

**MINUTES OF CONTINUED MEETING
ARLINGTON RIDGE COMMUNITY DEVELOPMENT DISTRICT**

The recessed meeting of January 10, 2022, of the Board of Supervisors of the Arlington Ridge Community Development District was reconvened on Monday, January 14, 2022, at 10:00 a.m., at Fairfax Hall, 4475 Arlington Ridge Boulevard, Leesburg, Florida and via Zoom video conferencing.

Present and constituting a quorum were:

Bill Middlemiss	Chairman
Claire Murphy	Vice Chairman
Jim Piersall	Assistant Secretary
Bob Hoover	Supervisor-Appointed
Steve Braun	Supervisor-Appointed

Also present were:

Tricia Adams	District Manager
Lindsay Whelan (<i>via Zoom</i>)	District Counsel
Emily Roslin-Grimes	GMS Community Director
Donise Streit	HOA Manager
Angel Montagna	Inframark
Julie Yevich	Inframark
Chris Tarase (<i>via Zoom</i>)	Inframark
Residents (<i>Present and on Zoom</i>)	

The following is a summary of the discussions and actions taken at the January 14, 2022 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Middlemiss called the meeting to order at 10:00 a.m. and Ms. Adams called the roll. All Supervisors were present.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period

Resident (Howard Sechler, Lot 301), President of the HOA, resented a remark from a CDD Board Member that the members of the HOA Board were “*softball players.*” They were elected members, just like the CDD Board and had an important role to play in the community. The Board Member should have been reprimanded immediately for their remarks being out of order. The HOA and CDD Boards work together in their fiduciary responsibilities to the Arlington Ridge (AR) community. Mr. Middlemiss apologized on behalf of the CDD Board. They were all equal

and have to work together for the community. Resident (Tony Iannone, Lot 174) asked when the builder was going to be required to remove the billboard up front as the builder sold their homes and it was not on CDD property. He asked if they must have the kitchen open or serve food to keep the tavern open under their new liquor license. Mr. Middlemiss stated the Board would be discussing those items at the January 20 meeting.

FOURTH ORDER OF BUSINESS

Business Items

A. Consideration of Management Services Master Agreement with Inframark

Discussion ensued and Ms. Murphy addressed the following:

- Requested clarification of Section 2.5 for performing water and wastewater utility management, customer service, utility billing and operation and maintenance (O&M) services under a separate agreement. *Ms. Whelan explained that Inframark, under Severn Trent Services, as a water and wastewater utility management provider, would not be providing those services to the District. The City of Leesburg owned and operated the District's utility services.*
- Asked under Section 3.4 if only one Board Member could speak to the District Managers. *Ms. Whelan explained that the Board acted as one body but created separate areas of expertise. That Supervisor will be giving direction to the District and Amenity Managers.*
- Noted under Section 4.3, attendance of meetings was based on 12 meetings per year of up to two hours in duration, but under, "Additional Services," it was based on three-hour meetings. *Ms. Whelan stated this was an oversight and would change 'two hours' to 'three hours' as reflected in the RFP.*
- Asked under Section 5.3, if they had an ongoing project, if Supervisors could individually speak to the contractors to provide instruction or direction. *Ms. Whelan recommended they not do that as it was confusing to the contractors. Under this provision, if the Board directed the management company to do something and they followed that direction, the Board could not hold them liable.*
- Questioned the staff assignments under Section A. *Ms. Whelan stated Ms. Julie Yevich would be Community Director and Ms. Angel Montagna would serve as District Manager. They were in the process of hiring someone to serve as Resident Services Coordinator, Activities Coordinator and a maintenance person.*

Mr. Hoover addressed the following:

- Requested page numbers in the agreement and questioned why the term was for one year under Section 1.1 with an automatic second year and no mention of a third year if the RFP was for three years. *Ms. Whelan explained that their contracts were indefinite in term until the Board or vendor executes the termination provisions of the contract. Three-year pricing was requested in the RFP as a tool to select the vendor and any price adjustments would be included in the budget for the upcoming year. Mr. Braun assumed as soon as the contract ended, it renewed automatically with no notice or intent to renew. Ms. Montagna stated this was standard in the industry and the way that the agreement with GMS was structured, but if the Board wanted to terminate at any time, they could provide notice.*
- Questioned the copy charges and whether it was for their corporate office or onsite. *Ms. Montagna understood that the copy charges were for printed agendas. Mr. Hoover requested a cost estimate for printed agenda packages for their first meeting with Inframark. Ms. Montagna would provide and offer iPads to Board Members for digital agendas.*

Mr. Piersall noted under Section 6.1 that Inframark carried \$1 million in general liability insurance and asked if there was an additional policy. *Ms. Montagna stated that Inframark carries \$1 million in commercial and general liability insurance and \$2 million in professional liability insurance.*

Mr. Braun addressed the following:

- Requested the agreement say that the District would pay a pro-rated amount of the District management fee of \$53,050 and pointed out if the employees were not stated in the agreement, it was not binding. *Ms. Montagna stated that Amenity services of \$194,700 on the Schedule B Rate Schedule included amenity staff. Ms. Whelan would include the Community Director and Resident Coordinator salaries separately broken out in the agreement. Mr. Tarase noted that Inframark would not charge for any services they were not providing and the amount for January would be the pro-rated District management cost and having a Community Director onsite effective Monday through the end of the month.*
- Voiced concern that if the budgeted amount was different than the annual amount, the District was obligated to pay the budgeted amount as reflected under Section 4.2. *Ms. Montagna and Mr. Tarase explained during the budget process, if there*

was an increase in the contract, that amount would go into the District's budget and the District would be billed that amount on October 1.

- Stated under Section 4.2, there would be 12 meetings, including an annual meeting and a budget meeting. *Ms. Montagna confirmed that there were 13 meetings, including a budget workshop and any additional meetings would be \$125 per hour. Ms. Whelan would remove "annual meeting" from the contract.*
- Requested under Section 10.12 that notice be provided to the Chairman and that minutes be in summary form. *There was Board consensus with having summary minutes.*
- Noted a provision under Section 4.7 to provide 30 days' notice to the Board if they charged miscellaneous fees and had a 90-day termination. *Mr. Tarase clarified that they had the opportunity to charge fees, but it would be bad business to do so. Ms. Whelan indicated termination for any reason upon 90 days' notice.*

Mr. Middlemiss requested a stipulation on the number of times Inframark raised their fees.

Ms. Murphy made a MOTION to approve the Management Services Master Agreement with Inframark, as amended.
Mr. Hoover seconded the motion.

At Mr. Middlemiss's request, Ms. Whelan noted the following changes:

1. Non-substantive tweaks for clarification.
2. Under 1.1, "*Full billing commencing once amenity/field staffing is complete*" was stricken to add language addressing that under the billing section.
3. Under 4.1, there would be clarification that any pro-rated amount for January was for District management services.
4. Under 4.2, "*Notwithstanding any of the payment provisions, the District will not be billed for positions that remain unfilled by Inframark, but if provisions were filled by mid-month, they may be pro-rated*" was added.
5. Under 4.3, "*Annual Meeting*" was stricken as there would be 12 meetings plus a budget meeting for a total of 13 meetings per year. The hours per meeting were revised from "*2 hours*" to "*3 hours.*"
6. Under 10.12, "*Attn: Board of Supervisors*" for "*Arlington Ridge CDD*" was added.
7. Under *Administrative Tasks and Scope*, the requirement for verbatim minutes was stricken and "*Minutes can be either summary or verbatim at the direction of the Board*" was added.

8. Under Schedule B, Inframark would provide pricing to break out amenity services positions by employee type.

Upon VOICE VOTE, with all in favor, unanimous approval was given to the Management Services Master Agreement with Inframark, as amended.

Mr. Braun explained that he voted aye because the contract was only as good as the good faith of the parties, even though there were items that troubled him. For the record, irrespective of the agreement, Ms. Adams noted regarding a new Florida Law regarding Special Districts reporting on stormwater and wastewater systems that they own and operate. The District owned and operated a private lift station (wastewater system) on the golf course restroom near Highway 27 that was acquired when the golf club was acquired in 2019.

B. Consideration of Resolution 2022-13 Designating Officers of the District and Providing for an Effective Date

Ms. Whelan read Resolution 2022-13 into the record by title.

Ms. Whelan stated in order to start the process of setting up new bank accounts through Inframark, the Board must designate a Secretary and Treasurer from Inframark. Existing GMS employees would serve until February 1, 2022.

On MOTION by Mr. Braun, seconded by Ms. Murphy, with all in favor, unanimous approval was given to Resolution 2022-13 appointing Ms. Montagna as Secretary and Mr. Stephen Bloom as Treasurer, effective February 1, 2022.

C. Consideration of Resolution 2022-14 Designating Authorization and Actions Relating to the Accounts of the District

Ms. Whelan read Resolution 2022-14 into the record by title.

Ms. Whelan stated in order to open the bank accounts and have authorized signers, Resolution 2022-14 must be adopted, authorizing Ms. Montagna and Mr. Bloom. The GMS accounts would remain outstanding until February 1, 2022, at which time, GMS would prepare a check and send to Inframark with all of the funds. Once Inframark processes the check, the GMS account would be closed. Ms. Murphy asked if there were any invested District assets. Ms. Adams stated the District had a State Board of Administration account, but no CDs.

On MOTION by Mr. Braun, seconded by Ms. Murphy, with all in favor, unanimous approval was given to Resolution 2022-14 designating Ms. Montagna and Mr. Bloom as authorized signers.

D. Consideration of Resolution 2022-15 Appointing and Fixing the Compensation of the District Manager

Ms. Whelan read Resolution 2022-15 into the record by title.

Ms. Whelan stated GMS would remain as District Manager until February 1, 2022. Resolution 2022-15 approved Inframark as District Manager effective February 1, 2022. Once the agreement was in final form, this resolution would be attached as Exhibit A. Discussion ensued.

On MOTION by Ms. Murphy, seconded by Mr. Hoover, with all in favor, unanimous approval was given to Resolution 2022-15 designating Ms. Montagna and Mr. Bloom as authorized signers.

FIFTH ORDER OF BUSINESS

Other Business

Ms. Adams requested clarification from the Board regarding the minutes for the January 20 meeting. There was Board consensus to allow for the preparation of summary minutes.

SIXTH ORDER OF BUSINESS

Supervisor Requests, Audience Questions and Comments

Supervisor Requests

Mr. Piersall apologized to the HOA for his comments. His intent was not to discount anything that the HOA does. It was to emphasize the compliance standards and the State mandated compliance that the CDD has to go through between tax exemptions, dissemination services and all infrastructure. In his opinion, the HOA did a great job. Mr. Braun asked if their records were on a server owned by the District. Ms. Adams stated the District pays for the records management, which GMS manages and all paper records, digital records and other District assets would be transmitted to Inframark. Ms. Montagna confirmed the records would be uploaded to their system.

Audience Comments

Resident (Howard Sechler, Lot 301) hoped during the transition period that GMS personnel continued to offer all services and bookings and extend all courtesies to Inframark. Resident (Mike Ryan, Lot 397) hoped that the GMS fee for January was held until the transition was complete. Resident (Linda Blackburn, Lot 468) has been in the insurance industry for 49 years and recommended at least a \$5 million limit for liability insurance with \$1 million base policy and a \$4 million excess liability policy for the new District Manager. Resident (Marty Miller, Lot 268) requested page numbers on the agendas and for monthly financials to be provided in Excel. Ms. Montagna would discuss internally. Resident (Tony Iannone, Lot 174) asked if the District would be charged an hourly rate for continued meetings or were included with the 13 meetings. Ms. Montagna stated it would be included as part of the original meeting.

SEVENTH ORDER OF BUSINESS

**Next Meeting Date – January 20, 2022, at
2:00 P.M.**

Mr. Middlemiss stated the next meeting is January 20, 2022, at 2:00 p.m.

EIGHTH ORDER OF BUSINESS

Adjournment

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

Secretary/Assistant Secretary

Chairman/Vice Chairman