

1 **MINUTES OF MEETING**
2 **ARLINGTON RIDGE COMMUNITY DEVELOPMENT DISTRICT**
3

4 The regular meeting of the Board of Supervisors of the Arlington Ridge Community
5 Development District was held Thursday, December 21, 2023, at 2:00 p.m. at Fairfax Hall,
6 4475 Arlington Ridge Boulevard, Leesburg, Florida 34748.

7
8 Present and constituting a quorum were the following:

9 Robert Hoover Chairman
10 Ted Kostich Vice Chairman
11 Bill Middlemiss Assistant Secretary
12 Claire Murphy Assistant Secretary
13 Jim Piersall Assistant Secretary
14

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

16 Angel Montagna District Manager: Inframark
17 Jeanie Johnson District Manager: Inframark
18 Meredith Hammock Attorney: Kilinski | Van Wyk
19 Jason DeWildt Director of Golf, Troon
20 Lee Graffius Community Director, Inframark
21 Dan Zimmer Vice President of Operations, Troon
22 Residents and Members of the Public
23

24 *This is not a certified or verbatim transcript but rather represents the context and summary*
25 *of the meeting. The full meeting is available in audio format upon request. Contact the*
26 *District Office for any related costs for an audio copy.*
27

28 **FIRST ORDER OF BUSINESS** **Call to Order and Roll Call**

29 Mr. Hoover called the meeting to order at 2:00 p.m.

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

31
32 **SECOND ORDER OF BUSINESS** **Pledge of Allegiance**

33 Mr. Hoover led the *Pledge of Allegiance*.

34 Mr. Hoover wished a happy holidays to everyone.

35
36 **THIRD ORDER OF BUSINESS** **Audience Comments on Agenda Items**

37 A Resident (Lot 403) commented on Troon reports, requested profit and loss numbers
38 at the beginning of reports, and requested approval for consideration of Beach pool heaters.

39 A Resident (Lot 468) commented on tree removals, ARC guidelines, and stumps pose
40 a liability exposure.

41 A Resident (Lot 750) commented in support of the garden club, donations of time and
42 materials at a savings to the District, and requested approval of the proposal for mulch.

43 A Resident (Lot 735) commented on lack of reserve funds, no accountability,
44 suggestions that Troon prepare a line-item audit for the restaurant, cease all unnecessary

45 spending, terminate Troon and hire Mr. DeWildt as a project manager to oversee the
46 restaurant and golf course, close restaurant but keep the bar open until business model can
47 be resolved, get a reserve back for future repairs, and requested the District do its job.

48 A Resident (Lot 764) commented on the lights looking nice at the entrance, no more
49 work needs to be done at Blue Ridge Activity Center (formerly sales center), interior work
50 can be done by residents, District is spending too much money, replace heaters that are not
51 working, and rent out facilities for income.

52 A Resident (Lot 733) commented on not allowing residents to tear down walls due to
53 insurance not permitting it, discussed funding options for purchase of the Blue Ridge
54 Activity Center to be assessed over two fiscal years, and discussed contract with HOA
55 regarding “reasonable” renovations.

56 Ms. Hammock clarified the statement regarding reasonableness refers not to the HOA
57 but to the District Board of Supervisors. The Resident disagreed and indicated “Board”
58 referred to the HOA.

59 A Resident (Lot 1038) addressed the Blue Ridge Activity Center renovations to be
60 complete, activities and meetings, new groups using the facilities, better use of space, and
61 funding is available.

62 A Resident (Lot 433) commented on monies collected to renovate the Blue Ridge
63 Activity Center, renovations should be made, and spoke in favor of the garden club request.

64 A Resident (Lot 469) commented on the decorations and how nice the entrance looks,
65 spoke in favor of the garden club mulch, and suggested the unfinished rooms at the Blue
66 Ridge Activity Center are usable as is or can be updated inexpensively.

67 A Resident (Lot 113) requested the Board move past the Blue Ridge Activity Center,
68 mold, bids for materials, requested repairs be done, and suggested uses for the rooms.

69 A Resident (Lot 731) commented the community did not want the Blue Ridge Activity
70 Center, requested spending no more money on it, and the building can be used in its current
71 condition.

72 A Resident (Lot 86) commented on postponing proposed renovations, financial
73 statements, restaurant losses in the current fiscal year through October, reserve study and
74 long-term plan for repairs and replacements, and continued monitoring of the golf course
75 and restaurant.

76 Mr. DeWildt introduced Ms. Kelly Galligan as the new food and beverage manager.

77 **FOURTH ORDER OF BUSINESS** **Staff Reports**

78 **A. District Counsel**

79 Ms. Hammock provided an update regarding next steps for the roof, and recommended
80 Mr. Hamstra provide status report where issues may be coming from in order to provide a
81 legal analysis and which vendor or contractor to pursue.

82 Discussion ensued regarding the engineer or his subconsultant to provide a report, cost
83 of \$55,000 to replace the flat roof, preventive maintenance program for the roof drains,
84 trimming the tree, history of using roofing companies, accountability, objective to narrow
85 down the number of responsible parties, repair was installing a new roof over the existing
86 roof, previous repairs and dollars spent, scope for the engineer to provide an evaluation of
87 the roof including design and failure, suggestion to repair the roof without hiring the
88 engineer or other consultant to identify the problem, and request for preliminary cost and
89 scope to evaluate the roof.

90

91 Mr. Middlemiss made a MOTION to authorize the
92 engineer and/or his subconsultant to evaluate and diagnose
93 the roof at Fairfax Hall and provide a report with proposed
94 resolutions, in an amount not to exceed \$5,000.

95 Mr. Hoover seconded the motion.

96

97 Discussion ensued regarding preference to spend \$5,000 with Jurin Roofing to evaluate
98 the roof and go toward the repair to stop the leaks, Jurin Roofing believes replacing the air
99 conditioner will resolve the leak, and they will be onsite with an air conditioner company
100 to investigate and repair.

101

102 Mr. Middlemiss WITHDREW the motion to authorize the
103 engineer and/or his subconsultant to evaluate and diagnose
104 the roof at Fairfax Hall and provide a report with proposed
105 resolutions, in an amount not to exceed \$5,000.

106 Mr. Hoover withdrew the second.

107

108 This item will be on the January agenda.

109 **B. District Engineer**

110 The engineer not being in attendance and nothing to report, the next item followed.

111 **C. District Manager**

112 **i. Acceptance of Audited Financial Statements for Fiscal Year 2022**

113 Ms. Montagna reviewed the audited financial statements for fiscal year 2022.

114

115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154

Mr. Middlemiss made a MOTION to accept the audited financial statements for fiscal year 2022 and to ratify staff's actions in filing with the appropriate State agencies.
Mr. Hoover seconded the motion.

Discussion ensued regarding a finding that a budget amendment was not done for the golf and food/beverage budget.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to accept the audited financial statements for fiscal year 2022 and to ratify staff's actions in filing with the appropriate State agencies.

ii. Events with Vendors

Ms. Montagna reviewed an event advertised as a District event, which is incorrect.

Discussion ensued regarding booking events, no solicitations, if vendors are present then it is a solicitation, recommendation for events with vendors to be brought before the Board for approval, events are booked by residents at no rental fee but some include vendors which can be beneficial for the residents, definition and examples of solicitation, management company has to implement the rules which do not allow solicitations, and timing of receiving event requests.

Mr. Middlemiss made a MOTION to authorize management staff to approve events that include vendors and to notify the Board as they are approved.
Mr. Hoover seconded the motion.

Discussion ensued regarding office staff to make sure food items go through the restaurant and no outside food permitted, allowing the management company to handle these kinds of items, examples of vendors that have been at events, and reiteration of the language of the rules.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to authorize management staff to approve events that include vendors and to notify the Board as they are approved.

D. Floralawn

Discussion ensued regarding new staff at Floralawn.

i. Proposal #8877 for Mulch and Pine Bark

155 **ii. Proposal #9006 for Pine Bark**

156 Discussion ensued regarding these proposals having incorrect amounts,

157 **iii. Revised Proposal from Floralawn for Mulch, with Contract Pricing**

158 Discussion ensued regarding revised proposal being emailed today, 100 cubic yards is
159 bagged and 275 cubic yards installed by a vendor at the main entrance and along the
160 boulevard, original proposal for 500 cubic yards, cost of \$8.50 per cubic yard for pine
161 straw, garden club requested 50 cubic yards not 100 cubic yards, providing inspection how
162 much mulch is needed, and contract price of \$45 per cubic yard.

163 **iv. Fiscal Year 2023 Deficit**

164 Discussion ensued regarding fiscal year 2023 deficit of \$154,398, can be transferred
165 from the general fund or can wait until February when tax collector revenues are received,
166 golf course's need for the transfer prior to February, meeting with Mr. DeWildt and Mr.
167 Zimmer with Ms. Montagna and Mr. Hoover to discuss further, and money can be
168 transferred depending on urgency as authorized by the Chairman.

169

170 Mr. Middlemiss made a MOTION to approve authorizing
171 the Chairman, after consultation with golf course and
172 management staff, to transfer all or part of the \$154,398
173 deficit from the general fund to the golf course, including the
174 date of transfer.

175 Ms. Murphy seconded the motion.

176

177 Upon VOICE VOTE, with all in favor, unanimous approval
178 was given (by a margin of 5-0) to authorizing the Chairman,
179 after consultation with golf course and management staff, to
180 transfer all or part of the \$154,398 deficit from the general
181 fund to the golf course, including the date of transfer.

182

183 **E. Community Director**

184 **i. Regular Report**

185 Mr. Graffius reviewed the monthly report, including update on pool heaters, proposal
186 to repair for \$1,460, and Beach pool heaters.

187

188 Mr. Middlemiss made a MOTION to approve the proposal
189 from Universal Heating & Air to repair the compressor on
190 heat pump #2B, in the amount of \$1,460.

191 Ms. Murphy seconded the motion.

192

193 Discussion ensued regarding proposals provided for pool heaters, singular proposal,
194 and possible warranty issue.

195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to the proposal from Universal Heating & Air to repair the compressor on heat pump #2B, in the amount of \$1,460.

Discussion ensued regarding doors being replaced, sidewalk repairs, rumble strips, County personnel, planning and zoning department, and support for the motion made in October.

Mr. Kostich made a MOTION to approve installing an ADA-compliant pad, in the amount of \$450, to be added to the proposal from October in the amount of \$1,975.
Mr. Hoover seconded the motion.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to installing an ADA-compliant pad, in the amount of \$450, to be added to the proposal from October in the amount of \$1,975.

Further discussion ensued regarding pool table coverings not the same quality so the proposal was rescinded and second vendor chosen at same price, December 5 report indicating suggested repairs for about \$5,800 for water damage and mold remediation, update on improving Zoom audio with limited or no response from vendors, other CDDs that use Zoom with no issues, and Vice Chairman for Harmony will contact Mr. Graffius to discuss further.

F. General Manager: Golf, Food and Beverage
i. Monthly Report

Mr. DeWildt reviewed the monthly report, including impacts from recent rains, turf treatments, greens, food and beverage operations, changes being made, social memberships, and cultural change.

Discussion ensued regarding failed health inspections, notification to Board members, posting of inspection notices, staff discounts on meals, update on the percentage discount to be provided at a future meeting, and appreciation for Mr. DeWildt.

FIFTH ORDER OF BUSINESS **Break**

The meeting recessed at 3:57 p.m.

The meeting reconvened at 4:10 p.m.

234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275

SIXTH ORDER OF BUSINESS

Business Items

Mr. Kostich made a MOTION to approve continue funding critical and routine items, suspend all non-critical spending until the general fund financial position improves, and reconsider capital expenses including, but not limited to, depression repairs prior to any repairs performed. Critical and necessary items include, but are not limited to, routine operational invoices, funding deficits, maintenance items, and currently planned District events. Any non-critical spending should have prior Board approval or time-critical items be approved by the Chairman and communicated to the Board.
Mr. Piersall seconded the motion.

Discussion ensued regarding reasons behind Mr. Kostich’s motion, accounting protocols, review of financials and audit, approval of expenses, spending in violation of previous motion related to Blue Ridge Activity Center, previous actions regarding specific spending activities, reserve expenditures, items being miscoded or duplicated, some statements are inaccurate because codings were done at the direction of the Board, some spendings were done by motion prior to the motion referenced, reclassing certain items at the end of the year, shuffleboard court paid with resident donations, check registers, monthly credit card statements available from the bank, support to suspend unnecessary spending, and previous approvals not included in this motion.

Upon VOICE VOTE, with all in favor except Mr. Middlemiss, approval was given (by a margin of 4-1) to continue funding critical and routine items, suspend all non-critical spending until the general fund financial position improves, and reconsider capital expenses including, but not limited to, depression repairs prior to any repairs performed. Critical and necessary items include, but are not limited to, routine operational invoices, funding deficits, maintenance items, and currently planned District events. Any non-critical spending should have prior Board approval or time-critical items be approved by the Chairman and communicated to the Board.

A. Proposals for Cart Barn Electrical Panel

Discussion ensued regarding scope of work provided to the vendors as requested by the Board, considered a capital project, meter box rusted, residents should not be performing work on District property, and considered a critical expense.

276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316

Mr. Middlemiss made a MOTION to approve the proposal from Blueprint Electric for the golf cart barn electrical panel, in the amount of \$5,495.48.
Ms. Murphy seconded the motion.

Discussion ensued regarding standard in electrical breakers.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to the proposal from Blueprint Electric for the golf cart barn electrical panel, in the amount of \$5,495.48.

B. Garden Club Request for Mulch

Discussion ensued regarding 50 cubic yards to be bagged separately for the garden club included within the 375 cubic yards from the proposal from Floralawn discussed earlier.

Mr. Middlemiss made a MOTION to approve 50 cubic yards of mulch from Floralawn for the garden club, in the amount of \$2,250.
Mr. Hoover seconded the motion.

Discussion ensued regarding delivery date the first week of January.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to 50 cubic yards of mulch from Floralawn for the garden club, in the amount of \$2,250.

C. Consideration to Cancel Unifirst Agreement for Rug Cleaning

Discussion ensued regarding five-year contract with Unifirst, early cancelation policy at a cost of \$2,423.80, scope of rug cleaning vendor as well as cleaning company vacuuming the rugs, 90-day termination provision, and this will be on the January agenda.

D. Proposals for Tree Removals

Discussion ensued regarding the proposals, palm trees, additional proposals, removal of rootballs, possible impact to pool walls, comments from the vendors' arborists, not considered critical so could be considered at a future meeting, and tree trimming scheduled.

Mr. Hoover made a MOTION to approve proposal #0434 from Triple D Service for tree removals and stump grinding, except for the palm in the pool, in an amount of \$5,950.
Ms. Murphy seconded the motion.

317 Discussion ensued regarding if stump grinding is included, lack of proposals, difference
318 in stump grinding prices of \$75 or \$100, and direction to put on a future agenda.

319

320

321

322

323

324

325

Mr. Hoover WITHDREW the motion to approve proposal #0434 from Triple D Service for tree removals and stump grinding, except for the palm in the pool, in an amount of \$5,950.

Ms. Murphy withdrew the second.

326 **E. Proposals for Pool Heater for the Beach Pool**

327 Discussion ensued regarding one pool heater not under warranty and one unknown,
328 future proposals to be on the January agenda, Vermana proposal included sales tax which
329 can be removed, model of pool heater not provided on Vermana proposal, and Vermana
330 proposal indicates the Lap Pool but is for the Beach Pool.

331

332

333

334

335

Mr. Middlemiss made a MOTION to approve the proposal from Florida Aqua Group to replace a pool heater at the Beach Pool, in the amount of \$6,024.70.

Mr. Hoover seconded the motion.

336

337 Discussion ensued regarding labor might be less due to installing one instead of two.

338

339

340

341

342

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to the proposal from Florida Aqua Group to replace a pool heater at the Beach Pool, in the amount of \$6,024.70.

343

344 **F. Proposals for Flooring for the Blue Ridge Activity Center**

345 **G. Consideration of Renovations to Blue Ridge Activity Center**

346 Discussion ensued regarding previous discussions regarding renovations, prior
347 approval for space use designation not to exceed \$50,000 depending on information
348 provided at the December meeting, item not considered critical, can be included on the
349 February agenda or later, proposals expire in 30 days, money is available in the reserve
350 fund, roof a higher priority than other renovations, total about \$47,000 for flooring and
351 renovations, appearance that counsel is guiding the Board's decisions instead of giving
352 advice, certain comments have to be made for the record but the Board makes the final
353 decision, if Board wants residents to do work on District property then waivers will be
354 required for specific work projects, liability risks, assessment collections will continue to
355 be received primarily by the end of January, some Board members think the projects are

356 not critical and others think they are critical, difference of opinion that the District has met
357 its obligation under the agreement with the HOA, recommendation for the rest of the
358 building to be renovated, two-year provision in the agreement goes through September
359 2024, proposals can be resubmitted, potential litigation from the HOA, creating a reserve,
360 and consensus these items are not critical at the current time.

361 **H. Preventive Maintenance Agreement with Jurin Roofing**

362 This item was not considered.

363 **I. Change Order from Vermana for Pool Gutter**

364
365 Ms. Murphy made a MOTION to approve the change order
366 from Vermana for additional work on the lap pool, in an
367 amount not to exceed \$4,000.

368 Mr. Kostich seconded the motion.

369
370 Discussion ensued regarding scope of work to chip out the gutter and relevel, and the
371 pool gutter is rotten in many areas.

372
373 Upon VOICE VOTE, with four in favor and Mr. Middlemiss
374 opposed, approval was given (by a margin of 5-0) to the
375 change order from Vermana for additional work on the lap
376 pool, in an amount not to exceed \$4,000.

377 **SEVENTH ORDER OF BUSINESS Consent Agenda**

378 **A. Meeting Minutes from November 16, 2023**

379 The minutes were included in the agenda package and are available for review in the
380 local records office and the District Office during normal business hours.
381

382
383 Ms. Murphy made a MOTION to accept the minutes, as
384 presented.

385 Mr. Middlemiss seconded the motion.

386
387 Upon VOICE VOTE, with all in favor, unanimous approval
388 was given (by a margin of 5-0) to the minutes, as presented.

389
390 **B. Financial Statements**

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

393 **C. Check Register**

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

396 Discussion ensued regarding checks for water bills and golf carts, credit card company,
397 and check for janitorial supplies. Descriptions need to be accurate. Ms. Montagna will
398 clarify with accounting.

399

400

401

402

403

404

405

406

407

408

409

410

411

412

413

414

415

416

417

418

419

420

421

422

423

424

425

426

427

428

429

430

431

432

Ms. Murphy made a MOTION to approve the check register, pending clarifications to descriptions.
Mr. Hoover seconded the motion.

Discussion ensued regarding accrual basis for financials so will not tie to total on the check register, and process for accruals.

Upon VOICE VOTE, with all in favor, unanimous approval was given (by a margin of 5-0) to the check register, pending clarifications to descriptions.

EIGHTH ORDER OF BUSINESS **Other Business**

There being none, the next order of business followed.

NINTH ORDER OF BUSINESS **Supervisor Requests**

Mr. Piersall wished everyone a Merry Christmas.

Mr. Hoover commented Yamaha gifted the District with 20 golf carts.

Ms. Murphy thanked Mr. Hoover and Mr. Graffius for the decorations for Saturday's gala.

TENTH ORDER OF BUSINESS **Audience Comments**

A Resident expressed appreciation to Mr. Hoover and legal counsel for suggesting putting unused funds in the reserve account as opposed to the general reserve account, addressed Mr. Piersall's comment that litigation with the HOA would be the worst thing to happen to the community, does not advocate it, and expressed disappointment when the Board says it is going to act but does not.

A Resident thanked the Board for approving the pool heaters, Florida Aqua Group performs general maintenance and provides timely service, complimented the Board for doing a good job even though decisions are not unanimous, requested again to know how much money the golf course made or lost, report only indicates the restaurant lost \$16,000, and Mr. DeWildt will begin providing those numbers at the beginning of his report.

A Resident expressed disappointment in comments made regarding purchase of the shuffleboard court, felt residents were treated wrongly, agrees with the motion not to spend

433 money but not the order when it was presented, suggested Board members keep all their
434 communications at the meeting pursuant to the Sunshine Law.

435 A Resident (Lot 433) indicated some Board members owe apologies to a resident, the
436 Board has an obligation to fulfill things that were approved or where residents donated
437 money whether they are critical or not, renovate the Blue Ridge Activity Center, and the
438 Board is not doing its job by not fulfilling what it said it will do.

439 A Resident (lot 268) agreed with previous resident comments, complimented fiscally
440 prudent approach to spending money, the timing was suspect, some items approved
441 previously were not necessarily critical, Board is doing a great job in looking at how it is
442 spending money, running the community like a business, Board owes a resident an
443 apology, projected the losses for the restaurant, and form an exploratory committee how to
444 deal with restaurant losses.

445 A Resident (Lot 503) thanked the Board members for their hard work, expressed
446 sadness over events that happened over the past month with a resident making waves and
447 sending information that the District is near bankruptcy or facing a huge assessment,
448 comments shared by Mr. Piersall and Mr. Kostich, expects the Board or management
449 company to refute incorrect information, future cash flow, and live within budget.

450 Ms. Montagna clarified inaccurate statements, the District is not near bankruptcy, and
451 information cannot be controlled nor will staff respond to comments on social media.

452 Mr. Hoover suggested residents call Supervisors with questions.

453 A Resident commented information posted on social media has come from financials
454 from the District's website.

455 Ms. Hammock reminded the audience of public conduct policies, to refrain from
456 launching personal attacks and to keep comments related to District business.

457 The Resident commented on current financial condition, the Board needs to be
458 financially responsible, \$87 assessment per household for purchase of the sales center, and
459 use of those funds.

460 A Resident (Lot 303), HOA President, requested to strike the comments made about
461 him by one of the Board members that the HOA would sue the District, until he can prove
462 in writing these facts and comments are true.

463 Mr. Middlemiss and Mr. Hoover thanked Ms. Donise Streit for her service to the
464 community, and wished her the best in her future endeavors.

465
466
467
468
469
470
471
472
473

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Middlemiss, seconded by Ms. Murphy,
with all in favor, the meeting was adjourned at 5:46 p.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman