

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 Thursday, August 17, 2023, at 2:00 p.m. at Fairfax Hall, 4475 Arlington Ridge Boulevard, Leesburg, Florida 34748.

Present and constituting a quorum were the following:

Robert Hoover	Chairman
Ted Kostich	Vice Chairman
Bill Middlemiss	Assistant Secretary
Claire Murphy	Assistant Secretary
Jim Piersall	Assistant Secretary

Also present, either in person or via Zoom Video Communications, were the following:

Angel Montagna	Manager: Inframark, Management Services
Meredith Hammock	Attorney: Kilinski Van Wyk
Jennifer Kilinski	Attorney: Kilinski Van Wyk
David Hamstra	Engineer: Pegasus Engineering
Frank Bruno	General Manager: Golf, Food & Beverage
Brenda Burgess	Inframark, Management Services
Lynn Hayes	Inframark, Management Services
Dan Zimmer	Vice President of Operations, Troon
Residents and Members of the Public	

This is not a certified or verbatim transcript but rather represents the context and summary of the meeting. The full meeting is available in audio format upon request. Contact the District Office for any related costs for an audio copy.

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

Ms. Montagna called the meeting to order at 2:01 p.m.

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

SECOND ORDER OF BUSINESS

Pledge of Allegiance

Mr. Hoover led the *Pledge of Allegiance*.

THIRD ORDER OF BUSINESS

Audience Comments

A Resident (Lot 276) commented on golf course issues, requested an audit of event revenues and expenses, and suggested Troon be replaced.

A Resident (Lot 900) commented on the golf course, and requested better management of Troon.

A Resident (Lot 897) commented on exercise classes, availability of amenities, fee schedules, and requested the budget be adopted at a later date until questions are resolved.

A Resident (Lot 831) commented on golf course operations, and recommended terminating the contract with Troon or soliciting separate bids to operate the restaurant.

A Resident distributed pictures of projects, and commented on golf course issues.

A Resident (Lot 252) commented on Troon's management of the golf course and restaurant, and recommended terminating Troon's contract.

A Resident (Lot 25) commented on sod replacement.

A Resident (Lot 261) commented on the financials, notably golf and food & beverage, and suggested a way to simplify.

A Resident (Lot 735) commented on restaurant operations, failure with all operations, and requested termination of contracts for golf and the restaurant.

A Resident (Lot 80) commented on the budget increase.

A Resident (Lot 1011) thanked the Board members serving the community, and provided complaints about operations and maintenance notably landscape and mowing.

A Resident (Lot 86) commented on Troon's performance, recommended termination of their contract, and suggested another vendor for restaurant operations.

FOURTH ORDER OF BUSINESS

District Engineer

A. Updates

i. Projects

Mr. Hamstra discussed repairs that have been performed, clearing done behind four homes, and resolution discussed with the residents.

ii. Depressions #2 and #3

Mr. Hamstra discussed ground penetrating radar, recommended phase 2 program, and provided an update on the six drainage projects.

iii. Consideration of Engineering Change Order Request #1

Mr. Hamstra discussed projected engineering expenses.

Discussion ensued regarding projected expenses for work efforts, fabric used for a recent repair, process for using the fabric, and then laying sod.

Mr. Middlemiss made a MOTION to approve change order #1 with Pegasus Engineering for additional miscellaneous engineering services, in an amount not to exceed \$15,000.
Mr. Hoover seconded the motion.

Discussion ensued regarding pond erosion issues on the golf course.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to change order #1 with Pegasus Engineering for additional miscellaneous engineering services, in an amount not to exceed \$15,000.

FIFTH ORDER OF BUSINESS Business Items

A. Consideration of Proposals for Janitorial Services

Discussion ensued regarding janitorial proposals, previous budget amounts, scope of services for soliciting proposals, Anago Cleaning Systems been working in the interim on a month-to-month basis, a portion paid (approximately \$14,000) by Troon for janitorial services, and suggestion of a cost-share agreement with Troon.

Mr. Middlemiss made a MOTION to approve the proposal from Anago Cleaning Systems for janitorial services, in an amount of \$7,645 monthly, or \$91,740 annually, with annual reimbursement from the golf course.
Mr. Piersall seconded the motion.

Discussion ensued regarding the actual cost to the District from Troon of \$14,700 for a net of \$77,040, frequency of cleaning activities, and proposal based on current scope which can be revised in the future.

Upon VOICE VOTE, with all in favor except Mr. Kostich, approval was given (by a margin of 4-1) to the proposal from Anago Cleaning Systems for janitorial services, in an amount of \$7,645 monthly, or \$91,740 annually, with annual reimbursement from the golf course.

B. Fiscal Year 2024 Budget Discussion

Discussion ensued regarding changes to the budget from the last presentation, including decrease in pest control, change in janitorial amount, resulting 9.9% assessment increase, budget process, add new line item for \$25,000 for administrative general maintenance to be taken from capital projects, request to reduce RV lot rental fee to \$15,600 which will increase assessments above the advertised percentage, impacts to the budget for RV revenue and expense items, recommendation to leave the RV lot revenue and expenses the same, reevaluate RV lot dollars next year, future projects and maintenance, confirmed insurance premium amount, miscellaneous property taxes, combination of all dues and licenses into one line item under administrative, overtime, office equipment, transfer out to golf and food & beverage, fund balance, projections, golf course operations reserve

transfers to be done, \$66,000 to be reinvested in the golf course, timing when the transfer can be made, narratives to be updated to match the budget, and changes resulted in 9.9% assessment increase.

C. Public Hearing to Adopt the Fiscal Year 2024 Budget

i. Public Comment

Mr. Hoover made a MOTION to open the public hearing for adoption of the fiscal year 2024 budget.
Mr. Middlemiss seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to open the public hearing for adoption of the fiscal year 2024 budget.

A Resident (Lot 387) commented on impacts of assessment increase, and benefits and disadvantages of the restaurant.

A Resident (Lot 48) commented on revenue for sales center which is reimbursing the District from reserves for the loan.

Mr. Hoover made a MOTION to close the public hearing for adoption of the fiscal year 2024 budget.
Mr. Middlemiss seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to close the public hearing for adoption of the fiscal year 2024 budget.

ii. Consideration of Resolution 2023-09, Adopting the Fiscal Year 2024 Budget

Mr. Hoover read Resolution 2023-09 into the record by title.

Mr. Middlemiss made a MOTION to approve Resolution 2023-09, adopting the fiscal year 2024 budget.
Mr. Hoover seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to Resolution 2023-09, adopting the fiscal year 2024 budget.

D. Public Hearing to Impose and Levy the Fiscal Year 2024 Assessments

i. Public Comment

There being none, the next order of business followed.

ii. Consideration of Resolution 2023-10, Imposing and Levying the Fiscal Year 2024 Assessments

Mr. Hoover read Resolution 2023-10 into the record by title.

Mr. Hoover made a MOTION to approve Resolution 2023-10, imposing and levying the fiscal year 2024 assessments.
Mr. Piersall seconded the motion.

Discussion ensued regarding assessment rates and the increase per parcel.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to Resolution 2023-10, imposing and levying the fiscal year 2024 assessments.

E. Consideration of Resolution 2023-11, Fiscal Year 2024 Meeting Schedule

Mr. Hoover read Resolution 2023-11 into the record by title.

Ms. Murphy made a MOTION to approve Resolution 2023-11 for the fiscal year 2024 meeting schedule.
Mr. Middlemiss seconded the motion.

Discussion ensued regarding conflicts with meeting dates, historical cancelation of July meeting, preference to hold all meetings as advertised, and suggested budget workshop dates for March 14 at 2:00 p.m. and May 16 at 9:00 a.m.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to approve Resolution 2023-11 for the fiscal year 2024 meeting schedule, as amended to add March 14 workshop at 2:00 p.m. and May 16 at 9:00 a.m.

F. Floralawn Report

Discussion ensued regarding not performing some scope of services.

G. BREAK

The meeting recessed at 3:39 p.m.

The meeting resumed at 3:51 p.m.

H. General Manager: Golf, Food & Beverage

i. Troon Performance Discussion

Mr. Zimmer provided an update on the separate bank accounts for golf and the restaurant, accounting processes, formatting change in the report, performance for the restaurant including revenues and expenses, streamlining the summer menu, resignation of

the chef and process of hiring to fill the position, hiring for the event coordinator position, golf operations, net loss for the month, update on course conditions, staffing levels, costs and fees, installation at their cost of approximately 8,000 square feet of sod, holes #6 and #14, Fairfax Hall and booking events, wages and overtime, health-friendly menu items, recommendations, closing food service on Mondays but keeping the tavern open, cost of goods sold, website and app, Chatham logo, and general comments.

Discussion ensued regarding previous requests, staffing, health inspections, information should have been presented to the Board, unhappiness with current operations, maintenance, resident advisory group for the restaurant, golf membership meeting scheduled for September 28, certification of greens keeper, changing management companies, their willingness to improve and request to give them time, disadvantages of switching management companies, responses to requests, desire for a solution,

Mr. Middlemiss made a MOTION to terminate the contract with Troon, effective 120 days from today. Mr. Piersall seconded the motion.
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Discussion ensued regarding one RFP for food and beverage or separate the contracts, responsiveness to the community, separating golf from food and beverage, impacts of timing of notice, and allowing them an opportunity to improve.

Upon VOICE VOTE, with Mr. Middlemiss and Mr. Piersall in favor, and Ms. Murphy, Mr. Hoover, and Mr. Kostich opposed, the motion failed (by a margin of 3-2) to terminate the contract with Troon, effective 120 days from today.
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Discussion ensued regarding legal protections within the contract to enforce performance, legal recommendations, documentation, and working with the vendor to perform pursuant to the contract.

I. Blue Ridge Activity Center Funding

Discussion ensued regarding more funds spent than budgeted.

Mr. Kostich made a MOTION not to spend any further funds unless approved by the Board. Mr. Hoover seconded the motion.

Discussion ensued regarding donation money, previous motion made for repairs and refurbishments.

Upon VOICE VOTE, with all in favor except Mr. Middlemiss, approval was given (by a margin of 4-1) not to spend any further funds unless approved by the Board.

Discussion ensued regarding legal issues, engage the HOA to be released from all liabilities from that contract, and terms of the contract.

J. Monthly Field Report

There being nothing to report, the next item followed.

K. Consideration of Golf Shop Doors Proposal

Discussion ensued regarding deferring until FY2024, options of the proposals, cause of damage, repairs below insurance deductible, desire to perform the repairs, and elements of each proposal.

Mr. Middlemiss made a MOTION to approve the proposal from Window Wall option #1 for replacement of the golf shop doors, with confirmation the proposal includes two doors, in the amount of \$12,661.50.
Mr. Kostich seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to the proposal from Window Wall option #1 for replacement of the golf shop doors, with confirmation the proposal includes two doors, in the amount of \$12,661.50.

L. Discussion Regarding Recovering Pool Tables

Discussion ensued regarding defer until October, and get a professional company.

M. Fiscal Year 2023 Budget Update

Discussion ensued regarding Ms. Murphy providing the update to Ms. Montagna to distribute.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

i. Engagement for Outside Counsel

Discussion ensued regarding liability on the District if a vendor or contractor mistreated employees.

Mr. Hoover made a MOTION to engage Sniffen & Spellman to advise in matters of employment and personnel issues.

Mr. Middlemiss seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to engage Sniffen & Spellman to advise in matters of employment and personnel issues.

B. District Manager

Discussion ensued regarding Mr. Hayes being main point of contact outside of Mr. Graffius.

C. Community Director

Discussion ensued regarding experience in community activities, contracts, maintenance point of contact in the interim, new maintenance personnel in the process of being hired, and list of contracts and expiration dates.

D. Consent Agenda

i. Minutes: June 12, 2023, Workshop, and June 15, 2023, Meeting

The minutes were included in the agenda package and is available for review in the local records office and the District Office during normal business hours.

ii. Financial Statements

The financial statements were included in the agenda package and is available for review in the local records office and the District Office during normal business hours.

iii. Invoices and Check Register

The invoices and check register were included in the agenda package and is available for review in the local records office and the District Office during normal business hours.

Discussion ensued regarding

Ms. x made a MOTION to approve the consent agenda, as presented,

Mr. x seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to the consent agenda, as presented,

SEVENTH ORDER OF BUSINESS

Other Business

Discussion ensued regarding the RFP, segregate golf from food and beverage, and the process.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

Mr. Piersall discussed salary percentage for golf manager and general manager.

Mr. Middlemiss discussed staff and volunteers.

Mr. Kostich discussed damages to the front gate.

NINTH ORDER OF BUSINESS

Audience Comments

A Resident (Lot 403) discussed the golf course, and recommended how the presentation should have gone.

TENTH ORDER OF BUSINESS

Adjournment

- *The next meeting is scheduled for Thursday, September 21, 2023, at 2:00 p.m.*

On MOTION by Mr. Piersall, seconded by Mr. Middlemiss, with all in favor, the meeting was adjourned at 6:02 p.m.

Angel Montagna, Secretary

Robert Hoover, Chairman