

MINUTES OF MEETING

Board of Supervisors

Reedy Creek Improvement District

February 27, 2019

9:31 a.m.

President Hames called the regular meeting of the Reedy Creek Improvement District Board of Supervisors to order at 9:31 a.m. on Wednesday, February 27, 2019 at the Administrative Offices of the District, 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida.

Those present were Larry Hames, Donald Greer, Jane Adams and Wayne Schoolfield, constituting a quorum of the Board of Supervisors. Others in attendance included; John Classe, District Administrator; Ann Blakeslee, Deputy District Administrator; Wanda Siskron, District Clerk, Tina Williams, Assistant District Clerk, and Erin O'Donnell, Administration; Jerry Wooldridge, Building & Safety; Bruce Jones, Craig Sandt, Dana Keller, and Eddie Fernandez, Contract & Risk Management; Chris Quinn, Susan Higginbotham, Lexy Wollstadt, and Heidi Powell, Finance; Jason Middleton, Human Resources; Yenni Hernandez and Ron Zupa, Technology Services; Mike Crikis and Jeff Holland, Environmental Sciences; Kate Kolbo, Planning & Engineering; Chief Richard LePere, Deputy Chief Eric Ferrari, and Asst. Chief Tanya Naylor-Molea, RCFD; Chris Ferraro, RCES; John McGowan and Melissa Corey, WDP&R; Marty Pawlikowski-Walt Disney Imagineering; Ed Milgrim, Milgrim Law Firm and Dianne Schoolfield, Spouse of Wayne Schoolfield.

President Hames asked the attendees to please stand for the Pledge of Allegiance.

SAFETY MINUTE

Mr. Eddie Fernandez presented the safety instructions for the Administration Building. Mr. Fernandez identified the locations of the emergency exits and the location of the two AEDs in case of an emergency. Mr. Fernandez advised that a first-aid kit is located at the Security Guard's desk right outside the Boardroom. Mr. Fernandez advised that in the event of a fire, there are two exits on the first floor and emergency personnel wearing safety vests will escort everyone to the nearest exit. Mr. Fernandez advised that the safety tip of the month is "Mental Health Awareness". All RCID employees will be attending a "Mental Hygiene" class over the next two weeks. This training will help everyone manage mental and daily stressors in their lives.

APPROVAL OF MINUTES

Minutes from the January 23rd BOS Meeting were approved as presented.

The District Clerk recorded proof of publication of the meeting notice. **(EXHIBIT R)**

REPORTS

A departmental report was presented by the District Administrator and Deputy District Administrator. **(EXHIBIT S)**

Mr. Classe introduced Mr. Ed Milgrim, from the Milgrim Law Firm, as RCID's new legal counsel and welcomed him to the District. Mr. Milgrim advised that he is happy to join RCID.

Mr. Classe advised that Mr. Doug Wagner has been reassigned from RCES to Facilities Operations Service (FOS). Mr. Wagner will be replacing Mr. Mark Todd who has moved over to Mr. Trevor Larsen's position. Mr. Wagner will be replaced and Mr. Classe will advise the BOS once a replacement has been named.

Ms. Blakeslee advised that Ms. Betty Maxwell, who suffered a stroke on January 12th, is now at home and is walking with assistance and slowly progressing day-by-day.

Ms. Blakeslee advised that in March, we will hold our annual OPEB Board meeting immediately following our RCID BOS meeting.

CONSENT AGENDA

President Hames proceeded to the Consent Agenda and advised that the Consent Agenda exists of general administrative items and items under a specific cost threshold. Any item could be pulled from the Consent Agenda for further discussion, if requested. Consent Agenda items are shown below:

Item 6A – Flamingo Crossings Potable Water and Reclaimed Water Booster Pump Stations – Preliminary Budget

CONSIDERATION of Request for Board approval to increase the preliminary budget by **\$20,000.00** for the Flamingo Crossings Potable Water and Reclaimed Water Booster Pump Stations project for a new total budget of **\$2,470,000.00**. Funding for this request is derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable).

Item 6B – Flamingo Crossings Potable Water and Reclaimed Water Booster Pump Stations – Construction Services

CONSIDERATION of Request for Board approval to execute a Change Order under Master Services Agreement #M000058 Work Authorization #W007 to **Atkins, Inc.**, in the total amount of **\$12,750.20** for design, bidding and construction phase services associated with the Flamingo Crossings Potable Water and Reclaimed Water Booster Pump Stations project. Funding for this

request is derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). **(EXHIBIT A)**

Item 6C – EPCOT MVP #8 Chilled Water Valve Replacement Project – Preliminary Budget

CONSIDERATION of Request for Board approval to increase the preliminary budget by **\$30,000.00** for the EPCOT MVP #8 Chilled Water Valve Replacement project for a new total budget of **\$917,000.00**. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable).

Item 6D – EPCOT MVP #8 Chilled Water Valve Replacement Project – Construction Services

CONSIDERATION of Request for Board approval to increase the previous Board-authorized change order allowance pursuant to RCID's contract with **S.I. Goldman Company, Inc.**, in the amount of **\$30,000.00** to compensate the contractor for changes in the scope of work attributable to multiple additional system drains and structural modifications of the valve pit based on unknown conditions at the time of contract award. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable). **(EXHIBIT B)**

Item 6E – Project MI Chilled Water and Low-Temperature Hot Water Services – Preliminary Budget

CONSIDERATION of Request for Board approval to increase the preliminary budget by **\$40,000.00** for the Project MI Chilled Water and Low-Temperature Hot Water Services project for a new total budget of **\$550,000.00**. Funding for this request is derived from the future RCID 2018-2 Utility Revenue Bonds (Taxable). In addition, this project will receive customer Cost-in-Aid-of-Construction (CIAC) funds.

Item 6F – Project MI Chilled Water and Low-Temperature Hot Water Services – Construction Services

CONSIDERATION of Request for Board approval to increase the previous Board-authorized change order allowance pursuant to RCID's contract with **Harper Limbach, LLC**, in the amount of **\$35,000.00** to compensate the contractor for changes in the scope of work attributable to project contract time extension and miscellaneous appurtenances. Funding for this request is derived from the future RCID 2018-2 Utility Revenue Bonds (Taxable). In addition, this project will receive CIAC funds.

Item 6G – Project MI Chilled Water and Low-Temperature Hot Water Services – Owner-Furnished Materials

CONSIDERATION of Request for Board approval of Owner-Furnished Materials (OFM) in the amount of **\$5,000.00** for Project MI Chilled Water and Low-Temperature Hot Water Services project. Funding for this request is derived from the future RCID 2018-2 Utility Revenue Bonds (Taxable). In addition, this project will receive CIAC funds. **(EXHIBIT C)**

Item 6H – Project S Chilled Water and Low-Temperature Hot Water Services – Preliminary Budget

CONSIDERATION of Request for Board approval to revise the preliminary budget for Project S Chilled Water and Low-Temperature Hot Water Services project by reducing approved funding in the contingency line item and increasing funding in the soft costs line items. The total preliminary budget amount will remain unchanged. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable).

Item 6I – Project S Chilled Water and Low-Temperature Hot Water Services – RCES Soft Costs

CONSIDERATION of Request for Board approval of an amount Not-To-Exceed **\$25,000.00** for RCES engineering and construction support including survey, submittal review and project inspection costs for Project S Chilled Water and Low-Temperature Hot Water Services project. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable). **(EXHIBIT D)**

Item 6J – Non-Exclusive Permanent Utility Easement Agreement with Orange County – Termination and Release

CONSIDERATION of Request for Board approval of a Termination and Release of Easement Agreement between **Walt Disney Parks and Resorts (WDP&R)** with the City of St. Cloud, Tohopekaliga Water Authority, Orange County, Polk County and Reedy Creek Improvement District (STOPR) granting STOPR an Easement to access a wetland monitoring station on WDP&R property. Board authorization is also requested for the District Administrator to execute this document. **(EXHIBIT E)**

Item 6K – World Drive North Extension Phase 2 – Professional Services Agreement

CONSIDERATION of Request for Board approval to enter into an Agreement for Professional Services with **LandDesign, Inc.**, in the Not-To-Exceed amount of **\$10,000.00** to provide conceptual landscaping design and design review services in support of the design of the regional stormwater pond serving the World Drive North Extension Phase 2 project. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. **(EXHIBIT F)**

Item 6L – Lime Garage MARC Station Project – Professional Services Agreement

CONSIDERATION of Request for Board approval to enter into an Agreement for Professional Services with **Professional Service Industries, Inc.**, in the Not-To-Exceed amount of **\$1,631.00**, to provide for inspection and testing services in connection with the Lime Garage MARC Station project. Funding for this request is included in the approved project budget and is derived from the RCID Series 2013A Ad Valorem Bonds.

Item 6M – Western Way Extension – Flamingo Crossings, LLC Property

CONSIDERATION of Request for Board approval and acceptance of donation of property from **Flamingo Crossings, LLC** to **RCID** to be used for a portion of right-of-way for the Western Way

Extension and in connection with preparation for the completion and opening to the public of Western Way Extension. **(EXHIBIT G)**

Item 6N – Orange County Sheriff’s Office Sector Six Satellite Office – Lease Agreement

CONSIDERATION of Request for Board approval of a Lease Agreement (Orange County Sheriff’s Office Sector Six – Satellite Office) between the **District** and **WDP&R** and a License Agreement between the **District** and **Orange County, Florida** for the use and occupancy by the Orange County Sheriff of a satellite office within Disney Springs; and request for Board authorization for the District Administrator or Deputy District Administrator to execute the Lease Agreement and License Agreement. **(EXHIBIT H)**

President Hames asked if anyone had a reason to bring up any items on the Consent Agenda for further discussion. No items were pulled from the Consent Agenda for review. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the Consent Agenda.

REGULAR AGENDA

Item 7A – Recovered Materials Processing Facility – Preliminary Budget

Ms. Chris Ferraro requested Board approval to revise the preliminary budget for the Recovered Materials Processing Facility project from **\$1,942,000.00** to **\$2,032,000.00**. Funding for this request is derived from the RCID Series 2015-1 Utility Revenue Bonds (Non-Taxable). Ms. Ferraro advised that this request is to cover additional work by Poli Construction on fire alarm system. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request.

Item 7B – Recovered Materials Processing Facility – Construction Services

Ms. Ferraro requested Board approval to execute a Change Order to Contract #004732 with **Poli Construction, Inc.**, in the amount of **\$80,150.83** for the construction of a new Recovered Materials Processing Facility. Staff also requests Board authorization for the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Ms. Ferraro advised that this request is for additional work on the fire alarm system. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the request. **(EXHIBIT I)**

Item 7C – Project S Electric Service – Owner-Furnished Materials (OFM)

Ms. Ferraro requested Board approval of Owner-Furnished Materials (OFM) in the amount of **\$900,000.00** for the Project S Electric Service project. Funding for this request is derived from the RCID Series 2015-1 Utility Revenue Bonds (Non-Taxable). In addition, this project will receive customer Cost-in-Aid-of -Construction (CIAC) funds. Ms. Ferraro advised that this request covers a significant amount of electronic equipment that is required, eight transformers and 7,800 feet of cable. Ms. Ferraro advised that this project should be completed in August. President Hames asked

if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request. **(EXHIBIT J)**

Item 7D – Project MI Electric Service – Preliminary Budget

Ms. Ferraro requested Board approval to revise the preliminary budget for the Project MI Electric Service project from **\$1,850,000.00** to **\$2,071,000.00**. Funding for this request is derived from the RCID Series 2015-1 Utility Revenue Bonds (Non-Taxable). In addition, this project will receive CIAC funds. Ms. Ferraro advised that this request is due to work being done in a very congested work site, so therefore, this project is more difficult to complete. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request.

Item 7E – Project MI Electric Service – Construction Services

Ms. Ferraro requested Board approval to execute a Change Order to Contract #004824 with **Carter Electric, Inc.**, in the total amount of **\$201,518.00** for the Project MI Electric Service project. Staff also requests Board authorization for the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Ms. Ferraro advised that this request is for a significant amount of increased work and re-work for fiber for system which impacts facility from the work site. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request. **(EXHIBIT K)**

Item 7F – Disney’s Hollywood Studios Expansion New Electric Service – Preliminary Budget

Ms. Ferraro requested Board approval to revise the preliminary budget for Disney’s Hollywood Studios Expansion New Electric Service project from **\$6,600,000.00** to **\$6,930,000.00**. Funding for this request is derived from the RCID Series 2015-1 Utility Revenue Bonds (Non-Taxable). In addition, this project will receive CIAC funds. Ms. Ferraro advised that this request covers additional electrical work on a very complicated project. Construction is close to completion. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request.

Item 7G – Disney’s Hollywood Studios Expansion New Electric Service – Construction Services

Ms. Ferraro requested Board approval to execute a Change Order to Contract #C004447 to **Maddox Electric Company, Inc.**, in the total amount of **\$233,061.27** for Disney’s Hollywood Studios Expansion New Electric Service project. Staff also requests Board authorization for the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Funding for this request is derived from the RCID Series 2015-1 Utility Revenue Bonds (Non-Taxable). In addition, this project will receive CIAC funds. Ms. Ferraro advised that this request is for additional fiber work being done in a complex work area. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the request.

Item 7H – Disney’s Hollywood Studios Expansion New Electric Service – RCES Soft Costs

Ms. Ferraro requested Board approval of an amount Not-To-Exceed **\$60,000.00** for RCES engineering and construction support including survey, submittal review and project inspection costs for Disney’s Hollywood Studios Expansion New Electric Service project. Funding for this request is derived from the RCID Series 2015-1 Utility Revenue Bonds (Non-Taxable). In addition, this project will receive CIAC funds. Ms. Ferraro advised that this request covers RCES soft costs for this project. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request. **(EXHIBIT L)**

Item 7I – Project Black Lake Natural Gas Service – Construction Services

Ms. Ferraro requested Board approval to award a contract to **Gulfcoast Utility Constructors, Inc.**, in the amount of **\$103,300.00** for Project Black Lake Natural Gas Service project. Staff also requests Board authorization for the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Ms. Ferraro advised that this request is for installation of 540 feet of pipe at this site. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request. **(EXHIBIT M)**

Item 7J – Project S Chilled Water and Low-Temperature Hot Water Services – Construction Services

Ms. Ferraro requested Board approval to execute a Change Order to Contract #C004164 to **Daiken Applied Americas, Inc.**, in the amount of **\$215,375.51** for provision of a temporary chiller and generator to provide chilled water service to Mission Space to support the Project S Chilled Water and Low-Temperature Hot Water Services project. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable). President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request.

Item 7K – Project S Chilled Water and Low-Temperature Hot Water Services – Construction Services

Ms. Ferraro requested Board approval to execute a Change Order to Contract #C004769 to **Harper Limbach, Inc.**, in the total amount of **\$148,025.00** for Project S Chilled Water and Low-Temperature Hot Water Services project. Staff also requests Board authorization for the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable). Ms. Ferraro advised that this request is for additional work scope in connecting shoring of coupling and raising of piping system. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the request.

Item 7L – Project S Chilled Water and Low-Temperature Hot Water Services – Construction Services

Ms. Ferraro requested Board approval to execute a Change Order to Contract #C004769 to **S.I. Goldman Company, Inc.**, in the total amount of **\$57,395.00** for Project S Chilled Water and Low-Temperature Hot Water Services project. Funding for this request is derived from the RCID Series 2018-2 Utility Revenue Bonds (Taxable). Ms. Ferraro advised that this request is to conclude work being done by S.I. Goldman on this project. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the request. **(EXHIBIT D)**

Item 7M – World Drive North Extension Phase 2 – Electric Infrastructure Relocation Design Services

Ms. Ferraro requested Board approval to execute a Work Authorization under Master Services Agreement #M000098 to **Leidos, Inc.**, in the total amount of **\$191,660.00** in professional fees for design services associated with the relocation of electrical infrastructure on the World Drive North Extension Phase 2 project. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. Ms. Ferraro advised that this request is for the design of relocating the existing electrical facilities along the World Drive North Phase 2 corridor. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request.

Item 7N. – A.3 Parking Garage BVD Modifications Project – Construction Services Contract Change Order Allowance

Mr. Bruce Jones requested Board approval to increase the previous Board-authorized change order allowance pursuant to RCID's contract with **Southland Construction, Inc.**, in the amount of **\$150,000.00** to compensate the contractor for changes in the scope of work attributable to additional earthwork, paving, maintenance of traffic and signalization work. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. Mr. Jones advised that this request is for modification of median on Buena Vista Drive as well as a few changes in the scope of earth work, Maintenance of Traffic (MOT) and signalization. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request.

Item 7O. – A.3 Parking Garage BVD Modifications Project – Construction Services Contract Change Order Allowance

Mr. Jones requested Board approval to increase the previous Board-authorized change order allowance pursuant to RCID's contract with **Watson Civil Construction, Inc.**, in the amount of **\$150,000.00**, to compensate the contractor for changes in the scope of work attributable to lighting, earthwork and site roadway mitigation work. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. Mr. Jones advised that this request includes changes in scope of work due to lighting, earthwork and site roadway mitigation work near Speedway and ramp into the A.3 Parking Garage.

President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request.

Item 7P. – A.3 Parking Garage Project – Temporary Pedestrian Shuttling

Mr. Jones requested Board approval to reimburse **Walt Disney Parks Resorts U.S., Inc. (WDP&R)** for the direct costs incurred for shuttling pedestrians between its Casting Building and the Speedway gasoline station along Buena Vista Drive for a time period of approximately twenty-one consecutive weeks and at a total anticipated cost Not-To-Exceed **\$105,105.00**. The shuttling of pedestrians is required due to the need to permanently close the pedestrian walkway along Buena Vista Drive during the remainder of the performance of site construction activities supporting the A.3 Parking Garage project. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. Mr. Jones advised that this request is for the shuttling of pedestrians until the sidewalk is open which should be around mid-April. Mr. Jones advised that this project is almost finished except for some landscaping in the back of the garage. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request. **(EXHIBIT N)**

Item 7Q. – Western Way Extension and Floridian Place Extension Area Development Project – Construction Services Agreement

Mr. Jones requested Board approval to award a Lump-Sum, Fixed-Priced Agreement for Construction Services in the amount of **\$1,557,504.00** to the lowest responsive bidder, **Arazoza Brothers Corporation**, for construction of area development and landscaping improvements supporting the Western Way Extension project and the Floridian Place Extension project. Of the total contract amount, **\$637,145.00** is allocable to the Western Way Extension project and **\$920,359.00** is allocable to the Floridian Place Extension project. Staff also requests Board authorization for the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. Mr. Jones advised that this request is for landscaping and irrigation supporting this project. Mr. Jones advised that the contract amount includes Owner-Furnished Materials (OFM) that RCID will purchase directly and Arazoza Brothers Corporation will adjust the contract amount accordingly. Mr. Jones advised that three bids were received, including one from Brightview, but Arazoza Brothers was the lowest bidder. They have done work on FDOT roadway projects, so they are very familiar with this type of project. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Schoolfield and duly seconded, the Board unanimously approved the request. **(EXHIBIT O)**

Item 7R. – Western Way Extension – Utility Reimbursement Agreement

Mr. John McGowan requested Board approval of a Utility Reimbursement Agreement (Western Way Extension Utility Design and Installation) between the **Reedy Creek Improvement District (District)** and **Walt Disney Parks and Resorts U.S., Inc. (WDP&R)** in which the District agrees to contract for and manage the installation of certain utilities in the right-of-way for Western Way Extension and WDPR agrees to pay for the design and installation of such utilities, including

reimbursement to the District for District employee services in managing the utility installation; and request for Board authorization for the District Administrator or Deputy District Administrator to execute the Utility Reimbursement Agreement and to execute any contracts or other documents required for the design and installation of such utilities upon contractual terms and conditions approved by counsel for the District. Mr. McGowan advised that this request is for WDP&R to pay for utility work on the Western Way Extension associated with the college housing project. Mr. McGowan advised that the County requires the developer to pay for utilities which are in RCID's right-of-way. The design and installation costs will be paid by WDP&R. WDP&R will pay as they go, at the District's direction. Mr. McGowan advises that this request is for the Board's approval for the District Administrator to enter into the necessary design and construction contracts to facilitate the work. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the request. **(EXHIBIT P)**

Item 7S. – Western Way Extension – Design Services

Ms. Kate Kolbo requested Board approval to amend an existing Professional Services Agreement with **Infrastructure Engineers, Inc.**, in the total amount of **\$63,648.00** in fees. The consultant shall provide additional design services for the utilities along the Western Way Extension. Funding for this request will be through the Reimbursement Agreement between the District and Walt Disney Imagineering. Ms. Kolbo advised that this request is to make final modifications to the design for utilities along the Western Way Extension. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request.

Item 7T. – Review of RCID Financial Statements

Mr. Chris Quinn requested the Board to accept FY2018 RCID Financial Statements. Mr. Quinn advised that in September, the auditors from Ernst & Young came to the District for interim work and returned to the District for December and January. The Auditors met with the RCID Audit Committee at the end of January and Financial Statements were completed as of February 1st. The Auditors issued various compliance reports including a management letter and all areas were good. Mr. Quinn reported that the District had an increase in total net position of \$24.6 million; an increase in net long-term debt of \$210.9 million with principal payments of \$62.2 million; an increase in net pension liability of \$5.0 million. New statements established Net OPEB liability of \$46.1 million with the removal of Net OPEB obligation of \$30.6 million and initial funding of OPEB Trust of \$11.0 million. Mr. Quinn advised the Board of Financial Statement highlights for FY2018 as shown in copy of Financial Statements previously provided to the BOS. Mr. Quinn reported on 2019 Issues which include Governmental Accounting Standards Board (GASB) 84 Fiduciary activities which has an implementation guide due in 2019; and potential impact on OPEB plan, notes and schedules. Mr. Quinn reported that overall, the District is very solid and run very well. Ms. Blakeslee thanked Mr. Quinn, Ms. Susan Higginbotham and Ms. Heidi Powell for all of their hard work during the Auditors' time here at the District. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request. **(EXHIBIT Q)**

8. OTHER BUSINESS

President Hames asked if there was any further business to discuss.

Mr. Classe advised that the next BOS Meeting will take place on March 27th, at 9:30 a.m. and will be immediately followed by the OPEB Board meeting.

Mr. Classe then presented the Final Thought from Martin Van Buren, 8th US President, first born after Independence Day, "It is easier to do a job right than explain why you didn't."

There being no further business to come before the Board, the meeting was adjourned.

Laurence C. Hames
President, Board of Supervisors

ATTEST

John H. Classe, Jr.
Secretary, Board of Supervisors