

**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, **May 11, 2023** at 1:00 p.m. via Zoom Communication Media Technology and at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum:

Mark Greenstein	Chairman
Steven Goldstein	Vice Chairman
Trudy Hobbs	Assistant Secretary
John Dryburgh	Assistant Secretary
June Wispelwey	Assistant Secretary

Also present were:

Tricia Adams	District Manager
Kristen Trucco	District Counsel
Xabier Guerricagoitia (<i>via Zoom</i>)	Boyd Civil Engineering
Alan Scheerer	Field Manager
Pete Wittman	Yellowstone Landscape Services
Garrett Huegel	Yellowstone Landscape Services
Residents	

The following is a summary of the discussions and actions taken at the May 11, 2023 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order at 1:08 p.m. and called the roll. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the April 13, 2023
Meeting**

Ms. Adams presented the minutes from April 13, 2023 meeting, which were included in the agenda package. Ms. Wispelwey provided corrections, which would be incorporated.

On MOTION by Mr. Goldstein seconded by Mr. Dryburgh with all in favor the Minutes of the April 13, 2023 Meeting were approved as amended.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2023-05
Approving the Conveyance of Tracts RW-
2 and OS-2 of the Reunion Village 1C
Replat from Orlando Health, Inc.**

Ms. Adams presented Resolution 2023-06, conveying two small tracts from Orlando Health Inc. to the District, which was included in the agenda package. At the last meeting, staff was asked to bring back additional information including a diagram of the property locations. Ms. Trucco stated the resolution and conveyance documents have not changed, since this item was presented last month. A Special Warranty Deed, Bill of Sale, Owners Affidavit and Agreement Regarding Taxes were attached to the resolution. These are standard forms that were used for acceptance of the property, showing no outstanding taxes or encumbrances on the property that would hinder the ability of the CDD to own and maintain those. There was also the standard District Engineer Certificate, ensuring that any improvements were constructed in accordance with Government regulations. Ms. Trucco received an email from Mr. Steve Boyd yesterday, confirming that he had no objections and it was consistent with the Development Plans for the CDD. OS-2 was an open space tract and RW-2 was a right-of-way (ROW), as shown on a map that was attached to the resolution. There were no recorded liens or outstanding taxes on the property.

Ms. Wispelwey asked if the District would be responsible for maintaining the tracts and if it was outside of their guardhouse. Ms. Trucco explained that the CDD rules would apply to the property, including parking and towing. Ms. Adams confirmed that the tracts were within the District boundary, but outside of the guardhouse and did not include any towaway zones on this segment of roadway. Ms. Wispelwey questioned whether the CDD was responsible for RW-1 and OS-1, as traffic from Starbucks backed onto the roadway. Ms. Trucco indicated that the tracts were

listed under the Reunion Village 1C replat, which should be in the name of the CDD, as well as RW-3. When a tract was conveyed to the CDD, they ensured that there was a formal recorded deed to transfer the tract and ordered an Ownership and Encumbrance Title Report from Fidelity. At Ms. Wispelwey's request, staff would review the plat to see if there was a deed for RW-1 and OS-1.

On MOTION by Mr. Dryburgh seconded by Mr. Goldstein with all in favor Resolution 2023-05 Approving the Conveyance of Tracts RW-2 and OS-2 of the Reunion Village 1C Replat from Orlando Health, Inc. was adopted.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2023-07
Approving the Proposed Fiscal Year 2024
Budget and Setting a Public Hearing**

Ms. Adams presented Resolution 2023-07, approving the Proposed Budget for Fiscal Year 2023, which was included in the agenda package. It also set the Public Hearing to adopt the budget on August 10, 2023 at 1:00 p.m. at the regular meeting location, which was in conjunction with the regular Board Meeting schedule. The Resolution allowed for compliance with Florida Statutes to transmit the Proposed Budget to Osceola County, posting it on the District website and publishing a notice in a newspaper of general circulation in Osceola County. There would not be an operations and maintenance fee assessment increase, so a mailed notice was not required to be sent to property owners. Fiscal Year 2024 starts on October 1, 2023 and ends on September 30, 2024. The following changes to the budget were highlighted:

- *“Special Assessments – Tax Collector”* increased slightly, as 62 condos were platted since last year.
- *“Interest”* increased significantly, due to the increased interest earning. Interest earnings year to date was \$35,000 and \$45,000 was projected in Fiscal Year 2024.
- Under *“Revenues”*, *“Rental Income”* was noted, to show the rental income for the rental of Seven Eagles or the Linear Park. Income of \$2,800 was proposed for Fiscal Year 2024.

Mr. Greenstein pointed out that the actual for *“Rental Income”* was substantially higher than what was budgeted. Ms. Adams noted that they budgeted conservatively, but it could be increased to be more in line with actuals. Seven Eagles and the Linear Park were the primary

revenue generator. Mr. Goldstein questioned the projection for the next three months. Ms. Adams pointed out that there was no rental income for May, as the District did not engage in any direct bookings, but would verify with Reunion Resort to confirm any bookings for June and July. The Proposed Budget was subject to revisions up to its adoption.

- “*Carry Forward Surplus*” of \$483,577 was recognized, primarily for the purpose of a transfer out to the Replacement & Maintenance (R&M) Fund, to balance the budget.
- “*Administration Expenses*” for the current fiscal year were \$172,052 and \$203,691 was proposed for Fiscal Year 2024. “*Engineering*” increased by \$15,000, “*Attorney*” increased by \$10,000 from \$35,000 to \$45,000 and “*Management Fees*” increased by 6% from \$46,489 to \$49,278.

The Board questioned the increase for “*Engineering.*” Ms. Adams confirmed that engineering expenses were tracking \$30,000 through the end of the Fiscal Year, due to current projects. It was anticipated that roadways would be milled and re-surfaced based on the Pavement Management Plan, but it would be funded through the R&M Fund. The amount budgeted for the current year was in line with previous actuals. Mr. Dryburgh asked if they could save on fuel. Ms. Adams explained that it was based on consumption fees that utilities charged, which they did not control. Discussion ensued.

- Under “*Maintenance - Shared Expenses,*” a 3% increase was proposed for “*Field Maintenance*” from \$41,844 to \$43,099, “*Electric*” increased from \$330,204 to \$369,600, based on actuals and “*Pool & Fountain Maintenance*” increased from \$165,200 to \$224,000, based on discussions with the service provider due to chemical costs.

Mr. Greenstein asked if the Linear Park fountain replacement would be paid out of the R&M Fund. Ms. Adams stated it was not planned for this fiscal year but confirmed that is the funding source.

- There were increases in “*Pond Maintenance,*” due to additional ponds conveyed to the District. There was a slight increase in “*Security*” based on monitoring of the community entrance at Carriage Pointe. “*Irrigation System Operations*” was not anticipated to increase, however, the agreement between the District and

Kingwood needed to be finalized. The proposed “*Transfer Out - R&M Fund*” increased to \$500,000.

- “*Shared Costs*” from Fiscal Year 2023 to Fiscal Year 2024, did not increase, with 56% of maintenance costs being borne by Reunion East and 44% by Reunion West, based on the number of platted units. There were 751 commercial units, 296 hotel/condo units, 1,297 multi-family units, 1,024 single-family units and 2.9 golf units. \$423.03 was proposed for the commercial units, \$423.03 for the hotel units, \$634.55 for the multi-family units, \$846.07 for the single-family units and \$423.03 for golf.

Mr. Greenstein pointed out that Reunion West was focusing on the number of units for golf and requested that Reunion East do the same. Ms. Adams stated that the budget had a detailed narrative of each line item. Mr. Scheerer was working with the current pool maintenance service provider on billing for only labor expenses and not chemicals.

- “*Pool & Fountain Maintenance*” was for the maintenance of all pools seven days per week, the chemicals required, emergency pool phone, permits, cleaning and miscellaneous pool repairs, for a total amount of \$400,000.
- “*Security*” would be updated as there were three different security providers; Reunion Resort and Club of Orlando Master Association, Reunion West POA and Envera.
- The “*R&M Fund*” was based on the Reserve Study, current site conditions and requests from Board Members. The proposed amount was \$455,465, which would be refined when a R&M Project List was presented to the Board over the summer. It was based on current projects that the Board approved or requested proposals.

Ms. Adams explained that the Proposed Budget set an assessment cap for the operation and maintenance (O&M) fee and if the Board wanted to set a higher fee than what is in the Proposed Budget, it should be set now. Staff recommends that assessments remain level. Mr. Dryburgh questioned what happened if there was an unexpected event. Ms. Adams stated if there was an unexpected event, the Board could approve a budget amendment at the end of next fiscal year to increase line items. Staff requested estimates from the landscape, pond and pool maintenance providers to incorporate into the budget. Ms. Wispelwey noted that there were contingency funds.

Mr. Greenstein felt that the budget as proposed with no increase in assessments, provided for a substantial contribution to the R&M Fund.

On MOTION by Mr. Greenstein seconded by Mr. Goldstein with all in favor Resolution 2023-07 Approving the Proposed Fiscal Year 2024 Budget and Setting a Public Hearing for August 10, 2023 at 1:00 p.m. at this location was adopted.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2023-08
Establishing Bank Account Signatories**

Ms. Adams reported that when a District was established, a resolution establishing bank account signatories was presented at the Organizational Meeting. However, for this District, it was never presented. The District's appointed Treasurer, Assistant Treasurer and Secretary, which were members of GMS staff, would be authorized signatories.

On MOTION by Mr. Dryburgh seconded by Mr. Goldstein with all in favor Resolution 2023-08 Establishing Bank Account Signatories was adopted.

SEVENTH ORDER OF BUSINESS

**Consideration of Revised Amenity Use
Policies**

Ms. Adams stated that District management and field operations management staff were notified by residents about users in the Fitness Center playing music loudly. Since it was not addressed in the District's Amenity Use Policies and the Board had the ability to amend the policies at any duly noticed public meeting, this item was brought back to the Board to address this. Under Section 9, a provision was added under Item 15 that would state, "*Sound producing equipment is prohibited with the exception of District approved activities. Personal sound equipment may be used with personal listening devices such as headsets or ear buds only.*" In the meantime, security and custodial staff were asked to monitor the Fitness Center and intervene when necessary. This provision would allow for progressive discipline ranging from a verbal warning to a written warning and eventual suspension from the District's amenity facilities.

On MOTION by Mr. Goldstein seconded by Mr. Greenstein with all in favor the Revised Amenity Use Policies as presented were approved.

Ms. Wispelwey asked if the revised policies would be placed on the website. Ms. Adams confirmed it is placed on the website and can be sent to property owners through the Master Association. However, she spoke to field operations about updating the signage which still needed to be done. Ms. Wispelwey noted issues with her swipe card. Mr. Scheerer heard the same complaint from another resident, but Mr. Victor Vargas, Director of Reunion Security, verified that the system was working and would reach out to them again as well as janitorial staff to monitor the access control system.

EIGHTH ORDER OF BUSINESS

Consideration of Reunion East Easement Release

Ms. Adams stated that the District received a request to vacate an easement for the purpose of residential home construction. The diagram on Page 107 of the agenda package, identified the location of the easement in favor of the District, between Lots 77 and 78. Ms. Trucco prepared this document and presented it to the Board, at the request of an attorney for LGI Homes, who provided this release, which she reviewed. It was her opinion that it was sufficient. The District would be releasing a drainage easement of .5 Feet in between Lots 77 and 78 for drainage, maintenance and access. The surveys identifying the areas to be released were attached as exhibits as well as the recorded plat. Since there was a non-exclusive drainage, maintenance and access easement that was dedicated to the CDD, LGI Homes was required to come to the CDD to ask for permission to construct homes on these lots. Mr. Dryburgh asked if the District Engineer reviewed it. Ms. Trucco reached out to Mr. Steve Boyd, who confirmed via email that he had no objection to releasing .5 Feet from the drainage easement as it did not hinder the District's utility purposes. In addition, according to the developer, Madden Civil Engineers, a local Civil Engineering Firm, the easement should have only been 17.5 Feet versus the 20 Feet that was included in the recorded plat. Ms. Trucco had no objection and recommended approval.

On MOTION by Mr. Goldstein seconded by Ms. Wispelwey with all in favor the easement request from LGI Homes to vacate an easement between Lots 77 and 78 was approved.

NINTH ORDER OF BUSINESS

Review and Acceptance of Draft Pavement Management Report

Ms. Adams presented a draft Pavement Management Report, which was included in the agenda package. Since Mr. Boyd was not present, Ms. Adams recommended that the Board defer this matter until the next meeting, so Mr. Boyd could present it in detail. *There was Board consensus to defer this matter.*

TENTH ORDER OF BUSINESS

Review and Acceptance of Arbitrage Rebate Calculation Report

Ms. Adams presented the Arbitrage Rebate Calculation Report prepared by Grau & Associates for the Series 2005 bonds, which was included in the agenda package. There was no arbitrage issue.

On MOTION by Mr. Dryburgh seconded by Ms. Hobbs with all in favor the Arbitrage Rebate Calculation Report was accepted.

ELEVENTH ORDER OF BUSINESS

Consideration of Arbitrage Rebate Computation Proposal from AMTEC

Ms. Adams presented an arbitrage rebate computation proposal from AMTEC for the Series 2025, 2015A and 2021 bonds in the amount of \$450 per year per issue, which was included in the agenda package. Staff received proposals from LLS Tax Solutions and Grau & Associates, but recommended AMTEC as LLS proposed \$550 and Grau proposed \$600 for the same service.

On MOTION by Mr. Dryburgh seconded by Ms. Wispelwey with all in favor the arbitrage rebate computation proposal from AMTEC for the Series 2025, 2015A and 2021 bonds in the amount of \$450 per year per issue was approved.

Mr. Greenstein requested that Ms. Adams explain the purpose of the arbitrage calculation. Ms. Adams clarified that the District issued tax exempt bonds, regulated by the Internal Revenue Service (IRS), which required that the District not earn more interest than what it was paying on

the bonds. If there was an arbitrage issue, a penalty must be paid to the IRS. There was an annual report to determine if there is an arbitrage concern..

TWELFTH ORDER OF BUSINESS

**Consideration of Fiscal Year 2024 Aquatic
Maintenance Renewal**

Ms. Adams presented a proposal from Applied Aquatic for aquatic maintenance services in the amount of \$1,323 per month or \$15,876 per year, to treat any algae in the ponds or invasives. It included all of the ponds for Reunion East under one agreement. There was an increase of \$810 annually from last year. Approval was contingent on the budget adoption and would start on October 1, 2023. Mr. Dryburgh asked if they could bid out pond services. Ms. Adams stated they had other companies that provided pond maintenance services, but Applied Aquatic was their preferred provider. If there was an issue, they came out between service calls to re-treat areas without the District incurring an additional fee. Ms. Scheerer pointed out that Applied Aquatic treated for hydrilla as part of their contract versus separately as other companies did. Mr. Greenstein was in favor of contracting with Applied Aquatic for next fiscal year.

On MOTION by Mr. Greenstein seconded by Mr. Goldstein with all in favor the Fiscal Year 2024 Aquatic Maintenance Renewal in the amount of \$1,323 per month or \$15,876 per year was approved.
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THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Trucco was asked by the Board at the last meeting to research whether or not the roads needed to be designated for low-speed vehicles. There was no requirement of the Statute that the roads be designated for low-speed vehicles. The only requirement was that roads that had a speed limit of 35 miles-per-hour (mph) or less, could be designated for golf cart use under Chapter 320.122 of the Florida Statutes. Ms. Trucco provided information to the Board, which would be included in the minutes for this meeting, including a flyer from the Florida Department of Highway Safety and Motor Vehicles and Florida Statute 316.21222, requiring a low-speed vehicle to be equipped with headlamps, stop lamps, turn signals, taillamps, reflectors, parking brakes, etc. in order to be driven on roads with a speed limit of 35 mph or less. However, the Legislature gave permission to the county or municipality or city, to prohibit low-speed vehicles on certain roads within their jurisdiction, but to her knowledge, this had not yet occurred and contacted the county

to verify this. Mr. Dryburgh voiced concern about kids driving golf carts. Ms. Trucco stated at the Reunion West CDD Board Meeting, a Board Member informed her about a Bill that was just passed in both Legislative houses that was being sent to the Governor, to change the golf cart Statute to allow a golf cart driver to be 16 years of age or older versus 14 years of age. Ms. Adams recalled that at the Reunion West CDD meeting, the Board directed staff to post an announcement regarding low-speed vehicles, re-post the public service announcement and the Statutes on the District website and offered to do the same for the Reunion East CDD.

Ms. Trucco confirmed that RW-1 was owned by the CDD, according to the Property Appraiser website, but no formal deed was recorded and would contact EHOA Acquisitions II, LLC. Mr. Greenstein was surprised at the amount of roadways that were not conveyed to the appropriate parties. Ms. Trucco pointed out in most cases they were conveyed, but some tracts were not transferred because construction was not completed and would provide an update at the next meeting.

B. Engineer

There being none, the next item followed.

Mr. Guerricagoitia left the meeting.

C. District Manager's Report

i. Action Items List

Ms. Adams presented the Action Items List, which was included in the agenda package. Discussion ensued by the Board regarding the Reunion Village gate off of Osceola Polk Line Road, regarding whether it could be remotely activated. There was only one lane and the gate had to be raised or lowered manually by security. Ms. Adams explained that most gates sequestered guests to one side and property owners to the other side with gate openers. Mr. Scheerer did not think there sufficient space for an RFID system but would speak to ACT. *After further discussion, there was Board consensus for Mr. Scheerer to obtain a proposal for an RFID and transponder system at the Reunion Village gate.*

Ms. Adams received a request from Duke Energy for powerline maintenance. Ms. Trucco advised that the CDD was required to perform maintenance under the agreement with Duke for the powerlines. Mr. Scheerer explained that this was for the powerline running from Old Lake Wilson Road to Sinclair Road behind Building Q at Heritage Crossing. There were multiple Crepe

Myrtles and Oak trees, which the CDD owned, which Duke Energy would remove to maintain the powerlines. Board Members voiced concern about notifying residents and mitigating damages for fallen trees. Ms. Trucco suggested having Duke Energy sign a License and Indemnification Agreement, granting them permission to remove the trees and indemnifying the District for damages. *Discussion ensued and there was Board consensus to send a notice to the Heritage Crossings HOA regarding the powerline maintenance.*

On MOTION by Mr. Greenstein seconded by Ms. Hobbs with all in favor the request from Duke Energy for powerline maintenance as presented, subject to District Counsel obtaining a License and Indemnification Agreement from Duke Energy was approved.

Mr. Dryburgh discussed traffic issues on the roadway, which residents were not notified about. Mr. Scheerer noted the work may have been related to changing the impeller system on the well pumps for the golf course. Mr. Dryburgh voiced concern that no one was notified about it. Mr. Goldstein felt that security should have been at the Excitement gate to direct traffic. Mr. Scheerer confirmed that he was not aware of it in advance. Ms. Wispelwey felt that communication was key. Mr. Goldstein questioned the status of the swing set at the playground. Mr. Scheerer confirmed that it was shipped on May 8th, but he had not heard anything further from the vendor.

ii. Approval of Check Register

Ms. Adams presented the Check Register from April 1, 2023 through April 30, 2023 in the amount of \$496,603.39, which was included in the agenda package.

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

iii. Balance Sheet and Income Statement

Ms. Adams presented the Unaudited Financial Statements through March 31, 2023, which were included in the agenda package for informational purposes. Staff was monitoring the unassigned balance in the General Fund and actual spending related to the prorated budget.

iv. Replacement and Maintenance Plan

Ms. Adams presented the Replacement and Maintenance Plan, which was included in the

agenda package. There were no substantive changes from last month. This item would be discussed in greater detail during the summer months when a proposed Project List would be presented for next fiscal year.

v. Presentation of Number of Registered Voters: 718

Ms. Adams stated that the District was required annually to present the number of registered voters to the Board. As of April 15, 2023, there were 716 registered voters within the Reunion East CDD boundaries, according to the Osceola County Supervisor of Elections. Ms. Wispelwey asked if the number of registered voters increased. Ms. Adams would verify.

D. Security Report

This item was not discussed.

FOURTEENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

FIFTEENTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

SIXTEENTH ORDER OF BUSINESS

Next Meeting Date – June 8th, 2023

Ms. Adams stated the next meeting was scheduled for June 8, 2023 at 1:00 p.m.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

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

Secretary/Assistant Secretary

Chairman/Vice Chairman