacted our ability to service the players and guests. I talked to Yamaha yesterday. It is not isolated to Yamaha. It affects the entire cart industry as well as maintenance equipment industry. They are having production delays, both from a service of sourcing parts for the different vehicles. So they got it onto the production line because they don't have the parts. So it's not specific to Arlington Ridge. That specific vehicle is called a Umax vehicle. They have not been able to produce any Umax vehicles for months because they don't have the parts. I would be more concerned if they didn't provide us with a temporary cart to use until we get the permanent one. Right now, we've been told August is when it will be produced. I'm not going to sit here and guarantee when you will receive it.

Mr. Craddock: I think we heard that in March.

Mr. Fox: That's what we have been told.

Mr. Craddock: Where has our money been spent when we approved it in January? Have we paid them anything?

Mr. Fox: No. The lease documents have been finalized and signed, but we will not pay anything until we have signed off on the acceptance of the vehicle. So we are not out any funds for this vehicle.

Mr. Craddock: Okay. That's good.

Ms. Murphy: I have a question about the differences between the rental vehicle we have now and the new one that's coming in. Christina has a cooler of ice on the floor of the cart. Is the new cart going to be able to have everything inside of the cart itself or is she still going to have to be dragging coolers around?

Mr. Fox: With how we anticipate setting it up, there will be space for the ice to be in the cart and not a separate cooler.

Mr. Craddock: Claire, my understanding with regard to the cart being purchased or leased is there will be room for snacks and sandwiches. We never got rid of the hot dog issue for right now, but there are supposed to be sandwiches on board available for adult purchase. Correct?

Mr. Fox: Yes. That is the intention. I will say that's going to be our anticipation that will be isolated to the days where the volume of play warrants it.

Mr. Craddock: Exactly. Not every day, but when there's an economic opportunity there, we will take advantage of that. That's all I had. Thank you.

Mr. Fox: Just to wrap up the General Manager's Report, we are forecasting for the end of year to make revenue close to the pre-covid budgeted amount.

ii. Approval of Tree Removal Proposal from Diversified Tree - ADDED

Mr. Fox: I provided two different quotes for some tree service to the Board. These trees are on holes #3, #5, #7 and #12. Historically, these greens have been a challenge to maintain and get healthy because of the amount of shade and roots that are very close or on the greens. So this proposal would be strictly to improve golf course conditions. We would like to remove these trees. There is a bit of a price tag, so I suggest that we start with holes #5 and #7 if possible. I reached out to four different companies and these were the only two that were able to come out and provide bids.

Mr. Craddock: Are these the low bids?

Mr. Fox: Correct. The first one is from Diversified Tree, which is the low bid.

Mr. Craddock: What about Hole #3?

Mr. Fox: That is behind the green in the shade.

Mr. Craddock: At hole #12, there are nine Oak trees. Tell me about those.

Mr. Fox: They are to the left of the cart path and are really tall trees. If you go out there and stand there at 10:00 a.m., we are not getting sunlight over there. There are also trees behind it that are not as tall, but has a similar shade issue.

Ms. Murphy: At hole #12 people usually walk their dogs. If you go out there, you can see green ribbons around the trees. Those are the ones that are marked to come down.

Mr. Craddock: The ones on hole #5, you originally marked some more trees and this is a paring down. Correct?

Mr. Fox: Correct. Only the green tagged trees are being quoted.

Mr. Bishop: This had come up two or three months ago. Emily and I drove through these areas and at time, there were some additional ones that were tagged to be removed and those are not included in this quote. They were mainly a convenience to adjacent lot owners rather than to the enhancement of the golf course. There are still a couple of these, particularly the one at Hole #3 that are between the green and the entrance and that pond. They are actually part of the entrance landscaping. I am a little concerned about removing them and what it might do to the overall entrance. To me, they are pretty far back. I can't see that they have great of an impact on the green. I think part of the beauty of the golf course are the trees. I just hate to start taking them out, unless they are impacting the maintenance of the golf course and that's another issue, but I have some trouble with this. I see some Palm trees were added too. Where did they come from?

Mr. Craddock: The golf club.

Mr. Fox: That was a donation from the Men's League before we had taken over.

Mr. Craddock: Are the ones on three to the right of the green?

Mr. Fox: The Oak trees?

Mr. Craddock: Yes.

Mr. Fox: They are directly behind where a red sign comes up over that green that is inhibiting the sunshine.

Mr. Craddock: Is that on the far side of the water?

Ms. Murphy: I think it's on the right side.

Ms. Roslin-Grimes: It's where the wall is.

Ms. Murphy: If you are standing in front of the green, it's on the right side.

Mr. Craddock: I'm trying to envision where they are.

Mr. Fox: From the fairway, they start on the right side of that left bunker, if that makes sense.

Mr. Craddock: They are a detriment to the green.

Mr. Fox: Correct. These trees are all recommended to be removed because they are inhibiting the condition of the golf course.

Mr. Bishop: Are you asking for that to come out of the General Fund or the Golf Course Fund?

Mr. Craddock: It's all the same.

Ms. Adams: This would not be a capital expense. It would be a maintenance expense, generally.

Mr. Bishop: Out of the General Fund or out of their budget?

Ms. Adams: Ultimately it's a Board policy issue. It is all the CDD. So it's a matter of which pocket are you taking it out of. This generally would be considered golf course maintenance. I don't believe that it has been accounted for with the way that the budget has been structured for the current fiscal year in the Golf Course Maintenance Budget nor has it been accounted for in the General Fund Landscape Maintenance Budget. It typically would not be considered a capital expense because it's related to landscaping.

Mr. Craddock: Does this include stump removal?

Mr. Fox: Yes, it includes stump removal.

Mr. Zimmer: In regards to a capital expense versus an operating expense, if tree removal is done for the improvement of the asset, in this case it would be done for the improvement of golf course conditions, then it would be considered to be a capital expense. The removal of a tree for safety reasons or because of overhanging branches or for the normal lifecycle, would be considered an operating expense, but in that situation with it directly related to golf course conditions and improving the golf course, our feeling is that it would be considered a capital expenditure.

Mr. Snell: I agree. I think it should be considered a capital cost.

Ms. Adams: The Board has the ability to direct staff to fund this from capital.

Mr. Snell MOVED to approve the proposal from Diversified Tree for tree removal in the amount of \$22,300 to be funded out of Capital Reserves and Mr. Craddock seconded the motion.

Mr. Snell: Is there any discussion?

Ms. Adams: Mr. Chairman, since this item was added to the agenda, it requires public comment.

Mr. Bishop: I can't support it. I'm still not convinced that they have to be removed and there's no budget of all the budgets we have to even look at to see where this money is available. So I cannot support the motion. Sorry.

Mr. Snell: Claire?

Ms. Murphy: The Capital Budget, Justin, we had to set aside money from the bond issue. Are you expecting to use all of that with the improvements to hole #16 and #5?

Mr. Fox: Yes.

Mr. Craddock: I'm not even sure that we can apply it to this because it's pretty specific in the bond what capital funds can be used for.

Ms. Adams: Correct.

Mr. Craddock: I don't think we can stray from that.

Ms. Adams: Correct.

Mr. Craddock: Personally, if it improves the playability of the golf course and improves it, it gets more people on the golf course and improves our profitability. So I'm in favor of it. I understand where you are coming from, Bill.

Mr. Snell: Are there any other comments? Hearing none, does anyone in the room want to comment? Hearing none, is there anyone on Zoom?

Ms. Eileen Heughins (Lot 673): There you are willing to approve trees when there is a safety issue on White Plains Way that is not in the budget, but you are going to approve trees that are not in the budget. What is going on here?

Mr. Snell: Eileen, as we said earlier, it's up to the developer. It's not in the Planned Unit Development (PUD). We can't go on private property to install sidewalks. Only the developer can get a change in the PUD to do that. We have our hands tied. We can't do anything about adding sidewalks on private property.

Ms. Murphy: Also, the stop sign issue is going to be taken care of with the resurfacing of the roads. The stop sign at that intersection is going to be included in the proposal.

Mr. Snell: Not at that location.

Mr. Bishop: That particular intersection was not contemplated under the approval. It's the other intersection of White Plains Way and Arlington Ridge Boulevard, which is a three-way intersection.

Mr. Snell: I think that it should be contemplated in the future and I do think there should be a stop sign, although I'm not convinced that stop signs are adhered to and people just blow through them all the time. It seems to me that the only people that stop at stop signs are pedestrians for the most part. I do think there should be a stop sign at that point because it's sometimes hard to see people coming from up and down Arlington Ridge Boulevard and I do think it's a safety issue.

Ms. Murphy: Is it possible to add that additional intersection to the proposal that we are going to be getting?

Mr. Bishop: That's not what is on floor, but it may be worth exploring.

Mr. Snell: I think it's possible to do that, but that's another discussion.

Mr. Craddock: It's a separate issue.

Mr. Snell: Yes. It's a separate issue. Is there anyone else on Zoom? I understand Eileen's concern about sidewalks. There are a few other places that have a safety issue as well that we talk about, but we can't do it on private property. I am going to do a roll call vote.

Approving the proposal from Diversified Tree for tree removal for tree removal in the amount of \$22,300 to be funded out of Capital Reserves by roll call vote:
Supervisor Murphy: Aye
Supervisor Bishop: Nay
Supervisor Craddock: Aye
Supervisor Snell: Aye
Motion Passed 3-1.

SEVENTH ORDER OF BUSINESS

Other Business

Mr. Snell: Is there any other business? Hearing none,

EIGHTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Mr. Snell: Are there any Supervisor requests?

Ms. Murphy: The only thing that I want to bring up is the spreadsheet that was put into your agenda packet. Just to give you some background, I looked the Capital Reserves and cherry picked those things that we may be faced with repairing, fixing, and replacing in the next three to five years and beyond. The spreadsheet is not all inclusive. I would hope that before our next budget meeting you would all take a look at this and add and subtract things that you may feel should come out or should be added to it, so when we have our budget workshop we can look at a long range plan for things that we are going to be faced with over the next few years. The second page is a summary of our Capital Reserve Fund. You will see in the top section those are the things that we already paid for this year. The only thing that's not on your sheet that is on mine, is I added the kiln replacement of \$3,300. That was not originally in last month's budget form, so I did add that. Emily gave me the prices on that. So the remaining balance is \$538,000, but we also have those pending projects as part of the \$370,000. Then if we do the Fairfax Roof, plus the \$52,000 addition, we are going to have \$273,000 left.

Mr. Bishop: Then there is the \$22,000 for trees.

Ms. Murphy: All that we are looking at minus the \$52,000 that we are probably going to have to pay for the roof. I'm hoping that everyone will spend a lot of time seriously thinking about this before the budget workshop to how we are going to approach this. At the May meeting, I mentioned that we probably have three different options. We can let this go and repair them as needed. I don't see that as a viable option because if we have a major expense at three for four buildings and it's paid for out of our Reserve Funds, we may be faced with closing buildings because it is not safe for people to go in them. Therefore, I don't think that's a viable option. Another option would be increasing the O&M on a year-to-year basis to cover whatever we decide is going to have to be done the following year. As a third option, we can look at bonding. We received some information on repurposing that initial bond at the last meeting. It may be a time to look at deciding whether to increase that dollar amount so we can have the additional monies and pay for all of these things that are going to be coming up in the next one to five years. I did ask Tricia to get some information back to us. Resident A has both the initial bond and the golf course bond that they are still paying on. Resident B has just the initial bond, but the golf course bond is paid. Resident C has both bonds paid. How would the repurposing of that original bond affect them financially? What will happen to that original annual payment? I'm sure that at a reduced interest

rate, the initial annual payment on that initial bond would go down, but they would be faced with a new dollar amount. I'm waiting for Tricia.

Ms. Adams: I just need direction from the Board in terms of the amount of bond that the Board is considering.

Ms. Murphy: I just threw out \$2 million as a starting point. At this point, it's really hard to tell. I think \$2 million gives us a good starting point. If we reduce it to \$1 million, we know the impact on residents will be less. That gives us a good starting point.

Mr. Snell: It's just as easy to do \$2 million and \$3 million or \$1.5 million, \$2 million and \$3 million. Once you get the spreadsheet in, you just plug in the numbers.

Ms. Adams: It will be the Bond Underwriter, Sete. Are you saying \$2 million and \$3 million?

Ms. Murphy: The last bond we had from Sete was \$500,000, I think.

Ms. Adams: Right. We don't have anything for \$2 million or \$3 million.

Ms. Murphy: That was the talk that she had given us, but she didn't say what the impact would be per resident.

Ms. Adams: Right, but we can calculate that.

Mr. Craddock: I wasn't here for that meeting, but my understanding from reading the minutes of the last meeting, whether we repurpose the loan, those people are going to benefit because those folks have not paid it off. The CDD receives no benefit from it other than we can tag along in a refinancing.

Ms. Murphy: If we just repurpose the balance of the bond, then we get nothing, but if we repurpose the bond and we request an additional \$500,000, then the Board would have the \$500,000 to put into the Capital Reserve.

Mr. Craddock: Why couldn't we do that as separate entities? Maybe people who have not paid off their bond, let them benefit from the refinancing and we have a separate bond. There are two different ideas here. Let them benefit from better interest rates. We can choose to do a bond for whatever amount we want to raise.

Mr. Bishop: Then we are going to have double closing costs, if you will.

Ms. Adams: For the Cost of Issuance (COI).

Ms. Murphy: Then the CDD Board would be paying all of the expenses to reduce their annual payment for those that haven't paid off their initial bond.

Ms. Adams: It's built into the COI. Then there wouldn't be any out-of-pocket expenses for the District if you decide just to go with the 2006 refunding and reduce the assessment level.

Mr. Craddock: Personally I would rather see a staggered increase on O&M. To me that makes a lot more sense than going through a refinancing of the bond. You already had two bonds. I don't want a third bond.

Mr. Snell: If you stagger the cost with O&M without running the numbers, there is going to be more cost to the residents than if we do it in a bond because of having to cover a large amount of money each year by an increase. Then every year, you are hit with something new. Every year you are increasing their assessment and frankly as a resident, I don't like that.

Mr. Craddock: What if we do it as a bond, Terry? I understand where you are coming from. If we do it as a bond, you are going to a fixed rate for the duration of the bond. Also, every resident's costs are going to go up. That's no different than O&M.

Mr. Snell: As you increase per year, it is going to be more than if you do a bond. I think that shows if you run the numbers. I haven't done that exactly, but in looking at a financing like that in the past, that's been the case. Secondly, that's why a CDD was developed so that the CDD can do a bond and spread the cost out that way.

Mr. Bishop: Why a CDD was developed is so the developer can sell bonds and the residents pay for it.

Mr. Snell: Bill, that's not correct. Chapter 190 provides for the CDD to be able to issue bonds. That was part of the purpose.

Mr. Bishop: That's why the legislature created a CDD after pushing of developers, so he can charge the buyers of the lots for the infrastructure. That is a different conversation. To Roy's point, if we had to increase the O&M budget \$100 every year per resident, all they are paying is \$100 directly to the CDD.

Mr. Craddock: Not for the next 15 years.

Ms. Bishop: If we raise money through bonding, there is roughly a 20% and if you look at what was paid for the golf course, it was higher than 2. The cost of financing is paid upfront. How many residents write a check the next day to pay off that bond. They got ripped off because of the issuance of that bond. In my view, the way to do it is to properly budget at a proper reserve or placement to set aside for these roofs 10 or 12 years from now. I'm not in favor of all of bonding.

You pay for it through the Tax Bill. You are still paying for it and you are paying a handsome penalty for bonds.

Mr. Craddock: And the beauty of the O&M is that if we are five years down the road and say, "We don't need that much money," we can cut the O&M, if you want to.

Mr. Bishop: Either that or put it in the bank. Save up the money and have it when we need it. I think this is a discussion for the budget workshop. I think it's worth the exercise to find out what the bonds would cost. We already have the \$500,000 number and you said off the top of your head it's \$2 million. How about if we come back with a number in the middle like \$1 million? So it will be \$500,000, \$1 million and \$2 million.

Ms. Adams: I believe just for comparison purposes, another Board Member requested \$3 million as well. So it will be \$1 million, \$2 million and \$3 million. Is that correct?

Mr. Snell: I wasn't requesting \$3 million.

Mr. Craddock: I want to see what it is going to cost us.

Mr. Snell: Okay.

Ms. Murphy: I think that will give us a really good basis to sit down and come up with a plan, try to figure out on this list what really needs to be done and what we can push off over two years and three years. If we wait and just do things as needed, we are never going to have enough money to do what is needed.

Mr. Bishop: If we budget for it, we will.

Ms. Murphy: But we will have to raise O&M,

Mr. Bishop: So.

Mr. Craddock: Raise O&M.

Ms. Murphy: That's what I mean. We need to come up with a one year, three year and five-year plan. Because right now we are flying by the seat of our pants and money is going out way faster than it is coming in.

Mr. Craddock: We are spiraling down. Right now, with the upcoming fiscal year, we are limited to the agreement for the O&M increase that you guys agreed on at the May meeting. Correct?

Ms. Murphy: Correct.

Ms. Adams: That is correct, Supervisor Craddock. The amount that was approved in the Proposed Budget for Fiscal Year 2022 for the per unit gross assessment is \$1,884.71. For your current fiscal year, it is \$1,792.54. So the increase per unit for the year is \$92.17.

Ms. Murphy: Not one penny of the increase is going into the Reserve Fund. It is all going into line items.

Ms. Adams: No. The reason for the increase was to be to contribute to the Capital Reserve Fund.

Ms. Murphy: But we are contributing \$120,000, which is what we did this year. So there's no increase.

Mr. Bishop: Not unless we amend the budget and go over some of these expense items.

Mr. Snell: I think we need to take a look at that as well. This was a good discussion. I want to make one point. My opinion is if the Legislature had not intended for a CDD to issue bonds in the future, whatever their reason for doing it to start with, they would have limited it to the original developer. So their intent was for a CDD to be able to issue bonds.

Mr. Craddock: I agree with you, Terry, but I don't see how we can buy a new cart and it's cheaper to pay with cash than it is to finance it.

Mr. Snell: I would like to see an economic analysis of it. My opinion is not always right and my thought process is not always right. So let's see what the difference would be to increase O&M each year to cover this and build up a fund and how much we need to build it up to. Because as Claire said, \$2 million was an arbitrary number. I think we need to take a look at the capital projects that need to be done and include in that, some of the things that residents are asking us to do like the stop sign issue. One project that I'm asking to do is by the back gate. I don't know if you're aware of this, but I came in there the other day and somebody was coming down White Plains Way on a golf cart. I turned left onto White Plains Way and I probably missed him by inches because he was barreling down and went through the back side of the stop sign. It's an accident waiting to happen and a dangerous situation in my opinion. We are close to the end of construction. As of the other day, 14 houses had not closed. We will be done with the construction before they close. I think the villas are moving along now that they have some windows, but we need to take a hard look and do some better financial planning. We've had a couple of surprises this and we don't need that.

Mr. Craddock: There are some issues that are not in our budget and I foresee that we are going to have some capital expenditures going on. One item is security. Security is not free. The residents are very concerned about the security at Arlington Ridge, particularly around the back gate. We have a Long Range Plan. I had conversations with Mr. Harold Sechler of the HOA and I'm going to meet with him and the entire HOA Board to discuss what has to be required for us to take possession of that back gate. I think that's the right thing to do. If we are going to do things to secure the back gate, we are going to have to step up.

Mr. Snell: Are you meeting with them at a Board meeting?

Mr. Craddock: It's an open Sunshine meeting.

Ms. Adams: Staff would recommend in an abundance of caution if there's more than one Board Member from the CDD in attendance, that the other Board Members leave the room.

Mr. Snell: We had already talked about having that meeting as a joint HOA and CDD Board meeting so that the entire Board could be included in that discussion at a duly noticed public meeting. And I think that's what we need to do. We need to have it so that every Board Member has an opportunity to provide their input. I'm in favor of doing that, but we need every Board Member to have the ability to be there and speak.

Mr. Bishop: I think we talked about doing that at the September Board meeting.

Mr. Craddock: That's two months from now. I just want to get the ball rolling and to tell the HOA Board what we are thinking about and consider it so when they show up at the September meeting, they will be better apprised of what we would like to do and what the opportunities are. That's the only purpose of that conversation. If you don't want me to meet with them, I won't,

Mr. Snell: Roy, I asked you not to have it because that precludes any other Board Member from being able to attend as a resident.

Mr. Craddock: You tasked me with security and I was trying to be proactive. If that's not your desire, I won't do it.

Mr. Snell: I appreciate that and understand where you are going. I wanted to attend that Board meeting and if you have that discussion, I can't go. As a resident, I don't want to see that happen to Bill or Claire either.

Mr. Bishop: Apparently it's a moot point if it's not on their agenda. Are we ready to move on?

Mr. Craddock: It's not going to happen.

Mr. Snell: Yes.

Mr. Bishop: Back to the stop sign issue, if we wanted to include that and the other things we are talking about, we need to act on that today so that we can give direction to the engineer to add another stop sign and stop bars.

Mr. Snell: I agree.

Mr. Bishop MOVED to add the intersection of White Plains Way and Arlington Ridge Boulevard to the Scope of Work for stop signs and pavement maintenance and Mr. Snell seconded the motion.

Mr. Craddock: What is the cost?

Mr. Bishop: A stop sign and stop bars should be \$2,000.

Ms. Murphy: A three way stop at White Plains Way and Arlington Ridge Boulevard is \$2,250.

Ms. Roslin-Grimes: But that includes just one stop sign being added so it might be double that price.

Ms. Adams: These are rough estimates.

Mr. Bishop: Just add it up to a cost of \$2,500.

Mr. Craddock: Does that include striping?

Mr. Bishop: It would have to.

Mr. Snell: If adding one stop sign and striping is \$2,200, I don't think that's quite enough. Maybe the big deal is striping, but you have four streets instead of three to stripe. So could we limit it to \$3,000?

Ms. Adams: Just to clarify, I believe Supervisor Bishop's motion is to add that to the scope that is going out for proposals.

Mr. Craddock: Right.

Mr. Snell: That's sufficient.

Ms. Murphy: So we don't have to set a price.

Ms. Adams: No.

Mr. Snell: Is there any further discussion?

Ms. Adams: I'm sorry, but we need to ask for public comments because this item is not on the agenda.

Mr. Snell: Does anybody in the room have any comments?

Ms. Christine Suslowicz (Lot 566): Are you going to add it to your proposal to find out what the cost to put the additional stop signs in?

Ms. Adams: We are adding it to the scope.

Ms. Suslowicz: Thank you. I ride my bike and it's not just the golf carts and cars, it's the trucks like FedEx. They just fly. Just keep that in mind.

Mr. Snell: Thank you. Is there anyone else in the audience? Hearing none, is there anyone on Zoom?

Mr. Tony Iannone (Lot 174): Yes. I just wanted to comment about earlier discussion about the roofing contract.

Mr. Snell: Tony, please hold your comment until after the motion.

On VOICE VOTE with all in favor adding the intersection of White Plains Way and Arlington Ridge Boulevard to the Scope of Work for stop signs and pavement maintenance was approved.

Mr. Snell: Tony, thank you for your patience. Please go ahead.

Mr. Iannone: For the roof, the original company's bid was announced at a public meeting and now this other guy is going to come in with a bid in the next week or so. That sure sounds hokey. If the guy couldn't get his bid in right away, then he shouldn't be in the bidding. It just isn't fair.

Mr. Snell: Are there any other Supervisor Requests?

Mr. Bishop: I was asked by a resident to bring this up. He has an extensive background in real estate. I almost hate to mention it, but it has to do with the Sales Center. His concern is at the present time, we have lost all control over the situation. If they go out to the market and find a buyer, they can close and it's all done and we don't know anything about it. His suggestion is that we approach FLC with the idea of a written First Right of Refusal and they go out in the open market. If they find a buyer, then they would have to come back to us and we would have the opportunity to match that contract. Then we would know who the buyer is. So we would have some input in the situation and if we don't like who our neighbor is going to be, then we could buy the building if we wanted to. I know that the motion at the last meeting was pretty emphatic and cut off any further conversation, so I didn't want to do anything further without coming back to

the Board and asking if there was any interest in approaching them strictly on the First Right of Refusal basis.

Mr. Snell: Jennifer, didn't we do that on the golf course?

Ms. Kilinski: Yes.

Mr. Snell: Did you want to make a motion to get that First Right of Refusal?

Mr. Craddock: Before you do that, let me ask a couple of questions. How do you know that FLC's buddy out there isn't going to make an offer? We have no backing behind it. Is it a signed offer and if we don't exercise our First Right of Refusal, is he then required to purchase it? I don't think so.

Mr. Snell: That's a question for Jennifer.

Ms. Kilinski: Just because somebody makes an offer, it doesn't mean that they are necessarily going to close. It does mean that we have the ability to move forward and consider the offer. You can always deny it.

Mr. Craddock: If they make an offer and back out, there's no retribution on them.

Ms. Kilinski: No. In First Right of Refusal situations, we have the ability to match it and move forward. I will send what I sent on the golf course it that would be helpful.

Mr. Craddock: I think it would be helpful to read it and understand what the verbiage says. Honestly, I think the golf course would have a different situation. It really significantly impacted every resident in this community as to the future salability of their homes. I'm not sure if the FLC sales office is of the same degree of importance.

Mr. Snell: I don't think it's the same degree of importance as the golf course. However, to have a memorandum that gives us the opportunity to match or decline, I think is in our best interest so we can make an informed decision instead of just making a decision with no information. So Bill do you want to make that motion?

Mr. Bishop: Since I will probably be the liaison, I would ready not want to make the motion.

Ms. Murphy MOVED to authorize Supervisor Bishop to determine FLC's willingness to First Right of Refusal for purchase of the Sales Center and Mr. Snell seconded the motion.
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Mr. Snell: Is there any discussion?

Mr. Craddock: I agree where you are coming from, Bill and it makes sense, but I'm not sure that I have a lot of faith in that. If I was selling a similar property, I would sign. There's no room repercussion. I have an issue with that. Shouldn't it be a real offer?

Mr. Bishop: It has to be a legitimate offer.

Mr. Snell: Jennifer, can you answer how we would know whether or not it's a legitimate offer? I think that's a valid question.

Ms. Kilinski: I was trying to look through my computer to see exactly how we structured the last one. My recollection was it had language in there that required them to produce the offer with some supporting documents, information, qualifications of the individual that was making the offer, that sort of thing. I am thinking about the public records aspect. My recollection is we built in some language about how that information was to be transmitted. I am hearing what the Board is requesting. You don't want it to be a fly by night sort of related entity that's making an offer and pressing the District into making a decision. I am confident we can build in language that gives comfort that it has to be an offer that is proven up. Including a letter of credit from a bank. There are certain banking regulations where that would be a big "no-no," so I think we can get there on the structure if that's the Board's direction.

Mr. Craddock: I would feel a lot more comfortable with that.

Mr. Snell: It doesn't tie us up buying the Sales Office. It makes no obligation to us to follow through on that First Right of Refusal except that we have to do it one way or the other. We have to either match it or back out again. In my opinion, it gives us better information on what it would cost us. I still have not made up my mind that we should buy it because there's too much information out there that I don't have.

Mr. Craddock: Exactly.

Mr. Snell: I don't know what the condition of that building is and whether or not we would have to do any repairs.

Mr. Craddock: What is the purpose of it?

Mr. Snell: Let me finish. Without that, I can't vote to buy it. I think there is a lot of benefit to buying it, but I think there are some downsides. You are right. If we don't know the condition, we certainly can't know what it would cost to repurpose it. Bill, you point out once before that if we move the administration building over there, we don't know the cost to repurpose that. In my mind, until I have the cost to buy it, I don't want to spending time on those other costs, because may be

the deal breaker, easily. There would be a timeframe of when we would actually have to say “yay” or “nay.” That needs to be in there, Jennifer.

Ms. Kilinski: Absolutely.

Mr. Bishop: This isn’t a decision today to buy it or not. It’s just to protect ourselves. If the motion were approved, I would certainly not go to them without having the input from Jennifer as far as the document so we can talk about and make sure that all of these bases are covered.

Mr. Snell: I think that’s a good approach.

Mr. Bishop: It doesn’t hurt.

Mr. Snell: I’m going to open this up to public comment.

Ms. Adams: That’s good because it wasn’t on the agenda.

Mr. Snell: Does anyone in the room have any comment? Hearing none, we have to people via Zoom. The first is Mr. Mike Ryan.

Mr. Mike Ryan (Lot 586): Good afternoon everybody. As Bill mentioned, at the last meeting, one of the main determinants of the price is the time on the market. The longer it is on the market, the better price you can get. So this kind of solves that problem. They have to market the property and we get a chance to see what kind of activity, which I think is very advantageous to the Board.

Mr. Snell: Thank you, Mike. Who else is on the line?

Mr. John S (Lot 974): It is interesting that you had an option on the golf course, but the golf course had a purpose and everybody knew what it was intended for. When I listened at the last meeting, I would love to have that the Sales Office as part of our ownership. The big question is, what is the purpose. We have to have a viable purpose before you can even consider the First Right of Refusal. Without a purpose, it’s going nowhere. That’s really all I have.

Mr. Snell: Thank you, John. Point taken. Anybody else? Hearing none,

On VOICE VOTE with all in favor authorizing Supervisor Bishop to determine FLC’s willingness to First Right of Refusal for purchase of the Sales Center was approved.

Mr. Snell: You still have the floor, Bill.

Mr. Bishop: I’m done.

Mr. Snell: Claire?

Ms. Murphy: No comments.

Mr. Snell: Roy?

Mr. Craddock: I'm good.

Ms. Adams: Mr. Chairman, may I get one clarification from the Board Members before we move on to public comments?

Mr. Snell: You certainly may.

Ms. Adams: As far as the agenda for the budget workshop, does the Board only want to review and discuss the Proposed Budget or do you want to review and discuss the Proposed Budget plus bond financing?

Mr. Snell: It is unanimous for both.

Ms. Adams: Thank you.

Mr. Bishop: And other financing options.

Mr. Snell: Yes.

Ms. Murphy: Right. Other financing options, not just the bond like raising the O&M.

Ms. Adams: I'm just getting clarification for the purpose of what you want to see on the agenda for this workshop.

Mr. Craddock: I think raising O&M assessments should be considered for this year.

Mr. Snell: This year we are locked in, but I understand what Roy is saying. We need to look at future years as well. I have a request, which stems from Roy. Did you just see what the cap was when the minutes came out?

Mr. Craddock: Yes.

Mr. Snell: I request that when a Board Member is not here, staff gets with that Board Member to bring them up to date on key things that were discussed at that meeting. Roy was sitting out there from May until last week not knowing what that cap was.

Ms. Adams: Yes. I can provide summary notes and Board actions. I will also send a copy of the Zoom recording to him.

Mr. Snell: Thank you. I'm sorry that you didn't know about it beforehand.

Ms. Murphy: Do you have a copy of the preliminary budget?

Ms. Adams: It's posted on the Arlington Ridge CDD website and was included in the agenda packet.

Mr. Snell: It was on the last page of the agenda package, but he was not here. So it was late July when we finally received it. Are there any audience comments and questions?

Mr. Bill Middlemiss (Lot 513): I will make this quick. The other afternoon, we had a brief meeting out here, due to the weather. We had 40 to 50 residents there. I would like to thank everyone for coming. Mr. Jim Brown was there and made a presentation. The reason that I'm standing here now is about the safety and security of the community to keep the meeting that you are going to have moving along. We are scheduling another one for the evening in August and would ask that we have approval to use some interior space.

Mr. Snell: Bill, I was very concerned about you guys out there when there was lightning. I almost went out to tell you to reach out to Emily to get an interior space, but by that time you had broken up. So get with Emily and Kelly and they will work with you to get an open space where you won't interfere with some event. You can reserve a room as a resident. I have a second request. If you have good suggestions, bring those to the Board. Preferably submit them to Emily so she can present them to the Board. I looked at your post on Facebook and I think that there are some good suggestions.

Mr. Middlemiss: I think there are some good suggestions. I will do that either today or tomorrow.

Mr. Snell: We are not done working on security. Emily is working on some things for us as well. Thank you, Bill. Is there anyone else who would like to speak? Is there anyone on Zoom? I am told that we have Mr. Mike Ryan.

Mr. Ryan: Again, good afternoon. Aren't we closing the barn door after the horse has already gone out with having a workshop? Why are we having a workshop when you can only lower the assessment? You can't raise it. So nothing you do at the workshop will solve anything. From what I understand, an amended agenda was sent out and I went to the website, but no amended agenda was posted. There were exhibits such as roofing prices. I'm looking at the website right now and it has the same agenda that was published. If it is in the Supervisor's hands, it should be posted to the website.

Mr. Snell: Okay thanks. Point well taken. Tricia, Emily and I can discuss that offline. As far as the workshop on the budget, I think there is more to look at than just this budget. That is the beginning of doing some better financial planning. For me, it's an absolute must to do it.

Mr. Bishop: Also, I think we need to go over the budget line item by line item to make sure that it is what we want it to be. I think we could make some tweaks there and maybe get some more money into the Capital Reserve Funding.

Ms. Murphy: I agree.

Mr. Snell: Are there any other comments or questions from anyone on Zoom? Hearing none, I entertain a motion to adjourn.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Murphy seconded by Mr. Craddock with all in favor the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman