

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, March 8, 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
Mark Greenstein	Vice Chairman
Steven Goldstein	Assistant Secretary by phone
Don Harding	Assistant Secretary
John Dryburgh	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Steve Boyd	District Engineer by phone
Alan Scheerer	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 February 8,
2018 Meeting**

On MOTION by Mr. Greenstein seconded by Mr. Dryburgh with all in favor the minutes of the February 8, 2018 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Ratification of Natural Gas Services Agreement with Teco Peoples Gas System

Mr. Flint: Item four is an agreement with Teco related to provision of natural gas to The Terraces pool. Teco has required that we enter into this agreement prior to them restarting the process of running the line to The Terraces pool. The process got stalled the last time around because they were unable to get an easement agreement. They are currently evaluating the easements they did receive and they still need one easement. We communicated with them as last as this morning.

Mr. Scheerer: The gas is being provided by Florida Natural Gas, it is higher than what we are currently paying for the gas but I'm assuming that is because of the offset for Teco paying the expense of running the gas line and Teco will share the information of how much gas runs through their meter with Florida Natural Gas and then they will present us with a bill and the appropriate usage fees going forward once everything has been received, the gas line has been installed and we start using gas at The Terraces pool.

Mr. Flint: The first year we have to get the gas from Teco and after that we can probably roll this into our other agreement with Infinite Energy and pay a lower rate.

Mr. Dryburgh: Do we know how much it is going up?

Mr. Scheerer: It is 6 plus an index, we pay that same index to Teco because they own the lines and we have to pay the pass through costs but it is a little higher cost and most of that is to offset the cost of running the gas line.

Mr. Greenstein: The bottom line is it is going to be more economical than the propane.

Mr. Scheerer: It is about \$1,500 to \$1,700 a week in propane to heat the pool versus \$4,000 a month for natural gas. I know there are residents who are concerned because it is not on all the time, but propane is absolutely ridiculous. We turned it on for spring break, we try to do it seasonally and then we will turn it back off and just keep the spa.

Mr. Flint stated I would like ratification of my action in executing that agreement.

On MOTION by Mr. Harding seconded by Mr. Greenstein with all in favor the natural gas services agreement with Teco Peoples Gas System for 7500 Mourning Dove Circle, Kissimmee, Florida was ratified.

FIFTH ORDER OF BUSINESS

Consideration of Renewal Agreement with Infinite Energy

Mr. Flint: We anticipated we would have this agreement for this meeting, but Infinite Energy has not provided it to us yet. They will have it to us for the April meeting. We have a separate agreement for gas everywhere else and it is at a more competitive rate.

SIXTH ORDER OF BUSINESS

Discussion of Proposed Action Regarding Poinciana Parkway Extension/I-4 Connector Expressway

Mr. Flint: We added a new item at the request of Mr. Harding to have a discussion regarding the Poinciana Parkway extension, the I-4 connector. That is a discussion item with no backup. There was a public input hearing this morning, the Central Florida Expressway has had a number of workshops and public input forums. The District had meetings, you designated Mr. Greenstein and Daniel Baker was there on behalf of the Resort, the POA was represented by David Burman, the District Engineer was there, we met with representatives of the Central Florida Expressway a couple months ago. The Board has not taken an official position on any of this. It is a gray area as to whether it falls under your legislative authority, but District Counsel has indicated you are not precluded from taking a position if you chose to do that and direct staff to send a letter.

Mr. Harding: The HOA has put out a blast to all the homeowners telling them about the meeting this morning and also advising them of the different options and also making a comment about options 2A, 2B, the 429 connections and the 532 options. We encouraged homeowners to express their opinions in opposition to these routes directly to the above authorities and a lot of people have written letters and so forth to try to do that. The Resort had put out an email to all the Reunion members talking about their concerns and looking out for the best interests of everyone in Reunion. I have had some conversations through another party who has talked to the commissioner of the CFX Expressway Authority and he is asking for input from all the different entities. I was thinking of writing a letter from the CDD that says what our preferences are with regard to the options. I was hoping the Resort would do the same thing, Lubert-Adler should do the same thing, Encore do the same thing and even the HOA because they are looking for everybody's input. I am going to talk to David Burman to finalize something as far as a

document from the HOA and get the HOA Board to approve it. I was thinking maybe a similar letter from the CDD and maybe the Resort doing the same thing too going to Commissioner Fred Hawkins and he is open and suggested that people do that. I would like to prepare a letter and I think we are all in favor of the Ronald Reagan option versus the 532 or 429 connections and that would be the gist of my letter, kind of what David Burman has already expressed.

Mr. Dryburgh: Do we need a motion on that?

Mr. d'Adesky: I think we need a consensus direction on that and I advise against taking political positions but generally this is an administrative decision to go one way or another way and as long as the focus of the letter and I'm confident that George has the ability to work with us on that to express the impact on District facilities, on District infrastructure and on the District as a whole is the focus of the letter, the opposition to the southern connection the 532 option shouldn't be an issue if this Board directs us to transmit that letter.

Mr. Greenstein: Getting back to the meeting that George referenced that meeting was back in October and we had the District Engineer, Steve Boyd, his firm prepared what I viewed as an overall impact statement addressing the impact, which were basically negative or they were concerns of the proposed corridors that they were saying could be viable. They haven't changed much since that meeting. We have what I consider to be a fairly formal document that is an assessment of impact that was prepared by our engineering firm that could be included to serve as a history behind the two for any transmittal that we do agree to provide to the expressway authority. That document was given to the expressway authority at that meeting and we can make reference to it, we did provide it but now we are formalizing it.

Mr. Dryburgh: But there are negative impacts.

Mr. Greenstein: Back in October it was in an earlier stage of the project and they didn't narrow it to the corridors they have now. There may have been five at the time we had that meeting then they narrowed it down to three.

Mr. Flint: I think there are three, the 532, the 2A and 2B.

Mr. Greenstein: Reagan, anything in Polk County wasn't on the radar.

Mr. Flint: It was part of the prior study and when they picked the study back up they focused on where the prior study left off and they kind of ruled out the Ronald Reagan option. I don't think they are looking at it right now.

Mr. Greenstein: It is in the package, if you go on the CFX Authority website they do have fairly decent graphics, maps, snapshots of what the routing would be. Most of the community has jumped out of their chairs because of how close it can come to that northeastern portion of the Resort and anything running down the front entrance of the Resort is not going to have a positive impact for us, it will probably have a pretty significant negative impact. While I recognize we can't get political about it I think pointing out that the proposed routing around Reunion has significant negative impacts and they should reconsider if they haven't. We don't know if they have officially discounted the other routes, but I think they need to look again. Regardless of what the politics are, regardless of what ends up happening I think the preferred routing would be away from Reunion and that would mean Ronald Reagan or Ernie Caldwell, they are Polk County alternatives, which may not be what they are looking for, but good government would promote the concept of looking at all those alternatives before you knock them out.

Mr. Baker: Where do the endangered species fall into where all this is at as far as we are concerned? Is that something we can bring up?

Mr. Greenstein: It is in the study, that is a known issue with the skinks, they are all around us. That came up when it came to putting in the trail for the horse stables.

Mr. d'Adesky stated if you have a list of negative impacts you can put it in a letter.

Mr. Greenstein: It is already documented in this study. Maybe we can make the point that if the only viable alternative that they see from a financial standpoint or getting all governmental entities to agree to it, I think it is going to have to have some federal influence because of the connection to I-4 even if you do it via 429.

Mr. Harding: Has Lubert-Adler or the Resort given the CFX Expressway an official position?

Mr. Grant: Daniel is on the line and I will let him address it but there is a meeting going on at the present and Kevin is there trying to learn more about it and hear what some of the other residents that are there have to say. It is a completely filled room and I will get a download from Kevin on the different positions and comments that were made so we have a better understanding and we haven't made a formal statement as to this is what Reunion wants or would like to see happen. Right now we are trying to meet personally as well trying to understand all the options and the pros and cons of each one.

Mr. Greenstein: Where I was going was to the issue of moving the proposed route, the routing of 2A, which would connect into 429 to move it more to the east so that it does not encroach so closely on Reunion. I know there are environmental wetlands in there, I think they have to go into it and they will need some remediation plans regardless of the exact routing. Right now I think they have taken the easy way out by looking at the easements that exist for the utilities running through there and high tension lines and it is basically routing it as close to the perimeter of Celebration Company property as they can. If that is the route they ultimately decide on I want to see that moved more to the east so that we can all have peaceful enjoyment.

Mr. Baker: You never know how much property owners' efforts weigh in because they go beyond the property owner list and go somewhere. I do think it is smart to continue the dialog and engage and what George referenced in the meeting last October our concern and what we presented. Knowing this meeting today was heavily attended, our G.M. is there, we are continuing to monitor and want to say as they finalize our position will be more strongly expressed.

Mr. Dryburgh: That Ronald Reagan route, they need to put an overpass over Old Lake Wilson Road because if they don't and all the cars have access to that portion of it there is still going to be a pile of cars up Old Lake Wilson. The details in that report don't talk about that at all.

Mr. Greenstein: It was my understanding that when they were looking at Ronald Reagan even though they kind of discounted it early on in the process along with bringing it up to World Drive in Celebration for obvious reasons there, I think they were talking about an elevated road, it wouldn't just be jumping it on Ronald Reagan as it currently exists it would mean a redevelopment of the area. It would probably be similar to what they are proposing for 532 so that cars will be coming down from Poinciana Parkway following that route would be on high speed lanes and there would be service lanes for people to exit to get to whatever properties would exist but it has impact.

Mr. Harding: If I lived in Poinciana and could stay in a straight line high speed road why would I come over to 532, I wouldn't do it I would just stay on that road. I think that is their plan whether it is a two decker or widen it, it will be an expressway extension and it will be something that the Counties share revenue on and they are going to want to have that used.

Mr. Lischynsky: If the I-4 is packed then they just take Old Lake Wilson like they always do every day and they will get on that new road if they can get on it.

Mr. Harding stated there weren't going to be entrances on that.

Mr. Lischynsky: My point is they shouldn't.

Mr. Greenstein: It would bypass Old Lake Wilson, it would go over it. Until the I-4 project continues on down and concludes an expansion of I-4 in our area probably all the way down to Tampa we are going to have this issue on Old Lake Wilson Road and I know the County is not planning on widening our piece of Old Lake Wilson Road for a number of years and even if they did if you have a problem on I-4 instead of the backup being one lane to Sinclair it will be two lanes to Spline Road or beyond on the bridge but you are still going to have a backup because it is a choke point. The reason we are discussing this issue because it is not a CDD issue is because over the years I have seen utility encroachment, Sabal Trail project goes right around Reunion and you have Duke Energy down the street, Columbia Transmission, Florida Gas you have a lot of easements and a lot of utilities around the area and now we are seeing road construction. Utilities you bury in the ground you know where they are you have the warning signs you live with them, but you don't want to be on the Watson Golf Course and hear road noise or see it. Although there are people on the west side living off of I-4 in certain places.

Mr. Harding: From the standpoint of not being a CDD issue what was the reason for the meeting as far as CDD representation and Steve Boyd going to the meeting?

Mr. Flint: They were looking for stakeholder input and the stakeholders were basically the Resort, the developers, the CDD and POA.

Mr. Harding: As a stakeholder would it make sense as far as taking the Steve Boyd letter attaching a letter to the commissioner saying here is our position with regard to preferences?

Mr. Greenstein: It can't hurt.

Mr. d'Adesky: That is fine.

Mr. Greenstein: I raised the issue outside of a meeting with George a month or so ago when the community started becoming aware of what was happening and we agreed at the time that document was officially given to expressway authority. It was given to the consulting group.

Mr. Harding: I would hope that Lubert-Adler and the Resort, Salamander and I will get with David Burman that the HOA do a similar type of thing as far as their concerns. I will share

the letter the Board will be sending and hopefully they will do something similar. Maybe George can have Steve Boyd send me that letter and I think we all agree as to what our preferences are and I can write it up and maybe you can go individually to each Board Member to confirm that is okay. Would that work?

Mr. Flint: I can do that as long as I don't relay the position of one Board Member to another. If there is disagreement we will probably have to bring it back to the next meeting.

Mr. d'Adesky: He can't circulate the comments.

Mr. Flint: I can ask that they send comments back to me and if everyone is in general agreement then it is good and if there seems to be not a consensus we will bring it back to a meeting for further discussion.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We received an email from the Trustee that they wanted to follow-up on the assessment report regarding the unexchanged bonds. We might be hearing more on that in the future. If you will recall this issue went away for a while and it seems like it is back and I wanted to make you aware that may come back up.

I have been in contact with Osceola County regarding the 532 funds but they have not provided me with a written document yet. I will call after this meeting to express our extreme dissatisfaction with their process.

Mr. Harding: Have they given you anything in writing?

Mr. d'Adesky: I have something written that says they understand and will get back to us.

Mr. Greenstein: As far as an effective date?

Mr. d'Adesky: Retroactive. My first letter is dated so when I transmitted a letter it was dated and sent by certified mail so they have as of this date in October that we are aware of this and they sat on it.

B. Engineer

Mr. Boyd: We have received submittals for all of the materials that the contractor is going to be purchasing and those are currently in review by both the County and Leftwich and

we will have approval of those in the next week, which will release the contract for purchase of those materials and then we will mobilize on their delivery.

Mr. Greenstein: What is your best guess for install?

Mr. Boyd: It is still in line with their project schedule they provided but behind by about two weeks.

Mr. Greenstein: We were talking May. It sounds like things are moving.

Mr. Flint: Steve will you send me the information that was provided to CSX at our October meeting and I can re-circulate it to the Board?

Mr. Boyd: I did just email that to you.

C. Manager

i. Action Items List

Mr. Flint: We talked about some of these. Daniel is there any update on your discussions with water management?

Mr. Baker: No.

Mr. Flint: That issue is on hold pending the Resort or Lubert-Adler, Toho and water management working through the consumptive use permit.

Signalization, Steve just gave you an update on that. Andrew addressed the allocation of the 532 costs. Next is discussion of the amendment to the MSA for Heritage Crossing and Carlton just handed me a document, but you haven't had a chance to review it. I will email a copy of the handout to Steve.

Mr. Grant: The Board needs a chance to digest it. Daniel crafted this on behalf of the developer and the request would be that the supervisors review it, make any comments, possibly we designate one of the supervisors to work with Daniel on those comments to hammer out a final proposed MSA document that we can move forward with and present to the Board.

Mr. Flint: I quickly scanned this as we were sitting here and I do have questions but rather than getting into those at this point maybe Carlton's suggestion that we designate a Board Member and that Board Member and myself can meet with Daniel to go through this then we could bring it back at the next meeting. Counsel has to look at it as well.

Mr. Greenstein: I would want to compare and contrast it to the base agreement we currently have in place.

Mr. Harding: I would like to propose that Mark be our designated supervisor.

Mr. Greenstein: I will do it.

Mr. Flint: If the Board is okay with that rather than Carlton being involved with it we will work with Daniel. We will set up a meeting to go through this and we can bring something back to the next meeting.

Mr. Dryburgh: \$400 for four hours. Is that market rate?

Mr. Flint: That was one of my questions. That is on the low end. I want to talk about that, I want to talk about potential two tiered rental rate for resident events versus Resort events. There are a number of issues like that where residents should have a discounted rate based on the fact that they are paying the operation and maintenance assessments and the debt service on the building.

Mr. d'Adesky: Management contracts have to be very finely threaded under the current tax law. It is a start and that is the whole point.

Mr. Harding: Would the individual horse stables all be removed so that opens up the whole place? Is that the intent?

Mr. Grant: I don't think so, the way the paddock gates are they make a nice venue for individual things. You could put a bar inside one, food inside another, the recommendation we would have is as you enter there are three wash stalls with basically concrete blocks between them to separate the horses and we would open that up to create one seating area. That will create maybe a dining area, an area for a dance floor but the individual paddocks are great.

Mr. Harding: Would you put a ceiling in?

Mr. Grant: No, it is a beautiful venue and the recommendation is ceiling fans for ventilation.

Mr. Greenstein: We will try to get together so we have something to present to the Board for the next meeting. Does that sound reasonable?

Mr. Baker: Yes.

Mr. Flint: The signage on Sinclair Road is next.

Mr. Grant: I have to give Alan credit he has been chasing me down. I was putting time in at many properties in the last couple of weeks and I committed to Alan that I would get that done in the coming week.

Mr. Flint: Kiosk parking, Alan.

Mr. Scheerer: That project is complete. I did consult with Mr. Goldstein on that as well and we stenciled both parking spaces as well. The signs have been installed, we stenciled no parking and 15-minute parking and restriped all the parallel parking areas.

Mr. Harding: Is that with all the kiosks within Reunion?

Mr. Scheerer: There are only two that had parking on the east. We did all the parallel along Excitement Drive in front of the Terraces, the mail kiosk on the east and the drive through kiosk on the west side.

Mr. Flint: The parking on Excitement and Gathering?

Mr. Scheerer: The direction I recall from that meeting was to get with security to address that, that isn't a parking space in front of those homes. I addressed it with Garold and let him know there was a desire to keep people from parking there.

Mr. Harding: They have not instituted anything at this time. Some of the big problem makers are the guys maintaining the lawns bringing in the wide trailers.

Mr. Scheerer: Guys were there doing the lawn and I know it is not permanent opposed to people actually using that. I had a conversation with Garold, I talked to Josiah, I talked to Cruz and they told me they would look into it and see what they could do.

Mr. Harding: What is the cost of painting yellow stripes? I do know you have to maintain them.

Mr. Scheerer: I would have to ask. I can get a quote and we are going into budget season. We can do that on Gathering I don't think it will be as effective on Excitement Drive. Gathering Drive seems to be the biggest culprit. I will get some numbers and I will get with Fausnight and they can tell me how many no parking signs we need based on the footage.

ii. Approval of Check Register

On MOTION by Mr. Greenstein seconded by Mr. Harding with all in favor the check register was approved.
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iii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iv. Status of Direct Bill Assessments

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

v. Presentation of JLAC Correspondence

Mr. Flint: Next is a response to the Joint Legislative Audit Committee. We have one bond series that is still technically in default because the bondholders chose to not extinguish all the bonds. There is no action at this point the Board has to take in that regard, but it does show up in our audit as being an issue and because it shows up in the audit after three years the Joint Legislative Auditing Committee gets flagged and they contact the District for an explanation of why that comment is still in the audit. We responded to this the last couple of years and we responded again this year.

Mr. d'Adesky: We reviewed the letter and as long as we are not asking them for money they are usually happy.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Greenstein: I have some questions on the Seven Eagles Cove action items punch list. Most of it has been completed then we have a couple items, roof leaks, some pole lights and landscaping. Are these future dates or past due dates?

Mr. Scheerer: This is a list that was provided by Carlton. I know we have looked at some of these items. I thought the pole lights were already approved unless I'm mistaken. On the landscaping we will review as part of the upcoming budget because there were no funds allocated for that.

Mr. Grant: The pole lights are the tall lights that were blown off by the hurricane and those are replaced.

Mr. Scheerer: I assume that Steve hasn't updated the list that we had but as far as I know the hot water tank is completed, the roof leaks I thought were resolved, we actually got a quote to do the whole roof, which is above and beyond what was requested. The pole lights and landscape lights I thought were already taken care of. I will get with Steve at the Resort, he and I usually work on these items.

TENTH ORDER OF BUSINESS

Next Meeting Date

On MOTION by Mr. Greenstein seconded by Mr. Dryburgh with all in favor the meeting adjourned at 1:52 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman