

MINUTES OF MEETING
REUNION EAST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Reunion East Community Development District was held Thursday, January 11, 2018 at 1:00 p.m. at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum were:

Carlton Grant	Chairman by phone
Mark Greenstein	Vice Chairman
Steven Goldstein	Assistant Secretary
Don Harding	Assistant Secretary
John Dryburgh	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Jan Carpenter	District Counsel by phone
Steve Boyd	District Engineer
Alan Scheerer	Field Operations Manager
Rob Stultz	Yellowstone Landscape
Daniel Baker	ACP Communities by phone

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the December 14,
2017 Meeting**

Mr. Flint: Next is approval of the minutes of the December 14, 2017 meeting. Are there any additions, corrections or deletions?

There not being any,

On MOTION by Mr. Harding seconded by Mr. Dryburgh with all in favor the minutes of the December 14, 2017 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We did speak with Dave Tomack of the County on Tuesday in person and he seemed fairly confident that we are going to be able to get funds for the right of way. The only issue that has created a slowdown is an administrative issue. They started a new transportation sub-department at Osceola County and it has gotten moved under that wing. The folks under that department had to review this and there was some transition time but we are confident we should get some movement on that in the near future and get some funding for that right of way.

Mr. Goldstein: Do you have any idea what kind of funding?

Mr. d'Adesky: The funding we asked for. The issue is, and it is something we have encountered in other Districts, the administrative side of it. They don't want to be responsible for the ongoing operation, doing actual work. Now that it is a budget item it is much easier for them so us asking them for money is one of the easiest things we can do. We didn't ask for an egregious amount we asked for the actual amount, which is a reasonable amount and in the scope of what the County is doing.

Mr. Harding: What was that amount?

Mr. d'Adesky: I believe the total was \$86,616 for the center median and the one side.

Mr. Goldstein: The Osceola County side, obviously.

Mr. d'Adesky: Yes.

Mr. Dryburgh: Did they talk to you about the 545?

Mr. d'Adesky: The major cost is the Osceola/Polk County line road.

Mr. Scheerer: I think the only thing we had looked at trying to get additional funds for was on the Polk County side.

Mr. Dryburgh: The mindset of saying sure, we will give you some money, I have always been taught to ask for more.

Mr. d'Adesky: I think we did ask for a fairly large amount in terms of what we asked for them to contribute.

Mr. Dryburgh: Have you talked at all about the expansion plans for 545?

Mr. d'Adesky: We have not heard anything on that.

Mr. Harding: As I remember the total cost for 532 was about \$170,000. Is that right?

Mr. Flint: What we did for purposes of asking them to fund is we got a price based on the County's level of service not our enhanced level of service. The argument is, if you had to maintain this anyway, this is what it is going to cost. Rather than us backing up and saying it is yours and they maintain it at a County level we said if you will fund the County level of service, we will fund the balance.

Mr. Harding: Wasn't that the case, it was \$170,000 with our level and they are going to pay \$86,000, right?

Mr. d'Adesky: Right. Once it is hammered out in an Interlocal agreement it will have to be increased because costs will go up over time and that all goes in the Interlocal agreement. Jan and I are very experienced writing Interlocal agreements.

B. Engineer

Mr. Boyd: We have a written schedule from Traffic Control Devices showing completion in May, Control Specialists anticipated four to six months and they couldn't give me a written schedule. Based on that, the Reunion West Board was comfortable and they issued direction last month and I believe their intent is to proceed with Traffic Control Devices.

Mr. d'Adesky: The contract will be with all three entities and you share expenses through the Interlocal agreement.

Mr. Harding: The total cost of that is how much?

Mr. Boyd: \$205,712.

Mr. Goldstein: From the time you start construction in your experience how long does it take to get it done?

Mr. Boyd: The schedule they gave me says from the notice to proceed and we need to get this contract done as quickly as possible so they can order the materials because that is the key, assuming they order the materials now they are showing they anticipate having it operational and signed off by the County the first week of May.

On MOTION by Mr. Greenstein seconded by Mr. Goldstein with all in favor the contract for the traffic signal at Reunion Boulevard and CR 532 was awarded to Traffic Control Devices in the amount of \$205,712.

Mr. Boyd: To follow-up with Mr. Harding and Alan I looked at where you want to put a sign on 429. I prepared a map and sent it to the County and I haven't had a response yet but the first question is going to be, what does it look like. I don't know if you have some direction for me on how big or if you want me to draw something.

Mr. Harding: It would be about the same size as the one coming in the back entrance, the "Residents Only" sign.

Mr. Flint: Are you looking at a standard, gray metal directional type sign or are you looking at something decorative?

Mr. Harding: I don't know. The Resort ought to have some interest in this too because it points to where the resort is too. What do you think, Carlton?

Mr. Grant: I don't know exactly what they would allow us to have.

Mr. Boyd: I think ideally if the Resort could propose a sign that would be better because the County doesn't make signs so if the Resort could provide the sign the CDD could facilitate getting it installed.

Mr. Goldstein: If you are willing to help, Carlton, we would love it if you just take that on.

Mr. Grant: I will do that.

Mr. Harding: We can put it at the end of the property, right?

Mr. Boyd: Right where the ramp terminates.

Mr. Harding: Hopefully, during the installation we could have it kind of facing so people coming up the ramp would see it, at some sort of angle so they could see it.

Mr. Boyd pointed out on a map the proposed location of the sign.

Mr. Goldstein: Steve, what about both sides?

Mr. Boyd: We could potentially do both sides I didn't know if the other side was as important or not because you have already come past Reunion.

Mr. Greenstein: MapQuest tells you to take exit I-4 take the 429 to Sinclair and go left on Sinclair to get to Reunion.

Mr. Boyd: They would come up the other ramp.

Mr. Grant: I will get with Steve and we will map it and have our proposed draft for the Board to look at.

C. Manager

i. Action Items List

Mr. Flint: I don't have an update from Daniel Baker on the irrigation issue at this point. He will update us when there is new information to share with the Board.

We talked about the signalization.

The horse stables, Alan and I met with Rob Stultz and Kevin Moore, with the Guy Butler Architectural firm that originally designed this building and many of the other buildings in the community. We walked the stable and went over to where Yellowstone is currently located and looked at their facility to try to get a feel for whether that could be duplicated and if everything they have is actually needed. He didn't charge us for that and the request was that we were going to do a site visit and then he was going to provide a proposal. He wanted to hold up on providing a proposal until we did the site visit to see if there was an ability to do that before he billed us. It looks like the stable can accommodate the indoor requirements that they currently have in their building, it looks like it can accommodate the office space that would be needed with some modifications. The issue is the outside space and because of the limitations of that space he doesn't believe in discussions with Steve that the outside space is going to be able to accommodate the operation. We can handle the administrative office, we can handle the workshop space the problem is they have 30 utility vehicles and trailers that park there every night. It is not just the employee parking it is the equipment, the chlorine tank they have for cleaning the pools, all those things. The outside space is very limited and in talking with Steve also the stormwater design is maxed on that dry pond over there and he is of the opinion that if we were to add any additional impervious area we would have to do underground storage because the pond is not sized to accommodate any additional property.

Under that same item I know Carlton was looking at this facility and that facility and I think he indicated that he would come back to the February meeting with some plans or proposals.

Mr. Grant: Yes, Daniel Baker and I have met and I think he will have a rough concept of what he would like to review with you or a designated Board Member.

Mr. d'Adesky: One thing that came up because we were updating the lease for Heritage Crossing; because there was a private use issue with that we were updating the month to month extension and putting those costs in but they actually came to us and asked what is happening with the stables. We just need to make sure that whatever the ultimate use is for that building it is going to need to be reviewed and approved because that was built with bond funds. That is another specter looming in the background of all of this.

Mr. Harding: Is there any other property within Reunion CDD that we could even split the landscaping facility?

Mr. Flint: Not that the CDD owns that I am aware of.

Mr. Harding: Even on the West side, where the West side would be half?

Mr. Boyd: The CDD property on the West side is the Sinclair median, common area, roadway, and stormwater.

Mr. Greenstein: The only other property is behind the comfort station. Is that White Marsh?

Mr. Scheerer: The dead end is at White Marsh.

Mr. Greenstein: The dead end at White Marsh I believe is privately owned property.

Mr. Harding: They were considering that for the clubhouse at one time. Is that a possibility? Could we pass that by Daniel Baker as far as using any of that property to split the facility?

Mr. Goldstein: Would that work for Yellowstone to have the offices in one place and the machinery in another?

Mr. Harding: Even for that portion being done on the West side, you are apportioning it out appropriately. I don't know what Lubert-Adler has planned for that property back there but could we look at that?

Mr. Baker: Which specific location?

Mr. Scheerer: The property at the end of White Marsh cul-de-sac.

Mr. Harding: I don't know what Lubert-Adler has planned for that property but it seems to be very conducive for something like that and it would be beneficial to the Resort as well.

Mr. Baker: I think you are on the right path looking at alternatives. Having previously utilized the stable and Heritage Crossing for operations I think we had come to the determination that he had and George had is that there are very narrow uses because of the physical plan for this building and we had concepts for various things and none of the concepts that we contemplated or say a unique food and beverage asset and facility wouldn't make any sense or a good return on the investment; however, we think we can develop a plan to present to you that those things could be used in the same fashion as they have previously and assist the CDD in maintaining those and District property owners still have access. Major renovation and change of use are really not feasible.

Mr. Flint: If you are familiar with properties exterior to the gates that are potential options, please share those and we can discuss that offline.

Mr. Baker: Okay.

Mr. Flint: Daniel, at the February meeting will we have something a little more concrete from you as far as options?

Mr. Baker: Yes.

Mr. Flint: We have talked about the allocation of 532 costs, we talked about the signage at Sinclair Road and landscape restoration.

Mr. Scheerer: They are all complete.

Mr. Goldstein: Can we follow-up on the mailbox issue and the parking?

Mr. Scheerer: Phil Fausnight of Fausnight Stripe & Line came out and we have more than the mailbox locations for parking spaces. He is putting together a proposal to restripe all those cutouts and add the additional signage. I don't have any information for you today but I should have it by the next meeting.

Mr. Dryburgh: Was he going to restripe every parking spot?

Mr. Scheerer: The parking spaces that are perpendicular to the road, yes. As you come into Liberty Bluff there are a couple of spots, even though there are no mail kiosks they are still parking spaces. We weren't going to put any "no parking" signs there we were only going to do the "15 minute" and "no parking" signs at the kiosks.

Mr. Harding: For tracking purposes we should add that item to the list.

Mr. Goldstein: Has anyone notified security not to tag people who are parking there now? It is okay until we get it fixed. Maybe that is something we should do. They are tagging

them if they park anywhere near the mailboxes at least on our street they are. There are five spots and my neighbor is in one. Will you let them know?

Mr. Scheerer: Yes.

Mr. Flint: We will add this to the action items list. You also have the action items list for Seven Eagles.

Mr. Scheerer: We had two meetings with the Heritage Group, which was the contractor selected by the Board at the last meeting. Yellowstone is finishing up some minor cutbacks off the pump room building and work will begin on Monday. They will be pressure washing everything and there was also a meeting that I could not be at with the owner of the Heritage Group and Steve Contas at the Resort they want to try to keep the facility open so they are going to work logistically together in dealing with the pressure washer that is doing the work in the atrium area. They are going to have scaffolding and lifts in there and the lifts will all have plywood so the pavers aren't damaged. The contractor will be in there on Monday to begin pressure washing, then fill any cracks and damaged areas and when the prep work is done then they will begin painting.

Mr. Flint: We will have to figure out the cost share on the painting and pressure washing for the bar area portion.

Mr. Harding: One other idea relative to the landscaping project of the stables and so forth, what if we were to go to, and I don't know if West would go for it, but if we went to Encore and say is there property you could divvy out that would allow for landscaping facilities or maybe half landscaping facilities using the stables for the other half. It comes back to the interests of the overall development. We have an outside company that is charging us and Encore and everybody here for landscaping and it seems it would behoove us between the two developers to try to get property onsite for those facilities. I don't know who would take that action, maybe Mark would entertain it with the Westside Board. I don't know if it is a CDD type item or something but it seems it would behoove the two developers to try to figure it out rather than paying another company that is not even part of Reunion for leasing of a landscaping building.

Mr. Flint: I will be happy to call Encore and ask that question. I can come back to you with the response.

Mr. Grant: Didn't Encore just build that building?

Mr. Flint: That is part of the dynamic here, I don't know the business relationship between Encore and Citicommunities, and Citicommunities owns the building and I don't know the capital composition of the investment in that building. It may be that the Encore Group is not interested in providing us with an alternative but I don't want to speak for them, I will ask them.

Mr. Harding: It seems ridiculous paying City Homes for the rest of our lives for that building.

Mr. d'Adesky: I think Daniel mentioned the option and I think that is something that has to be entertained especially since there is not that much space. Ultimately, a property acquisition or some portion of a program might end up being the long-term solution.

Mr. Goldstein: Does Yellowstone not have a long-term lease in that building?

Mr. d'Adesky: No, the lease is with the entities with East and West and the POA and that is part of their contract so we are providing the building.

Mr. Flint: It is easier than a lease in case we change contractors.

ii. Approval of Check Register

Mr. Flint: Next is the check register through December 31st.

Mr. Goldstein: I think it might be wrong it doesn't have me getting paid for the last meeting.

Mr. Flint: We will verify the payroll. As you can see a large amount of this is moving debt service assessment revenue to the trustee.

On MOTION by Mr. Harding seconded by Mr. Dryburgh with all in favor the check register in the amount of \$1,850,105.22 was approved subject to verification of the payroll.

iii. Balance Sheet and Income Statement

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

iv. Status of Direct Bill Assessments

Mr. Flint: A copy of the status of the direct bill assessments was included in the agenda package. There was an EHOFF payment due in November of \$1.3 million and I received information prior to the meeting that they thought the money was wired last week so it may have

been wired after we prepared the schedule. We will verify that the \$1.3 million has been received and if not we will send a late notice.

FIFTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SIXTH ORDER OF BUSINESS

Supervisor's Requests

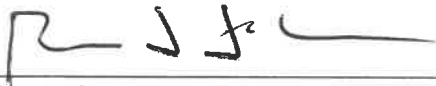
There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Next Meeting Date

Mr. Flint: The next meeting date is the second Thursday in February at 1:00 p.m.

On MOTION by Mr. Harding seconded by Mr. Dryburgh with all in favor the meeting adjourned at 1:36 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman