

Armstrong
Community Development District

The regular meeting of the Board of Supervisors of the Armstrong Community Development District was held Wednesday, March 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 (by telephone)
Keith Jones	Supervisor

Also present were:

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

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 February 1, 2017 Meeting

On MOTION by Mr. Arrowsmith seconded by Ms. Ayers with all in favor the minutes of the February 1, 2017 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Discussion/Consideration of Boundary Amendment to Remove Multi-Family, Commercial, Office, Retail Properties from the District

Ms. Buchanan stated as I understand it the owners of the existing property have looked at the way the improvements are anticipated to function and believe that the improvements that serve the single-family homes would really not be connected to the multi-family and commercial components of the district. I think they are going to be physically separated by Tynes Boulevard. The district needs to take up a boundary amendment that would essentially separate the two areas. In order for the district to do that there will be a funding agreement in place and the person requesting the amendment would be responsible for funding all the costs associated with the amendment. As far as the forward looking affects the bonds were always going to be secured by the single-family only so I don't think that would change anything.

Mr. Carlo stated right now the bond issuance is solely for the single-family and it probably wouldn't make economic sense in the future to burden multi-family with bonds. I can't speak to the commercial but what would happen in the event that the buyer of the residential land is buying all the multi-family and commercial what is the flexibility and the option at some point down the road to be able to use CDD bond proceeds for some or all of that and this de-annexation has occurred and that is going to get fleshed out in the next few months or sooner would we have to re-annex in all that property? What kind of headache or issues would that cause?

Ms. Buchanan stated we had an inverse process at South Village that was established when Armstrong was added and then ultimately removed. It has happened, that being said if you have reason to think that may happen then there is no urgency to this boundary amendment and it doesn't have to be filed in the next 30 to 60 days.

Mr. Arrowsmith stated I think it is just a matter of being able to tell a potential purchaser what will and will not be involved. We would like to be able to say that this land is not in the CDD but it is just as easy to say this land is in the process of being de-annexed and one way or another there is not going to be any assessment on it. I think the two ways of doing it are reaching some kind of agreement that there won't be any assessments on the property and that is always subject to change because you don't always control the CDD or going ahead and de-annexing it and then you have removed any issue or cloud or chance or whatever and that was the consideration in looking at this at this point. You are correct in that there isn't any immediacy of finalizing it; however, we wanted to be sure that everybody was aware of what the end result and intent was going to be on the property. It easily could be what Mr. Carlo is

suggesting and what you are suggesting is that it could be a situation where this may be in the works but not finalized for several months. I suggest before we go ahead and make it final that we revisit it and make sure. It could also be a case where a buyer may be involved that may wish to have it in the CDD and it would be stopped for that reason as well.

Mr. Carlo stated I understand all that and it makes perfect sense and maybe over the next 30 days or so we will get more clarity on this and if you want to start a process for that and we are not crossing a painful line of no return in 30 days or sooner we will have a little more clarity on that issue.

Mr. Arrowsmith stated it makes sense to put everything in place to go forward and then make sure we are ready to go.

Ms. Buchanan stated okay. Your motion is to authorize the amendment but to direct staff to wait until further notice to proceed with any activity.

Mr. Arrowsmith stated yes. The landowner will give you notice when they are ready to proceed.

Mr. Carlo stated walk me through what that will involve. We are voting on an amendment and there is a funding agreement that has to be dealt with. What action gets started?

Ms. Buchanan stated nothing gets started.

Mr. Arrowsmith stated all we do is have an understanding that we are going to do it and we get from Katie and Keith what happens when we go ahead and make this go forward what needs to be done and what is the timing on it but nothing is done and going forward until the landowner says, let's do it.

Mr. Carlo stated okay.

Mr. Perry stated the longest lead time is typically the survey of the areas to be removed and at this point that will be deferred.

<p>On MOTION by Mr. Arrowsmith seconded by Ms. Ayers with all in favor the boundary amendment to remove multi-family, commercial, office and retail properties from the district was approved and staff was directed to wait until further notice to proceed with any activity.</p>

Mr. Perry asked do you want to do the funding agreement with the notation that nothing will be moving forward until directed by the chair?

Ms. Buchanan stated yes.

On MOTION by Ms. Ayers seconded by Mr. Jones with all in favor the boundary amendment funding agreement was approved with no activity to move forward until directed by the chair.

SIXTH ORDER OF BUSINESS

Approval of Invoices

Mr. Perry stated there were a couple of invoices in your agenda package and there are also a couple of them in front you. These are all invoices related to Hadden Engineering. Invoice 5592 for \$53,399.22 dated December 22, 2016 the payment has been made on that. Invoice 5600 for \$53,332.95 dated January 25, 2017. Invoice 5609 for \$19,994.31 net and that is dated February 22, 2017 and that is net of an adjustment of \$12,750 related to invoice 5600-R and that is a revision of the invoice 5600. All of these have been reviewed by Dean Vincent and approved by him. We will have a short explanation of that adjustment to invoice 5600 when we request reimbursement from the county.

On MOTION by Mr. Arrowsmith seconded by Ms. Ayers with all in favor invoices 5592, 5600, 5609 and 5600-R were approved.

SEVENTH ORDER OF BUSINESS

Authorization of Request for Qualifications for Continuing Engineering Services

Ms. Buchanan stated as you will recall we had two arrangements with engineers, the first that we did was an RFP for engineering services in connection with Tynes Boulevard Extension. We did authorize a request for qualifications to be published for continuing engineering services, our general engineer. Unfortunately our ad ran and there were no responses so district staff between meetings went ahead and authorized the publication of a second one, the RFQ for general engineering services and we don't have any responses back yet, the time period hasn't lapsed but when we do we will bring them back to the board. The first item I ask that you to consider is a motion to ratify the second publication of the request for qualifications for district engineering services.

On MOTION by Mr. Arrowsmith seconded by Ms. Ayers with all in favor the second publication of the RFQ for engineering services was ratified.

Ms. Buchanan stated the second item would be in connection with CEI work for the Tynes Boulevard Extension. The county has requested the district to secure those services independently and my office is in the process of preparing a request for qualifications that will be similar to the county's to get proposals for CEI work in connection with the Tynes Boulevard Extension. What I ask you to do today is review the evaluation criteria and the proposed form of notice.

Mr. Perry stated I have provided to the board members a draft of the form for CEI services and it also has on the last page the evaluation criteria.

Mr. Arrowsmith stated for the board's information CEI stands for construction engineering inspection services. In the past the county has provided those inspection services as part of what you were paying all the fees for and now with their streamlining that is an additional cost that you bear as the person building the roads. That is what this is for and it will be for the inspection process of Tynes Boulevard as it is built and it goes through the community.

On MOTION by Ms. Ayers seconded by Mr. Jones with all in favor the evaluation criteria and notice was approved and staff was authorized to move forward with the RFQ for CEI services in connection with the construction of Tynes Boulevard Extension.

EIGHTH ORDER OF BUSINESS

Authorization of Compensation for Members of the Board

Mr. Perry stated there was a question that came up and I wanted to put this item on the agenda because the district has changed a little bit in regards to the way it was originally contemplated to be structured. We don't have in the budget compensation for members of the board but you are eligible to accept compensation and I didn't know if the board members wanted to do that moving forward or not.

Mr. Arrowsmith stated we should put compensation in for the board members and reflect it in the budget going forward.

Mr. Perry stated at the next meeting I will bring documents for each of you to sign and once that is filled out we will start compensating the board members and we can make it

effective for this meeting and moving forward. I'm assuming all board members are accepting compensation.

Mr. Arrowsmith stated I would not be but I would think that the others would.

Mr. Carlo stated we have an O&M agreement for the additional meetings with GreenPointe and that funding is going to affect their side of the ledger as well if we do this.

Mr. Perry stated that is correct the costs are split 50/50.

Mr. Carlo stated I don't know if that is an issue for them or not it is not something we discussed.

Mr. Arrowsmith stated I don't know how long it is going to be because you will gain another seat upon closing and next year you will have it all. This holds for what we have and we felt that since they are taking their time out of what they are normally doing that it was a reasonable point for us to do and we are fine with our 50% of that including if you want to take it for yourself as well.

Mr. Carlo stated it is not a significant amount that we are talking about I want to at least give them the courtesy of saying this is what we are going to do.

Mr. Arrowsmith stated that is fine.

Mr. Perry stated we will put that item on the next agenda and I will have documents ready.

NINTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being none, the next item followed.

B. Interim Engineer

Mr. Perry stated in front of you is change order no. 1 with Hadden Engineering for the speed limit traffic study. This is another item that has been worked out with the county and the total cost of that is approximately \$28,714. This has been reviewed and approved by Mr. Vincent.

On MOTION by Mr. Arrowsmith seconded by Mr. Jones with all in favor change order no. 1 in the amount of \$28,714 with Hadden Engineering for the speed limit traffic study was approved.

C. District Manager

There being none, the next item followed.

TENTH ORDER OF BUSINESS **Supervisor's Requests and Audience Comments**

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS **Financial Statements as of January 31, 2017**

Mr. Perry stated you have the balance sheet as of January 31, 2017 and the statement of revenues and expenditures for the general fund and capital fund.

TWELFTH ORDER OF BUSINESS **Check Register**

Mr. Perry stated this is all related to construction invoices, 5592 and 5600, which we went through earlier that were paid to Hadden Engineering and the total \$106,732.17.

On MOTION by Ms. Ayers seconded by Mr. Jones with all in favor the check register in the amount of \$106,732.17 was approved.

THIRTEENTH ORDER OF BUSINESS **Consideration of Funding Request No. 7**

Mr. Perry stated funding request no. 7 is in the amount of \$6,582.80 and a copy of that is included in your agenda package.

On MOTION by Mr. Arrowsmith seconded by Ms. Ayers with all in favor funding request no. 7 in the amount of \$6,582.80 was approved.

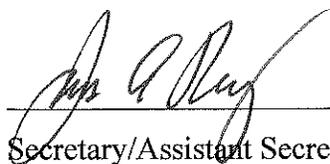
FOURTEENTH ORDER OF BUSINESS **Next Scheduled Meeting – 04/05/17 at 3:30 p.m. at the Eagle Landing Sales Center**

Mr. Perry stated the next meeting is scheduled for April 5, 2017 at this location at 3:30 p.m.

On MOTION by Ms. Ayers seconded by Mr. Jones with all in favor the meeting adjourned at 3:56 p.m.

March 1, 2017

Armstrong CDD



Secretary/Assistant Secretary



Chairperson/Vice Chairperson