

MINUTES OF MEETING  
REUNION WEST  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Reunion West Community Development District was held Thursday, January 10, 2019 at 12:30 p.m. at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum were:

John Chiste	Chairman by phone
Mark Greenstein	Vice Chairman
Carlton Grant	Assistant Secretary
David Burman	Assistant Secretary
Deborah Musser	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Steve Boyd	District Engineer
Alan Scheerer	Operations Manager
Rob Stultz	Yellowstone Landscape

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Harding: On behalf of some owners who own a significant number of properties in Reunion they want to make a presentation on the 14<sup>th</sup> to talk to us about environmental enhancements for both Reunion West and Reunion East. They have a 15-minute presentation and I had conversations with George, and he recommended they make a presentation at our East meeting on the 14<sup>th</sup> and if anybody from the West wants to stick around to listen, they can do so.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the December 13, 2018 Meeting**

On MOTION by Mr. Burman seconded by Mr. Greenstein with all in favor the minutes of the December 13, 2018 meeting were approved, as presented.

**FOURTH ORDER OF BUSINESS****Financing Matters****A. Consideration of Second Supplemental Engineer's Report**

Mr. Boyd: This is a cost report that addresses what will be Assessment Area 5 and it includes infrastructure construction cost of three development areas going from south to north it would be the area known as Phase 3, Parcel 6B, which is a single-family development on the southwest corner of Traditions and Grand Traverse and Phase 3, Parcel 2 is going to be a townhome development on the parcel between Traditions and the driving range. The third one is a portion of the existing K-Hill Parcel, which has been referred to as Reunion West Phase 3, west of C.R. 455 south of Sinclair Road on the south end of that project and is where the expansion parcel is and includes the expansion parcel and an existing stormwater tract currently owned by the CDD and the report details that the developer will be engaging in a land swap that I think Andrew is going to speak to. This report addresses the costs and details where these projects are located and provides information on the site plan that will serve as the basis of the costs for future bond issuance and assessment methodology for those parcels.

You have a copy of the report that I updated today. The only thing that is different from what was handed out versus what was distributed previously is in section 2 under the description of the development areas, I added an asterisk and a note for the one CDD parcel that says, this parcel is currently owned by the District and is in the process of being acquired by the developer through a land swap. That would have to happen before assessments are assigned to property. There is an accompanying map that I distributed it is not part of the report but gives you more background on what those areas are for the land swap that would occur.

Mr. d'Adesky: Generally, the type of improvements included in this assessment area are consistent with what we have done in the past, we are doing stormwater, roadways, landscape, hardscape, irrigation, onsite parks and a gatehouse.

Mr. Greenstein: Is there anything substantially different in the presentation and the Engineer's Cost Report from previous reports?

Mr. Boyd: No, it just describes new development areas that were included in prior reports, but this is the update specific to these areas.

Mr. Greenstein: I thought I read something in there that something has changed in the methodology. If nothing was changed in the methodology that is fine.

Mr. Flint: We started this process before we realized a portion of the area to be assessed was not actually within the boundaries of the District.

Mr. d'Adesky: That is how the expansion happened in the first place.

Mr. Greenstein: Maybe that was the reference.

Mr. Boyd: There is an annexation area but there is also a question that I put in the first draft; the apartments being built on Phase 3, Parcels 1 and 10, I don't know if that density of what is being built and requires that assessment methodology to be revisited due to the density.

Mr. Greenstein: That is right, it was a density issue.

### **B. Consideration of Master Assessment Methodology Report**

Mr. Flint: The Engineer's Report and the methodology are both exhibits to one of the resolutions and will be approved as part of that. The assessment methodology for Assessment Area 5, I handed out the latest version and the only change is related to the stormwater tract that we are going to talk more about when you discuss Resolution 2019-05 but there is a stormwater tract that was previously platted in the District's name that is going to be relocated because the development plan is changing. The area where the stormwater tract is, is now going to be homes and it will be part of the assessment area. As part of that we had to revise the methodology.

You will see on page 10 Table 1 a total of 174 planned single-family and 54 planned townhomes that equates to 215 ERUs. Table 2 is the infrastructure cost estimates that are taken from the Engineer's Report that he just reviewed and those improvements total \$8.2 million. Table 3 is a bond sizing for purposes of going through the assessment process and we try to be very conservative on these parameters so that the Board has maximum flexibility when you go to price in case there are changes in the market. That includes the construction funds, which is based off the Engineer's cost estimates, one year of max annual debt service, capitalized interest at 24 months, underwriters discount of \$220,000 cost of issuance and we rounded the contingency up to a par amount of \$11 million. When we do the mailed notice it will be based on a par amount of \$11 million. When the Underwriter actually goes out and prices it, you are going to be adopting a delegation award resolution that sets parameters so when they price it, it will be lower than \$11 million but by doing the assessment based on this higher number it gives the Board more flexibility. For purposes of this sizing we are using 6% and we anticipate it will come in lower than that. Table 4 shows the allocation of the improvement costs by product type and by unit. Table 5 shows the allocation of the par debt by product type. Table 6 shows what the gross annual debt service assessments would be based on the assumptions in the bond sizing and if we were to issue the full \$11 million. The idea when we go to price is that we are going to match the current assessment models that are in place in the other assessment areas. Although

these numbers are high this is for purposes of going through the master assessment process. Table 7 is the preliminary assessment roll and there is one parcel that is indicated as being owned by the CDD and that is the stormwater tract assuming the Board approves the exchange there will be homes on that stormwater tract but we are going to receive other storm water tracts based on the new development plan in exchange so there would be an equal but greater value than this one. For purposes of today and getting the assessment process started, although the CDD can't be assessed we are showing that tract as being assessed and the thought would be that prior to the assessment hearing that exchange would take place and the developer would own that tract.

**C. Consideration of Resolution 2019-03 Declaring Special Assessments**

Mr. d'Adesky: Resolution 2019-03 is a declaration resolution related to Assessment Area 5 consisting of the subdivisions Phase 4 and 17<sup>th</sup> and 18<sup>th</sup> fairways Phase 2 and Phase 3 as described by the Engineer's Report and the methodology. Specifically, it adopts the Engineer's Report so we don't need to separately approve that, it adopts the assessment report as presented so we don't need to do that separately. It allocates the benefit, it provides the overall costs of the project as described in the Engineer's Report that is the public infrastructure and improvements that are going to be built as the \$8.2 million plus all the other costs, the financing cost, the capitalized interest, debt service reserve and other costs come up to \$11 million and it provides for adoption of a preliminary roll as seen in the methodology and it allows for the setting of the public hearing and giving notice on that public hearing.

On MOTION by Mr. Chiste seconded by Mr. Greenstein with all in favor Resolution 2019-03 Declaring Special Assessments was approved.

**D. Consideration of Resolution 2019-04 Setting a Public Hearing for Assessments**

Mr. d'Adesky: The next one is Resolution 2019-04 setting a public hearing and we were contemplating close to 6 weeks out.

Mr. Flint: Because there was a 30-day notice requirement we can't meet on a regular meeting date because it doesn't give us enough time. I recommend that we push it out at least a week, which would be the 21<sup>st</sup> if the Board is available at 12:30 p.m. and we will likely cancel the meeting on the 14<sup>th</sup> or reschedule any business that was slated for the 14<sup>th</sup> to the 21<sup>st</sup> rather than having two meetings in February.

Mr. Chiste: Can you reschedule Reunion East for the 21<sup>st</sup> also?

Mr. Flint: Yes, we can reschedule that.

On MOTION by Mr. Greenstein seconded by Mr. Chiste with all in favor Resolution 2019-04 Setting the Public Hearing for February 21, 2019 at 12:30 p.m. at Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida was approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-05  
Authorizing Staff to Work on the Exchange  
of Certain Parcels of Real Property**

Mr. d’Adesky: This was discovered two days ago, and Resolution 2019-05 authorizes staff to work on exchange of certain parcels of real property, setting the terms of said exchange, delegating the Chair and Vice Chair to approve and execute any agreements and closing documents pertaining to such exchange. As was explained part of the assessment area was contemplated to include this new expansion tract and over the course of development the stormwater plan for this changed from one giant pond to several smaller ponds that will service the same area. It is function for function, we are exchanging what was going to be the stormwater tract for what will be the actual stormwater parcels serving that tract, which need to be approximately equivalent or greater benefit and value to the District. That is a requirement of the transfer and they would be swapped with Reunion West II, LLC that is the developer of this particular parcel. The Engineer will need to provide a certification of benefits that certifies that the benefit is approximately equivalent, the District will be benefitting from that or receiving greater value. The developer would be responsible for providing all title, legal, other due diligence we might require regarding that parcel and that swap. The burden is on them to provide that and if it turns out that we need more property because right now we don’t have an exact acreage on that then they will have to find other property to give us to swap those particular parcels.

It authorizes staff to proceed, it sets the terms of the exchange and it delegates authority to the Chairman and Vice Chairman to execute it once it is finalized and wrapped up. Based on the timing we won’t have another meeting before we need to have this swapped out; therefore, the delegation is important to have.

On MOTION by Mr. Chiste seconded by Mr. Burman with all in favor Resolution 2019-05, Authorizing Staff to Work on the Exchange of Certain Parcels of Real Property, was approved.

**FIFTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There being none, the next item followed.

**B. Engineer**

There being none, the next item followed.

**C. Manager**

Mr. Flint: I received an email from the developer of the Spectrum multi-family project, which wraps around the water park. I believe Encore is involved in the development of that. Rick Feather emailed me about requesting to install four directional signs and the Board went through a fairly extensive process trying to get a handle on the existing signs that were in place and set sign standards and locations and tried to combine direction signage rather than having a bunch of individual signs. The picture of what they are proposing to do doesn't match our sign standards and I provided the sign standard we came up with to Mr. Feather. At a minimum we would expect them to be the same design, same color scheme, same fonts and within the yellow portion of the sign is where they could put their information on the Spectrum project, but the question is where and how many would be acceptable to the Board. We don't have any other individual signage out there for the Bears Den or any of those on CDD property.

Mr. Greenstein: Right now it looks like only one sign on the west side. The other signs are on the east side.

Mr. Flint: This is an issue for both Boards, they are asking for one sign and technically the West did not adopt sign standards so even though these are the standards that the East Board went through, the West Board didn't adopt these standards. The question at this point is the one sign they are requesting in Reunion West do you want those signs to comply with the standards that East had developed.

Mr. Chiste: Yes.

Mr. Flint: I suggest that one of the Board Members be delegated to work with the developer on the location and final sign-off that way we are not holding it up longer than it needs to be.

Mr. Greenstein: We can take action during the East meeting to do that.

Mr. Flint: If there is no objection from the Board to have Mr. Greenstein being the liaison on this issue then we will proceed that way.

Mr. Chiste: I'm fine with that.

**i. Action Items List**

Mr. Scheerer: I talked to Mark before the meeting. UCC Group sent an email on Monday saying that they are getting really close to finalizing all the design and working with the county to get the permits issued. Once they get that they feel the project should move along relatively quickly. They are still planning to prefab the actual monuments themselves and just drop them in place once the footers have been poured. We are still in process and will continue to update the Board.

**ii. Approval of Check Register**

Mr. Flint presented the December check register in the amount of \$1,570,659.40.

On MOTION by Mr. Greenstein seconded by Mr. Burman with all in favor the check register was approved.

**iii. Balance Sheet and Income Statement**

A copy of the balance sheet and income statement were included in the agenda package. No Board action is required.

**iv. Status of Direct Bill Assessments**

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

**SIXTH ORDER OF BUSINESS**

**Other Business**

Mr. Greenstein: Should we take any action now on the West Board to adopt the signage policy that was authorized and in place on the East side? Can it be a simple matter?

Mr. Flint: That is up to the Board. We have the template I provided you, which basically is the general sign design that was approved.

Mr. d'Adesky: We can bring back a formal resolution to the next meeting to adopt it.

Mr. Greenstein: I want to formalize something informally.

Mr. Chiste: I'm fine with that.

Mr. Greenstein moved to adopt a signage policy consistent with the policy adopted by the Reunion East Board and Mr. Chiste seconded the motion.

Mr. Flint: Since it wasn't on the agenda is there any public comment on the sign policy?  
There being none,

On voice vote with all in favor the motion passed.

Mr. Flint: The only other thing I want to mention is there is a desire in regard to the financing to move forward as quickly as possible so part of that is the Board approving what is called a delegated award resolution, which sets the parameters under which the underwriter can go out and market and price the bonds and then authorizes the Chair or Vice Chair to execute the bond purchase agreement and whatever other documents are necessary to do that. You won't be able to do a lot before the assessment hearing but if the delegated award resolution is approved it allows certain things to move forward so that it may be possible to pre-close on the same day you have the assessment hearing.

Mr. Chiste: I personally, would like that just for the fact that interest rates are very volatile these days.

Mr. Flint: To accomplish that what I would ask is the Board consider continuing today's meeting for two weeks and the main purpose of that would be to take action on the delegated award resolution. It wasn't ready for today, there is certain backup that has to be prepared and some due diligence work that is not complete. If the Board is amenable by continuing today's meeting it will save us a little bit of time on the financing.

**SEVENTH ORDER OF BUSINESS                      Supervisors Requests**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS                      Next Meeting Date**

On MOTION by Mr. Greenstein seconded by Mr. Burman with all in favor the meeting was continued to January 24, 2019 at 12:30 p.m. at the same location.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman