

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, November 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
Don Harding	Assistant Secretary
John Dryburgh	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Steve Boyd	District Engineer
Alan Scheerer	Field Manager
Daniel Baker	ACP Communities
John Cruz	CWS Security

FIRST ORDER OF BUSINESS

Roll Call

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

Mr. Flint: The seats that were up as part of the election don't take office until the second Tuesday after the election, which is November 20th so the existing Board is still in place but at the December meeting we will need to administer the Oath of Office to Trudy Hobbs and anyone else who ran unopposed.

SECOND ORDER OF BUSINESS

Public Comment Period

A resident: I live in Carriage Pointe and want to discuss public parking in the neighborhood. Last Thursday no parking signs were installed throughout the neighborhood and according to the HOA they were approved by the CDD. I want to find out where this came from. There are only nine actual parking spots in the neighborhood, we have one-car garages and one-car driveways. I have two vehicles and others in the neighborhood have more and if anyone

comes to visit according to the email the HOA sent last week they will tow any vehicle parked on the street. Where do my guests go? There are nine parking spots, 14 buildings and there is not ample parking.

Mr. Flint: The Board will take your comment in their consideration and on the agenda we have an other business section so we can discuss it.

A resident: According to the HOA the concern is emergency vehicles and maybe the Board could consider having parking on one side of the street, that would help.

Mr. Greenstein: You are saying they placed no parking signs on both sides of the street?

A resident: Correct.

Mr. Flint: My suggestion since the HOA is not represented at the meeting that the Board designate one of the Board Members and staff to meet with the HOA and discuss the issue so that we have all the facts. Then we can go from there. The issue is the roads are owned by the Community Development District, however, the CDD has limited enforcement powers on traffic regulation. They either have to rely on the sheriff's office or the homeowners' association, potentially through their declarations and covenants, that may be able to enforce parking even though they are CDD roads. That is why there is some confusion and you feel like you are getting bounced back and forth because not one entity has all the decision-making power.

Mr. Dryburgh: I will be happy to take that meeting. I know there is a safety issue.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the October 11, 2018 Meeting

On MOTION by Mr. Harding seconded by Mr. Greenstein with all in favor the minutes of the October 11, 2018 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

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

Mr. Flint: The Board approved a draft in substantial form at the last meeting and directed us to move forward with it. District Counsel provided that to Bond Counsel because we have potential tax issues because of the tax-exempt bonds.

Mr. d'Adesky: When we were leasing out the property on the other side of this we did a private use calculation; you are allowed a certain fraction of private use of public facilities. We

were allowed to structure a lease with that particular portion for a limited period of time, a limited duration. We have now used up all of our private use so it has to be structured in a way such that it is either entirely used by the public or falls within one of the permitted exceptions under the IRS code and securities law. In this case it needs to be structured like a management agreement. There are specific requirements for that such as the District needs to exercise primary control over it, it needs to not be structured like a lease where you have the right of exclusivity to the property and there are other provisions such as the payment needs to be very clear and very structured, very flat. We think we have an idea of how to structure it given the feedback from Bond Counsel but as presented it was not acceptable. Speaking with the delegated Supervisor, Mark Greenstein, and George we talked about ways we could structure it to break out the operational costs and factor those in. We want to float those to the Bond Counsel at Greenberg today, we have a call schedule for 4:00 p.m. and we are going to talk over those ideas to make it permissible and keep it as close to the proposed form as possible. It is more complicated because this is a public facility that was built with tax-exempt bond funds. Hopefully, we will have something to report at the next meeting.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We are working on a revised methodology regarding the unexchanged bonds. Previously we received comments from the trustee, those are being worked on and examined. GMS delivered a preliminary draft that we are still working on and need to get out, but we anticipate more details on that at the next meeting.

B. Engineer

Mr. Boyd: I have a report on the signal and I have some items to pass out. The Reunion signal went active on October 29th. I came out with the contractor and Osceola County inspector and the inspection went well. The county is going to issue a minor punch list, which they have not issued yet.

The pay application has a summary of payouts to date and then the current pay application is behind that. It requests the full balance. Since we don't have a punch list from the County yet, work is substantially complete, there are a couple things they may have to come back and do. There is sod work along the sidewalk that needs to be cleaned up. This may be

more than necessary, but I was going to recommend that we consider releasing all but 10% retainage and once we get word that the County has finally accepted the signal then we can release the retainage.

Before you take action on that there is another item that TCD brought up, that they are asking for a change order on the signal. It is \$1,800.36 and they based their bid on the schedule of values that Leftwich Engineers prepared that is the DOT way of doing business and what they said is there are two signs that are on the plans but weren't on the schedule of values and the two signs are as you are heading out of Reunion that say left only and right only. They didn't have the two signs in their contract. They are on the plans and I told them in my opinion if they are on the plans you should have included them. They didn't include them because they weren't on the schedule of values. I am presenting this to the Board for consideration.

On MOTION by Mr. Harding seconded by Mr. Goldstein with all in favor the request of TCD for \$1,800.30 was denied.

Mr. Flint: The District is okay with releasing 90% and holding back 10% retainage.

On MOTION by Mr. Dryburgh seconded by Mr. Grant with all in favor staff was authorized to pay 90% of the pay application and to withhold 10% retainage until the County punch list is received and completed.

C. Manager

i. Action Items List

Mr. Flint: The irrigation turnover issues are still in their court. My understanding is it is getting closer to coming to fruition but at this point there is no action for us. The signal we just discussed. The allocation of 532 costs, District Counsel did send the letters. I did get a call from the apartments, they left me a voicemail, I called them back and never heard from them again.

Mr. Harding: Would it make sense for someone on the CDD along with legal to go out and meet with every one of these people?

Mr. Flint: This guy is in another state.

Mr. d'Adesky: Most of the people I mailed it to were companies based in other states or they are registered agents in Tallahassee or not here. It is not a matter of knocking on their door.

I think the apartments are one of the only ones with a physical location here versus somewhere else.

Mr. Flint: I frankly don't expect that we are going to get anyone to volunteer to pay anything. We have done our effort, sent the letter, we have asked so the next question is do we want to take some action or uninstall on the south side of the road and basically vacate the south side of 532 and just maintain the median and the north side? They are typically headquartered somewhere else they are focused on their bottom line.

Mr. Greenstein: Did our letter make it clear that we will abandon support?

Mr. Flint: Yes.

Mr. d'Adesky: It was pretty clear and Supervisor Harding helped out with some of the language as well.

Mr. Greenstein: As long as there is no need for an additional step of telling them you really mean it now, I see no alternative but to follow through.

Mr. Harding: What is the cost of maintaining that one side?

Mr. d'Adesky: It was in the \$20,000 range I believe. The center was more expensive and that was allocated as 50% of the cost to them and 50% of the cost to us.

Mr. Flint: The letter allocated 50% of the median on front footage and 100% of the south to each property and the dollar amount was in the letter.

Mr. Harding: What is this cost compared to the overall Yellowstone cost, what is the percentage?

Mr. Scheerer: I didn't bring that with me today. I know we gave the Board all the information on how the split was done and they allocated it by location.

Mr. Flint: The total cost was \$170,000.

Mr. d'Adesky: That is for everything including the north side for which we are responsible.

Mr. Flint: We will put in Bahia and it will revert to the County.

Mr. Dryburgh: How much is the Bahia?

Mr. Stultz: We will have to remove all the plant material and there is a lot of labor into that.

Mr. Scheerer: I didn't bring a map but we did it by section. 532 south side by Wells Fargo was \$42,000 to uninstall. Section 2 by the McDonalds lot is retrofit irrigation, non-

irrigated Bahia, removal, all that stuff was \$24,500. Section by McDonalds and the first entrance to the Lakes, the apartments was \$53,230. The remaining section was \$52,430.

Mr. Harding: If we look at the total cost of Yellowstone for all CDD property, what is the grand total and what is the \$173,000 as a percentage of the whole?

Mr. Flint: It is 20%.

Mr. d'Adesky: That is including the north side.

Mr. Flint: That is the north the middle and the south.

Mr. Greenstein: I think there will be an additional development adjacent to the Publix property, which is more in front of us than anything else. Maybe because of the fact that it isn't cheap to rip everything out, maybe we can table it and revisit it when the property across the street is developed then we will go to them upfront not after the fact and try to get them on board. I don't like the fact that it costs so much to serve the retail. Let's table it and revisit it down the road.

Mr. Flint: On the action items do we just want to put a hold on the status?

Mr. Greenstein: Yes.

Mr. Flint: Don brought up the stop signs and we have that on the list.

Mr. Scheerer: I received two requests regarding stop signs on the east and west side of Reunion, one was to replace any of the faded stop signs. I have five left on my last ride through that we will be changing out next week. During the budget process we anticipated the refurbishment of all of these sign posts throughout Reunion. We put a dollar amount in the budget that was adopted by this Board in August to do that and I am in the process of obtaining two additional bids and that would be to clean, sand, and paint all the sign posts within Reunion CDD. I have also talked to Mr. Williams at the POA and he said they would be more than happy to participate because the alleyways are private, the CDD does not own the alleyways or signposts and if we are going to have a vendor out here doing them all anyway. I think we will have more than enough money to fund the project and once I get the information, I will provide it to the Board. To the best of my knowledge all but five stop signs are DOT reflective engineered grade.

Mr. Harding: Have we gone through the transponder system?

Mr. Flint: No, John do you want to comment on that?

Mr. Cruz: I have a breakdown as to the questions we have about what each bid offers. The first one is to provide an access via card. ACT does provide access through cards. They also provide a long-range transponder access and we can have both simultaneously with ACT. As far as any similar hidden transponders they said they could do it but wouldn't recommend it, there are no good products out there for them. They recommend just using the decal style for access. Cost for cards is \$4 to \$5 per card, the long-range transponders \$17.80 to \$19.80 per transponder. They can provide locks for the pools estimated at about \$4,000 per location. As far as if current cards can be used they are still looking into it.

Bennet Protective Services seemed to be out of line and they have not provided the cost of the cards or transponders to me. The locks for the pool they can do but it would drastically increase the cost, but they couldn't give me figures.

ACT wasn't sure if they could use the current cards that are in circulation.

The last one is the card system that the Resort uses for their units. They can provide card access, they do not provide any long-range transponder access.

The cost of cards 45 cents up to \$250 and they can do locks on the pools, I don't have those figures and current cards would not be able to be used on their system. The main objective was to replace the system in general and have the ability to access the property without having to use a card or anything.

Mr. Harding: Where is the HOA and David Burman as far as the system?

Mr. Cruz: They are going off of what our recommendation is.

Mr. Harding: Are they up to funding it?

Mr. Cruz: A shared cost.

Mr. Goldstein: It looks like you are saying ACT gives us the most versatility.

Mr. Cruz: There are pros and cons. They are the cheapest, however, they do not provide the long-range transponders.

Mr. Goldstein: If there is no way around that then look at the other two and of the two we only have one that is willing to give you a report on cars.

Mr. Cruz: ACT is already out here, they maintain the gates.

Mr. Scheerer: They did the install as well over at Liberty Bluff gate that was recently approved and installed by ACT. They do all the maintenance.

Mr. Dryburgh: Are you comfortable with them?

Mr. Scheerer: Yes, we have that system in another property.

Mr. Harding: Is that your recommendation?

Mr. Scheerer: I don't have experience with the other two vendors. I know Ving just because of hotel/motel hospitality stuff. ACT is somebody we have used for a number of years. We had a call with Lorraine and one of the things we talked about is how are you going to issue the stickers for the cars, are you going to give two per household? Are you going to charge them to go to this system? I know when we did it in Melbourne the Board chose to charge each household \$10 that is now \$20 for a sticker.

Mr. Harding: They still have the option of using their card.

Mr. Scheerer: If they didn't want the sticker they have the option of using the card.

Mr. Harding: It is really a convenience.

Mr. Goldstein: We pay for cards all along here, they don't give them to us.

Mr. Grant: Between the HOA and us we are putting \$36,000 into this asking the people who actually live here to put \$25 down per car.

Mr. Goldstein: We have to do something because our system doesn't work.

Mr. Scheerer: I think you can't add any more is the issue.

Mr. Cruz: The current cards that are active in the system before it went down are still active. As long as they are used within 90 days they won't be out of date.

Mr. Goldstein: It sounds like our whole system could go down at any time too, right?

Mr. Cruz: No, because each gate entry is on its own. The server is already down.

Mr. Greenstein: The only question I have is whose contract vehicle is it. Is it a master association contract or is it a CDD contract? It can be jointly funded because when we first brought this up and were looking at it before the system failure, we were looking at it strictly from a convenience point of view. We had some discussion about who bought the equipment in the first place because the administration of the system was definitely the master. Aegis handed out the cards and controlled issuance of the cards through your auspices.

Mr. Flint: My preference would be the master association's contract. They have a contract with the security company, they are issuing the cards.

Mr. d'Adesky: From a benefit standpoint, if you look at it from a public/private benefit it is almost purely private benefit.

Mr. Greenstein: It is the front gate to the resort overall even though there are properties in there that are CZ properties as well.

Mr. Flint: We would do a cost share just like we do for security services.

Mr. Greenstein: I'm assuming Alan being the CDD's representative on this being on the ground level hopefully, we can agree to which system we would recommend but the overall decision as to which system to go with is the Master Association's decision.

Mr. Cruz: Oraine wanted to get a feeling for your thoughts.

Mr. Greenstein: Which direction do you want us to go in?

Mr. Cruz: I am torn between Ving and ACT.

Mr. Greenstein: But this does not give us a transponder. To me that is a non-starter, it doesn't meet our specs.

Mr. Flint: How would this integrate with the Resort's system?

Mr. Grant: That is the problem, the Assa Abloy is the system the Resort is using and if we went with that the benefit at least on the Resort side and the gate side would be a guest staying with the Resort could use their key, swipe it and come in instead of waiting in a line to come in and get their pass waived in each time.

Mr. Dryburgh: There is no way that ACT can work as a room card?

Mr. Cruz: No, there is no way for that system to communicate with the Resort's system.

Mr. Goldstein: A while back I talked to Lorraine about a system that one of the condos on Old Lake Wilson uses. When you check in you get a barcoded window sticker that scans, they print it out. If your guests are checking in through the gate when they get their check-in information they print a pass for the car that has a scanning code on it. They don't have to go back to you ever again, it scans it and checks them in and out and when checkout is gone it is gone. I am familiar with those systems. He told me our system was capable of doing that two years ago.

Mr. Cruz: In theory those systems are good and from all the feedback I have gotten, they fail a lot. A lot of times the lights don't catch the barcode and you have someone sitting there fiddling with it. Imagine someone fiddling with the pass and the people behind them are not able to get in. We have a system that we use for the passes and I can reach out to them and see what options they recommend.

Mr. Harding: Right now the people who are coming in are short term renters. Your card doesn't give them access so we are not changing anything. We are improving it for the homeowners.

Mr. Cruz: The current system never offered an option for guests.

Mr. Flint: Resort guests have to go through the guest lane.

Mr. Cruz: Yes, they always have to come in through that first light. They get a pass issued and every time they go out and come back they have to show the guard the pass.

Mr. Greenstein: I would have hoped that there would have been a resident sub-system that would interface with the master system and maybe at some point that will happen. The resident population is a lot smaller than the Resort population. Would it be a bad thing to come up with a transponder system that is resident only?

Mr. Grant: It is not impacting the Resort significantly today. Reunion Resort Salamander is representing the 260 Wyndham units and another 300 units so that is 560 units in total. There are another almost thousand out there in rental that I can't solve their IT issues and Encore, Bears Den and what is going on in and around the water park a year from now will be another 300 units. Even if it did solve Salamander/Reunion Resort's access issues it is really only a third of the rental population.

Mr. Scheerer: ACT does make a license plate reader as well but it is \$85,000 and you need two.

Mr. Goldstein: Let's solve the issue for the residents.

Mr. Harding: I think so too. I think we ought to go with ACT and if people want that added service, they ought to pay for it. I don't see that as a problem.

Mr. Dryburgh: Do we need Board action on that or just make the recommendation?

Mr. Flint: I don't know how we are going to split the cost yet. You are looking for direction basically. You are going to get with David and it seems like the preference is ACT.

The speed limit signs are next.

Mr. Scheerer: I touched base on that earlier. The gentleman I was working with to help get the sign posts in the right location, had surgery and was out and he is back and we relocated the one by the waterpark because it was sitting directly underneath an oak tree and I met with Mr. Goldstein last week and we identified the spot and installed that pole a couple days ago. We

are pre-programing all the speed limit signs and all we have to do is attach it to the poles and that will be done as quickly as possible.

Mr. Flint: Andrew and I are still working on the policies. Potholes on Sinclair, Alan contacted the County and no work is projected to be done before December. The other item was in an email, stocking the ponds with fish. You wanted staff to look into that.

Mr. Harding: I guess that is typical in some of the CDDs.

Mr. Flint: We only have two ponds and they are in very good condition. Sometimes we will stock ponds or lakes with carp if we have an issue with algae and hydrilla because they eat the algae and hydrilla. It is more of a natural way. If you have midge or mosquito issues then sometimes you will stock with bluegill, sunfish and bass.

Mr. Harding: Is it costly?

Mr. Flint: The carp are \$8.50 each, it can get expensive. You have to have a permit to stock them with carp and then you have to have fish grates on all outfall structures.

Mr. Boyd: The grates cause problems by filling with debris during a storm event.

Mr. Harding: You have the experience so let's not do it.

Mr. Flint: It is up to the Board if that is something you are interested in we can bring back information. Applied Aquatics is our lake maintenance contractor and we would ask them to give us recommendations. You stock it on a per acre basis depending on how many acres you can put so many carp per acre in the pond then you can modify your permit and modify your outfall structures. If you are doing it for recreation the question is do you want a lot of people fishing in the ponds?

Mr. Harding: No, I don't think that is the purpose. I said I would bring it to the Board, they said it promotes a lot of good things. I will rely on your experience. I will tell them they can come to the next meeting if they want to talk about it.

ii. Approval of Check Register

On MOTION by Mr. Greenstein seconded by Mr. Goldstein 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.

iv. Status of Direct Bill Assessments

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

SIXTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Next Meeting Date

On MOTION by Mr. Harding seconded by Mr. Goldstein with all in favor the meeting adjourned at 1:58 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman