

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, August 10, 2017 at 2:30 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 Treasurer
John Dryburgh	Assistant Secretary
Don Harding	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Steve Boyd	District Engineer
Alan Scheerer	Field Manager
Darrin Mossing, Jr.	GMS
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

There not being any, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the July 13, 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. Greenstein, with all in favor, the minutes of the July 13, 2017 meeting were approved.

FOURTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Resolution 2017-04 Adopting the Fiscal Year 2018 Budget and Relating to the Annual Appropriations

Mr. Flint: We will go ahead and open the public hearing. This is to approve the Fiscal Year 2018 budget and also to approve a resolution imposing special assessments associated with the budget. It is a public hearing, so I will ask if there are any members of the public who would like to provide comment or input on the proposed budget or the assessments. Hearing no public input, we will bring it back to the Board. The Board approved a proposed budget back in May, and set the time and date for today for the budget's final consideration. We did transmit the budget to Osceola County 60 days prior to today. We ran two newspaper notices 21 and 14 days in advance of today. This meeting date was also posted on the District's website. There was no proposed change in assessment levels so there was no mailed notice required. In Reunion West, there was a mailed notice because there was an increase in assessment levels. The main change to the budget is the allocation between East and West because it is based on platted lots. This budget is based on shared costs being allocated on a 60-40% basis. That does reduce the shared cost expense for East and it increases the shared cost expense for West. The actual composition of the shared costs has not really changed. It's about \$4,000 higher.

Mr. Harding: George, can I have a couple of things clarified in terms of the budget?

Mr. Flint: Sure.

Mr. Harding: Just out of curiosity, the income rental is primarily coming down due to Encore?

Mr. Flint: Yes, that lease is up on December 31. For budgeting purposes, we have anticipated no income after January.

Mr. Harding: But there is some proposed rental income for 2018?

Mr. Flint: The fiscal year starts on October 1, so that's why.

Mr. Harding: That's right. Okay. How are property taxes handled via the CDD?

Mr. Flint: They're on the November 1 tax bill. It comes out on November 1, 2017 and it funds the Fiscal Year 2018 budget which runs October 1st to September 30th.

Mr. Harding: So, the \$400 property tax fee, what is that?

Mr. Flint: Where is that?

Mr. Harding: It's about halfway down the page.

Mr. Flint: We have a few stormwater parcels that might have very small tax bills, \$20 to \$40. That's just how the County handles it. They basically set the assessed value very low, and sometimes there are fees that are not property taxes that flow through.

Mr. Harding: Okay. Then on the maintenance expenses, from 2017 and 2018 it goes up almost 140,000. The West goes down by about 96,000. I'm just curious as to what causes that.

Mr. Flint: The difference there is the transfer out, the maintenance expense line includes a transfer out to the reserve and maintenance fund.

Mr. Harding: Okay. So that's why the West's went down?

Mr. Flint: The West went down because they can't transfer anything to their reserve fund. East went up because we are transferring more than we did in 2017.

Mr. Harding: Thank you. Sorry for all the questions, I could've asked them at the meetings before.

Mr. Greenstein: No, these are good things to ask.

Mr. Dryburgh: I have another question, why do we get these agenda packets by FedEx?

Mr. Flint: We don't have to do that. We can email them. We have some Districts where we just email electronic copies and people bring their iPads. We have some where we email it and we bring a hard copy to the meeting.

Mr. Dryburgh: I'm just trying to cut any little expenses.

Mr. Flint: We have some where we do one FedEx, and we send it somewhere like the clubhouse or the resort. The Board members go pick it up there and then you're only charged once instead of five times. There's a number of different ways we can do it.

Mr. Dryburgh: What is it costing us now to get FedEx packages, versus shipping it UPS ground service?

Mr. Goldstein: Or FedEx ground, because we're not even doing that.

Mr. Flint: We can do a lower cost FedEx.

Mr. Dryburgh: It's just the principal of saving money. These little amounts add up.

Mr. Flint: We could email you the agendas and then I could bring hard copies to the meeting.

Mr. Greenstein: That works for me.

Mr. Goldstein: That's fine with me too.

Mr. Dryburgh: Let's do that.

Mr. Flint: Okay, we can do that. You guys are welcome to bring your iPad or tablet and you don't have to use a hard copy. I will still bring the hard copies, but feel free to bring your iPads to read the agenda on.

Mr. Greenstein: I appreciate John's comment, because FedEx is not cheap.

Mr. Flint: Any other questions or comments on the budget?

Mr. Dryburgh: Did this include the cost that we had discussed about cleaning up the pools. Is that in the budget?

Mr. Greenstein: Yes, this is Fiscal Year 2018.

Mr. Scheerer: Yes, this is next year and there is money allocated in the capital O&M Fund for additional enhancements to the pool. On the agenda, today is the last pool that we have for this year which is Carriage Point pool. We did the hot tub last year, it worked out kind of strange but this year we are going to be doing the pool if the Board chooses to approve that at the meeting today. Next year, we've allocated funds for the last pool.

Mr. Dryburgh: So, the budget already covers it?

Mr. Scheerer: Yes sir. Not only for that, but we also added three pool heaters. The heaters are about \$3,000 a piece, and if one ever goes down and we need to replace them then we have already allocated money in the budget to cover the cost for that.

Mr. Flint: Alan, on page 11, can you discuss that a little further?

Mr. Scheerer: Underneath the shared costs, the first item is building improvements and it is for \$100,000. That is to do a couple things, mainly it applies to this building. Over the past few years, we've dealt with a handful of roof leaks, so we obtained a price to have the roof redone as well as replace one of the 10-ton roof top units on this building. We have been putting money into that budget every year in case this building needs a new roof or we need to replace an AC unit on this building. The next item is pool furniture, as you know we have a lot of pools

and we have a lot of pool furniture so we've allocated some replacement costs for 60 chairs, tables, dining chairs, etc. as needed for next year. \$53,000 is under the item you and I just discussed, the pool refurbishments. The landscape improvements are \$125,000. We have gone through all the pool areas and we allocated funds in here to redo landscaping and enhance the landscaping. Also, we need to do some more hardwood pruning. The Board adopted the signage policy, there's a specific sign that needs to go with a specified style. This \$10,000 allows us to replace or install new signs as the Board sees fit. The signalization is of course the signal outside of the main entrance to the community. We will bring proposals back next year for all of these capital projects, and you can choose to approve all of them or some of them but we want to make sure we have money in the budget to cover those expenses.

Mr. Dryburgh: Concerning the signalization, one of our residents mentioned that there are certain sections within the community where people are pretty much ignoring the rules. Do we have any liability if some chooses to not walk on the crosswalk and gets hit?

Mr. d'Adesky: I'm not sure if it was late 2016 or early 2017 but the Resort undertook the expense of installing new and additional signage. I've not heard of any issues. I've seen what you're talking about though, people just walk across the street anywhere. I'm not sure how you can fix that.

Mr. Dryburgh: I'm not saying you can, I'm just asking our lawyer if we have any liability if they do that and get hit.

Mr. d'Adesky: Their lawyer could try to sue you but they're probably not going to be successful.

Mr. Dryburgh: Well our signalization is very clear, so there's not much else we can do. It's a choice to walk either on the crosswalk or not.

Mr. Scheerer: Exactly. The important thing is that we are doing our normal maintenance and upkeep of these. There was additional signage installed, median signage, the striping is all up to par.

Resident: But is the crosswalk in the correct place? In my opinion, it's not. If you watch the people in the community, most of them cross the street about 20 yards down from where the crosswalk is currently. To say that it's the residents fault might not be correct, it might just be in the wrong place.

Mr. Dryburgh: I'm sure that it's at a place where it intersects with the sidewalk, if you move it you're walking into plants.

Mr. Harding: So, would it make sense to have another crosswalk?

Mr. Scheerer: I think Steve would have to look at that and determine if there is another viable spot for an additional crosswalk.

Mr. Grant: I think that the original locations were based on other development that was going to be going in but it never happened. You're not seeing what was originally planned here.

Mr. Scheerer: Parking and drop off parking in the water park makes it questionable as to whether or not it's feasible.

Resident: What about just extending the painted white crosswalk lines to 20 or 30-foot-wide like the pedestrian walkways in front of grocery stores that you see? I really think because it is so close to the water park and there are so many children crossing there, something needs to be done so a child doesn't end up getting hit.

Mr. Greenstein: We will take a look at that.

Mr. Scheerer: That's all I have. We will get Steve to follow up on that.

Mr. Flint: Are there any other questions on the budget?

On MOTION by Mr. Greenstein, seconded by Mr. Dryburgh, with all in favor Resolution 2017-04 Adopting the Fiscal Year 2018 Budget and Relating to the Annual Appropriation was approved.

B. Consideration of Resolution 2017-05 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Flint: Are there any questions on Resolution 2017-05? It's very straight forward.

On MOTION by Mr. Greenstein, seconded by Mr. Goldstein, with all in favor Resolution 2017-05 Imposing Special Assessments and Certifying an Assessment Roll was approved.

Mr. Flint: We will close the public hearing now.

FIFTH ORDER OF BUSINESS

Consideration of Proposals for Pressure Washing Sidewalks and Curbs

Mr. Scheerer: In your agenda packages are three proposals for the pressure washing of some common areas; sidewalks and curbs and property that the CDD maintains. We received a quote from AB Pressure Washing which does a lot of the homes here in Reunion. His price was \$38,887.00. We received a price from a gentleman who was referred to us by David Thurman, his price was about \$35,000. We spoke with the District Manager last month and he provided a company called Scrubzoni that we have not done any work with and they came in at \$14,275. I toured the property and made sure they knew the expectations. Based on the price, I would recommend the Board approve Scrubzoni.

Mr. Goldstein: Who recommended Scrubzoni to us?

Mr. Flint: I did. They do work for the Bonnet Creek CDD.

Mr. Goldstein: Then I don't think there's any question, we should go with that bid.

Mr. Greenstein: It's a no brainer at that price.

Mr. Scheerer: One of the criteria that I gave all the contractors was that I need the job started and finished. They can't just drag it on until Christmas. Scrubzoni relayed to me that they would need a week to mobilize, and then a week or two weeks to get through the entire community.

Mr. Flint: They have an interesting piece of equipment that the Scrubzoni name came from. They basically have a zamboni type machine that they ride on. After the machine cleans it sucks up the water underneath it.

On MOTION by Mr. Greenstein, seconded by Mr. Goldstein, with all in favor the Proposal from Scrubzoni for Pressure Washing Sidewalks and Curbs was approved.

SIXTH ORDER OF BUSINESS

Consideration of Proposals to Resurface Carriage Point Pool

Mr. Scheerer: For this item we have a couple of proposals, one from Spies Pools and one from Robert's Pool Service. In this year's budget we allocated funds to fix the pool at Carriage

Point. They will power wash the surface of the pool, they sound it for hollow spots and clean up any spots that are hollow, then they'll prep the surface and put a product called Diamond Brite. Spies Pools does a lot of work here and the Board has approved several quotes from Spies Pools. They are a local bidder on this project. What saves us from spending so much this year is that we don't have to replace any of the tile in the pool. We have \$24,000 allocated in there for this project and I would recommend the Spies Pools to redo the Carriage Point pool. Something else in the agenda is the new main drain grates. The Virginia Graeme Baker Act requires us to replace those grates depending on the type we have. If you have an AquaStar grate you can have that for five years, a Waterway grate can be anywhere from seven to ten years. They are recommending that we go ahead and replace the drain grate and whichever contractor we go with, like Spies, would fill out a form and send it into the Department of Health to let them know that we have the correct main drain plates.

Mr. Greenstein: Spies has been around for a long time doing jobs, I think we should go with their bid.

Mr. Scheerer: They did a water park and they do a lot of work here already.

Mr. Greenstein: Yes, they are good.

On MOTION by Mr. Harding, seconded by Mr. Greenstein, with all in favor the Proposal from Spies Pools to Resurface Carriage Point Pool was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Enhancement Proposal from Yellowstone Landscape to Upgrade Liner Park Landscaping

Mr. Scheerer: During the course of this budget year, the Board approved several enhancement projects. Those enhancement projects included mulch, along with the enhancement project. Because of that, we have some dollar amounts in our landscape contract under the mulch line item. That would allow us to go ahead and move forward with some enhancements in Linear Park. Myself, Mark, Rob, and the Yellowstone team met onsite at the Park and determined that we had sufficient money available to go ahead and redo the landscaping at Linear Park. As you know, we hold several events at that Park. There has been a wedding there and tons of people love to just walk through there. The landscaping there is original to the park. I've spoken to the General Manager of the Resort about the timing of this

project and it looks like starting next week we will have ample time to come in and start moving plants.

Mr. Harding: What's wrong with it now? I'm not sure I understand.

Mr. Scheerer: There are several plants that are missing, and we have plants that nobody is using anymore and they're starting to die out. We would have to pull those anyways. There's just a lot missing in that Park. We felt it would be a good opportunity to get in there before the end of the year, and the holiday season, and get the landscaping done. It doesn't look bad don't get me wrong, we keep it up to par.

Mr. Goldstein: It doesn't look like it did five years ago.

Mr. Scheerer: You're right. The Indian Hawthorn has become a nightmare of a plant. I think Rob is here and he can attest to that. I don't think they're even using that plant in landscape designs anymore. It's just time we go ahead and make a change.

Mr. Greenstein: That's budgeted?

Mr. Scheerer: Yes, we already have money to cover this. We are not going to go out of budget by approving this dollar amount. That is part of this year's budget, not the 2018 budget.

Mr. Greenstein: I'm hoping that has some spillover onto some property value. Not that it is directly connected, but it is adjacent to the Seven Eagles complex which is probably one of our more depressed real estate areas. I'd recommend approval.

On MOTION by Mr. Greenstein, seconded by Mr. Goldstein, with all in favor the Enhancement Proposal from Yellowstone Landscape to Upgrade Linear Park Landscaping was approved.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: The one thing we followed up on from the last meeting was getting a letter to Dave Tomac in terms of what to send out to the property owners. We sent that and he said he is going to review it. However, I know they have been working with several Districts that have been very busy so I don't think he's had a chance to do that quite yet. We did get that to him so it is in their hands.

Mr. Goldstein: So, what does the letter say?

Mr. d'Adesky: In nice words, it lays out the costs associated with that area and that they will need to pay up if they would like it to still look nice. Again, it hasn't been sent yet.

Mr. Greenstein: I like the idea of explaining to them the direct benefit they're getting from the area on the south side. It is Osceola County by about ten feet, but everyone views it as Polk. They benefit directly from it, and we invite them to contribute to continue maintaining it. It's the most cost-effective way of doing it because if they had to go in and use a different irrigation resource it's going to cost them a small fortune. We need to come up with a reasonable proposal in stages and get them to recognize that they have to pay to keep it looking like it does now.

Mr. d'Adesky: The County has admitted that area looks great. They are engaged in the matter and have been communicating well with us about this issue.

B. Engineer

There being none, the next item followed.

C. District Manager's Report

i. Action Items List

Mr. Flint: At the last meeting Daniel Baker reported on the irrigation turnover. He indicated the termination from Water Management District and that over time we are going to have to transition to reclaimed water. They have not fully accepted that termination yet, they are still in the process of determining their options. There is actually a meeting today in south Florida that Daniel and their attorney are attending with the Water Management District. They are still communicating but a final resolution to that has not happened yet. We gave an update on signalization to Reunion East. Steve, would you go ahead and update the Board here as well?

Mr. Boyd: Sure, they are resubmitting next week with what they refer to as 90% plans. They anticipate one more final round of comments from the County and after that they will have 100% plans and we can take that to bid.

Mr. Flint: Concerning items 3 and 4, there have been some discussions with Daniel Baker. Mr. Greenstein and I have discussed this with him a couple different times. I know that Daniel is communicating on behalf of the resort about looking at the horse stables and evaluating potential options. An event area is most likely the best option. We discussed item 5 the costs of 532 and the signage for Reunion was discussed.

Mr. Boyd: Yes, and we will continue to press the issue of the signal as well as seeing what we can do about the crosswalk issue. I'll try to get some meetings set up about the signage.

Mr. Dryburgh: Can we update the description on the action item list.

Mr. Flint: So, change it to signage on 429?

Mr. Greenstein: That's good.

Mr. Dryburgh: How is the AC for the Seven Eagles room coming along?

Mr. Scheerer: Frank's Air Conditioning should be there today doing some final measurements in anticipation of the new unit arriving.

Mr. Boyd: The problem is that it's not a shelf unit, they don't have that particular unit that we need for the space sitting on a shelf somewhere. They are actually manufacturing a piece of equipment for us. It won't be shipped until the 16th or 17th which is a week away. We are planning on installation right after that.

Mr. Harding: Is the speaker system being installed now?

Mr. Boyd: That has been approved and we are working on an install date with the contractor.

Mr. Scheerer: Any day to day maintenance items were identified by walking with Steve and John. Any capital replacement items over \$2,500 falls to the CDD. We are looking at the water heater which is about \$4,000.

ii. Approval of Check Register

Mr. Flint: You have the Check Register to review. Are there any questions?

On MOTION by Mr. Greenstein, seconded by Mr. Dryburgh, with all in favor, the Check Register was approved.

iii. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through the end of June.

iv. Status of Direct Bill Assessments

Mr. Flint: At this point you are 100%.

v. Presentation of Arbitrage Rebate Calculation Reports

Mr. Flint: You have the Series 2015-1 report indicating a rebate requirement of -\$49,990.

Mr. Greenstein: Normally it's in the hundred thousandths, isn't it?

Mr. Flint: Series 2015-2 is -\$51,906 and 2015-3 is \$1.00. This is something we have to do on an annual basis.

On MOTION by Mr. Greenstein, seconded by Mr. Dryburgh, with all in favor, the Arbitrage Rebate Calculation Report was approved.

vi. Approval of Fiscal Year 2018 Meeting Schedule

Mr. Flint: There was some discussion about moving the time to 12:30.

Mr. Dryburgh: That's good with me.

Mr. Greenstein: Me too. What about you Carlton?

Mr. Grant: Yes.

Mr. Greenstein: Okay, we will move the West to 12:30. What about Rolling Oaks?

Mr. Flint: We'll have to move it.

On MOTION by Mr. Greenstein, seconded by Mr. Dryburgh, with all in favor, the Fiscal Year 2018 Meeting Schedule was approved.

NINTH ORDER OF BUSINESS

Other Business

Mr. Flint: Any other business?

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. Goldstein, with all in favor, the meeting was adjourned at 3:32.


Secretary/Assistant Secretary


Chairman/Vice Chairman