

Minutes of Meeting
Armstrong Community Development District

The regular meeting of the Board of Supervisors of the Armstrong Community Development District was held Thursday, May 11, 2023 at 3:30 p.m. at the Plantation Oaks Amenity Center, 845 Oakleaf Plantation Parkway, Orange Park, Florida.

Present and constituting a quorum were:

Liam O'Reilly	Chairman by telephone
Kendrick Taylor	Supervisor
Christine Bowen	Supervisor
Jorge Vergara Molero	Supervisor
Cameron Brown	Supervisor

Also present were:

Marilee Giles	District Manager
Katie Buchanan	District Counsel by telephone
Alex Boyer	Armstrong CDD Facility Manager

FIRST ORDER OF BUSINESS

Roll Call

Ms. Giles called the meeting to order at 3:30 p.m. and called the roll.

SECOND ORDER OF BUSINESS

Public Comment

Following is a summary of the comments/questions: Request of HOA to have the CDD assume the cost of the facility attendant starting July 1, what is included in landscape proposal, Vak Pak proposal, proposed increase in janitorial contract.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2023-07 Election of Officers

This item tabled.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the April 13, 2023 Meeting

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On MOTION by Mr. Vergara Molero seconded by Ms. Bowen with all in favor the minutes of the April 13, 2023 meeting were approved as presented.

FIFTH ORDER OF BUSINESS**Consideration of Proposals****A. Landscape Maintenance Proposal from Tree Amigos**

Mr. Boyer stated Tree Amigos is proposing a new agreement from the five-year service agreement expires next month. They are not increasing their fees this year, they will increase the fees the second and third years. As of the last meeting we were \$7,000 over budget and that has been corrected by the developer paying for the landscape project and we can now order turf and those sorts of things. This agreement is for landscape maintenance and not additional landscape projects that would come out of contingency and would be invoices separately.

Mr. O'Reilly joined the meeting by telephone during this item.

Ms. Giles stated on page 19, Tree Amigos spelled out the increases for year two and year three and that is typical for a landscape agreement to have a 3%-5% increase from year to year.

On MOTION by Mr. Brown seconded by Mr. Vergara Molero with all in favor the proposal from The Tree Amigos for year 1 services \$134,374.86, year 2 \$138,406.17 and year 3 \$142,558.36 was approved.

B. Janitorial Services Proposal from City Wide Maintenance

This item tabled.

C. Vak Pak Proposal

Mr. Boyer stated this is our quarterly service agreement with Vak Pak. This is the third year we have done this. They make sure everything is working property, replacing hose bibs and valves and those sorts of things. That helps keep a lot of the equipment under warranty. We enter into this agreement annually.

Ms. Giles stated we are going to ask them to adjust their dates so that the contract coincides with our fiscal year.

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On MOTION by Mr. Taylor seconded by Mr. Vergara Molero with all in favor the proposal from Vak Pak for maintenance of pool equipment in the annual amount of \$1,400 was approved.

D. Doody Daddy Proposal

Mr. Boyer stated this is the dog waste station service agreement. I recommend that you look at treating this as a separate line item because right now the cost is coming from repair and maintenance of the amenity center or your general maintenance. If you decide to add more stations there will be a specific line item.

Ms. Giles stated your accountant did separate this from the rest of it.

On MOTION by Mr. Vergara Molero seconded by Ms. Bowen with all in favor the proposal from Doody Daddy in the monthly amount of \$155 was approved.

E. Evergreen Proposal for Amenity Management

Ms. Giles stated as a reminder at the last meeting anticipating the termination letter from the HOA the board directed staff to get a proposal from Evergreen who is currently there for amenity management.

Mr. Boyer stated the proposal is for the amenity attendant, that covers salary and burden rates. They are your employee; a fulltime employee does have benefits, taxes and that is what the additional burden rate cost is. There is a small management fee and that covers me to stay on and help John as well as the district. There are administrative costs on the backside, that is what the management fee is.

Marilee did let us know that we are currently in contract with a janitorial service, but to help with the burden cost we were going to include janitorial service in this agreement at no additional cost. The \$18,000 currently budgeted will help cover the management fee and any additional costs. At that point you are only paying for the fulltime staff member and not having the increase of both a management fee and staff cost.

Mr. Taylor stated this proposal includes janitorial.

Mr. Boyer stated it does not, but we can add it without additional cost.

Mr. Taylor stated it is \$49,000 for the attendant plus 32% burden rate plus the \$1,250 per month for you that puts the total at \$79,680.

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Mr. Boyer stated the management fee covers staff too, handling your contracts, get all of your proposals and those sorts of things, that we are doing now but that is what that is for. John is there to be your facility attendant not to be your operation manager.

Ms. Bowen stated I think there should be discussion about fulltime/part time and since Evergreen has been here since inception I think it is healthy to get bids to compare prices and services. Is that something we have time to do?

Ms. Giles stated we can do that. I know a couple supervisors reached out and I sent you examples. As long as the guidance is clear so that we are comparing full time proposals from all the vendors or part time.

Mr. Boyer stated we need a clear scope of services that we would be able to change as well.

Ms. Giles stated if that is the board's guidance to look for proposals I would need to recruit Katie's recommendation because one of those proposals would most likely be from GMS, just to avoid any perception of a conflict of interest. If that is what the board wants we need to clarify that scope of services and district counsel would send that out to known vendors, but it is a matter of if you want part time or fulltime. The one you gave us today is fulltime, 40 hours.

Mr. Taylor stated I think we can base it on fulltime, get proposals and if we choose to do part time we can scale it back at that time. Just so that everything is apples to apples we should do fulltime. Will Katie draft that?

Ms. Giles stated yes, but we need guidance on that scope of services, fulltime, part time, janitorial.

Mr. Boyer stated this is basically what you have moving it over from the HOA to the CDD and if you change the scope this would be a different coverage.

Ms. Buchanan stated I agree that essentially all the money is coming from the same community but tying into the initial comment at the beginning of the meeting, where is the district on funding and does it have sufficient funds to absorb the cost starting sooner than later? You didn't necessarily have this in the budget for your fiscal year ending September 30.

Mr. Boyer stated at this point the HOA has said they are not funding this position at all or half.

Ms. Giles stated when I got Evergreen's initial proposal during the work week. I did reach out to the accountant and used their initial numbers and that is what is in the budget. The first email I got was \$67,000 and that is what I put in the budget and we can adjust it if necessary. I

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used the \$67,000 and worked with the accountant to see if the district had enough funds to bring someone in effective July 1st and there is enough money according to the accountant using the \$67,000 divided by 12 months to cover that for July, August and September.

Mr. Boyer stated this proposal was based on it starting in October. I can say we will waive the management fee until October regardless of the decision. The reason John is not here is because I didn't want to have a conversation about John in front of John. Our main focus is taking care of staff first. We would make sure the management fee would come when you could budget for it. Our goal is to make sure the facility is taken care of and that staff is taken care of.

Ms. Buchanan stated I would think all the board members would maybe want to review the scope of work that is in your agenda package and if you have any comments, provide them to me. This scope of work was prepared by Evergreen and it seems to me that they are the most familiar with the project and it is a great starting point. Having said that if someone has thoughts now is the time to incorporate them and then our office has a standard form of request for proposals that we could put together, but this is not something that has to be formally bid, we would just send it to the handful of community managers that work in the Jacksonville area that we all know. Evergreen will of course be part of that process. Marilee referenced Riverside Management that is an affiliate company she has and given the timeframe for which they would need to respond with a new price proposal and as long as everyone is in agreement on the scope of work then we generally would get a consistent apples to apples comparison on those replies to the district.

Mr. O'Reilly stated I would add for history, part of the reason we originally added security several years ago was because we did not have an amenity attendant at the time. We were still pretty young in the number of residents but we were having a lot of visitors at the pool who were not residents so we had security because that was a more cost efficient alternative until we had more need for a fulltime amenity attendant. If you decide to do a full-time amenity attendant that may alleviate some of the security needs.

Mr. Taylor stated I see value in having security under a separate security contract.

Ms. Giles stated as the supervisors consider this so as to not belabor it here, is there a supervisor who wants to work with counsel so we can get all the details for the scope of services? Katie, they can email you individually but what do you think about a point person to work with?

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Ms. Buchanan stated everyone can email me individually and we can certainly incorporate comments and circulate the updated draft. It would be helpful to have one person on point just to be able to weigh in on things like deadlines or information they feel is appropriate to be requested.

Ms. Giles stated we are going to table the Evergreen proposal for amenity management and the guidance from the supervisors is Christine will work with district counsel, but all the supervisors are going to email district counsel about the scope of services.

Ms. Bowen asked can the dog waste stations be added to the scope of work?

Ms. Buchanan stated I have seen some proposals in my agenda packages in the area right now, which means they are done with it and it is something to bring on a separate vendor to the board because they don't want to continue to do that type of work.

Ms. Giles stated we would want the proposals at the next meeting so we would have enough time to start the new vendor effective July 1. Do you want to consider these proposals for July 1 and for your FY24 services?

It was the consensus of the board to review the proposals at the next meeting.

SIXTH ORDER OF BUSINESS

Discussion of Greyhawk HOA Termination Letter

Ms. Giles stated the letter is in your packet and we have heard from Ms. Williams the proposal from the HOA.

The board discussed the termination letter, the lack of funds available to fund amenity facility management at the present time, the reason the HOA originally entered into the agreement, and the need for amenity staffing.

Mr. O'Reilly stated the developer will pay for that. I will volunteer to deficit if Marilee will do an O&M deficit funding request for the amount to bridge that gap then we will deficit fund that. Katie, can I do that?

Ms. Buchanan stated you can do that.

Mr. O'Reilly stated the last thing I want is the HOA and CDD to be adversaries. You are both on the same side and which bucket of money it comes out of I still don't think matters. We will pay for it.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2023-08 Approving the Proposed Budget for Fiscal

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Year 2024 and Setting a Public Hearing Date to Adopt

Ms. Buchanan gave an overview of the resolution approving the proposed budget setting the public hearing.

Ms. Giles stated the proposed budget is the maximum that will be assessed. The reserve study before you is a planning tool and Community Advisors gives you the way ahead for the future and how much they recommend your annual reserve contribution be and what the year-end balance should be in your capital reserve fund. Everything you fix does not have to come out of your capital reserve. If it is a small enough expense it can come out of your repair and replacement line and Alex and John would typically keep an eye on those repair and replacement line items under facility and under the amenity side. The big year coming up is 2030 and that is the year for the swimming pool. This is a tool, you don't have to put all \$53,000 into the capital reserve this year, but keep in mind each year builds on the next year to get you to a reserve fund in case you have to spend all \$200,000 on that pool in 2030. I did enter this number into the proposed budget, because we can approve it high this month and reduce if we need to. It is a contributing factor to the 26% increase.

Once we approve the budget we will provide a copy to Clay County as required by Chapter 190, F.S., we will set a public hearing no sooner than 60 days and right now we are looking to set that public hearing date of July 13, 2023. That will give us the full 60 days to submit the certified assessment roll to the county.

There are three parts to the budget; the general fund budget, debt service fund budget and the capital reserve fund budget that is new to this district. The proposal you see today is an increase of \$292 per year or \$24 per month; a 26% increase.

The following line items were discussed, supervisors' fees, fitness equipment lease, special events, amenity management, janitorial, operating reserves, insurance, access cards, pool maintenance.

On MOTION by Mr. Vergara Molero seconded by Mr. Taylor with all in favor Resolution 2023-08 approving the fiscal year 2024 budget and setting the public hearing for July 13, 2023 was approved.
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EIGHTH ORDER OF BUSINESS**Review of Capital Reserve Study**

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Ms. Giles stated I will be happy to go over this again with anybody who wants to outside of the meeting. You can call at any time.

On MOTION by Mr. Taylor seconded by Ms. Bowen with all in favor the Capital Reserve Study was accepted.

NINTH ORDER OF BUSINESS

Discussion of Suspension Letters

Ms. Buchanan stated essentially your amenity manager and district manager have the right to suspend residents from your facility between meetings if they are in violation of your amenity policies. That is what has happened in this case, traditionally we do a suspension until the next board meeting because we want to give the board the opportunity to review the event as described by the onsite staff and then decide whether the suspension that has already occurred is sufficient or whether you want to extend it. We do give the residents a mailed notice of this meeting time so if they feel like the suspension is unfair they can come to you and present their side of the story as well. With this first suspension you are setting a precedent, I am not in favor of suspending the entire household compared to just suspending the minor's privileges. Parents are paying to use the amenity center and if they are not actively participating in the problem and the minor is old enough to be independent in their actions I don't recommend applying the same penalty to parents. That being said, if it is persistent or if it is a younger child that the parents aren't properly supervising, that is a different situation that you can evaluate as they come up.

It was the consensus of the board to apply the suspension policy as follows: 30 days from time of letter for the victim, non-resident should be trespassed, the person who encouraged the fight 45 days from date of letter and person who encouraged the fight and videoed the fight and brought in the non- resident aggressor 60 days from the date of the letter.

Ms. Giles stated Alex will turn the fobs back on and I will send a letter tomorrow to the parents of the minors.

TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being none, the next item followed.

B. District Engineer

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There being none, the next item followed.

C. District Manager – Report on the Number of Registered Voters (881)

A copy of the letter from the supervisor of elections indicating that there are 881 registered voters residing within the district was included in the agenda package.

D. Facility Manager

1. Report

Mr. Boyer gave an overview of the amenity management report, copy of which was included in the agenda package and stated we continue to have the same violation from the health department due to chairs being in the pool.

Mr. Boyer was directed to send an email to the residents to remind them to close umbrellas at the end of the day and chairs are never to be put in the pool.

2. Monthly Quality Inspection Report

ELEVENTH ORDER OF BUSINESS Supervisor’s Requests and Audience Comments

Mr. Taylor stated I want to make sure security is present when they are supposed to be and they are sending in their reports to Evergreen.

Mr. Lopez stated I spoke with security and they told me they don’t have enough staff and sometimes they are pulled off to go to Eagle Landing on our time.

Ms. Giles stated I will take that issue.

Mr. Lopez asked the list of things I sent after the last meeting, have any of those been touched on?

Mr. Vergara Molero stated a lot of your items dealt with items that have budget constraints.

Mr. Lopez stated if a donation is needed for a DVR system, I don’t mind. Can we get it monitored by CCSO?

Ms. Giles stated the WIFI is being worked on.

Mr. Lopez asked has the stand alone soap dispenser been installed?

Mr. Boyer stated no. I have to have the board’s approval and recommendation on that. We have not been directed to do that.

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Mr. Lopez stated the window in the amenity area that is open to air.

Mr. Boyer stated John is working with someone to install some bars.

TWELFTH ORDER OF BUSINESS Financial Reports

A. Financial Statements as of April 30, 2023

A copy of the financials was included in the agenda package.

B. Check Register

On MOTION by Mr. Taylor seconded by Mr. Vergara Molero with all in favor the check register was approved.

THIRTEENTH ORDER OF BUSINESS Next Scheduled Meeting – June 8, 2023 at 3:30 p.m. at the Plantation Oaks Amenity Center

Ms. Giles stated the next scheduled meeting will be June 8th at 3:30 p.m. in the same location.

On MOTION by Mr. Taylor seconded by Ms. Bowen with all in favor the meeting adjourned at 5:33 p.m.

DocuSigned by:
Marilee Giles
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Secretary/Assistant Secretary

DocuSigned by:
Liam O'Reilly
54C6553CBA4C4A0
Chairperson/Vice Chairperson