

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 on Thursday, July 13, 2017 at 2:30 p.m. at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum:

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

Also present were:

George Flint	District Manager
Jan Carpenter	District Counsel by phone
Andrew d'Adesky	District Counsel
Steve Boyd	District Engineer
Alan Scheerer	Field 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 not being any, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the June 8, 2017 Meeting

Mr. Flint: Are there any additions, deletions, or corrections to those minutes? Not hearing any, we need a motion to approve.

On MOTION by Mr. Harding, seconded by Mr. Dryburgh, with all in favor, the minutes of the June 8, 2017 meeting were approved.

FOURTH ORDER OF BUSINESS

**Discussion and Consideration of CDD
Signage**

Mr. Flint: Next is the discussion of signage on CDD property. I printed out and also emailed copies of some information from the Resort. Carlton, do you want to present that?

Mr. Grant: Sure, obviously in accordance with the signage policy that the CDD and the community has adopted we removed a lot of directional signage. We particularly removed a lot of signs informing people of the restaurant options on the Resort and their locations. Subsequently, we have seen a decline in customers in the restaurants. Folks are going off the property because they don't know those options are available. The Resort is requesting approval to, in accordance with the sign policy, reinstall some signage in some proposed locations in the packet. It would inform guests of the available restaurants and give them the option of staying on the property. We proposed a couple of locations using the existing signage. It would be the large standing size like we have in place today. Again, it is very simple, directional, and informational signage.

Mr. Flint: David is also here, he is representing the Property Owner's Association. He has been working with Carlton and the CDD to come up with a standard sign design. I think everyone is comfortable with the concept and design. The issue for the Board is determining whether the proposed signage is directional in nature. The policy requires that it be directional signage. We are bringing this to you for discussion and consideration to make sure you are comfortable with the proposal and the locations.

Mr. Goldstein: I think it qualifies as directional.

Mr. Dryburgh: The design of it is excellent. What do you guys think about the locations?

Mr. Harding: I think it is accurate from either direction you're coming in.

Mr. Dryburgh: Okay.

Mr. Harding: What is this other sign in here? It's not a directional sign.

Mr. Scheerer: No, it is not.

Mr. Flint: Normally if you have model homes where you get featured builders you have signage for that. You can choose to have that or not have that. I believe there is a history of having that.

Mr. Scheerer: In other communities that have new homes or are building new homes, they typically have directions to where the sales center is or where the model homes are. That's pretty typical.

Mr. Harding: So, all the signs will be on the stanchions, and have the metal sign correct?

Mr. Grant: Yes, that is exactly right. What you see here is the exact measurements of the directional signage that is currently in place by OnSight Signs, who is the vendor that provided the specs. There are currently 4 or 5 signs in place. These are primarily located near the main entry areas.

Mr. Harding: The sign you just put at the back gate, which is operating really well, it is metal.

Mr. Grant: It's not all metal.

Mr. Harding: Will it weather okay?

Mr. Grant: Yes.

Mr. Flint: Who is bearing the cost of the signage?

Mr. Grant: The Resort.

Mr. Flint: Carlton, I will mention that one of your signs is in West. They don't have a sign policy adopted.

On MOTION by Mr. Harding, seconded by Mr. Dryburgh, with all in favor, the CDD Signage was approved.

FIFTH ORDER OF BUSINESS

Consideration of Proposal(s) to Replace Speaker System at Seven Eagles Pool

Mr. Flint: The next order of business is the consideration to replace the speaker system at Seven Eagles Pool.

Mr. Harding: Do we only have the one bid?

Mr. Grant: We did go out and get a second bid from High Security Alarm Systems Inc., who does similar work. Essentially, it's a replacement for the in-ground wiring conduit speakers. They are deteriorated from irrigation water.

Mr. Dryburgh: Are you going to have a wiring system?

Mr. Boyd: It was planned to rewire it.

Mr. Scheerer: So, it's not an upgrade.

Mr. Grant: There is a small upgrade, some things are waterproof at certain locations. We're not getting a bid for wireless. I'm guessing a bid for wireless would be double the cost.

Mr. Flint: It's not as reliable. Was the price of the second bid consistent?

Mr. Grant: It was about \$3,000 higher. I have a copy I can show you George.

Mr. Flint: There's no legal obligation to get more than one bid at this dollar amount, however Carlton did provide a second bid that shows the first bid is competitive.

Mr. Greenstein: What is the dollar amount?

Mr. Flint: \$10,701.

Mr. Greenstein: How was the wiring buried?

Mr. Scheerer: Mark, most of it is buried in pebbles.

Mr. Dryburgh: I don't know much about this stuff, but is that a reasonable price?

Mr. Harding: I would say so, and with all the wiring. Do you know what kind of speaker system is going in?

Mr. Scheerer: Most of the in-ground speakers are similar to what is in place now.

Mr. Greenstein: Will you figure out the brand and the model that they are going to put in?

Mr. Flint: Let's bring it back next month with some additional information. You have a couple options. You could set a not to exceed and authorize a Board member to sign off on it. You could also delegate the authority to one Board member so we aren't waiting another 30 days.

On MOTION by Mr. Goldstein, seconded by Mr. Harding, with all in favor, the Delegation of Authority over the Proposal to Replace Speaker System at Seven Eagles Pool was approved.

SIXTH ORDER OF BUSINESS

Discussion of CDD Property Landscape Conditions and Need for Improvements

Mr. Flint: We put this one here at the request of Supervisor Harding. Prior to this meeting we drove through those areas that were of concern. Don, you can address the rest because I don't want to speak for you.

Mr. Harding: I had some misunderstanding about what was CDD property and what wasn't. Yellowstone is involved with all the landscaping and from what I understand from conversations and emails with some Yellowstone employees, they are taking appropriate action to rectify any of the problems we have identified. I know some of the homeowners are of some concern, so it is good that Yellowstone is taking action.

Mr. Flint: I don't think there is any action the Board needs to take at this point. We will continue to monitor and stay on top of that issue. Next month, if there continues to be concerns, we can put it back on the agenda.

Mr. Greenstein: I want to add that I am hoping they will highlight the potential situation with the oak trees. I think the jury is out about whether or not we have a problem with Spanish moss, mold, mistletoe, and other things. I'm hoping they can address that so we know what scope of work it is.

SEVENTH ORDER OF BUSINESS

**Consideration of Extension to
Landscape/Grounds Maintenance
Agreement with Yellowstone Landscape,
Inc.**

Mr. Flint: The Board entered into a one-year contract that started on April 1, 2016 and went through May 30, 2017. It allowed for two additional one-year extensions. We have put a simple extension on here. I will mention that prior to this meeting Reunion West, in an effort to get the contracts lined up with our fiscal year, voted to extend the contract through September 30, 2018. If the Board is amenable, we can make that same change.

On MOTION by Mr. Dryburgh, seconded by Mr. Harding, with all in favor, the Extension to Landscape/Grounds Maintenance Agreement with Yellowstone Landscape, Inc. was approved.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Next is Staff Reports.

Mr. d'Adesky: Yes, I'll give you a little more narrative than I gave on West. Jan, who is on the phone, met with Dave Tomac and they had a conversation regarding the 532. The County

said they are willing to contact the individual property owners and send a letter. They have more authority than we do so a letter coming from them has a better chance of getting a response. They might all say that they don't want to contribute but we are working with them to get that letter sent. Additionally, and both the County and our office need to do some more research, there may be other options for additional possibilities of cost savings and cost sharing with the County. We have to see what is legal, practical, and feasible. We did have this initial conversation with Dave and it was very productive. They were very helpful so we are positive about this.

Mr. Goldstein: What is the letter going to say?

Mr. d'Adesky: It is going to tell them the fact, which is that Reunion East CDD provides landscaping for all of these properties including their properties. If they don't, that will potentially be withdrawn from their property and they will no longer benefit from such improvements. They are also being asked by the County and the District to contribute.

Mr. Goldstein: Are you going to tell them what their allocated costs might be?

Mr. d'Adesky: We have already come up with some numbers, we can either send those out in the initial letter or we can say contact us and we will tell you what your numbers are. The other issue that I brought up in the other meeting, was regarding the Poinciana. Do we want to fight it or do we want to try to negotiate a price? Steve mentioned in the other meeting, there still might be a third option that comes and mitigates some of our issues. It is something that we have to mull over as a Board.

Mr. Harding: What does your experience suggest that we go with?

Mr. d'Adesky: Typically, the most profitable is to negotiate, because paying a lawyer hourly is quite expensive. You might end up fighting it, then you have to pay them hourly to fight it and you could end up losing it anyways. That being said, if the impacts are great and it is something that the Board does not want to live with, then perhaps that is an investment that is worth it. At this point, they are not that fixated on one option versus another so it is not at the point yet where we can start fighting it.

Mr. Goldstein: Do you see them leaning one way or another soon?

Mr. Boyd: I wasn't able to attend the workshop myself, but I had an engineer from my office attend. We didn't get a sense that they were definitely leaning one way versus the other. They said they were working on another option, it is a change to option 2A or option 3. 2A is the option that comes around the north and east side of Reunion. Option 3 is on 532.

Mr. Flint: I was at the meeting as well as Daniel Baker on behalf of the Resort. Mark Greenstein was there on behalf of this Board. All the feedback we provided pushed them toward the 429 connection, and away from the 532 option. When I asked about timing, they weren't very clear. I don't know how far out this is going to be, but they couldn't even tell us when this is going to happen. I think looking at the options the 429 makes the most sense.

Mr. Goldstein: So, there's no sense in getting lawyers yet if we don't know where they are at.

Mr. Scheerer: Until you're asking them to oppose something, it won't cost anything. Talking to them doesn't cost us. From what I'm hearing, there's no action necessary and based on all these facts we can wait.

Mr. Greenstein: Have the members of the Board received the summary of the meeting that was held by the consulting firm?

Mr. Scheerer: Yes, Steve passed them out.

Mr. Greenstein: Good, because that summarized one of the points we're making.

B. Engineer

Mr. Flint: Steve, do you have anything?

Mr. Boyd: An update on the signal, I talked to the County Engineer, who is in charge of the review, about two weeks ago. I have since then not been able to get in touch with her to find out what the status is. But I am trying to pursue that. Other than that, I don't have any news.

Mr. Greenstein: Can you get any feedback?

Mr. Boyd: Mark, I'll give you an update. If I can't get in touch with her by the end of this week I will let you know. You can make a call to the Commission on behalf of the Board.

C. District Manager's Report

i. Action Items List

Mr. Flint: Daniel is on the phone, he has a report for the Board on this issue.

Mr. Scheerer: Do you want to report on the irrigation turnover?

Mr. Baker: Yes, the update is really pertaining to South Florida Water Management District on our renewal of the Reunion East permit. We have been in the process, for the last 6+ months, with the Water Management District. The District has completed the review on our application and they have informed us of their intention to issue a permit. The permit is not going to contain what we requested. The permit is primarily based on the South Florida Water Management District accepting Toho Water Authority proposition to expand, modify, and

enhance the reclaimed water delivery system. They would do that at their expense without any surcharge to Reunion. They will offer a discounted rate schedule for the life of the permit. That would start from the first year they are able to deliver the full irrigation demand, they would discount their rate by 90%. Toho has committed to the Water Management District that they could accomplish the enhancement to their system within two years. Therefore, the Water Management District contemplated for Reunion East the continued use of ground water as the sole and singular source of irrigation until October 2019. In November 2019, Toho would deliver all the water necessary. We are reviewing the action and may elect to appeal it because it is a significant cost to both the Resort and Reunion property owners to absorb the rate at that proposed charge. It's not the outcome that we had hoped for.

Mr. Scheerer: Thanks Daniel.

Mr. Flint: So, it looks like they're maybe 2 or 3 years away from actually being able to provide it. Once they have the capacity to provide it we will pay 10% of what the published reclaim rate is. Next year it will go from 20 to 30 and so on and after 10 years we will be at 100%.

Mr. Harding: What's the alternative?

Mr. Flint: We don't have one.

Mr. Harding: Does this affect West?

Mr. Flint: West is a separate permit and they reissued West's permit already. Daniel, is there a particular reason as to why West was renewed without it?

Mr. Baker: Yes, one because the Toho Reclaimed Water Delivery System is different for the west side of I4 versus the east side of I4. The remaining infrastructure to connect and deliver the irrigation water, there's no one who is willing to pay for it.

Mr. Harding: Do we have any cost projections for each person?

Mr. Flint: We went through that exercise before when we initially started negotiating this, but we will have to go back and look. We are a few years from having a financial impact, but we will revise those projections. When we thought this was coming down the road, we included some expenses and some revenue associated with operating a reclaimed system. We projected those as offsetting each other. It's not something that is going to impact next year's budget or the year after.

Mr. Harding: Okay, that was my main question.

Mr. Flint: Daniel, do you see Toho actually operating their reclaimed system or are they just going to provide the water and we are going to continue to operate the internal system the way it is operated now?

Mr. Baker: Yes, we would continue to operate it.

Mr. Flint: So, we have to figure out how we internally bill out for what Toho is billing the District. Signalization was already addressed. Concerning the horse stable options and resident use of Heritage Crossing, after the meeting with the consultant on the extension of Poinciana Parkway Mark and I met with Daniel to discuss this issue. He indicated that he would get with his folks internally and we will need to have a follow meeting with that.

Mr. Greenstein: It's a work in progress. We've had the initial discussion, now the Resort just has to start digging into the details.

Mr. Flint: The sign has been installed on Excitement Drive entrance as well.

Mr. Harding: Were you guys going to reach out to the highway folks regarding proper signage off the 429 exits to indicate that Reunion is off exit 1?

Mr. Flint: Steve, I think that was on your list.

Mr. Boyd: I apologize, I will check on that.

ii. Approval of Check Register

Mr. Flint: You have the Check Register, I believe I also emailed everyone a copy.

Mr. Harding: I have a couple of questions. What is the directional sign installation for \$1,100?

Mr. Scheerer: That's for the Reunion sign on Excitement Drive. It was split between East and West.

Mr. Harding: The other thing I was curious about, what are the two dining tables?

Mr. Scheerer: Those are for the swimming pools, we purchased some additional tables and chairs for the Homestead pool.

On MOTION by Mr. Harding, seconded by Mr. Dryburgh, with all in favor, the Check Register for the month of June was approved.

iii. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through May 31st.

iv. Status of Direct Bill Assessments

Mr. Flint: I may have misspoken during the West meeting, I think there is one outstanding. Reunion East is fully paid though. Are there any questions about the financials?

NINTH ORDER OF BUSINESS

Other Business

Mr. Flint: Any other business?

Mr. Goldstein: Were we going to get some more pressure washing done?

Mr. Scheerer: Yes, we are. That is on hold for the August agenda. George is going to provide me with a third quote. We have around \$38,000 in the budget for pressure cleaning all the sidewalks.

Mr. Goldstein: What about the light on the sign in the back?

Mr. Scheerer: That's correct, that is going up next week. I was out last week and I'm playing catch up this week. We will get that done.

Mr. Flint: Maybe check on the air conditioning unit in here, it is very muggy.

Mr. Scheerer: Okay.

TENTH ORDER OF BUSINESS

Supervisor's Request

There not being any, the next item as followed.

ELEVENTH ORDER OF BUSINESS

Next Meeting Date

This item was not discussed.

TWELTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Grant, seconded by Mr. Greenstein, with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman