

Minutes of Meeting
Armstrong Community Development District

The regular meeting of the Board of Supervisors of the Armstrong Community Development District was held Wednesday, September 5, 2018 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
Mike Taylor	Supervisor

Also present were:

James Perry	District Manager
Katie Buchanan	District Counsel
Keith Hadden	District Engineer
Dean Vincent	Armstrong Ventures
Liam O'Reilly	Greenpointe

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the August 8, 2018 Meeting

On MOTION by Mr. Taylor seconded by Ms. Ayers with all in favor the minutes of the August 8, 2018 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Consideration of Advance Funding Agreement with Armstrong Ventures

Mr. Perry stated next is consideration of an advance funding agreement with Armstrong Ventures. A draft has just been provided to you and it is pretty much finalized but is still a work in progress.

Ms. Buchanan stated we tried to make it as simple as possible. Essentially, everyone understands the Interlocal Agreement between the county and the district but what we are running up against is the county's verification process for reimbursement takes so long we are not able to replenish the account in time to pay our contractors. Armstrong Ventures has offered to make available an amount up to \$400,000 to bridge the gap for payments. Initially I had proposed that we just make it at the end of completion because I thought it would be hard to do accounting along the way, but their response back is they want a little more flexibility so if we don't need the money they have the ability to get it back and I don't think we have a problem with that. We understand there is no need to hold money that we don't need. This also doesn't change the obligation that Armstrong has that if the project runs over budget they are required to step in and complete that. I don't know how we are tracking on budget right now.

Mr. Vincent stated basically we will spend all \$400,000 and then some. I can assure you it will exceed \$400,000.

Ms. Buchanan stated we will clarify where the money goes, it won't go to the general fund it will be in a separate account.

Mr. Vincent stated the reason this is really needed is because you have funding request 22 in front of you today for Tynes Boulevard and we just got reimbursed for 18. It is that much in arrears, 18 is an April invoice. This \$400,000 with the \$400,000 we have in reimbursements on top of the \$600,000 cap certainly should allow the line to get unclogged.

Mr. Arrowsmith asked isn't all of the rest of the money available?

Mr. Vincent stated that is not the issue. The issue is basically the advance funding is a limit of \$600,000. It doesn't matter if they have \$3 million in available funds or not they are only going to advance funds up to \$600,000. We started that to make sure there was money there and the way the county has interpreted it is they cannot advance fund more than \$600,000. A couple funding requests that came from Vallencourt caused the number to be \$500,000 to \$600,000 and all of a sudden you can't process it because the amount of the funding request exceeds the amount the county will advance fund even though you pay it. We have learned from this but that is the

problem. Once again, this \$400,000, the \$400,000 we have gotten in two separate checks from CCUA should allow us to get caught up.

Mr. Arrowsmith stated just paying request no. 18 doesn't have anything to do with the funding cap it is just the timing.

Mr. Vincent stated we are under the funding cap it has nothing to do with the funding cap. It is totally the interpretation by the county of \$600,000 in advancement of the \$600,000.

Ms. Buchanan stated they won't replenish it.

Mr. Vincent stated this is how they reimburse: we approve funding requests, we have to demonstrate payment of everything before we send it to the county. We have to have canceled checks. We have to advance pay, get everything back and then send it to the county and then they have been taking in excess of 30 days. The latest one took three weeks and I think that is because Katie got involved, other people got involved and the finance people realized they were sitting on these things a little bit longer so the last one took three weeks. The \$400,000 should certainly help unclog the drain.

On MOTION by Mr. Taylor seconded by Ms. Ayers with all in favor the advance funding agreement with Armstrong Ventures was approved in substantial form and the chairman was authorized to finalize the agreement between meetings.

FIFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being none, the next item followed.

B. District Engineer – Consideration of Requisition Nos. 25 & 26

Mr. Hadden stated these requisitions have been signed off on by all the appropriate folks.

On MOTION by Mr. Taylor seconded by Ms. Ayers with all in favor Requisitions 25 and 26 were approved.

C. District Manager

There being none, the next item followed.

D. Tynes Boulevard Project Administrator

Mr. Vincent stated we have executed four change orders, two of which are monetary as it relates to 1A and the second is basically a timing element as it relates to staying within contract time for 1B and 2 as a result of adding the connections to the plant. 1A is basically to accommodate the fact that we finished paving the Friday before school started and it was pretty much shut down waiting for Clay Electric. The new substantial completion date is 10/23 for 1A and substantial is basically 30 days in advance of final completion. Substantial means it can be open to traffic. We had a conversation today and they said in two weeks we will be connected to the line and then it will extend through your subdivision to feed the pump station. The date for 1B and 2 is 4/29/19.

Both Vallencourt and ETM are slow in getting me their invoices for August so they will be included in a funding request next month.

Ms. Buchanan stated my thought is that we can size our funding requests internally so we have the most flexibility and then what we submit to the county could be a funding request composite, 27, 28, 29 from the district if that is what is necessary just so if we do have these smaller invoices that we can pay we won't be tied into the bulk.

Mr. Vincent stated if you look at what came in late for August and what we will get for September we could have \$1 million with Vallencourt between both phases. We have to make sure they are not combined just for expediency and funding requests or we will get back into the same problem.

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

Mr. Arrowsmith stated Marilyn is coordinating the transportation impact fees with all three of the builders in Greyhawk and I think we have everything all lined up and ready to go even though the county constantly keeps changing things. They are having some kind of report in place today that hopefully will come to us later that is part of their internal tracking and what we have to be aware of and hopefully, it won't hold up anybody, this was just in case anybody hears anything, they are putting this in place for internal policies and internal tracking for them to follow everything.

Mr. Vincent asked will we be on a voucher system?

Mr. Arrowsmith stated yes.

Mr. O'Reilly asked which impact fee

Mr. Arrowsmith stated transportation. They are just trying to get their system in place so that they don't make mistakes and lose track of what is going on. The only difficulty is there are two levels based on the square footage of the home and they have never done that before. When I talked to the assistant county attorney today I said you want a number from us as to what is going to be used and she said it can change any time you want to and we just want something to be able to put in and if you want to change it tomorrow you can do that. I said it would just make sense for us to go through and say your first 200 are all going to be at the high number so you have it in your system that way and if it doesn't all get used it doesn't get used. That doesn't mean they are going to have to pay it they will only pay what they have. We have communicated with and are working with everybody in Greyhawk to make that happens. In addition, we are moving forward on working with the county on the non-residential land and what is going to be happening down there. I think both of those things will help each other, what gets done residential development-wise will help that process down there because the county is going to see stuff happening and want more of it then when we get things underway down there and I think we have three or four users already lined up. I think all that will be a big help for everybody and it will work nicely together. The road is open so it is moving along.

SEVENTH ORDER OF BUSINESS**Financial Statements as of July 31, 2018**

Mr. Vincent asked do you know what the balance is on the Jr. Davis contract remaining to be paid?

Mr. Hadden stated I don't.

Mr. Perry stated as of the end of July, \$504,000.

EIGHTH ORDER OF BUSINESS**Consideration of Funding Request No. 25
(General Fund)**

On MOTION by Ms. Ayers seconded by Mr. Taylor with all in favor funding request no. 25 was approved.

NINTH ORDER OF BUSINESS**Consideration of Funding Request No. 22
(Construction Fund)**

On MOTION by Ms. Ayers seconded by Mr. Taylor with all in favor funding request no. 22 was approved.

TENTH ORDER OF BUSINESS

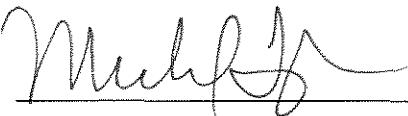
Next Scheduled Meeting – 10/03/18 at 3:30 p.m. at the Eagle Landing Sales Center

Mr. Perry stated the next scheduled meeting is October 3, 2018 at 3:30 p.m. at this location.

On MOTION by Ms. Ayers seconded by Ms. Taylor with all in favor the meeting adjourned at 3:52 p.m.



Secretary/Assistant Secretary



Chairperson/Vice Chairperson