

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**ARLINGTON RIDGE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Arlington Ridge Community Development District was held on **Wednesday, March 8, 2017 at 1:03 p.m.** at Fairfax Hall, located at 4475 Arlington Ridge Boulevard, Leesburg, FL 34748.

Present and constituting a quorum:

Dominic Setaro, Jr.	Board Supervisor, Chairman
Sharon Brown	Board Supervisor, Vice Chairman
Thomas Michenzi	Board Supervisor, Assistant Secretary
Ronald Worrich	Board Supervisor, Assistant Secretary
Gloria Faylor	Board Supervisor, Assistant Secretary

Also present were:

Anthony Jeancola	District Manager, Rizzetta & Company, Inc.
Melissa Dobbins	District Manager, Rizzetta & Company, Inc.
Scott Brizendine	District Financial Services, Rizzetta & Company, Inc.
Lindsay Whelan	District Counsel, Hopping Green & Sams
Art Erickson	FLC
Jake Bloodworth	Floralawn
Chris Semko	Floralawn
Thomas Eleazer	FLC (phone)
Robbie Salzman	FLC
Kyle Nelson	General Manager
Scott Green	Field Operations Manager
Audience	Present

FIRST ORDER OF BUSINESS

Call to Order

Mr. Jeancola called the meeting to order and performed roll call confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

Introduction of Board and Staff

Members of the Board and Staff introduced themselves to the members of the audience.

THIRD ORDER OF BUSINESS

Audience Comments

There were no audience comments put forth at this time.

FOURTH ORDER OF BUSINESS

**Consideration of Minutes from the Board
of Supervisors Meeting held on February
8, 2017**

The minutes were reviewed by District Manager. Minor revisions were requested to lines 99 and 108.

On a Motion by Ms. Brown, seconded by Mr. Michenzi, with all in favor, the Board of Supervisors approved the minutes, with said changes, from the Board of Supervisor's meeting held on February 8, 2017, as discussed, for Arlington Ridge Community Development District.

FIFTH ORDER OF BUSINESS

**Consideration of Minutes from the Board
of Supervisors Continued Meeting held
on February 21, 2017**

The minutes were reviewed by District Manager. Ms. Brown requested that the minutes reflect that she did not receive the final agenda package prior to the meeting for review. This was due to an e-mail issue.

On a Motion by Ms. Brown, seconded by Ms. Faylor, with all in favor, the Board of Supervisors approved the minutes, with said changes, from the Board of Supervisor's meeting held on February 21, 2017, as discussed, for Arlington Ridge Community Development District.

SIXTH ORDER OF BUSINESS

**Consideration of Unaudited Financial
Statements, January 2017 (Revised)**

The Board reviewed the revised Unaudited Financial Statement for January 2017. SRE has been corrected to reflect a year to date column for October 2016 through January 2017.

On Motion by Mr. Worrich, seconded by Mr. Michenzi, with all in favor, the Board of Supervisors' approved the Unaudited Financial Statement for January 2017, with said revisions, for Arlington Ridge Community Development District.

SEVENTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures for January
2017**

Discussion was held regarding various invoices and the services represented.

On a Motion by Ms. Brown, seconded by Mr. Worrich, with all in favor, the Board of Supervisors ratified the Operation and Maintenance Expenditures for January 2017 totaling \$142,414.24, for Arlington Ridge Community Development District.

Mr. Setaro requested that agenda item 5A - Consideration of Resolution 2017-05, Re-Designating Treasurer of the District be taken out of order and discussed after agenda item 5-D.2 - Discussion Regarding Restaurant Accounting

EIGHTH ORDER OF BUSINESS

**Consideration of Landscape Related
Items**

Mr. Green presented the February 2017 field inspection report to the Board.

Mr. Salzman indicated that the new cable company will remove the spool by the 15th as well as repair the turf.

Mr. Worrich thanked Mr. Green for having him accompany him on the inspection. They will review items that they discussed regarding the replacement of the sod on the right hand side of Arlington Ridge Boulevard, addition of plant color at the entrances, getting rid of leaves and acorns in the Village Green and replacing dying plants. Discussion ensued.

Ms. Brown inquired if Mr. Semko could look into getting a leaf vacuum.

NINTH ORDER OF BUSINESS

**Consideration of Kitchen Equipment
Repair Proposal**

Mr. Nelson presented and reviewed the proposal received for the kitchen equipment repair. He received proposals to repair them as well as to replace them. The repairs come with a 1 year parts and labor warranty.

Ms. Brown would like to repair the equipment. Ms. Faylor asked if it was known when the equipment was originally purchased and if there were still any warranties. Ms. Brown confirmed that this was the original equipment and is at least 10 years old.

Mr. Michenzi suggested replacing the compressor and getting a new prep station. Discussion ensued.

<p>On Motion by Mr. Michenzi, seconded by Ms. Faylor, with all in favor, the Board of Supervisors' approved to repair the two coolers and replace the salad station, for Arlington Ridge Community Development District.</p>
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There was an audience member who inquired about the difference between repairing and replacing the equipment. Mr. Nelson explained that the piece of equipment that the District would replace would cost \$700.00 to repair. A brand new one is about \$700.00 as well but comes with a 3 year parts and labor warranty. Discussion ensued.

TENTH ORDER OF BUSINESS

**Discussion Regarding Restaurant
Operations and Management**

Ms. Brown announced the new hires and current staffing. Some turnover has occurred.

Mr. Nelson indicated that there would be monthly specials and that the kitchen was cleaned and re-arranged.

A resident asked if Sunday brunch and Friday fish fry would still be available. She also asked if corned beef would still be served on St. Patrick's Day. Mr. Nelson indicated yes and that additional specials could potentially be added.

Mr. Setaro reviewed the restaurant accounting and indicated that the Board opted to hire a general manager and a full time receptionist/bookkeeper to perform the accounting. The Board approved a table of organization which included the structure that they wanted in place and performing accounting for the restaurant. However, Rizzetta & Company (Scott Brizendine) disagreed with the arrangement and wanted to perform the accounting and would not allow the Board to do so if they wanted to stay with Rizzetta. A proposal was made by Rizzetta to change the Board's mind regarding the structure that was put in place. Ms. Setaro noted that the table of organization was put together with Rizzetta's input and included them performing their own accounting. He said that Rizzetta will be given the chance to discuss what they would like them to do and if the Board does not agree, Rizzetta will tender their 60 day resignation. There is a proposal from another District Management Service should they opt to go another route.

Mr. Brizendine handed out a proposal strictly for restaurant accounting and advised that district management has confirmed to have financials prepared with an auditor. Rizzetta has to confirm that they have prepared and presented the District's financial statements. If the Board is controlling the restaurant's finances, then Rizzetta is uncomfortable signing various letters for the auditor. The proposed estimate would cost about \$800.00 on a monthly basis (8 hours a day). Discussion ensued.

Ms. Brown commented that this arrangement appears to be double the work. Mr. Setaro expressed concern with being able to reconcile. He disagrees that there would be a liability. He noted that this is unfortunate as they have had a good working relationship with Rizzetta.

Copies of Rizzetta & Company's termination were distributed to the Board.

Mr. Setaro indicated that the Board received a proposal from Government Management Services (GMS). The quote is less than what they are currently paying with Rizzetta (\$63,200.00) and that there is no charge for handling the restaurant. Mr. Setaro suggested that they bring GMS on and GMS has asked for a 30 day overlap in April. The cost is \$55,000.00 with GMS.

Ms. Whelan advised the residents that the Board did receive a letter of termination from the existing district management.

<p>On Motion by Ms. Brown, seconded by Ms. Faylor, with all in favor, the Board of Supervisors' accepted Rizzetta & Company's termination letter and directed staff and District Counsel to enter into an agreement with GMS including a 30 day overlap in April, for Arlington Ridge Community Development District.</p>

A resident named Mr. Bishop suggested that dates align with the financials. He was surprised that a decision was already made as to who would provide District Management services as opposed to receiving more proposals. Mr. Whelan advised that statutes do not require District Management services and that the District previously bid this out. Ms. Whelan

further confirmed that they pulled the previous proposals and that GMS was ranked second behind Rizzetta when proposals were last obtained.

ELEVENTH ORDER OF BUSINESS

Discussion Regarding Printed Agendas

Mr. Jeancola discussed that one of the District's fees includes the ongoing printing of agendas. The alternative is to outsource the printing of agendas which can average about \$25.00 - \$30.00 an hour versus a flat fee of \$300.00.

The Board directed that Rizzetta outsource the printing of agendas for the remaining 2 months.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Whelan discussed the transfer of the alcohol beverage license and that temporary licenses have been received. She will update the alcohol memorandum for the next meeting. She thanked Kyle for his assistance on this matter.

She presented and reviewed Resolution 2017-05, Authorizing Signatories for the F&B Accounts, replacing all prior signatories, for the next 60 days. The Board agreed to appoint Mr. Nelson, Mr. Setaro and Ms. Brown as signatories. Discussion ensued.

On Motion by Ms. Faylor, seconded by Ms. Brown, with all in favor, the Board of Supervisors' approved Resolution 2017-05, Authorizing Signatories for the F&B Accounts, for Arlington Ridge Community Development District.

Ms. Brown clarified that alcohol can still be brought to the pool. The license just allows the sale of alcohol at Chatham's and alcohol sold in Chatham's, and not the restaurant, to be brought to the pool area.

B. District Engineer
Not Present.

C. Amenity Management

Mr. Nelson reviewed his amenity management report and upcoming events. Events include a drive-in movie. It is BYOB and there will be specials at the restaurant for residents to eat prior to the start of the movie. Paint with a Twist will be rescheduled for either March 13th or March 30th. They are awaiting a response and an e-mail blast will be sent out confirming the date. The April Fools scavenger hunt logistics are still being worked on and an e-mail blast will be sent out within the next week.

Ms. Faylor inquired about if there was anything going on for St. Patrick's Day. Mr. Nelson stated that there will be some kind of special.

Mr. Setaro discussed the District's Facebook page used for informational purposes and that Mr. Nelson would be taking it over.

D. District Manager

Mr. Jeancola discussed and reviewed the traffic survey with the Board. An officer from the City of Leesburg Police Department does not believe that the community has an overall speeding issue requiring further action at this point and time. Ms. Brown requested that this be posted on the website.

THIRTEENTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

Ms. Brown wanted an update regarding the February 8, 2017 minutes reflecting that a Legacy HOA board member would share the name of the towing company that they currently have a contract with. Someone responded that Legacy uses Aces Auto and Towing of Leesburg. Mr. Jeancola will contact them.

Mr. Setaro stated that the first year of the reserve was established. It will not show up in the financials until February's report and it is in the amount of \$250,000.00.

Ms. Faylor commented on the sound in Fairfax Hall. Mr. Nelson is looking into maximizing sound but noted that they are trying to tackle a couple of issues such as the floor and the speaker system.

Mr. Ryan stated that there will be a petition to change set backs on March 16th at 4:30. This will take place at the City Building in Leesburg, Florida on the 3rd floor.


Mr. Hennessy complimented the restaurant manager as well as the planning/events, presentation of food, etc. He also commended the Board for what they have done.

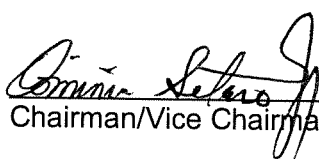
A resident from Independence Trail stated that there is a white fence that is green and dirty and has been that way for the last year. She asked who was in charge of taking care of it. Mr. Jeancola stated that the Board had previously discussed this and that is in not a District fence and that it is the lot owner's responsibility.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Worrich, seconded by Ms. Brown, with all in favor, the Board of Supervisors adjourned the meeting at 2:35 p.m. for Arlington Ridge Community Development District.


Assistant Secretary


Chairman/Vice Chairman