

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, February 21, 2019 at 1:00 p.m. at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum were:

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| Mark Greenstein | Chairman |
| Don Harding | Vice Chairman |
| Steven Goldstein | Assistant Secretary |
| John Dryburgh | Assistant Secretary |
| Trudy Hobbs | Assistant Secretary |

Also present were:

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| George Flint | District Manager |
| Andrew d'Adesky | District Counsel |
| Steve Boyd | District Engineer |
| Alan Scheerer | Operations Manager |
| John Cruz | CWS Security |
| Rob Stultz | Yellowstone Landscape |

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment Period

A resident: The pool at the Terraces is finally heated and it is fantastic.

Mr. Flint: We have been waiting to get natural gas connected, thank you.

A resident: What is the process of getting a small playground by the Terraces or someplace else. I would like to know the feasibility of getting a continuous sidewalk put in around Excitement because so many people walk along Excitement.

Mr. Greenstein: Someone has to pay for it and construction trucks tear it up. It has been brought up before and unfortunately it is not a practical thing to do. The sidewalk is to be installed by the builder of each homesite.

Mr. Flint: If we were to do it now we wouldn't be sure we were doing it at the right elevation.

Mr. d'Adesky: We incur the liability for that.

Mr. Flint: As far as the playground, the Board does annually consider their budget and the May meeting is when the process starts. It might be something that they can look at. The CDD would have to own property to be able to place that and then the Board would have to appropriate the funds to do that.

Mr. Harding: There are a couple spots that could be used for that.

Mr. Flint: We appreciate your input and the Board will keep that in mind if you want to come back in May when the Board is talking about the budget.

A resident: Can we get 'No Parking' signs by the Terraces?

Mr. Scheerer: We will get together and take a look at that.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the January 10, 2019 Meeting

On MOTION by Mr. Harding seconded by Mr. Greenstein with all in favor the minutes of the January 10, 2019 meeting were approved, as presented.

FOURTH ORDER OF BUSINESS

Consideration of Environmental Enhancements to the District Ponds

Mr. Flint: We had a request from Mr. Harding to set aside some time at the beginning of the meeting to allow a couple homeowners to make a presentation to the Board.

Mr. James Dowling: We are going to leave brochures with you and some of these issues we have outlined in the brochure don't pertain to the East CDD and we understand that; however, the Dowlings feel that you have a voice and we are very excited with Kingwood coming in and we hope to have a meeting with the principals of Kingwood over the next couple of days. We met with Kevin Baker of ABOG yesterday and they were very receptive of the information that we outlined here. The reason we are talking about this is everybody wants to better their community and outlined in their brochure we feel that all of these things, West side, East side, will better everybody. It is somewhat self-serving, we own 52 lots within Reunion, we own a house, we own a condo, but we want the entire community to benefit. Outlined in the brochure is the benefit of doing some of these improvements. Currently there are 500 vacant lots within Reunion and anything we can do to get the community built out is going to be better for

everybody, for you, individual property owners, for Kingwood for the HOA. The first section deals specifically with you and that is the pond. We are from Canada and we have what is known as the Department of Fisheries and they actually do this for free if you want to stock a pond. The reason we are talking about stocking a pond with fish is because Reunion would benefit by more wildlife within the community. There is very little wildlife now, there are a couple birds in the large pond.

Mr. Chris Dowling: Through guidance from various professionals in the industry they gave us an appropriate number of stocking quantity per acreage. If all the ponds have the proper amount of stocking it would cost the budget \$2,500. We think it is a very low cost improvement that may not help at all but could help tremendously and add to everyone's enjoyment.

Mr. James Dowling: If you want to put fish in all the ponds in the entire community with the type of fish that attract wildlife it is \$2,367. If that is a problem with the Board expending money the Dowlings would be happy to do it. We would like the Board to do it but we would be happy to do it, but we would need permission from you and Reunion West CDD to do that. You can contact us if there are any questions or concerns.

Mr. Harding: What was the response from Kevin at the Resort?

Mr. Chris Dowling: We met with him yesterday and he liked the idea and it was a good possibility.

Mr. Goldstein: What are the negatives of putting fish in the ponds?

Mr. Boyd: The largest pond in the East and one of the ponds in the West are for irrigation supply ponds so keep that in mind.

Mr. James Dowling: Under Tab 3 it addresses pond fountains.

Mr. Flint: Patriots Landing is the only pond the CDD owns and put a fountain in that one. If you want a second one in the Palmer pond that would be the golf course. The other issue you bring up in the brochure is a Reunion West CDD issue, but it is something that everyone is familiar with is the monuments in the West. The contractor has been hired, the contract has been signed all the information to apply for the permit has been prepared except they missed one monument sign and once that is added the permit will be applied. All the signage has been designed to match with the signage in the East and there are 7 monuments and one at the guardhouse off of Tradition.

Mr. James Dowling: We are of the mindset that whatever everybody can do to improve the Resort is good because in our opinion it has gone downhill the last couple of years. A lot of effort is being made on numerous fronts, but part of the problem is the condition of the surrounding grounds around the golf course. We mentioned to Kevin Baker that we think the golf course is in great shape, the bunkers need some work and they plan to spend a huge amount of money over the next couple of years on the bunkers, but the tee boxes are great, the fairways are great, the greens are great and everything else is horrendous.

Mr. Flint: We have the same concern about the landscaping surrounding the golf course because our right of way butts up against some of the areas you are talking about.

Mr. Greenstein: I think they have exceeded expectations on the West side around Bears Den. I sit on the West Board and if you look at the site plan, there will be ample landscaping for the townhouse project so when you come around the turn and get into the Resort off of Tradition Boulevard that whole area on the right will be landscaped beautifully because it has to comport with what they have done for the Bears Den. The area along Sinclair Road, the median, is County property but if we worked out an agreement with the County to enhance and maintain it and it is expensive. It is something we can look at, but the community has to embrace it.

Mr. James Dowling: The Encore Club advertises their Resort within Reunion. It is my understanding that those four or five signs that advertise the Encore Club are on Reunion West CDD lands. Does that make business sense for Reunion Resort to advertise a community that is in competition with Reunion within the gates of the community.

Mr. Greenstein: I am not here to address the business relationship because I think it has changed over the years and there is a positive aspect to all of this, but we have a signage policy throughout that has been adopted by the East and West. What motivated it was the Spectrum project, condos around the water park, which is on the East side they needed signage in various places to include the West side. The bottom line is they are conforming with the signage requirements established by the CDD. It is Resort signage, nice wood posts, and they are following the policy. There are a couple signs, one was removed and one more as you leave the property and we are going to make sure all the signage conforms with our policy.

Mr. James Dowling: When you talk about the Spectrum signs is within the Resort, what we are talking about are signs that are on Reunion West CDD property and they have the right to put those signs up and subject to our rules.

Mr. Greenstein: We establish rules for signage and there are possibly some signs that are not in compliance with that policy and we will have to take a look at that. New signs are going up on both the East side and West side, four of the six signs are on CDD, one is County property and another is Resort property. Even if it is not on CDD property we are going to try to have them conform to the signage rules. The reason for it is it adds prestige to the project it makes it look like we are one family, one project or one developer. There may be multiple developers but that doesn't mean that we can't have uniform signage and uniform standards.

Mr. Flint: Any signage on CDD property per our policy is to be directional signage, way-finding signage and people do have a right to know where the Encore Club is to the extent we have approved a sign with way-finding information. We don't allow any marketing signage on CDD property.

Mr. d'Adesky: At the same time we don't take business considerations, we cannot take business considerations, we treat everybody equally.

Mr. James Dowling: There are four or five signs saying Encore Club sales models ahead. We have been investing since 2012 and they have been there.

Mr. Flint: Reunion West didn't initially adopt the sign policy that East did because they were controlled by the Encore developer at that time. It was at the January meeting that they agreed they would comply with the same sign policy that East developed. We are in a transitional period on the West CDD but that is not something this group has control over, but they did develop the policy and now West has decided to follow it. The Spectrum signage is what precipitated their agreeing to follow that plus there has been a switch on that Board.

Mr. Greenstein: We can definitely remove the signs over there and have them comport. First, we determine the need for the sign and as long as they meet the requirements on the directional then they are going to have look like all the other signs. I know what signs you are talking about and they are much larger than the other signs.

Mr. James Dowling: Why there is within this Resort signage advertising another Resort when Encore is only now dealing with the Bears Den.

Mr. Greenstein: That parcel is part of Reunion West CDD and while it may not be part of the master development plan for Reunion Resort and Club they are part of the Reunion West CDD and if a resident or organization came to the Board and made a request for signage it would

be tough to say no when they are paying CDD assessments. That project along with the apartment complex along Sinclair Road are paying owners.

FIFTH ORDER OF BUSINESS

Ratification of SFWMD Transfer of Environmental Resource Permits (7)

Mr. Flint: The South Florida Water Management District is going through their files and cleaning up any situations where there are permits that the developer pulled for the drainage system within the District. At some point those are supposed to be transferred to the operating entity and the operating entity for the stormwater system in Reunion are the CDDs. There are a number of permits that were never followed through with in transferring them to the operating entity. They have determined in an effort to streamline the cleanup that any permits that don't specifically deal with ponds or major structures they are just dealing with conveyance systems that they will allow them to be transferred to the operating entity administratively. The District has been operating these systems for more than ten years even though the permit had never been formally transferred. There are seven of these sub-permits that strictly dealt with conveyance systems and those are included in the agenda. They do have to be revised, the name of the entity should be the Reunion East Community Development District not Governmental Management Services but I would ask the Board to ratify my execution of these. There are other permits that do involve more than conveyance systems, they involve ponds or structures and they sent separate letters on those. I sent them to Steve, they require a certification from Steve and he is going to have to go through the review and certification of those systems before they can be transferred and he is working on those.

On MOTION by Mr. Harding seconded by Mr. Goldstein with all in favor execution of the transfer of the seven environmental resource permits was ratified.

SIXTH ORDER OF BUSINESS

Discussion of Heritage Crossing Community Center Management Services Agreement (MSA)

Mr. Flint: The MSA agreement has taken a backseat to the change in ownership of the Resort. It is probably not a high priority of the new owners, but we do have consistency with Kevin Baker being involved previously and now. I believe the Chairman has reached out to Kevin Baker and provided him with the most recent draft and we will try to keep that moving forward.

Mr. Greenstein: According to Kevin they are eager to enter into the agreement and use the stables as well as this facility. I'm hoping that within the next 60 to 90 days working with the new owners we will get that agreement in place and it will benefit the CDD.

SEVENTH ORDER OF BUSINESS

Discussion of Revised Special Events Policy

Mr. Flint: At the last couple of meetings the Board has talked about the special events policy. We discussed some potential changes that I tried to incorporate into this revised draft. I have limited the definition of a special event more to the use of the facilities that are identified in Exhibit A, which are the Districts pool facilities including the pavilion at the Terraces. We define a special event for purposes of this policy as a gathering of 20 or more persons but not greater than the capacity that is indicated on Exhibit A for each facility. If there are 20 or more persons that want to use a specific facility up to the capacity they have to follow this policy and apply for a special event permit and they would have to put a deposit down. Right now it is drafted where it only requires a deposit that is refundable. If the Board wanted to charge that is not in here but it is not uncommon for many communities to actually charge a fee to reserve a pavilion or pool. Right now it provides that a deposit be made, you have to go through this process, reserve the facility and submit the application at least two weeks in advance of the event. It has to be reviewed by staff and if approved they can use the facility.

Mr. Harding: I think the deposit should be refundable. It is their facility.

Mr. d'Adesky: The offsetting argument is that there is some administrative cost for this guy having to review those.

Mr. Flint: Also there is wear and tear on the facility. You can start with doing a deposit only and later if you want to put a fee in place we can do that. It is the Board's discretion on how you want to handle that.

Mr. Greenstein: Let's start it off this way and if we see actual use or abuse costs that we didn't identify upfront we can revisit this.

Mr. Flint: The intent is not to increase the use of the facilities, the intent is to have a process to follow that can be enforced because they are already having birthday parties and things like that. I also make it that landowners, residents or non-resident user fee payers are the ones that can reserve it. Obviously, you don't want the general public to be able to come in and reserve. On the pools I kept the capacity for the special event at two-thirds of the legal capacity so the special event doesn't take up the entire pool facility and other residents not being able to

enjoy the use of it. The only exception to that is the pavilion, which if someone is going to reserve the pavilion at the Terraces it has to be exclusive.

Mr. Harding: I recommend that when a permit is accepted that our security people have it as well.

Mr. Flint: The applicant will be required to have a copy with them and we will also make sure security has it and if for some reason security doesn't have it the permit holder has to be able to demonstrate when security comes that they have the right to use the facility.

Mr. Harding: It talks about the Osceola County Sheriff and fire rescue. What about our own security people being able to terminate a situation that is out of control?

Mr. d'Adesky: We can add that. Clearly, we could if it was a health and safety concern so we will add that provision. We would count as any other official having jurisdiction but I will make it clear.

Mr. Harding: We need to get this document out through lifestyle so they can publish it to all of the Reunion owners so they are aware. I can follow-up with Oraine or David on that.

Mr. Dryburgh: I assume it says in here that you are not allowed to do illegal activities.

Mr. d'Adesky: Yes.

Mr. Flint: The Board could approve the policy subject to incorporation of the security provision to terminate events, the requirement that the permit be available at the event and the permittee have a photo ID, the permit will be provided to the security company.

On MOTION by Mr. Harding seconded by Mr. Greenstein with all in favor the special events policy was approved subject to changes as outlined above.

EIGHTH ORDER OF BUSINESS

Consideration of Website Compliance Proposal from VGlobalTech

Mr. Flint: There is a proposal from VGlobalTech to review and bring the District's website in compliance with ADA requirements. There have recently been a number of lawsuits brought against governmental entities claiming their websites are not ADA compliant. As a result it did bring to light the fact that most if not all CDD websites as well as most cities and counties were not ADA compliant. Part of the settlement with the District's insurer is that we would become compliant within two years and we reviewed a number of options and this is the

most cost effective and we have used them in all of our other Districts and feel comfortable that for the cost they would do a good job.

On MOTION by Mr. Harding seconded by Mr. Greenstein with all in favor the proposal from VGlobalTech for website compliance in the amount of \$1,950 was approved.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. Update on Third Supplemental Assessment Allocation Report for Unexchanged Bonds

Mr. D'Adesky: I spoke to supervisors on an individual basis regarding this matter and as most know there has been a change in ownership and as these assessments run with the land they now will be binding on the new owner. We just last week got more information on the new owner, got their attorney's information, we tried to make contact with them, we spoke with Trustee's Counsel as well as Counsel for LRA, which technically no longer represent the landowner. In light of those circumstances all parties agreed to push this off to March that would be a more appropriate date to give us more time to reach out. Once again all the considerations, all the amounts do not change it runs with the land.

B. Engineer

Mr. Boyd: On County Road 532 there is a directional signage issue. I started with the County Engineer, he directed me to the Director of Transportation and then his assigned Engineer. This exhibit I handed out prior to the meeting is a conversation starter and won't allow any advertisements, pure directional in nature, something to the effect of 'Reunion Boulevard Next Signal'. That kind of dictates where they go if you want to put that before another signal. I gave that to the County as this is what we would like to investigate, their response has been positive they said they would conduct a site visit this week and will take up the cost and install. I am asking that they get back to us before they install that. They may proceed prior to the next Board meeting but if you want me to, I will have them hold off until I can bring something back to show you.

Mr. Flint: I wouldn't have them hold off maybe the Chairman could approve it.

It was the consensus of the Board to authorize the Chairman to sign off on the signage prior to the next meeting.

C. Manager

i. Action Items List

Mr. Flint: You have the action items list. We talked about the MSA. Do you want to give an update on the transponders?

Mr. Cruz: We are about 90% done, we had some issues, the folks in the Terraces didn't get any notice on the changeover but we have been taking calls and getting everybody at the Terraces set up. We are up and running.

Mr. Flint: Steve has talked about the signage on 532 approaching Reunion Boulevard. The repainting of the signs; in addition to repainting the signs we need to make sure it includes replacement of the face of those signs.

Mr. Scheerer: I didn't see the document and I believe most of those have already been replaced and I will verify that.

Mr. Harding: I would like John to go through the community and gives us any other recommendations he has for adding more and tell us where you think they are needed. I had complaints from some people that one of the signs we removed from Excitement we moved to Reunion and they didn't like that.

Mr. Cruz: We talked about putting one back on Excitement, but we just moved it because we had somebody who wanted it there.

Mr. Harding: Come back to the Board with recommendations on speed signs.

ii. Approval of Check Register

Mr. Flint presented the check register for January in the amount of \$2,824,666.55.

On MOTION by Mr. Greenstein seconded by Mr. Harding with all in favor the check register was approved.

iii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package. No Board action was required.

iv. Status of Direct Bill Assessments

A copy of the status of direct bill assessments was included in the agenda package.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

TWELFTH ORDER OF BUSINESS

Next Meeting Date

The next meeting date is March 14, 2019 at 1:00 p.m.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Harding seconded by Mr. Greenstein with all in favor the meeting adjourned at 2:15 p.m.



Secretary/Assistant Secretary



Chairman/Vice-Chairman