

Minutes of Meeting  
Armstrong Community Development District

The regular meeting of the Board of Supervisors of the Armstrong Community Development District was held Wednesday, May 2, 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	Assistant Secretary
Grady Miars	Assistant Secretary by telephone

Also present were:

James Perry	District Manger
Katie Buchanan	District Counsel
Keith Hadden	District Engineer
Liam O'Riley	Greenpointe
Dean Vincent	Armstrong Ventures by telephone

**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 April 4, 2018 Meeting**

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor the minutes of the April 4, 2018 meeting were approved as presented.

**FOURTH ORDER OF BUSINESS**

**Consideration of Boundary Amendment**

**A. Consideration of Resolution 2018-05 Authorizing the Boundary Amendment**

Ms. Buchanan stated this is something that was considered last year and the board by motion authorized the removal of certain lands that are for multi-family and commercial purposes from the district’s boundaries. Since it has been so long I thought it was appropriate to bring it back to you and we also prefer to have that done by resolution so we can include it in the petition package that is submitted to the county. The resolution in the package goes through and details the district’s current acreage and will also identify lands to be removed. It is very short and if you look at the legal description it just identifies lots 3 and 4 as identified in the Armstrong Plat.

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor Resolution 2018-05 was approved.

**B. Consideration of the Petition to Amend the Boundaries**

Ms. Buchanan stated there is a sample of what the petition will likely look like in the agenda package.

**C. Consideration of Boundary Amendment Funding Agreement**

Ms. Buchanan stated because the boundary amendment is being requested by Armstrong Venture, LLC they have agreed to fund district staff’s work necessary to complete the process so this will not be a general fund budget item, it will not come out of the shared funding obligation.

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor the boundary amendment funding agreement with Armstrong Venture, LLC was approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-06 Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing Date for Adoption**

Mr. Perry stated item five is consideration of Resolution 2018-06 approving the proposed budget for fiscal year 2019 and setting a public hearing date for adoption. The budget is very similar to what you currently have in place and considers it to be a developer funding budget based on the completion of certain housing units next year. This gives you more flexibility in lieu of setting assessments right now. It is a pay as you go budget and we would look for the

board to approve this budget at today's meeting and we can set the budget for adoption July 11<sup>th</sup> or August 1<sup>st</sup>. We might want to push it out to August; July might be a slower month and we may cancel that meeting. We have to advertise this as a public hearing so once we set the date we don't want to have to re-advertise it.

On MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor Resolution 2018-06 approving the proposed budget and setting the public hearing for August 1, 2018 was approved.

**SIXTH ORDER OF BUSINESS**

**Consideration of Agreement and Invoice with Clay Electric for Electrical Infrastructure Fees and Deposit for Roads and Street Lights within GreyHawk Phase 1A**

Mr. Perry stated item six is consideration of an agreement and invoice with Clay County Electric for electrical infrastructure and deposit for roads and street lights within GreyHawk Phase 1A.

Mr. Taylor asked is there detail to back up these numbers from Clay County Electric Authority?

Mr. Perry stated there is a direct invoice for the total amount, but I don't have any additional backup.

Mr. Taylor asked would the board have a problem with us asking for that backup?

Mr. Arrowsmith stated no.

Ms. Buchanan asked when does the payment have to be made? From a timing perspective are we going to approve it today subject to someone else finalizing it?

Mr. Taylor stated I would recommend that we move forward with the payment I would just like to have more detail.

Mr. Hadden asked Mike, were you in the meeting with Clay Electric and we asked that question and they said the per lot charge of \$1,200 or some X amount and then at a certain point, half that money is refunded but I don't remember the amount.

Mr. O'Riley stated the numbers were \$520 a lot and \$728 a lot was the contribution in aid of construction that the CDD will get back at 50%.

Mr. Taylor stated I just wanted to see the formula.

Mr. O'Riley stated we can have them put that on the invoice so it is crystal clear.

Mr. Taylor stated the numbers look right I just wanted more detail.

On MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor the agreement for underground distribution contribution in aid of construction between the district and Clay County Electric Cooperative, Inc. was approved.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Invoice with Clay Electric  
GreyHawk Spine Road (Tynes Boulevard  
1A)**

Mr. Perry stated item seven is consideration of invoice with Clay Electric for GreyHawk Spine Road, Tynes Boulevard 1A and that is included in your agenda package.

Mr. Taylor stated I would like to move forward with payment and get a detailed breakout of how that was counted.

Mr. O'Riley stated this dollar amount is not as clear as what Keith is describing, they have essentially given a lump sum number and Keith and I have requested they provide a schedule of values to justify the number.

Mr. Taylor asked is it typical that they provide that breakout?

Mr. Hadden stated not unless you ask for it.

Ms. Buchanan asked is there a requisition for this in the package?

Mr. Perry stated we will need to approve a requisition also.

Mr. Hadden stated once we are all comfortable with the breakdown we will prepare the requisition.

Mr. Perry stated this will come out of the interlocal fund.

Mr. Arrowsmith stated just make sure as to whose responsibility it is.

Mr. O'Riley stated this invoice is entitled Tynes Boulevard 1A but it has commercial and residential broken down.

Mr. Arrowsmith stated that is the one I thought we had agreed to reimburse.

Ms. Buchanan stated for GreyHawk Phase 1A the intent is to pay it out of the construction account and we will come back and do a requisition for that. Then the Spine Road Tynes Boulevard 1A what fund will that be paid out of?

Mr. Arrowsmith stated it is my understanding we agreed to reimburse Greenpointe for the \$80,000 of the electric work through the commercial and Greenpointe would be responsible for the rest of that and not the CDD.

Mr. Vincent stated part of the question is does the \$187,801 come out of the Tynes Boulevard and the answer is no. It doesn't come out of Tynes Boulevard. It was my understanding that they are using their bond issuance to pay for it and we are going to reimburse the commercial portion, which is the \$80,000.

Ms. Buchanan stated I want to understand if this is within the boundaries of the project under the indenture.

Mr. O'Riley stated the residential section is within the boundary, it will be beyond the boundary once we de-annex.

Ms. Buchanan stated when I say project I mean the defined project that you used to issue bonds to fund. The residential portion yes, the commercial portion no, which means we can't use bond proceeds to pay for that commercial portion.

Mr. Arrowsmith asked isn't the right of way for Tynes still the CDD?

Ms. Buchanan stated yes, but the bond funds are earmarked for a very specific project and I want to make sure that we are not using bond funds for improvements beyond the scope of the project and we are not slated for commercial improvements at all. If we were to fund it out of bond proceeds we would need advance funding for the commercial.

Mr. Perry stated we excluded any of the commercial from the assessment methodology and the engineering project when we did the bonds.

Mr. O'Riley stated the problem is the commercial portion is in-between the power point and the residential project so there is no other option other than to go through the commercial portion.

Ms. Buchanan stated it is a timing question.

Mr. O'Riley asked is there no mechanism in the current Armstrong District through the Tynes Boulevard right of way to pay the \$80,000? The other option is for Greenpointe to pay it through a developer funding agreement and get reimbursed by East West Partners or another entity controlled by East West Partners.

Ms. Buchanan stated that is an option or the other option is to have that entity fund it first then there is no reimbursement.

Mr. Vincent stated we should not pay out of the funding from Clay Utility for this cost.

Ms. Buchanan stated we understand. We are just trying to work out the timing on how to get that payment made.

Mr. O'Riley stated I wanted to figure a way to pay for this because I think we are in a position because we have a need to get this moving quickly, which is everybody's goal and deadline as long as we know we are going to get reimbursed for the portion that doesn't serve our project.

Ms. Buchanan stated I think that is probably outside of the CDD.

Mr. Arrowsmith asked is Liam asking that if we weren't involved in the commercial aspect of it if that was owned by Joe Blow and Tynes Boulevard is being built and the CDD is there and all this stuff and Greenpointe was developing GreyHawk and to provide electric to make all this happen and the district be viable there needs to be electric there. We could always do that before.

Ms. Buchanan stated I think that it is just a quick confirmation that it is not that you couldn't have done it first it was did we do it. Did the definition of the project include this work?

Mr. Hadden stated the question is that commercial section is it to serve the commercial or is it going through the commercial because there is no commercial in my engineering report for the CDD. If we say it is not serving the commercial it is just traversing through the commercial to get to the residential.

Ms. Buchanan stated it is hard to say that Armstrong needs to reimburse GreyHawk if that is the case. What is the easiest way to do this? It is just a matter of putting money in an account, what is the easiest way to make this happen. I think everybody seems to be in agreement on what the end result is it is just making sure we get from A to B quickly.

Mr. Taylor stated if memory serves me right Grady in his report had electrical distribution.

Ms. Buchanan stated if it had electrical in the project then we would need an agreement with Armstrong that they are going to fund the balance I assume. If you pay it out of bonds then the CDD would need an agreement with Armstrong for reimbursement. If GreyHawk funds it then GreyHawk and Armstrong would have that agreement.

Mr. Arrowsmith stated it is a timing issue because you are not going to be using bonds for everything. All we need is an agreement for Armstrong to refund the \$80,434.

Mr. Taylor stated to summarize we are going to get an agreement post meeting to address the reimbursement, the invoice will be approved to be paid to Clay County Electric.

Mr. Perry stated right and the requisition processed.

Mr. O’Riley stated also pending the backup for this invoice from Clay Electric.

Mr. Perry stated right.

On MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor the invoice with Clay Electric for GreyHawk Spine Road, Tynes Boulevard 1A, in the amount of \$187,801 was approved subject to a more detailed breakdown of the numbers by Clay County and an agreement with Armstrong Ventures, LLC for the reimbursement of the commercial section totaling \$80,434 was approved.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Developer Agreement with Clay County Utility Authority for Tynes Boulevard Utility Line Extension Phase 1B & 2**

Ms. Buchanan stated this is a pretty standard agreement, the project administrator for Tynes has gone over the numbers and feels comfortable with them.

Mr. Vincent stated I double checked the numbers and basically that includes the offsite portion from the right of way 1A over to the plan, that includes 100% of the cost and he deferred invoicing and payment from Vallencourt letting him reach substantial completion and go to warranty. Essentially, the money would come out of the Tynes Boulevard account to pay for the extension, but we would have the reimbursement funds at the time we get a Vallencourt invoice to pay. It is basically a wash. The agreement also does include the differential cost from the 16” on 1B and 2 versus the 10”.

Mr. Taylor stated I’m looking at an invoice from Vallencourt that you are saying is going to be delayed, it is \$249,000. Is that what we are talking about? This will not interfere with Armstrong Phase 1, right?

Mr. Vincent stated no because they are going to be providing also to Oakleaf everything, but this has an accelerated timeframe to it. I’m not certain where you are on bringing in your first section, but this connection should be made in the fall.

Mr. O’Riley stated I think the question is we want to confirm that Tynes 1A will be accepted through DEP and CCUA independently of the offsite 16” mains.

Mr. Vincent the line work in 1A had a different completion testing schedule and record drawing schedule from 1B and 2 and any offsite. The completion date for the off-site work is not tied to this agreement that is why the off-site work is included in the development agreement for 1B and 2 not 1A.

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor the developer agreement with Clay County Utility Authority for Tynes Boulevard line extension Phase 1B & 2 was approved.

**NINTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel – Consideration of Change Order No. 002, 003 and 004**

Mr. Vincent stated there are three change orders, one is with 1B & 2 and that change order is the \$249,533.90 the other two change orders are 1A and installing the conduit for power and other utilities under Tynes Boulevard 1A and for the turn lane change and the \$32,426.44 is a bargain by doing it now versus if we had to do it under traffic down the road. Armstrong Ventures will end up picking up 100% of those costs because we are well out of the county’s funding range at this point.

On MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor change orders 002, 003 and 004 with Vallencourt Construction Company, Inc. were approved as presented.

**B. District Engineer**

**1. Ratification of Requisition No. 7**

Mr. Hadden stated requisition no. 7 is for Basham & Lucas for \$48,900 and it is split between the two accounts, the A and B.

Mr. Taylor asked does he have all the civil engineering he needs from you?

Mr. Hadden responded no, I just got his stuff last week.

Mr. O'Riley stated he has all the civil for the neighborhood and Tynes and all that but there is no civil done on an amenity site, once they got the site plan done now Keith is working on it.

Mr. Hadden stated we have sewer, water, storm, and the roadway.

ON MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor requisition no. 7 with Basham & Lucas in the amount of \$48,900 was ratified.

**2. Consideration of Requisition No. 8 and No. 9**

Mr. Hadden stated requisition 8 is for six invoices of mine.

On MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor requisitions 8 for Hadden Engineering, Inc. in the amount of \$29,125.85 was approved.

Mr. Hadden stated requisition no. 9 is Jr. Davis pay application no. 6 for \$599,395.74.

Mr. Taylor asked are we on schedule for completion of their contract?

Mr. O'Riley responded yes we are on schedule, pending the utility advances on Tynes 1A. Dean sent the updated Tynes 1A schedule today.

Mr. Vincent stated the effective date on 1A is still the same, they will be in position end of August with final completion the following month.

Mr. Arrowsmith asked what is the timing on lots in there?

Mr. O'Riley stated our site construction will be done end of August but we will be clearing utilities a month and a half before that. From our end the concern is probably not so much opening of traffic.

Mr. Taylor stated the builders have asked for an early opportunity to start building their models and specs in August if we can get access to the site.

On MOTION by Mr. Taylor seconded by Mr. Arrowsmith with all in favor requisition 9 for Jr. Davis Construction, Inc. in the amount of \$599,395.74 was approved.

**C. District Manager**

**1. Clay County Process for Submission of Funding Requests**

Mr. Perry stated we have gone back and forth with Clay County and Clayton Meng agreed to a process, in the interim of meetings we would be able to submit funding requests for the Tynes Boulevard, which is different. We can do requisitions and get them ratified at meetings but there was a problem with the county doing that and they didn't want to change the amount of funding and so forth increasing that dollar amount. The process will be in the interim of meetings, right now we have a funding request in the package no. 17 that was submitted to Clay County for reimbursement. Once we get these costs established prior to the next meeting I'm going to add a signature block on here for the district engineer and the chair or vice chair and they will approve this funding request. I always send a cover letter and I sign it that has all the documents behind this and we have to provide the canceled checks, a lot of documentation. We will have that ratified at the subsequent meeting of the board and we could do these twice a month if we needed to and they feel comfortable with that as long as it is approved by those three parties and then we ratify it subsequently and we will notify them when we ratify them. If that works for the board I would ask for a motion to approve that process as outlined.

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor the process outlined above for funding requests to be submitted to Clay County between meetings was approved.

**2. Report on the Number of Registered Voters – 0**

A copy of the letter from the supervisor of elections indicating there are no registered voters residing within the district was included in the agenda package.

**D. Tynes Boulevard Project Administrator**

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 March 31, 2018**

A copy of the financial statements were included in the agenda package.

**TWELFTH ORDER OF BUSINESS**

**Consideration of Funding Request No. 21  
(General Fund)**

On MOTION by Mr. Taylor seconded by Ms. Ayers with all in favor funding request no. 21 in the amount of \$5,809.20 was approved.

**THIRTEENTH ORDER OF BUSINESS**

**Consideration of Funding Request No. 17  
(Construction Fund)**

On MOTION by Ms. Ayers seconded by Mr. Arrowsmith with all in favor funding request no. 17 in the amount of \$381,616.35 was approved.

**FOURTEENTH ORDER OF BUSINESS**

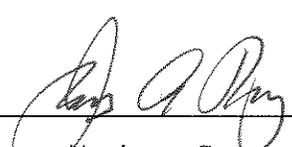
**Next Scheduled Meeting – 06/06/18 at 3:30  
p.m. at the Eagle Landing Sales Center**

Mr. Perry stated the next scheduled meeting will be June 6, 2018 at 3:30 p.m. and if we don't have enough items we can cancel that meeting and still process requisitions.

Mr. Arrowsmith stated I will not be here for the July meeting.

Mr. Perry stated if we do cancel we will touch base with staff to make sure it is appropriate then notify all the supervisors.

On MOTION by Mr. Taylor seconded by Ms. Ayers with all in favor the meeting adjourned at 3:58 p.m.

  
Secretary/Assistant Secretary

  
Chairperson/Vice Chairperson