

Armstrong
Community Development District

The regular meeting of the Board of Supervisors of the Armstrong Community Development meeting was held Wednesday, February 1, 2017 at 3:30 p.m. at the Eagle Landing Sales Center, 3973 Eagle Landing Parkway, Orange Park, Florida.

Present and constituting a quorum were:

Roger Arrowsmith	Chairman
Marilyn Ayers	Vice Chairperson
Michael Carlo	Supervisor

Also present were:

James Perry	District Manger
Katie Buchanan	District Counsel (by telephone)

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order at 3:30 p.m.

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the January 11, 2017 Meting

Mr. Perry stated the next item is approval of the minutes of the January 11, 2017 meeting.

Are there any additions, corrections or additions to the minutes?

There being none,

On MOTION by Mr. Arrowsmith seconded by Mr. Carlo with all in favor the minutes of the January 11, 2017 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Acceptance of the Minutes of the January 11, 2017 Audit Committee Meeting

Mr. Perry stated item four is acceptance of the minutes of the January 11, 2017 audit committee meeting.

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor the January 11, 2017 audit committee meeting minutes were accepted.

FIFTH ORDER OF BUSINESS

Consideration of Underwriter Engagement Letter

Mr. Perry stated item five is consideration of underwriter engagement letter and this is a carry over from the last meeting. That engagement letter is with FMS Bonds and was included in the last agenda package.

Mr. Arrowsmith moved to approve the engagement letter with FMS Bonds and Mr. Carlo seconded the motion.

Mr. Carlo asked does this mean we are committed to go in that direction with Mr. Kessler?

Ms. Buchanan stated that's what that means. Do you want to defer this again?

Mr. Carlo stated I think we need to defer it again.

The motion and second was withdrawn and this item was deferred.

SIXTH ORDER OF BUSINESS

Consideration of Developer Funding Agreement for O&M Expenses

Mr. Perry stated item six is consideration of a developer funding agreement for O&M expenses. The board has drafts prepared by district counsel. The first one is a funding agreement for fiscal year 2016 and 2017 and I will refer to this as a developer funding agreement and is with GreenPointe Communities and the second agreement is the first amendment to the current funding agreement with Armstrong Venture LLC.

Ms. Buchanan stated I will point you to the amendment, it modifies Armstrong Venture's obligation from 100% of funding the budget to a 50% obligation. The last sentence of the modification provides that until the effective date of the agreement, which will be this week Armstrong will be responsible for 100% of the expenses and going forward it would be 50%. If that is not the case we can talk about that during this meeting but the funding from GreenPointe

is very similar to what was initially executed by Armstrong. Initially it has 50% from the date of execution with a condition that it is not responsible for expenses incurred prior to the effective date of the agreement. The only other peculiar thing about the GreenPointe agreement is that it does allow for a 30 day termination should certain things change I think they would probably not want to be locked into this if they are no longer a part of the development plan. Termination would not alleviate GreenPointe's obligation to pay expenses incurred during the time when that agreement was effective whether or not they have been billed yet. Anything incurred through the date of termination would still be 50% their responsibility. This is in substantial form and has not yet been reviewed by GreenPointe's counsel and you haven't had an opportunity to review it so I suggest you can talk about it now or we can approve it in substantial form with the understanding that the final version would be provided and signed off by the chair.

Mr. Arrowsmith stated I don't have any problem with it fundamentally from what you have explained and that is how it appears as I look through these. Obviously, we want GreenPointe's counsel to be able to look at it and I'm fine with that as well. I don't want to delay this from a financial responsibility standpoint. I'm okay if we don't approve this without them looking at it but I also think they should be responsible for 50% going forward from now.

Ms. Buchanan stated you want an effective date of February 1st.

Mr. Arrowsmith stated yes.

Ms. Buchanan stated I can tweak the language to reflect that. Mike does that sound reasonable?

Mr. Carlo stated yes it does.

Mr. Perry asked since these are two separate agreements do you want me to have them approve them in substantial form each one?

Ms. Buchanan stated yes.

<p>On MOTION by Mr. Carlo seconded by Mr. Arrowsmith with all in favor the developer funding agreement for O&M expenses with GreenPointe being the developer was approved in substantial form and with an effective date of February 1, 2017.</p>

On MOTION by Mr. Arrowsmith seconded by Ms. Ayers with all in favor the first amendment to the developer agreement with Armstrong Venture, LLC for O&M expenses was approved in substantial form for fiscal year 2017.

SEVENTH ORDER OF BUSINESS

Consideration of Compensation for Members of the Board

This item deferred.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Buchanan stated the deeds for the Tynes Boulevard Extension conveyance from Armstrong Ventures and from Orange Park Construction have been recorded. That was an obligation of the interlocal agreement.

B. Interim Engineer

There being none, the next item followed.

C. District Manager

Mr. Perry stated we did send a funding request to Clay County for reimbursement of certain costs associated with that extension and we haven't received those funds yet.

NINTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Carlo asked can we go back and revisit item five?

Mr. Perry stated item five is consideration of the underwriter engagement letter with FMS Bonds.

Mr. Carlo stated I think we can move forward with approving that.

On MOTION by Mr. Carlo seconded by Mr. Arrowsmith with all in favor the engagement letter with FMS Bonds was approved.

TENTH ORDER OF BUSINESS

Consideration of Funding Request No. 6

Mr. Perry stated item ten is consideration of funding request no. 6 in the amount of \$4,830.66.

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor funding request no. 6 in the amount of \$4,830.66 was approved.

ELEVENTH ORDER OF BUSINESS

Next Scheduled Meeting – 03/01/17 at 3:30 p.m. at the Eagle Landing Sales Center

Mr. Perry stated our next scheduled meeting is going to be March 1, 2017 at 3:30 p.m. unless we need to meet prior to then.

On MOTION by Ms. Ayers seconded by Mr. Carlo with all in favor the meeting adjourned at 3:40 p.m.


Secretary/Assistant Secretary


Chairperson/Vice Chairperson