

**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, January 20, 2022, at 2:00 p.m., at Fairfax Hall, 4475 Arlington Ridge Boulevard, Leesburg, Florida.

Present and constituting a quorum were:

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

Also present, either in person or via communication media technology, were:

Tricia Adams	District Manager
Lindsay Whelan	District Counsel
Jacob Bloodworth	Floralawn
Justin Fox	Indigo Sports
Donise Streit	HOA
Angel Montagna	Inframark
Emily Roslin-Grimes	GMS Community Director
Julie Yevich	Inframark
Dan Zimmer	Indigo Sports
Residents and Members of the Public	

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

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order at 2:00 p.m.

Ms. Adams called the roll and indicated a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period

A Resident (Dan Balla, Lot 383) voiced concern about continual losses in the restaurant not being addressed. Last year's total revenue was \$737,000 and total expenditures were \$967,000, for an operating loss of \$230,000; however, there was a transfer from the general fund of \$142,000, which provided a loss of \$87,000. He suggested that the Board talk to residents in community as many were restauraners.

Transition Update

Mr. Middlemiss requested that GMS and Inframark comment on the status of the current transition. Ms. Adams reported that the transition process started for District management and amenity management services. Inframark staff was onsite interfacing with staff regarding the operation of the access control system and other District equipment. They were planning for a smooth transition on January 31, 2022, at which time Inframark would have access to all software and accounts. They were in the process of ensuring that the vendor list for Arlington Ridge and the facility maintenance checklist were up to date and bills were paid in a timely fashion. There was a message at the top of the website regarding the domain change and the posting of today’s agenda packet. There was an effort to clean up the website to remove anything from 2019 or earlier, so there was 2020, 2021, and 2022 current information.

Ms. Murphy requested the movie license be included on the list so it could be renewed when it expired in January, 2023. Ms. Adams stated that there was a separate document for all licenses that the District maintains for operating the restaurant, golf course, pools, massage room, and nail salon, as well as the copyright licenses for music. Ms. Montagna noted that they have three resolutions to open bank accounts for the transfer of funds and the issuance of checks. Email addresses will be transferred on January 31. There would be no disruption in services. The transfer process was moving along smoothly.

FOURTH ORDER OF BUSINESS

Business Items

A. Consideration of Bond Requisition #6 for the Series 2019 Project

Ms. Adams reviewed bond requisition #6 for a mobilization fee charged by the vendor for tee box renovations. The fees were available in the project fund, and work was consistent with the capital improvements noted in the valuation study for the acquisition of the golf club.

Ms. Murphy made a MOTION to approve bond requisition #6 for the Series 2019 Project for tee box renovation, in the amount of \$25,485.
Mr. Piersall seconded the motion.

Mr. Piersall questioned the amount of excess funds that could be used for upgrades and repairs. Ms. Adams would verify. Mr. Piersall believed that the amount was \$170,000.

Upon VOICE VOTE, with all in favor, unanimous approval was given to bond requisition #6 for the Series 2019 Project for tee box renovation, in the amount of \$25,485.

B. Consideration of Proposals for HVAC Preventative Maintenance

Ms. Adams presented the following proposals for HVAC preventative maintenance:

1. Sun Kool: \$8,625 for two preventive maintenance visits, two line cleanings, and four filter changes.
2. Kalos: \$8,346 for two preventive maintenance visits on all equipment, two line cleanings, and two filter changes. Belt changes were included at no additional cost.

Ms. Adams indicated the architect overseeing the roof installation project for Fairfax Hall recommended Kalos, who has a good reputation and were a pleasure for staff to work with. Kalos proposed fewer visits and a discount for providing HVAC services for the entire District property. Both vendors were staffed for emergency service calls, handled commercial contracts in the area, and are qualified to perform the services.

Discussion ensued and the Board addressed the following:

Mr. Piersall preferred Kalos and questioned whether filter changes could be performed in-house. Ms. Montagna replied affirmatively.

Mr. Middlemiss asked when the current contract expired. Ms. Adams believed it expired in March. It was not time sensitive as there was a service call scheduled for tomorrow with Sun Kool.

Ms. Murphy asked why Kalos provided three different proposals versus the one that Sun Kool provided. Ms. Adams explained that Kalos provided proposals for their recommended number of visits and filter changes.

Mr. Hoover had no issue with either vendor and asked if there were any challenges. Ms. Adams felt Sun Kool was not as organized on their business end as it was a challenge to reach their customer service. According to staff, Kalos was more professional and efficient.

Mr. Braun questioned typical service hours per year as there was a \$35- per-hour difference. Ms. Roslin-Grimes would provide the number of hours to the Board. Mr. Piersall felt that Kalos receiving \$35 more per hour was justified based on their qualifications.

Ms. Murphy asked if there were times when Sun Kool returned to fix the same problem. Mr. Fox recalled that Sun Kool came out twice to fix the kitchen air conditioning. Ms. Murphy asked if they were charged twice by Sun Kool. Mr. Fox would verify. Ms. Murphy asked Inframark to provide recommendations on HVAC vendors.

Mr. Piersall made a MOTION to approve the proposal with Kalos for HVAC preventative maintenance, in the amount of \$8,346.
Ms. Murphy seconded the motion.

Mr. Hoover preferred to obtain an additional proposal. Mr. Braun wanted the service hours before voting since \$35 per hour was significant. Mr. Middlemiss agreed with obtaining a third proposal, as there is a \$3,000 increase no matter which proposal was approved, which was not budgeted.

Upon VOICE VOTE, with all against except Mr. Piersall, approval was not given to with Kalos for HVAC presentative maintenance.

This item was deferred to the March meeting for staff to obtain an additional proposal from a commercial air conditioning company.

C. Discussion Regarding Floralawn’s Use of the Golf Maintenance Area for Equipment Storage

Ms. Whelan reviewed the purchase and sale agreement for acquisition of the golf course which requires the District to provide space in the golf maintenance area for Floralawn, the HOA service provider for lawn care, and asked if the Board wanted to allow Floralawn to continue utilizing the golf maintenance area for storage. Mr. Chris Semko of Floralawn appreciated the District allowing them to utilize that area. Ms. Adams noted that the District and the HOA both utilized Floralawn and this would only be an issue if the HOA used a different service provider than the District. Ms. Whelan recommended a license agreement between the District and Floralawn, with the understanding that the HOA would not have a provision for space for their provider and providing for a short termination, if the HOA decided to go in a different direction.

Discussion ensued.

Mr. Braun made a MOTION to authorize staff to prepare a license agreement for Floralawn to use the golf maintenance area for equipment storage.
Ms. Murphy seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given to authorize staff to prepare a license agreement for Floralawn to use the golf maintenance area for equipment storage.

D. Consideration of Resolution 2022-16 Classifying Surplus Tangible Personal Property

Ms. Adams read Resolution 2022-16 into the record by title.

Ms. Adams reviewed the purchase and sale agreement, whereby the District retained two trailers in the golf maintenance area belonging to the developer. Both trailers were vacant as of December; however, some electronic and office equipment remained.

Discussion ensued regarding the ownership of the trailers by the District. Ms. Whelan offered to review the bill of sale to see if the trailers were personal property owned by the District as opposed to real property. Ms. Murphy requested tabling this matter until Ms. Whelan provided an answer to the Board and the Board could review the purchase and sale agreement.

Ms. Murphy made a MOTION to table Resolution 2022-16 classifying surplus tangible personal property until the next meeting.
Mr. Piersall seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given to table Resolution 2022-16 classifying surplus tangible personal property until the next meeting.

FIFTH ORDER OF BUSINESS

Business Administration

A. Acceptance of Minutes of the December 16, 2021 Meeting

Ms. Murphy recalled at the last meeting, requesting clarification on invoices for Allied Universal and Hopping, Green & Sams that did not match the budgeted amount. Ms. Adams emailed all Board Members after the meeting and would re-circulate the information. The discrepancy was looking at the check register for one month and the financials from a different month.

Ms. Murphy made a MOTION to accept the minutes of the December 16, 2021, meeting, as presented.
Mr. Piersall seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given to accept the minutes of the December 16, 2021, meeting, as presented.

B. Approval of Check Register

Ms. Adams noted on page 5, large transfers to the Trustee account for the Series 2006 and Series 2019 bonds. Ms. Murphy questioned a voided check for dueling pianos. Ms. Adams indicated the check was voided due to an illness. Ms. Murphy questioned an Amazon Prime charge on an invoice from Governmental Management Services. Ms. Adams explained staff purchased supplies through Amazon Prime and the account was closed. Mr. Middlemiss requested receipts for a \$806.88 invoice. Ms. Adams would provide. Mr. Middlemiss asked what meeting the District

Engineer attended that the District was charged for. Ms. Adams replied it was the November meeting to present the engineer’s report for the issuance of the Series 2021 bonds.

Ms. Murphy made a MOTION to approve the December check register, in the amount of \$478,935.28, as presented.
Mr. Hoover seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given to the December check register, in the amount of \$478,935.28, as presented.

C. Balance Sheet and Income Statement

Ms. Adams reviewed the financial statements. Ms. Murphy felt that the bottom on page 10 identifying monies spent on capital reserves on golf course or food and beverage was redundant. This was requested by a former Board member. As of January 13, the District was over 90% collected on its their assessment collections. The District’s cash position at this time was much better than in November. Ms. Murphy questioned the amount left to pay on the outstanding bonds. Ms. Adams indicated debt service payments would be made for approximately 14 more years. Mr. Middlemiss questioned the capital expenditure amount relative to the bond requisition. Ms. Adams explained it would not be listed on the capital expenditures as it was a pass-through. The revenue was received from the bond requisition. Mr. Middlemiss suggested it should not be a pass-through and a notation should be made.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Whelan reported the Inframark agreement for District and amenity management services was executed and they will take over operations as of February 1. The bill of sale for the golf course reflected all improvements that were on golf course property were conveyed to the District. Therefore, if the trailers were on golf course property when the property was conveyed to the District in the bill of sale, the District has now taken title to those improvements.

Discussion ensued.

B. District Manager

There being nothing further to report, the next item followed.

C. Amenity Management

i. Community Director’s Report

Ms. Roslin-Grimes presented the community director’s report, outstanding community maintenance items list, capital budget discussion list, and Floralawn landscape report. The items on the outstanding community maintenance items list will be transferred to Inframark. Ms. Murphy

questioned the out-of-pocket cost for the roof. Ms. Adams indicated staff would have to verify the extent of coverage with the insurance company. Ms. Murphy questioned the status of the grant application. Ms. Roslin-Grimes indicated the District was in the approval process and it could take up to three months. Ms. Murphy indicated the amount of the grant was \$25,988. Ms. Roslin-Grimes clarified it was not the approved amount, but the estimated amount at this time. Mr. Braun questioned the status of the lights. Ms. Roslin-Grimes explained they run off the gatehouse electric and did not have their own switch but ran on a timer. Ms. Murphy noted a hanging streetlight by the 12th green.

E. Golf and Food & Beverage
i. General Manager’s Report

Mr. Fox presented the operations manager report. Through November, the golf course and restaurant were \$25,000 ahead compared to last year and \$25,000 through December.

SEVENTH ORDER OF BUSINESS **Other Business**

Ms. Murphy established the first sub-group of residents to run the theater. They were trying to find volunteers to select and show movies. The major change was to the movie schedule. On Thursday at 6:30 p.m., classic movies will still be shown, but there will be a matinee on Friday at 2:00 p.m. Another showing of the same movie will be on Saturday at 6:30 p.m. Every week the movie will be changed. A checklist was being prepared of things they need to do in the theater, such as vacuuming the floor and making sure that everything was turned off when exiting the building. Ms. Linda Blackburn is the point person for the group. Ms. Murphy requested residents return movies that were borrowed in the past. Mr. Piersall felt that Indigo Golf did a good job, despite being closed due to COVID. Ms. Murphy felt that the restaurant should be supported as an amenity. Mr. Braun agreed, but wanted to have a good marketing strategy. He presented a proposal from Floralawn to remediate the washout at the back of the pool area to stop the erosion in the amount of \$1,500. Discussion ensued.

Ms. Murphy made a MOTION to approve the proposal from Floralawn dated January 19, 2022, for remediation of the pool area wash out, in the amount of \$1,500.
Mr. Piersall seconded the motion.

Ms. Adams opened the floor to the public as this item was not on the agenda.

A Resident (Mike Ryan, Lot 397) requested items be placed on the agenda in advance of the meeting as it is difficult for residents to comment on items of which they had no prior knowledge.

Upon VOICE VOTE, with all in favor, unanimous approval was given to the proposal from Floralawn dated January 19, 2022, for remediation of the pool area wash out, in the amount of \$1,500.

Mr. Middlemiss appreciated Mr. Ryan’s comment, but this item was brought to the Supervisors’ attention 24 hours ago. Mr. Braun wanted to comment on the status of the sales center but was informed by Ms. Whelan it was not appropriate to share those comments as a Supervisor, so he requested that Ms. Whelan inform the sales center owner that the District was interested in discussing this matter if the current contract failed.

Mr. Braun made a MOTION to direct Ms. Whelan to inform the sales center owner that the District is interested in discussing the purchase of the sales center if the current contract negotiations failed.
Ms. Murphy seconded the motion.

Ms. Murphy disagreed with reopening discussions with the current owner, as they would be unsuccessful and questioned why the Board could not discuss the purchase of the sales center. Mr. Piersall requested the owner remove their trailers. Mr. Middlemiss questioned why Mr. Braun could not comment on the sales center without legal counsel’s advice. Mr. Braun felt that his legal experience would cause him to look at things in a certain way and he would always defer to legal counsel and not try to give this Board legal advice. Ms. Whelan advised the District should not be discussing and spending public resources at a public meeting on what was a private matter regarding a private sale contract between a landowner in their community. It was relevant at one time, but not relevant at the current time. It was a transaction between two unaffiliated landowners that had no bearing on District activities. Mr. Braun agreed this matter should be addressed by both the HOA and the District.

Mr. Middlemiss asked if the owner was coming into the community driving over roads that the District maintained whether they should contribute towards the District. Ms. Adams indicated staff has been in communication with Ms. Whelan regarding the procedures and timing for assessing the sales center as private property based on the original assessment methodology and what would be considered the equivalent residential unit. It would not make sense to assess the building if the District was eventually purchasing it, but when the Board did not want to purchase it, staff wanted to discuss it in conjunction with the fiscal year 2023 budget, as there would be a public hearing and other steps that the District would need to take to be in compliance with Florida

law. However, there was an ability to assess an operation and maintenance assessment because they would benefit from the roads, street lighting, and stormwater system. The sales office paid for their own landscaping and the District did not own it.

Ms. Adams opened the floor to the public as this item was not on the agenda.

A Resident (Ted Kostich, Lot 604) disagreed with reopening the discussion on the purchase and spending of capital reserve funds.

A Resident (Douglas Main, Lot 113) lives adjacent to the sales center and requested reserve funds be used for addressing adjacent property owner concern.

A Resident (Peter Hansen, Lot 269) felt that the HOA and the District should be part of the same community.

Upon VOICE VOTE, with all in favor except Mr. Piersall, approval was given to direct Ms. Whelan to inform the sales center owner that the District is interested in discussing the purchase of the sales center if the current contract negotiations failed.

Ms. Murphy made a MOTION to change office hours to 9:00 a.m. to 4:00 p.m. Monday through Friday effective February 1, 2022.
Mr. Hoover seconded the motion.

Mr. Braun questioned the effective date. Ms. Murphy requested it be effective January 21, 2022. Staff would arrive at 8:00 a.m. and have an hour to get settled. Mr. Hoover asked if this would pose a challenge to Governmental Management Services and Inframark who would be interfacing during the transition. Ms. Murphy supported changing the effective date to February 1.

A Resident (Howard Sechler, Lot 303) voiced concern about the cost for extending the office hours. Ms. Murphy clarified the hours to be extended are for the District office, not the HOA office.

Upon VOICE VOTE, with all in favor, unanimous approval was given to change District office hours to 9:00 a.m. to 4:00 p.m. Monday through Friday effective February 1, 2022.

Mr. Middlemiss proposed having a workshop on Wednesday, February 9, 2022, from 10:00 a.m. to 3:00 p.m. with Inframark to establish priorities, and discuss current projects and the budget. Mr. Hoover asked if Supervisors could prepare for this individually. Ms. Montagna would send a summary to the Board members along with the agenda.

Mr. Middlemiss opened this item to the public since it was not on the agenda.

Mr. Middlemiss made a MOTION to schedule a workshop for February 9, 2022, at 10:00 a.m.
 Mr. Hoover seconded the motion.

A Resident (Paul Royes) thanked the Board for having a workshop to discuss priorities and the budget presentation since they had limited funds. Mr. Middlemiss clarified it was not just the Board’s priorities, but the community’s priorities. Ms. Murphy received resident comments, which she would forward to Ms. Yevich to distribute to the Board.

Discussion ensued.

Upon VOICE VOTE, with all in favor, unanimous approval was given to schedule a workshop for February 9, 2022, at 10:00 a.m.

EIGHTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Supervisor Requests

There being none, the next item followed.

Audience Comments

A Resident (James Hilton, Lot 268) noted whoever the trailers were conveyed to in the contract to purchase the maintenance area, owned the trailers. Mr. Braun indicated they were waiting for clarification from Ms. Whelan.

A Resident (Joanne Lasko, Lot 503) voiced concern about having an existing reservation for Friday when a movie was being shown in the theater. Ms. Murphy referred Ms. Lasko to Ms. Linda Blackburn. Ms. Adams clarified reservations for all amenities were on a first-come, first-served basis, and asked if during the transition, the Board wanted amenity management to still control the reservations or staff could require no reservations until after February 1. Mr. Middlemiss requested staff to follow the current policy and keep Inframark apprised.

A Resident (Bruce McDonald, Lot 86) requested staff send mass mailings versus paying for constant contact, staff attend Board meetings in person to provide reports, and asked if anything was being done about maintenance Governmental Management Services was responsible for, such as sidewalk and pool area maintenance. Mr. Middlemiss indicated the District must pay the attorney mileage and miscellaneous fees if they were present in person. Maintenance items would be addressed immediately.

A Resident (Sharon Simon, Lot 517) understood if there a sticker in the trailer for the registration, it could be tracked at the Department of Motor Vehicles regarding ownership.

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A Resident (Eileen Heughins, Lot 673) asked if residents were invited to the workshop and if Zoom would be available. Mr. Middlemiss confirmed it is a public meeting and believed residents could attend via Zoom.

A Resident (Bob McClain, Lot 14) suggested having the trailer reported as an abandoned vehicle. Mr. Middlemiss clarified they were office construction trailers and asked if they were hooked up to the District's stormwater. Ms. Adams indicated it must be verified.

A Resident (Geary McMahan, Lot 296) asked if the pool maintenance company could perform the HVAC preventative maintenance as part of their scope. Mr. Piersall did not think it was advisable.

A Resident (Michelle Grimes, Lot 908) recommended having a centralized room reservation system.

Mr. Middlemiss thanked Governmental Management Services staff for their service to the District and wished them well in their endeavors.

NINTH ORDER OF BUSINESS

Adjournment

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

Secretary/Assistant Secretary

Chairman/Vice Chairman