

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, November 12, 2020 at 10:30 a.m. at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum were:

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

Also present were:

George Flint	District Manager
Tricia Adams	Assistant District Manager
Jan Carpenter	District Counsel
Molly Maggiano	District Counsel
Alan Scheerer	Field Manager
Victor Vargas	Reunion Security
John Cruz	Reunion Security
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order at 10:30 a.m. and called the roll. All Supervisors were present.

Mr. Flint: The way we have the meeting set up is we have two call in lines; one for staff and Board Members to the extent any Board Member would be participating remotely, which we don't have. Then we have a separate call-in number for members of the public. We have a Bluetooth speaker. Hopefully anyone on the line can hear the discussion. We are working our way through these issues. We don't have WiFi in this building and the ability to have a Zoom call. The people on the phone will be muted until we have public comments and then Tricia will unmute the Bluetooth. If there are any members of the public on the phone or any members in the audience that want to provide comment, we will take them at that time.

SECOND ORDER OF BUSINESS**Public Comment Period**

Mr. Flint: This is an opportunity for any members of the public to provide comment on any CDD business that is either on the agenda or not on the agenda that you would like to bring to the Board's attention. If you do, please state your name and address and try to keep your comments to three minutes.

Mr. Richard Holmes (Grand Traverse Pkwy): I want to thank you all for the service you give to the community. A few weeks ago, we all received a Public Service Announcement (PSA) that discussed a Florida Statute on golf carts. There are thousands of Florida Statutes, Ordinances and regulations. I'm trying to figure out why in the world, what the motivation was and the desired outcome of this Board by sending out that particular PSA. As a follow up to that, I would like for whoever promoted it to tell us if there was any request by any member of this Board for law enforcement to come to Reunion and actually enforce that particular statutory law. So, we all understand what the motivation was, desired result and whether something had been done to get law enforcement to come in here and bother members of the community about something the vast majority of us enjoy and is vital to the operation of the Resort. I would love to have an answer to those questions.

Mr. Flint: Okay. We have that item on our Action Items List. Do you want to address those issues when we get to that on the agenda?

Mr. Greenstein: Yes, it would make sense.

Mr. Flint: Are there any other comments from the public and the audience?

Mr. George Coghlan (Watson Court): We had discussions and follow up on the no parking designation zones on Watson Court. Tricia and I had conversations back and forth. I just wanted to know if a decision was made.

Mr. Flint: We also have that item on our Action Items List. So, we will address that at that point. Are there any other public comments from the audience? Hearing none,

THIRD ORDER OF BUSINESS**Approval of the Minutes of the October 8, 2020 Meeting**

Mr. Flint: Are there any additions, deletions, or corrections to the October 8, 2020 minutes?

Mr. Harding: Comments were misquoted, but the information is accurate.

On MOTION by Mr. Greenstein seconded by Mr. Harding with all in favor the minutes of the October 8, 2020 meeting were approved, as amended.

FOURTH ORDER OF BUSINESS

Consideration of Proposals from Central Florida Wiring for Security Camera Installation

Mr. Flint: The Board discussed this issue at prior meetings. You were presented three different proposals or options and selected Central Florida Wiring (CFW) with a not-to-exceed amount of \$33,833. Subsequent to that, security met with Resort IT and the contractor. There may be some changes to the scope and cost as a result of that. We have members of security here and also someone from IT on the phone. Do you want to address the issue?

Mr. Cruz: Yes. There was an increase from the original proposal for about \$1,000. That was due to the particular hardware that was quoted in the first quote. After further discussion and looking into the needs of the property further, they decided to go with a different style and model camera that better suits what we are looking for. I know there were some features from one of the other companies we were interested in, so CSW found somebody that had a lot more to offer, given that we wanted to make sure that this was something we could utilize for a long period of time, without being outdated quickly. So that's why we have the increase. There was a change in software that would allow us to incorporate everything altogether, instead of having multiple systems.

Mr. Dryburgh: Which systems are you quoting for the pool?

Mr. Cruz: Currently we are using two different camera systems. We wanted to make sure that we could use everything on one platform instead of having multiple different programs. If you go into the security office, we currently have three different monitors running two different programs. Part of the increase was to have one system that can integrate everything.

Mr. Harding: John, wasn't this recommended when Osceola came and did their assessment?

Mr. Cruz: Yes.

Mr. Dryburgh: We asked them to come in and do an assessment on our security here and provide recommendations. I think the cameras was one of them. These cameras are at the Sinclair, Spine and main gates.

Mr. Cruz: There are two different proposals; one for the pools and one for the gates.

Mr. Dryburgh: There is already discussion on the camera quoted for the gates, which have a 30% accuracy for the license plates versus 80% accuracy for a License Plate Reader (LPR) camera.

Mr. Cruz: This new proposal would include the LPR cameras.

Mr. Dryburgh: What is the storage for those license plates?

Mr. Cruz: To store the actual license plate numbers, you typically have to have a separate program for that. It gets a little more complicated, but what we can store is the actual video, but as far as the individual license plate cameras, you must have a separate program.

Mr. Dryburgh: Assuming a crime occurs and you need to go from the police back to your database, you will be able to pull up that a video. From that video, can you read their license plate?

Mr. Cruz: Yes. We can type in the license plate number and search for the owner based off of that information.

Mr. Harding: All of your systems you will be able to access remotely I'm assuming?

Mr. Cruz: Yes. We can access the video footage. I can login from home.

Mr. Harding: You can bring up whatever you want on your iPad.

Mr. Cruz: Yes. There's an App and everything.

Mr. Dryburgh: So, the cost of \$8,740 would be for LPR cameras at the Sinclair, Spine and main gates,

Mr. Cruz: Yes.

Mr. Greenstein: I went through the material. I'm impressed with the wealth of the product that the vendor supplies. It is definitely not, "One Size Fits All." I appreciate that and the fact that on the spreadsheet, there must have been 10 or 12 different models. So, I'm just curious where they are within that 10 or 12 spread. Of course, the price went up as you went to the right. Where are we pricewise and is this a mid-priced solution? Is this the Cadillac, Rolls Royce to the high-end solution? Did we originally look at very basic bare bones, the minimal needed that we thought to get the job done solution? Just a general understanding.

Mr. Cruz: You are not top of the line, but it is a higher tier.

Mr. Goldstein: It's not going to be obsolete in three years, right?

Mr. Cruz: No. I believe they offer updates as technology approves. That's included with that.

Mr. Goldstein: I don't think we want to be top of the line.

Mr. Dryburgh: Where is the manufacturing done for this? As we all recall, one of my issues has been when we historically had a system that we could not update, we would swap with this.

Mr. Cruz: Part of that problem was there was no local company. There are no issues that I can see of getting any parts or anything for a perfect system.

Mr. Flint: Are there any other questions from the Board? We have two proposals. The first one is for the Sinclair, Spine and main gates in the amount of \$8,640. The second proposal is to install cameras at the Terrace, Homestead, Carriage Point and Heritage Crossings pools totaling \$33.833.

Mr. Cruz: Just so you know, Heritage Crossing has two pools even though it says Heritage Crossing.

Mr. Flint: Other than Several Eagles, those are the other five pools of the District.

Mr. Greenstein: Correct.

Mr. Flint: Seven Eagles already has a system.

Mr. Goldstein: So, we would be completely covered adding a different system.

Mr. Flint: Correct.

Mr. Greenstein: I think security is an important item. The first proposal is to enhance existing capability and the second one is basically to put in security at the pools based upon our study.

Mr. Flint: Right.

Mr. Greenstein: That didn't exist before.

Mr. Flint: Which was recommended.

Mr. Greenstein: Right. I just want to make it clear to everyone that is what we are doing here. It's what we are proposing. So, we need a motion to approve both proposals.

On MOTION by Mr. Greenstein seconded by Mr. Goldstein with all in favor the Proposals from Central Florida Wiring for the installation of LPR cameras at the Pine, Sinclair and Main gates in the amount of \$8,740 and to install cameras at the Terrace, Homestead, Carriage Point and Heritage Crossings pools in the amount of \$33.833 were approved.

FIFTH ORDER OF BUSINESS

Seven Eagles Amenity Facility

A. Letter of Termination of Seven Eagles MSA by Kingwood

Mr. Flint: These items are related to the Seven Eagles Community facility. As the Board is aware, we received communication from the Resort that they are exercising their right to terminate the Management Services Agreement between the District and Kingwood for operation of the Seven Eagles pool and related amenities. You also may recall that we are operating under a month-to-month agreement. With 30 days' notice, we have the ability to terminate that agreement. That email is in your agenda. I don't believe any action is necessary to approve the termination. It is their right under that current agreement. As a result, there are a number of items that the Board needs to consider.

B. Discussion of Draft Seven Eagles Budget and Transition Items

Mr. Flint: We put together a preliminary budget that reflects the anticipated expenses the District would incur in the operation of the Seven Eagles facility. We also put together some transition tasks on that same spreadsheet. For some of the main expenses, you have pool clearing and maintenance. There are blanks dealing with capital expenses, not recurring annual expenses. The pool furniture, fitness equipment and fitness equipment maintenance would be ongoing expenses. The Resort indicated that they owned the pool furniture and fitness equipment, but would be happy to convey that at no cost to the CDD; however, if we don't want it, they would be willing to dispose of it. They don't have any plan to use either the furniture or the equipment elsewhere. So, we are in the process of having the pool furniture evaluated. Over time, there has been some attrition. Some furniture has not been replaced. There are condition issues. We are working with a vendor to get some proposals on that. We are having the fitness center equipment evaluated. Some of that equipment can no longer be repaired if parts are not available. The only way you can repair that is to scavenge parts off of other pieces of equipment. So, we are in the process of looking at those two items. It is not something that has to be decided on today, but we would like to get a Preventative Maintenance Agreement in place. There are certain companies that come in periodically to grease the machines, check the cables, repair the pads, all sorts of things. It was something that we would recommend be in place as we have that in Fitness Centers in other communities we are involved in. So other than that, you will see that we have electric, water, sewer, gas and telephone. One caveat to those items is we are working through the way that the systems are set up because they are not cleanly divided between the restaurant bar and the rest of the facilities. So, to the extent we have shared meters, we are going to have to come up with some basis of allocating those utilities or looking at the ability to separate those meters out. So that's something we will have to look at fairly closely.

Mr. Goldstein: Do we know why they terminated the agreement? Did we do something that caused them to terminate it? It seems like we are absorbing a lot of costs here that we weren't before and I'm just curious.

Mr. Flint: I spoke to Anthony and I think his termination email speaks for itself. From a business perspective, they decided that they weren't receiving the benefit and it was not in their best interest to continue to pay for the operation and maintenance (O&M) of that facility.

Mr. Goldstein: But they are going to continue with the bar in the kitchen.

Mr. Greenstein: Right.

Mr. Harding: Why did they decide to all of a sudden not do this when they have been doing it for so long?

Ms. Hobbs: They are going to operate the kitchen. Are we getting rent for that?

Mr. Flint: They own the bar and the kitchen.

Ms. Hobbs: I didn't realize that.

Mr. Flint: The next issue is the seating area.

Mr. Goldstein: That was set up that way, Trudy, to begin with so they could serve alcohol.

Ms. Hobbs: Right. I just didn't realize, so thank you.

Mr. Goldstein: Do you want to talk about the game room?

Mr. Greenstein: No. We will get to that in a second.

Mr. Dryburgh: I would like to know why we feel the need to have a workout facility there. That's quite an expensive process.

Mr. Flint: That's the Board's call. One comment I would make on that is that facility is available to all landowners and residents within the CDD, whether they are a member of the Club or not.

Mr. Dryburgh: On the west side, are there also facilities available to us?

Mr. Flint: That's a club amenity, so you have to be a member of the Resort to use that. This is an amenity that the CDD operates to benefit everybody, whether you are a member of the Club or not. This is the only facility that everybody can use. You also have the game room equipment, which is actually under a lease with the Resort. It's one of those leases where there is a minimum threshold of revenue if the games are used. For anything above that threshold, if there is a sharing of revenue, the Resort actually gives money back. With everything that is going on, you can imagine in the last six months the Resort actually had to pay under the lease arrangement. We have the information for the company. The Resort can terminate that agreement. I'm assuming

it can be assigned to us if it's something that we want to continue with or we can enter into a new agreement. I'm looking at December 1 and what we have to have done by then. The landscaping, pool cleaning and janitorial are at the top of the list.

Mr. Greenstein: I just want to take a moment to give you some history and get back to Steve's point, which I think is important for everybody to understand. The agreement that we had in place expired at the beginning of the year or late last year. I can't remember exactly what the date was. With the expiration, there was immediate discussion or feedback from Kingwood that they wanted to review the arrangement. It is a valid request that they made. When COVID hit, neither party, especially Kingwood, had their focus on crunching numbers for the costs of the single Eagles operation. We approved a month-to-month arrangement so we were legal with them operating the space legally; however, there was an intent early on in the year to review the expense side of the equation. So, I think with everything that transpired as a result of COVID, and as a result of not having any meaningful revenue coming out of that operation, they could still operate with a shared cost arrangement for those things that can be associated with the restaurant and kitchen bar area, to turn the overall operation of the overall complex back over to the CDD. So, there weren't any good pro quos or any evidence that this event took place. But I think it does give us, as we move forward in the months to come, some options for what to do with the space that is there, that has been traditionally used in a certain way. It doesn't mean it has to continue being used in that way. We can compress, expand and do whatever we want. So, it would be further discussed, but as George said, we need to be able to support the facility effective December 1st, as far as the essentials.

Mr. Goldstein: How would we manage the facility in the future?

Mr. Flint: One of the biggest costs in here is they have a janitorial position, but there is somebody there eight hours per day/seven days a week. That's the only staff associated with that facility, but it would be managed under us, by Alan and Tricia, as far as any issues that might come up. So, I don't foresee any issues with the operations of that facility. I'm confident that we can operate that. With changes to some of the fitness equipment and the pool furniture, I think we can improve on what you have there.

Mr. Goldstein: The Management Services Agreement also includes a one-year part too, right?

Mr. Flint: The issue with the linear park was prior to the month-to-month. We waived any cost for holding special events in linear park. Prior to that waiver, they were paying \$258 if they

held weddings or anything like that and we would need to go back to that arrangement, because there's no benefit that we are receiving that would justify us waiving their payment of some fee. At the bottom under "Transitional Tasks," the linear park rental program will build that back in, so to the extent they have any events, they would have to pay.

Mr. Goldstein: \$250 sounds like a minimal amount. We should consider raising that.

Mr. Harding: We gave them a bargain basement price because they were assisting with the management of this. Now that they decided to walk away from it, they should pay the same rates as everyone else.

Mr. Flint: That's one of our tasks here. We are going to have to amend our Amenity Policy. So, if there is any desire to use the Seven Eagles facility for any special events, we would need to have a rate approved by the Board. So, we would handle those issues together.

Ms. Hobbs: Since we are taking over maintenance of the facility on December 1st, will we have to pay for the landscaping, etc.?

Mr. Flint: No. The dollar amounts you have here don't require you to bid. We know about the pool cleaning, but I don't know if we got a price from anyone other than Roberts, but Roberts is doing all of the other CDD pools.

Ms. Hobbs: That's okay. I was just thinking it will probably be December before we get the bids.

Mr. Flint: There's a 30-day termination provision in all of your contracts, so if you approve amending Robert's agreement to include Seven Eagles and later we decide to bid it out, you would have the option to do that. We are pretty comfortable with their price. We bid out all of the other community pools and they were the low cost bidder. They were not only the low cost bidder, they were our preferred provider of services.

Ms. Hobbs: Okay.

Mr. Greenstein: That was just done a few months ago.

Ms. Hobbs: Yes.

Mr. Greenstein: So, it's a recent award.

Mr. Harding: George, where are we on the fitness equipment? I heard there are a lot of problems. I see that as a priority, for safety reasons, if for nothing else.

Mr. Floyd: Alan or Tricia, do you want to give an update on that?

Ms. Adams: Yes. We have a vendor scheduled to come in during the month of November to assess the equipment, determine what's useful and get the useful equipment set up under a Preventative Maintenance Program.

Mr. Harding: Isn't that putting the horse before the cart? We have to decide whether we want to have it there at all.

Mr. Dryburgh: I think we should look at possibly re-doing all of the equipment, at least the maintenance of it, rather than trying to keep up with old equipment we might not even want.

Mr. Flint: I think our plan is on an interim basis, the stuff that is still useful and serviceable, we have an ability to maintain that, but obviously the first question is do you want to continue to operate a Fitness Center? Our immediate step was to have our current equipment evaluated and get a proposal for replacement of those pieces that are updated.

Mr. Dryburgh: Can we try to do that quickly?

Mr. Flint: We will bring it to the December meeting.

Mr. Dryburgh: Okay.

Mr. Greenstein: For what's it's worth, I don't see why we would not continue to operate the Fitness Center out of that location.

Mr. Dryburgh: We are talking about evaluating it.

Mr. Greenstein: The equipment issue is secondary. Whether we use what we have and manage with that or buy new, is a secondary issue. It's clear that the Fitness Center is the only amenity available to property owners within Reunion. I just want to make it clear that I am not recommending anything. Everyone can vote the way they want to vote, but it shouldn't be an issue about how we operate it. We have a game room, which we are not in the business of having arcade games generally. The other thing that I mentioned to George earlier, is that we need to discuss or contact Seven Eagles Condo Association regarding the mail facility. There is a room on the other side of the wall from the game room that is their mail facility. That was basically worked out some time in the past. It was when the MSA was in place and just happened. I don't even know whether or not we were involved in that.

Mr. Flint: It was early on. It was a decision by the developer when they controlled those facilities. We reached out to the Condo Association to give them a heads up that at a minimum, we are going to need an agreement in place to train the CDD and the Condo Association allowing us to be there, just like with the mail kiosks and facilities we have everywhere else in Reunion.

So, if there is a desire to move those, that can also be a discussion. We can look at where they originally were. They used to be on the back side.

Mr. Scheerer: They were outside exposed to everything.

Mr. Dryburgh: George, we look at all sources of revenue, now that we are being asked to spend \$170,000 that we haven't budgeted and haven't spent in the past. We need to make sure wherever we have an opportunity to make recommendations, that they kick in. Nothing is going to stay the same.

Mr. Flint: We probably want to be consistent. We are not charging the Master Association anywhere else for mailboxes.

Mr. Dryburgh: But their original location was by the bocce ball court. We decided to put the shelter over there.

Mr. Greenstein: We are going to evaluate the space that's now available. The game room is available and the mail facility is available. We can see if it will be re-purposed. It could be an expansion of the Fitness Center. Maybe a meeting space for the game room. Whatever we decide.

Mr. Goldstein: Most hotels have game rooms. Not owners in a Resort. If they want a game room, let them find the space in the hotel for a game room.

Mr. Dryburgh: I agree.

Mr. Greenstein: Just to be clear, I'm talking about for the CDD, for all property owners. The Club has nothing to do with this. Of course, it was marketed. It was featured in every promotional video you will find because it's a lovely facility and the developer constructed it using CDD funding.

Mr. Dryburgh: We have a handful of kids that live here that are the children of owners and property owners. I don't think a game room is something we need to have.

Mr. Greenstein: No.

Mr. Dryburgh: There aren't many buying to live here.

Mr. Greenstein: I only brought up the issue with the mail facility because it impacts the Condo association. The boxes were outside by the bocce court originally. Just for historical purposes, John, I don't know how far back we go, but I was sitting in those seats and I was on the ARB Committee. The CDD was paying the Resort about \$200,000 per year.

Mr. Dryburgh: It was \$180,000.

Mr. Greenstein: \$180,000. We felt that it was not in the CDDs best interest to pay that fee based upon the success of the facility and the benefits derived therefrom. Over a three-year period,

we knocked it down to zero. We have been living with zero for a number of years, but there was a point when we were paying for it. So, it's not like we are in uncharted territory here. Just for clarity.

Mr. Flint: The Board will have an opportunity in December to flesh out some of these issues and we will bring back some additional proposals and information. Through the things that we would like the Board to consider today, you have the ability to terminate with 30 days' notice.

- C. Consideration of Proposal for Seven Eagles Landscape Maintenance Services**
- D. Consideration of Proposal for Pool Cleaning Services**
- E. Consideration of Proposal for Janitorial Services**

Mr. Flint: The proposal for landscape maintenance would be effective December 1st for pool cleaning services. We had a number of hours from the Resort for the janitorial. We don't have a formal proposal, but those would be incorporated into an agreement. If the Board approves it, the Chair would be authorized to execute it. The proposal for pool maintenance services is with Roberts Pool Service and Repair (Roberts Pool) as well as the chemicals provided by Spies. For the janitorial, they have somebody there eight hours a day, seven days a week, 56 hours a week at \$17 an hour. That is a very cost-effective rate. They are not paying \$17,000. You have to remember, they also have to payroll taxes, benefits and everything else on top of whatever the person is being paid. So, \$17 an hour is not a bad rate. We will have the ability to justify it if we decide that you only want to staff it five days a week or six or change the hours. I think that would all be negotiated down the road.

Mr. Goldstein: Do they clean the bathrooms on a daily basis?

Mr. Flint: Yes. My guess is it would be the same person. You wouldn't see a change in that, but we would be more actively and monitoring those 56 hours.

Mr. Greenstein: Could we make one motion for all three or one at a time?

Mr. Flint: Jan said you can make a motion approving all three.

On MOTION by Mr. Greenstein seconded by Mr. Dryburgh with all in favor the Letter of Termination of Seven Eagles MSA by Kingwood and the proposals with Yellowstone for Seven Eagles landscape maintenance services, with Roberts Pool Service and Repair for pool cleaning services and with Kingwood for janitorial services were approved.

Mr. Flint: We will continue to discuss these issues, I'm sure, for the next several meetings.

Mr. Dryburgh: George, you don't see those costs as being any kind of impact on our future assessments, do you?

Mr. Flint: No. I looked at the budget. You have \$100,000 in your budget right now, associated with operating the irrigation system with no expenses. It's not clear to us that we are going to be operating that system. We are still working on the legal agreement between us and the Resort on how that would be operated, but there is \$100,000 there. Our electric expense is coming under budget. You have a fairly large budget. I'm not saying that you can absorb \$180,000, but we can evaluate it as part of the budget process.

Mr. Dryburgh: Good.

Mr. Flint: You also have \$3.5 million in capital reserve funding and \$1.9 million in Fund Balance in your General Fund.

Mr. Dryburgh: I just didn't want people to be concerned.

Mr. Flint: At this point there is no pressure, but we would obviously look at it when you are doing your budget for Fiscal Year 2022.

SIXTH ORDER OF BUSINESS

Consideration of Underwriting Agreement & G-17 Disclosure with FMSBonds, Inc.

Mr. Flint: This is what is called a G-17 Disclosure Underwriting Agreement with FMSBonds. They are required under the securities laws to make certain disclosures, prior to giving the Board any advice or feedback on bond issues. FMSBonds is the company that has been involved in the recent bond issues. They would serve as Underwriter. They only get paid if bonds are issued out of the proceeds of the bonds. The fee that's in their agreement is standard. There are only two main Underwriters for CDD bonds. This company does between 60% and 70% of the CDD bond issues in Florida. The fee that is in their agreement is consistent with what they charged before.

Ms. Carpenter: The G-17 letters specify that they are not a Municipal Advisor or Financial Advisor to the District. So, it's a disclosure that they are underwriting the bonds. They are not acting as advisor to the District. That is the important qualification in these letters. It's a requirement to accept the letter to acknowledge receipt, but it doesn't impose any burdens. FMSBonds issued the bonds for Reunion West. A different Underwriter did the original ones for both Reunion East and West.

On MOTION by Mr. Greenstein seconded by Mr. Goldstein with all in favor the Underwriting Agreement & G-17 Disclosure with FMSBonds, Inc. were approved.

SEVENTH ORDER OF BUSINESS

Financing Matters

Mr. Flint: This is associated with the proposed bond issue for Reunion Village in the Spectrum project, dealing with the assessment process. You will adopt a resolution declaring your intent to impose or levy assessments and another resolution setting the public hearing. You are not actually imposing assessments today or placing a lien on this property. All you are doing is saying that you are going to consider levying assessments and are going to set the public hearing where you would consider final action. So, until you take action at the public hearing, you are not actually imposing a lien and have flexibility.

A. Consideration of First Supplemental Engineer's Report

Mr. Flint: Steve must have forgotten the time change for today's meeting. The Engineer's Report is dated November 3, 2020 and defines the type of improvements and the estimated costs that are eligible to be funded by the bond issue. As shown in Table 2, the improvements include:

- Mass Grading & Stormwater Facilities.

We do mass grading on CDD roads and stormwater on private lots.

- Public Roadways
- Potable Water, Wastewater & Effluent Reuse
- Electrical Communication & Lighting
- Landscape, Hardscape & Irrigation
- Western Connector Offsite Obligation
- Parks, Recreation and Entrance Security Gatehouse
- Professional Design, County, Legal & Bond Fees. These are soft costs.

All of those together total \$23,735,095. Section III, on the next page, indicates who the responsible maintenance entity would be. It's contemplated that the CDD would own and maintain stormwater facilities, roadways, hardscape, landscape, CDD common areas, parks, recreation and the gatehouse. The utilities would be turned over to Toho and Duke and the Western Connector would be a County road that would be conveyed to them. This defines all of the eligible improvements. It doesn't necessarily mean that all of those improvements would be funded. You are adopting everything that could be funded and the Assessment Methodology is a

Master Methodology showing if you were to fund everything, this is what the assessments would be. That gives you maximum flexibility at your public hearing and when you issue bonds. What will happen is the Underwriter will go out and market and price the bonds, but the bond issue will be tied to a target assessment amount per unit per year. So, you work backwards from the assessment. These units would be paying the same that any other single-family or multi-family unit in Reunion would pay. You start with those per unit amounts and work backwards to the principal amount of bonds.

Ms. Carpenter: George is great with details because he completes the Assessment Report, which is based on the project. It covers Reunion Village and Spectrum at Reunion, the 197 acres of new development. If you look at the introduction to the Engineer's Report, it is based on the same report in 2002 that issue the very first bonds. So, the types of infrastructure for these two areas are the same and benefit everyone in Reunion. This just takes that original amount and shows what the cost is for these two new phases and breaks out the cost allocable to those, which is how we do it legally to make sure a homeowner is not paying more than they are benefitting. As George says, the amount of the overall project is very high. So, you get an assessment amount for each home. That is something no one could ever pay. It's a very large amount. Then the developer looks at what the homeowners can pay, what everyone else is paying and the developer then issues bonds with the Underwriter to figure out the financial part of it. Then the District comes back and brings the assessment down to a level, which we would impose, similar to what everyone else in Reunion pays. So, it is a several step process, but this is the first step of an initial Engineer's Report that lays out the project for these two areas, showing how it is based on the same project everyone else has. The Board looks at that and at the Assessment Report, which takes the dollar amounts to construct all of that and says, "We are declaring that we are going to levy assessments and we will set a public hearing for a date down the road." In the meantime, if we have questions on the report, there may be some questions on the Western Connector and some other aspects. The public can give input and all of the staff and Board Members can give input. At the public hearing, the Board will adopt the Final Assessment Report, which looks similar to what we started with, but with tweaks in the amounts. So that's the process and this is what the Board is being asked to do and how it ties back to what other areas in Reunion have done.

Mr. Cruz: Can Someone explain to me why the CDD is the responsible party for public roadways and they are not private roads?

Ms. Carpenter: The roadways were paid for with CDD tax exempt bond funds, so therefore they have to be open to the public. If the developer paid for them, then they may dedicate them to the HOA.

Mr. Greenstein: Okay. Thanks Jan and George.

Mr. Flint: I made the statement that the per unit amount would be exactly what everyone else is paying. I'm not totally sure that statement is accurate, but they are not going to be at the level of the Master Methodology.

Mr. Greenstein: Right. That would be true from an operation and maintenance (O&M) standpoint.

Mr. Flint: The O&M amount will be the same. From a debt perspective, they may pay more than what is currently being paid. It's an analysis based on what the developer believes the market will bear. They are not going to be paying the level that's in this master report. These are very conservative numbers, assuming 100% what's in the Engineer's Report is going to be financed. That just gives the Board maximum flexibility when you actually go to issue bonds.

Mr. Greenstein: There is no impact on current property owners within Reunion.

Mr. Flint: Correct. This would only be obligating people in Reunion Village and Spectrum. There is no obligation outside of that.

Mr. Greenstein: In the Engineer's Report, the inclusion of the contribution from the developer for \$4 million for the Western Connector, is permissible to being included even though the Western Connector is outside the boundaries of either the Reunion East or West CDD, but it's in the Development of Regional Impact (DRI). Some people may refer to it as the Master Plan, but the bottom line is it's a requirement at the present time to fund towards that roadway, which is the extension of Sinclair Road out to S. Goodman Road in the ChampionsGate area. This is done all the time. What jumped out at me when I looked at it was, "We are Reunion East, so why are they doing anything with that project in here?" That is because we are all under the same DRI. That requirement has been there, maybe not to this dollar amount, because we were never told what the dollar amount was, initially, because they moth balled the project, but we were always on the hook for completing that road once Reunion under the DRI reached a certain density. Well, the County now feels we reached the density so they are moving forward with it, but as Jan and George pointed out, we are basically authorizing the machinery to start moving. We will set up the public hearing and we will dig into the actual numbers. Until we take action, nothing is being assessed now. There is no impact. It is strictly an authorization action.

Mr. Flint: You are just setting a public hearing today.

Ms. Carpenter: As Mark pointed out, he's going to be hiring my firm because that is correct. The District can fund anything in the District or as long as there is an agreement with another government or development requirement to fund something outside, for example, traffic lights or road improvements that are distant, but are related to your development, if it's required. The Western Connector was in the original DRI and in the original report. During the recession, the developer did not reach the levels of traffic and it appeared that they put in for a recission of the DRI. They said, "Well we don't need this right now," but as numbers are increasing again, the County is looking for it to be a part of the DRI. They are not willing to knock it off completely. So, it's a development issue, but it won't affect the impact on those residents buying the homes, because that's a development requirement that the developer will need to pay.

Mr. Harding: At some point, could you discuss what it would take, if it is even possible to make the roads private here in Reunion. Many people who live here would like to see things like the golf course and golf carts being permitted as a golf course community. What does it take to have that? Is that being addressed at some point?

Ms. Carpenter: Sure. I can give you a real quick overview during the attorney report and maybe next month, we can put it on the agenda and get a little more detail if that is something we want to look into.

Mr. Flint: So, you have the Engineer's Report.

B. Consideration of Master Assessment Methodology for the 2020 Project

Mr. Flint: We used the Engineer's Report to prepare the Master Assessment Methodology. This assumes if you finance 100% of the eligible improvements, this is what the bond issue will look like and how the benefit should be allocated to the properties within the assessment area. Table 1 shows the development program. There are 296 multi-family units in Spectrum and 250 single-family units in Reunion Village. We assigned what we call, "Equivalent Resident Unit (ERU)" factors to those. These are consistent with what has been utilized in Reunion for all of the other bond issues both in Reunion East and West and develops the number of ERUs. There are 944 ERUs as a result of that. Table 2 is right from the Engineer's Report. It shows \$23,700,000 of capital costs that are eligible to be funded. Table 3 is the bond sizing, assuming some very conservative assumptions. The 6% interest rate that is in here is just for purposes of your assessment hearing. The likelihood is it would be closer to 4% when the Underwriter actually goes to market and prices the bonds. Table 4 has the improvement costs per unit. We take the

units, divide them into the \$23,700,000 in improvements and it shows you what the improvement cost per unit is. Table 5 is the par debt per unit. Table 6 is the annual debt service assessment, if we were to fund all of the improvements at the assumptions they are emphasizing. Table 7 is the Preliminary Assessment Roll, which shows the units that are platted and unplatted based on the development program. Are there any questions on the Master Assessment Methodology? Again, you are not giving final approval today. You are just declaring your intent to impose and then setting the public hearing.

C. Consideration of Resolution 2021-02 Declaring Special Assessments

Mr. Flint: Resolution 2021-02, declares the District's intent to levy special assessments. Jan, do you want to present that?

Ms. Carpenter: Sure. This resolution sums up what we talked about today. It sets forth the legal requirements for the Board to declare assessments. There is the adoption of the Engineer's Report and acknowledgement that the Engineer's Report adopts a 2020 project for those two areas in the amount of a little under \$24 million. It talks about the assessment reports and the Board adopting the assessment report and assessments of approximately \$31 million. It is the project costs plus reserves, Cost of Issuance and sets forth a Preliminary Assessment Roll. If these are adopted as is, these are the assessments that would be placed on those properties. It also directs the District Manager to publish this for two weeks before the hearing.

Mr. Flint: There is also a 30-day mailed notice requirement to the landowner. Are there any questions on the resolution? If not, we need a motion to adopt Resolution 2021-02.

On MOTION by Ms. Hobbs seconded by Mr. Greenstein with all in favor Resolution 2021-02 Declaring Special Assessments on Property Within the District; Indicating the Location, Nature and Estimated Cost of those Improvements whose Cost is to be Defrayed by the Special Assessments; Providing the Estimated Cost of the Improvements to be Partially Defrayed by the Special Assessments; Providing the Manner in which such Special Assessments Shall be Made; Providing when such Special Assessments Shall be Made; Designating Lands Upon which the Special Assessments shall be Levied; Providing for an Assessment Plat; Adopting a Preliminary Assessment Roll, Providing for a Public Hearing to Consider the Advisability and Propriety of Said Assessments and the Related Improvements; Providing for Notice of Said Public Hearing, Providing for Publication of this Resolution, Providing for an Effective Date was adopted.

D. Consideration of Resolution 2021-03 Setting a Public Hearing for Special Assessments

Mr. Flint: Resolution 2021-03, sets the public hearing where the Board will consider imposing assessments. We recommend that you hold the public hearing at your January 14, 2021 meeting at 1:00 p.m. in this location, which is your regular meeting on the second Thursday in January. Because of the 30-day mailed notice requirement, you wouldn't be able to do it at your December meeting. We need a motion to adopt Resolution 2021-03.

MOTION by Mr. Dryburgh seconded by Mr. Goldstein with all in favor Resolution 2021-03 Setting a Public Hearing to be Held on January 14, 2021 at 1:00 p.m. at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida, 34747, for the Purpose of Hearing Public Comment on Imposing Special Assessments on Certain Property within the District in Accordance with Chapters 170, 197, 190 Florida Statutes, Providing for Severability, Conflicts and an Effective Date was adopted.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2021-04
Accepting Conveyance of Certain Parcels
of Real Property**

Ms. Carpenter: Resolution 2021-04, accepts a Lift Station that is being constructed by Encore for the new area. In the event that bond proceeds from the bond issue are used for Lift Station improvements, which is something that has been done in other areas, the District needs to take title to this so the developer conveys it to the District as soon as we get approval from the District Engineer that it has been fully accepted and meets the requirements of Toho. We will then immediately flip the deed and Bill of Sale over to Toho. So, it's an interim action for the District to actually have ownership of that. The resolution includes the legal description for it. It includes the various documents and shows the form of certification the District Engineer will have to sign and gives authority to the Chairman to be able to sign everything that needs to get signed as soon as we get that certification. We understand that it is in process, so as not to hold up the conveyance because that's part of construction. We don't have the certification yet, but it should be fairly soon. So that's the reason for putting it on the agenda. At this time, I will take a quick minute to introduce the Board to Molly Maggiano, an attorney in my firm who has a great background in real estate in some CDDs. Molly has been working with Encore on these real estate issues to get introduced to Reunion. So, if there are any specific questions, she is going to be the one to answer them.

Ms. Maggiano: I just wanted to add one thing if I could. It's still covered within the resolution because the resolution authorizes the execution of any of the documents necessary in connection with that conveyance. There is an access easement that is also going to be granted. That is being granted by the developer to the District because of the driveway that goes from the roadway to the Lift Station. The parcel is on a separate tract, so they need to grant an easement to the District. So that document was not included in the index of documents in the resolution, but it will be a part of it.

Mr. Flint: So, we don't intend to own and maintain a lift station. We just have to be in the chain of ownership to be able to pay for it. That's all this does.

Ms. Carpenter: It has been a little here and there. Attorneys with Encore haven't dealt with Reunion before, so we are working with them and they are working with us to get a system so we know what's coming, like we just found out about the easement a day or so ago. So, I think as time goes on, construction will get a lot simpler, but the first couple of conveyances are taking a little more time.

Mr. Flint: Okay. Are there any questions on the resolution? If not, we need a motion to approve it.

On MOTION by Mr. Greenstein seconded by Mr. Harding with all in favor Resolution 2021-04 Accepting the Conveyance of the Tract LS-1 Lift Station, Authoring District Staff and the Chairman to Review, Execute and Accept all Deeds and other Documents to Effectuate such Conveyance, Providing for Severability and an Effective Date was adopted.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Jan?

Ms. Carpenter: We don't have anything other than working on the bonds and working with Encore's attorneys on some of the development planning and how they are working with the CDD. They have been very cooperative and understand the requirements. So, I think it's all going to go very smoothly. I know there were some comments on golf carts and a question about the roads. A question that comes up often is if you have a CDD asset that's funded with tax exempt bonds, is there a way to make those roads private? When we talked with Tax Counsel and Bond Counsel for the District, which is Greenberg, Traurig, their tax lawyer worked over the years on

a number of issues for us. I spoke with her briefly, so as not to incur a lot of costs, but went through the process so I could explain very briefly to you what would happen to see if there is any interest by a private entity. Basically, bonds can be prepaid, just as if you were a homeowner and you prepay all of your assessments until they are expired, based on the bonds outstanding and the amount of money spent on roads. So, if the bonds were \$60 million and \$10 million was spent on roads, today the bonds would only be \$30 million in principle. The tax votes under the IRS code, takes a proportionate amount to figure out what percentage of the current outstanding bonds would be affected by the actual cost of the roads. They take a proportional amount to figure out how much of those bonds currently outstanding would have to be paid off to be able to have those roads sold to a private entity, to basically take off the tax-exempt bond financing on the roads and then have them turned over to a private entity. There are quite a few parts to it. We had the engineer discuss what was estimated for the roads. The process would require a review of all of the requisitions and certification of exactly what was spent of bond proceeds on the roads from all different bond sources from Reunion East and West. That would be a pretty big task in itself, but that can be done. Once that is done, there has to be an accounting of all bonds that are outstanding. Once they come up with a portion of the dollar amount, then there would have to be a way for the entity, the HOA or whoever was going to do it, to figure out how they prepay enough homes and assessments to be able to pay off that amount. Generally, when bonds are prepaid and someone wants to do away with the bonds and prepay, it's a developer that owns all of the property. So, if a developer buys a new piece of land, they might prepay the bonds to be able to have it free and clear and then redo their assessments. In this case, most of the property are owned by homeowners, so it would be a challenge to figure out how they prepay, because they can't proportionally prepay for everybody because then there are still bonds outstanding. So, there is a way do it. It would take some tax analysis and some calculations for the homeowners in how to do it. If you would like, I can get some more specifics on what it would take and what it might cost if anyone is interested to do that. That is an overview of how it could happen, but whether it's actually feasible is another question, as it whether it is worth the planning for it and doing it when someone is going to have to pay off assessments for homeowners or residents or charge them back.

Mr. Goldstein: Do we have any idea whether we are talking \$5 million or 30 million? I've been asking for a year for a number and haven't received it. So many people have come to me

and said, “What will it cost us to do this?” I think all we need is a ballpark. If it’s an outrageous number, then we obviously can’t do it.

Mr. Flint: It’s probably between \$20 million and \$30 million.

Mr. Harding: Because we have debt outstanding at this time.

Mr. Flint: Yes. That’s based on the Engineer’s Report. We would have to go back and look at every requisition. So, I’m giving you a large range, but if you took the original par amount and how many years are left and you prorated it, it’s a fairly high number.

Ms. Carpenter: I think it was \$35 million based on the original bond amount, just as an estimate. Then we have to look at exactly what’s outstanding and what’s left to figure out a proportionate amount.

Mr. Dryburgh: So, every property owner would have cough up some money.

Mr. Greenstein: Not necessarily.

Mr. Dryburgh: Why can’t you have a bond reference with interest earnings to pay off your outstanding bonds that are tax exempt.

Ms. Carpenter: So, it would be a taxable bond issue.

Mr. Dryburgh: Can you do a bond refunding that is not tax exempt? Of course, you can. You gather those funds and pay it off and then have the landowners pay it off on the taxable bonds. Yes, their payments would go up by the taxable amount. Then the homeowners have to decide if that’s something they are willing to pay.

Mr. Greenstein: We have been sensitive to this issue for a while, irrespective of anything with the vehicles that are on our roadways or anything else. I was approaching it personally from the standpoint of the upcoming I-4 project with the convergent diamond they are going to do with Exit 58. The fact is that we will willing return to some degree of normal for commercial activity here. So, there is an issue of how we can control traffic coming through the Resort, with that as a backdrop. Jan, I personally don’t believe the financial part of it will be the problem. I’m not saying there is a problem, but I think the focus of the review will probably end up being the tax-exempt status issue overall, because the overall percentage of the debt that we have in place can’t be compromised by a significant amount being pulled out that was tax exempt. Beyond the IRS implications of it, the roadways are currently public and there has to be some hurdles that we have to negotiate or deal with that takes that asset out of the public mix of things that we have in Reunion. I know that we try to avoid spending and incurring lots of legal costs. I know you have done some preliminary things to reach out to bond counsel and other folks to try to get a feel.

That's why I was hoping we would have it for this meeting, but we will have it for the December meeting. We need a brief, but expedited assessment as to the feasibility of the overall initiative. I think everybody wants it. I think we have a Plan B for physically controlling traffic if we had to. I don't like it, but if we couldn't do anything then we have a Plan B. From what I'm being told, the Master Association would be in a position to take on whatever we have to pay off. It's like splitting it into two pieces to get a better rate. So, we would be paying less on the debt service side for the CDD, but paying more, hopefully an equivalent amount. The financial part, I don't think is going to be the challenge. I think the challenge is going to be the legality overall and the tax exempt part. So, if we could just get some assessments to know that we have any hope, we should continue.

Ms. Carpenter: Okay.

Mr. Greenstein: Then hopefully for the December meeting we can do that and then everybody knows we are on the same page.

Mr. Flint: The County doesn't have a rule.

Mr. Harding: They will be the ones impacted if these roads go away.

Ms. Carpenter: No.

Mr. Greenstein: The County doesn't care. The only time the County is an issue is if we have a specific problem that we need them for enforcement.

Mr. Flint: They have traffic enforcement responsibility, but beyond that...

Mr. Goldstein: The Fire District wants to make sure that they have access.

Mr. Greenstein: Of course, they would.

Ms. Carpenter: It would be the same either way.

Mr. Greenstein: Let's not get ahead of ourselves. I'm glad you brought up the question, because it has been considered and discussed on an individual basis all over the place. I've been talking to folks, not individually, to counsel or to George about it.

Mr. Flint: We just haven't had clear Board direction that you want us to spend time and resources on that issue. This is the first actual discussion at the Board level we had. So, if the Board wants us to do that, we can do that, but we are not going to go forward and incur the expense until the Board has a discussion.

Mr. Dryburgh: I think we should have a motion or whatever you need, Mark.

Mr. Greenstein: We need a motion to direct legal counsel and administrative staff, GMS, to conduct an initial assessment of the CDDs ability to transfer control of the roadways to the Master Association.

Mr. Greenstein MOVED to direct legal counsel and administrative staff, GMS, to conduct an initial assessment of the CDDs ability to transfer control of the roadways to the Master Association and Mr. Dryburgh seconded the motion.

Mr. Flint: Since this item isn't on the agenda, we are required to take public comment. Are there any members of the public that would like to provide comment on this issue, understanding that we have a Reunion West CDD meeting starting shortly?

Mr. Richard Holmes (Grand Traverse Pkwy): When you are discussing this, are the Reunion East bonds and the Reunion West side bonds connected? Could the Reunion West bond be purchased by Reunion West residents and the Reunion East ones left untouched?

Mr. Flint: They are separate bond issues. Yes, there could be a situation where that might happen if both Districts did not want to pursue the same approach. It would be difficult, but it could happen because they are two different legal entities with two different bond issues, but the analysis is going to be the same for both Districts. The cost probably should be shared between both.

Mr. Greenstein: It's really the same issue. The bonds are legally separate. The amounts are going to be different possibly, but for all intents and purposes, I will be bringing the same issue up at the Reunion West meeting, because we are one entity. We may legally be separate CDDs, but we operate through an interlocal agreement where everybody shares in everything.

Mr. Flint: Is there any other public comment on that issue? Hearing none,

On VOICE VOTE with all in favor directing District Counsel and administrative staff, GMS, to conduct an initial assessment of the CDDs ability to transfer control of the roadways to the Master Association was approved.

B. Engineer

Mr. Flint: Steve is not here.

C. District Manager's Report

i. Action Items Lists

Mr. Flint: I think the first item that we need to talk about is the street parking. Tricia and Alan, we had a question come up under public comment. Can you address the implementation or maybe the Chair as well? There's nothing regarding switching the signs from one side of the road to the other.

Mr. Scheerer: Unless we get direction from the Board, based on discussions with Mr. Kauffman and present Board action anytime you are entering into a dead-end area, I don't think the number of spaces was ever determined when that direction was given when we first did Corolla Court and some of the other dead-end locations. As you are entering a cul-de-sac, a dead-end street with no other way out where the flow of traffic would allow you to park on the direction of flow, there would be no parking in the cul-de-sac. Then everything on the opposite side of the street would be designated no parking. We met with Mr. Kauffman, myself and Tricia. He is of the opinion that there should be no parking as you enter the cul-de-sac and then parking allowed on the opposite side. If there are some additional spaces that might be available, I know he was also looking at the vacant lot. We didn't look at it as a vacant lot. We looked at it as if there was a home on every lot. We understand that there are some challenges in that cul-de-sac. They have fire hydrants on that side of the street, but so does Loxahatchee, Corolla Court and Radiant Street. They all have fire hydrants that are on the same side of the street as the parking is now. So, it's clearly a Board decision. If the Board decides to change that particular policy on Watson Court, like I said, I don't think the Board's intent was the number of available spaces, which is the conversation we had with the homeowner on Watson Court that there are more spaces across from the exit side of the cul-de-sac as opposed to the entry side. We are just looking at it from the direction that the Board gave the policy that was implemented originally at a prior Board meeting that if any cul-de-sacs dead ends, parking would be on the same side as you enter, not as you exit. Tricia and I looked at it. I don't disagree that there are a few more spaces across the street, but again, not to be redundant, I don't think that was ever the case when the Board gave us direction to install signs. It was just the incoming flow, not the outgoing flow that would have the no parking signs.

Mr. Goldstein: Alan, are we considering this because of one homeowner or multiple homeowners on the street?

Mr. Scheerer: I'm considering it because I was asked to look at it.

Mr. Flint: From staff's perspective, we will do whatever the Board wants to do.

Mr. Scheerer: Correct.

Mr. Flint: There are some consistency issues, but I don't think it's the end of the world, because there are more spots on one side than the other. We will move the signage. You can tell us what you would like for us to do.

Mr. Harding: Which plan offers the most parking?

Mr. Scheerer: If you are going by parking spaces, you are going to get a handful of more spaces on the opposite side of the street.

Mr. Goldstein: Then we are going to have to re-do the entire resort.

Mr. Flint: Not necessarily.

Mr. Scheerer: That was the suggestion and the request by the homeowner.

Mr. Harding: We established this policy so that people coming in would not have to go all the way down, turn around and come out the other side.

Mr. Greenstein: Okay.

Ms. Hobbs: They have to turn around sometime.

Mr. Greenstein: We came up with a general approach, which was sound and worked. It was fine for most places. There were some unique situations. You could argue that people come in on Gathering Drive and therefore are making a right turn and that is the side you park on. Then people coming down Radiant Street are out of luck. So, I personally believe the homeowners spent a lot of time and we spent a lot of time to really look at this issue. I don't think anyone else is going to look at Watson Court and say, "Oh you did it differently on Watson Court than the rest of the world." Everybody else had an opportunity to speak up and they did not. So, my personal vote is that we make an exception for Watson Court and let them have the parking on the other side of the street.

Mr. Dryburgh: I agree with Mark.

Mr. Goldstein: I do too. Let's make it clear that we are not going to do this in the whole resort.

Mr. Greenstein: I propose adopting an exception to parking on Watson Court.

Mr. Dryburgh: We will be changing parking for that particular street and only for that particular street. It just makes sense because of the way it was set up.

Mr. Greenstein: We have a median in there. It's different.

Mr. Scheerer: It is a different situation. There's still no parking at the cul-de-sac as previously approved.

On MOTION by Mr. Dryburgh seconded by Ms. Hobbs with all in favor adopting an exception for parking on Watson Court was approved.

Mr. Scheerer: Thank you.

Mr. Greenstein: That's what we are here for, to make decisions.

Mr. Flint: I'm not hitting on all of the action items, but if there is a particular one the Board wants to discuss, let me know. The next one is the issue that came up under public comment, which was the issue of golf cart usage on CDD roads. At a prior meeting, it was requested that staff draft a public information piece, based on State Law. We tried to be as general as we could in how we structured and worded the notice, but it was an attempt to educate the community about State Law dealing with how golf carts apply to the CDD roads as public roads. People need to be aware, I believe, of what the law states. Now whether they choose to follow that or not, is their decision. The Board never directed staff to seek active enforcement on the golf cart issue. The issue was really just sending out information to the community and that is what we did. Jan, I don't know if you want to expand on that.

Ms. Carpenter: Yes. Being the lawyer, I have to bring up the negative. It is important to advise people because the District does have liability. The question that came up was whether anyone asked the Sheriff to come in. No, but if there's an accident with the golf cart, the Sheriff will say to them, "You are driving in illegally." So, it is kind of public information to please be aware that they are not legally driven unless they meet those requirements. The District does need to put folks on notice when they know someone or there is a pattern of behavior that is illegal on its property. It's not intended to yell at anybody or tell anybody, but we have to protect the District because we have to follow the laws. When it becomes known that this is happening everywhere, we need to remind folks that you are doing it at risk.

Mr. Harding: So, if your cart is road ready and you get a license for your cart, you can drive down the streets, but if it's not, there is a liability involved, just like what Jan is saying, a personal liability as well. We have children driving their carts on these streets. Many times, we had as many people complain about the carts driving all over the place as kids driving on them, kids hanging on the back, people driving carts that didn't have a license, all kinds of issues. So, we felt an obligation to address this from a liability standpoint for the CDD and also to make people aware that you are taking a chance too, driving on these roads when they are considered public roads. So that's why it was done that way. I've had as many people come to me as prior

neighborhood watch coordinator telling me that they are concerned about this same situation saying, “Hey, we have to do something because it’s out of control.” If we can make this place a golf cart community, which was not possible, at least at this point, we feel obligated to do what we are doing.

Mr. Greenstein: That was the first thing we tried to do, which was to find out what it would take to make us a golf cart community. We would be blazing new trails if we try to do something radical.

Ms. Carpenter: We’ve been with the County Attorney and looked at a number of Statutes and alternatives. The way it is drafted, it doesn’t work for public roads when they are in a CDD name. If there was a way to get it to the HOA, there may be a way to turn it into a golf cart community where golf carts could be driven legally, but the current status, the County’s position and the County Attorney is correctly taking that position. It can’t be done with CDD roads.

Mr. Harding: I had people tell me that they are going to call the Sheriff and have them come in here and cite people for illegally driving on the roads as well.

Mr. Goldstein: The Sheriff won’t do it.

Mr. Greenstein: It’s a priority situation like everything else. We put up the radar signs hoping to get people to self-police themselves. Most of our numbers are within reason, but we get a few wild ones out there, where they are going through at 50 miles-per-hour (mph) or more. So, if we see a problem when it comes to speeding, we asked the Osceola Sheriff for enforcement, but it has to be for something pretty severe.

Mr. Harding: John, we asked the Resort and in my meetings with Anthony, whether there was a possibility of the Department of Vehicles coming in and licensing golf carts. I think you were going to look into that.

Mr. Dryburgh: I wouldn’t do anything until we have clarification on what we are doing here.

Mr. Harding: Is there a possibility of the Department of Motor Vehicles (DMV) coming in and doing the licensing of golf carts?

Mr. Dryburgh: I haven’t made that call yet.

Mr. Flint: He serves on a couple of different Master Associations.

Mr. Goldstein: The DMV said that we don’t have to bring carts in to get them licensed. There is an affidavit to be signed for the registration and licensing. We don’t need them to come here.

Mr. Harding: You have to sign some documents that say, "This is what it is."

Mr. Dryburgh: You don't have to take your carts to the DMV.

Mr. Harding: I understand that, but I thought it might be a good idea. Anthony did too. We could offer it up to people and say, "Here is a chance to license your carts, bring the right documents and we'll do it."

Mr. Greenstein: You can see that we are trying to be responsive and reasonable on a number of different levels. My biggest issue personally is when I see children driving these carts. It could have all of the bells and whistles and be road ready, but that is not the issue. We shouldn't have a three- or four-year-old trying to operate the cart with the parents in the passenger seat. Give me a break.

Mr. Dryburgh: Or a 12-year-old by themselves.

Mr. Greenstein: Right. Everybody has some responsibility for this, not just the CDD. We are all trying to work together to make some sense.

Mr. Richard Holmes (Grand Traverse Pkwy): Are you satisfied with where it stands? Don, you said that they will come in here and enforce this. Why do you say that? Did you speak to them?

Mr. Harding: I talked to them about other issues regarding coming in and monitoring traffic. They told me if they see any violations whatsoever, they will cite people for it. Some people were concerned with speeding. I contacted the Osceola Sheriff's Department and asked them to step up their patrols because there is a lot of excessive speeding and a lot of people were concerned about it. When they came in here, they actually wound-up citing people for parking the wrong way on roads, which pissed off people. I would think if they see golf carts riding on the streets, they will probably cite them as well for any violation whatsoever. They know what the law is.

Mr. Holmes: They won't even give tickets for the no parking signs. I was with an officer two weekends ago. He told me they were told not to issue tickets for no parking violations.

Mr. Harding: How can they offer tickets to people parked the wrong way?

Mr. Holmes: I'm just telling you.

Mr. Harding: Maybe that officer didn't know what he was talking about.

Mr. Greenstein: We will follow up on parking enforcement.

Ms. Hobbs: We are running out of time. From the Sheriff's perspective, they can and will cite anything in violation of the law, but no one requested them to come in or set up patrols.

Mr. Holmes: Thank you.

Mr. Flint: They have discretion. It's up to each individual officer, whether they choose to issue a ticket or not.

Mr. Holmes: So, is the Board done with this now?

Mr. Greenstein: Yes.

Mr. Dryburgh: The Board is not done totally, because we are still going to pursue what it takes to enforce golf carts.

Mr. Greenstein: That is another issue.

Mr. Holmes: I appreciate that clarification.

Mr. Flint: It will probably take a legislative change.

Ms. Carpenter: For private roads.

Mr. Flint: Is there anything else on the Action Items List that the Board wanted to talk about? We had the signal issue at the last meeting. The Chair, myself and Steve had at least two meetings with the developer across the street. Steve communicated with the County. As a result of that, the County was not going to waiver from their position as far as the location of the poles.

Mr. Greenstein: Right.

Mr. Flint: They had some reasoning based on the fact that if they had to be maintained, the roads would have to be shut down to maintain them. Our preferable design was objectionable to the County because of an issue if they had to be maintained, how the roads would have to be closed. So, they were not willing to waiver on that issue. You delegated authority to the Chair. So, we move forward based on the design they presented at the prior meeting.

Mr. Harding: Did we bring up the fact that we would like for them to cover the cost of maintaining the section from their development at that time?

Mr. Flint: We didn't do a quid pro quo. The Chair raised the issue that we want to address that issue with them. They said that they would be willing to discuss it. So, the door is open on that.

Mr. Greenstein: For a future meeting, we will discuss the continued maintenance of the South side.

Mr. Harding: Perfect.

Mr. Greenstein: The fact is that it's being developed across the street. At one time we wanted that across the street, not looking like a bunch of dirt. Now with all of the development,

we should revisit whether we support and continue to maintain under the agreement with the County, the south side, the 15-feet of Osceola County that's over there.

Mr. Harding: The only other action item that I was concerned about is the access of gates to the pools. We still have some issues. I guess you guys are still trying to work on different alternatives. We talked last time about a push button to keep people from reaching over the fence. The one at Seven Eagles, they have just been keeping it open because it is not working when you press hard on it. People were complaining about that. So, there are some issues that still need to be worked on that hopefully you guys are trying to address. We need some solutions, because it is not working right now.

Mr. Dryburgh: Can we come up with a solution/recommendation by this next meeting?

Mr. Greenstein: We've been trying for four months and I'm not going to beat a dead horse. Now that we got Seven Eagles back, hopefully we can look at the gate and figure out whether the gate needs to be replaced. For all of those facilities, we agreed on access controls. We implemented them, but I'm being gracious by saying in a less than perfect way.

Mr. Flint: We will follow up on that. Are there any other actions items? If not, we will move to the Check Register.

ii. Approval of Check Register

Mr. Flint: You have the October Check Register for the General Fund, R&M Fund and payroll totaling \$79,150.58. The detailed register is behind the summary. Were there any questions on the Check Register? Hearing none, we need a motion.

On MOTION by Mr. Greenstein seconded by Mr. Dryburgh with all in favor the Check Register for the month of October was approved as presented.

iii. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through September 30th. No action is required by the Board, but if you have any questions, we can discuss those.

iv. Status of Direct Bill Assessments

Mr. Flint: All direct bills are current for the prior fiscal year. In the next set of financials, you will see the direct bills for Fiscal Year 2021.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisor's Request

Mr. Flint: Is there any other business that the Board would like to discuss that was not on the agenda?

Mr. Harding: I just have one question. I visited the Fire Department today; looking outside of their building they had three large trucks parked outside in the rain. I asked them why. They said we have grown so significantly here that they no longer can bring the vehicles in and have to keep cycling them back and forth. I asked them what they would need to be able to expand the size of the facility they currently have. They said that they need some of the land over there. They need a much larger footprint. Have we ever been approached by them? Have we ever discussed it? Are we aware of the fact that they have run out of room?

Mr. Flint: No. That's all conservation land that surrounds that site. So, it's not developable. It was a developer obligation to provide that site and they negotiated with the developer originally for that location and size. They may have purchased it from Citicommunities who owns the hub building. No, they haven't approached us. The land around them is not developable. We own it, but it couldn't be used without significant expense to mitigate any impacts. The County has a whole real estate division that they could use.

Mr. Harding: I was just curious if they had approached us.

Mr. Flint: No, we haven't been approached. They just built that.

Mr. Harding: I know.

TWELFTH ORDER OF BUSINESS

Next Meeting Date

Mr. Flint: The next meeting date is the second Thursday of December, which is December 10, 2020 at 1:00 p.m., our normal meeting time.

THIRTEENTH ORDER OF BUSINESS

Adjournment

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



Secretary/Assistant Secretary



Chairman/~~Vice Chairman~~