

MINUTES OF MEETING

Board of Supervisors

Reedy Creek Improvement District

July 24, 2019

9:32 a.m.

President Hames called the regular meeting of the Reedy Creek Improvement District Board of Supervisors to order at 9:32 a.m. on Wednesday, July 24, 2019 at the Administrative Offices of the District, 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida.

Those present were President Larry Hames, Jane Adams, Max Brito, 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 Graham, Assistant District Clerk, and Erin O'Donnell, Administration; Todd Wiederkehr, Property Management; Bruce Jones, Craig Sandt, Terry Tague, Dana Keller, and Eddie Fernandez, Contract & Risk Management; Chris Quinn, Susan Higginbotham, Lexy Wollstadt, and Heidi Powell, Finance; Jason Middleton, Human Resources; Ron Zupa, Technology Services; Mike Crikis, Rebecca Gubert and Jeff Holland, Environmental Sciences; Kate Kolbo, Planning & Engineering; Jerry Wooldridge, Bldg. & Safety; Chief Richard LePere and Deputy Chief Eric Ferrari, RCFD; Jason Herrick, Ray Crooks and Mark Swanson, RCES; John McGowan and Steven Miller, WDP&R; Ashley McGehee, WDI; Lee Watts, Johnson, Mirmiran & Thompson, Inc.; 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 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 a first-aid kit is located at the Security Guard's desk right outside the Boardroom. Mr. Fernandez advised that the safety tip of the month is "If you snooze, we all lose". Mr. Fernandez advised that drowsy drivers are involved in approximately 500,000 accidents a year. Less than six hours of sleep a night reduces reaction time by four seconds. Sleep deprivation also causes cardiovascular issues. Just remember, safety never sleeps, but you need to.

APPROVAL OF MINUTES

Minutes from the June 22, 2019 BOS Meeting were approved and accepted as presented.

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

REPORTS

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

Mr. Classe advised that Ms. Rebecca Gubert is retiring after 37 years with the District. Mr. Classe advised that Mr. Mike Crikis would like to say a few words and present a few slides. Mr. Crikis advised that he was very thankful for having the opportunity to work with Rebecca for the last 32 years of her 37 year career. Mr. Crikis advised that Rebecca has always strived for the utmost quality in her work and has always offered the best customer service to everyone. Mr. Crikis advised that Rebecca really cares about the District and all of its employees. Mr. Crikis thanked Rebecca for being such a great friend and that he will truly miss her. Rebecca then said a few words. She advised that she is truly grateful for these past 37 years. She advised that Mike, Jeff Holland and the entire team have made RCID a great place to work and she has enjoyed every day. Rebecca then advised that she and her husband, Alex, are now looking forward to this next adventure in their lives.

Mr. Classe advised that he would like to present for Board approval Resolution No. 606 to honor Rebecca for all of her years of service and dedication to the District. Mr. Classe then read the Resolution in its entirety.

RESOLUTION NO. 606

WHEREAS, Rebecca Gubert, who served the Reedy Creek Improvement District through outstanding dedication to the District and its landowners, providing the highest level of service and professionalism, ensuring successful operations as a leader in Environmental Sciences; and

WHEREAS, Rebecca Gubert is being recognized and thanked for her outstanding performance and willingness to serve the District; and

WHEREAS, the members of the Board of Supervisors of the Reedy Creek Improvement District feel that Rebecca Gubert merits and deserves the plaudits and appreciation of the Reedy Creek Improvement District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the Reedy Creek Improvement District assembled in regular session this 24th day of July 2019, that the Board does hereby express its sincere appreciation and gratitude to Rebecca Gubert for her outstanding service and dedication to the Reedy Creek Improvement District;

BE IT FURTHER RESOLVED that this Resolution be spread in full upon the minutes of this meeting and that a certified copy be presented to Rebecca Gubert from the Board of Supervisors of the Reedy Creek Improvement District.

ADOPTED this 24th day of July 2019.

Laurence P. Hames, President
RCID Board of Supervisors

ATTEST:

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

President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved Resolution No. 606.

Ms. Blakeslee reported that RCID's Employee Engagement Committee has a Back-to-School Drive for school supplies going on through August 16th. All supplies collected will be donated to "A Gift for Teaching", for distribution in Osceola and Orange Counties. Ms. Blakeslee advised that this is a great organization. They house the supplies and volunteers come in and help stock their facility. A bus will then go to the schools and teachers can pick out what they might need for their classrooms and students. Distribution is based on points that teachers have earned depending on the nature of the school. Ms. Blakeslee advised that this process was begun because teachers were having to use their own funds for their classrooms due to budget constraints. Ms. Blakeslee advised that monetary donations can also be made on their website.

Ms. Blakeslee advised that budget meetings are now being held and that she will discuss more about the budget process at the end of the BOS meeting today.

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 – Semi-Annual Report of Easements

Semi-Annual Report of Easements executed by the District Administrator or Deputy District Administrator as required by Resolution No. 565 approved by the Board at its February 25, 2015 meeting for period January-June 2019. **(EXHIBIT A)**

Item 6B – Project H Natural Gas Service – Construction Services

CONSIDERATION of Request for Board approval to execute a Change Order to Contract #C005017 with **SabCon Underground LLC**, in the amount of **\$38,796.41** for construction of the new natural gas service to Project H. 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 subject to reimbursement 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. **(EXHIBIT B)**

Item 6C – A.3 Parking Garage Site Works – Modification of Construction Services Contract Change Order Allowance

CONSIDERATION of Request for 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 **\$21,000.00** to compensate the contractor for changes in the scope of work attributable to barrier wall modifications at the entrance to the A.3 Garage. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds.

Item 6D – World Drive North Regional Stormwater Facility – Professional Services Agreement

CONSIDERATION of Request for Board approval to enter into an Agreement for Professional Services with **Jordan and Associates Consulting, Inc.**, in the Not-To-Exceed total amount of **\$8,327.00** for procurement services in support of the World Drive North Regional Stormwater Facility project. The total amount includes **\$7,930.48** in fees and **\$396.50** in reimbursables. Funding for this request is included in the approved project budget and is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds.

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 Mr. Schoolfield and duly seconded, the Board unanimously approved the Consent Agenda.

REGULAR AGENDA

Item 7A – Transaction Schedule between Duke Energy Florida, LLC and RCID

Mr. Ray Crooks requested Board approval of Transaction Schedule ("**Schedule**") dated as of July 24, 2019 ("**Effective Date**") by and between Duke Energy Florida, LLC ("**Company**" or "**DEF**") and Reedy Creek Improvement District ("**Customer**" or "**RCID**") pursuant to the terms and conditions of the Service Agreement dated September 3, 2010 ("**Agreement**") entered into pursuant to the Company's Cost-Based Rates Tariff CBR, FERC, Electric Tariff No. 9 (CR-1) ("**CR1 Tariff**") and Reedy Creek Improvement District and Board authorization for the District Administrator to execute this document. Mr. Crooks advised that this request is for the ability to purchase solar from Duke Energy at a rate less expensive than the gas produced power. Mr. Crooks advised that this will benefit RCID's portfolio. Mr. Crooks advised that with this new schedule,

approximately 30% of peak power will be renewable energy. 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 C)**

Item 7B – Project C2 Electric Service – Construction Services Agreement

Mr. Herrick requested Board approval to award a contract to **Team Fishel Company, Inc.**, in the amount of **\$957,574.00** for construction of the Project C2 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 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Herrick advised that this request is for three new transformers, 4,000 feet of new cable and 3,600 feet of 24 strand fiber optic cable. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request. **(EXHIBIT D)**

Item 7C – Natural Gas System Sub-District 1 and Sub-District 2 Upgrading – Budget

Mr. Herrick requested Board approval to establish a budget of **\$1,255,000.00** for the Natural Gas System Sub-District 1 and Sub-District 2 Upgrading project. Funding for this request is derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Herrick advised that this request is to begin the process related to upgrading of natural gas system. Mr. Herrick advised that these two Sub-Districts are not currently connected to each other. Mr. Herrick advised that Sub-District 1 serves the Magic Kingdom area and has a design pressure at 50 psi. This system is supplied with only one connection at the Central Energy Plant. Mr. Herrick advised that Sub-District 2 serves everything else and has design pressure at 125 psi and 60 psi, since it is both a medium and high pressure gas system. Mr. Herrick advised that with this request for Sub-District 1 and Sub-District 2, the future state of this system will be to standardize both systems at 150 psi and 60 psi. Mr. Herrick advised that the purpose of upgrading these two sub-districts is due to known future growth in this area as well as to interconnect the two systems. In order to do this, the systems need to have the same standard pressures. Mr. Herrick advised that this project will be done in four phases. Today's request is to approve the piping system verification/evaluation/and work plan development for the welded steel pipe in both sub-districts. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request. **(EXHIBIT E)**

Item 7D – Natural Gas System Sub-District 1 and Sub-District 2 Upgrading – Professional Services Agreement

Mr. Herrick requested Board approval to execute a Professional Services Agreement with **Kimley-Horn and Associates, Inc.**, in the amount of **\$445,520.00** for a comprehensive examination of the Sub-District 1 and Sub-District 2 natural gas systems and development of an upgrading plan for each system. 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 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Herrick advised that this request is for the lowest bid received from two firms and that both bids were very close. 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 7E – Natural Gas System Sub-District 1 and Sub-District 2 Upgrading – Owner-Furnished Materials

Mr. Herrick requested Board approval of Owner-Furnished Material (OFM) in the amount of **\$170,000.00** for the Natural Gas System Sub-District 1 and Sub-District 2 Upgrading project. Funding for this request is derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Herrick advised that this request is for repairs that may need to be made immediately. If no repairs are needed, monies will not be used. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request.

Item 7F – Natural Gas System Sub-District 1 and Sub-District 2 Upgrading – RCES Soft Costs

Mr. Herrick requested Board approval of an amount Not-To-Exceed **\$150,000.00** for RCES engineering and construction support, including survey, submittal review and project inspection costs for the Natural Gas System Sub-District 1 and Sub-District 2 Upgrading project. This request includes Board authorization for RCID's and/or RCES's direct purchase of miscellaneous goods and ancillary professional services as necessary for the project. Funding for this request is derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). 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 7G – Western Way Extension - First Amendment to Utility Reimbursement Agreement

Mr. Herrick requested Board approval of First Amendment to Utility Reimbursement Agreement amending the Utility Reimbursement Agreement (Western Way Extension Utility Design and Installation) between **RCID** and **Walt Disney Parks and Resorts U.S., Inc. (WDP&R)**, dated March 1, 2019, for the purpose of adding the cost of installing the necessary traffic signals at the corner of Western Way and County Road 545 and for Board authorization for the District Administrator or Deputy District Administrator to execute the First Amendment. Mr. McGowan advised that the original Utility Reimbursement Agreement was approved in March 2019 for the development of the Flamingo Crossings area. Mr. McGowan advised that this request is to cover the cost of installing a traffic signal at CR545 and Avalon. Mr. McGowan advised that this Amendment is for RCID to manage the design and installation. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request. **(EXHIBIT F)**

Item 7H – Revision of EPCOT Building Codes – 2018 Edition

Mr. Jerry Wooldridge requested Board approval to establish a Public Hearing date of August 28, 2019 for the purpose of adopting and enacting the 2018 Edition of the EPCOT Building Codes. Mr. Wooldridge advised that this request will be for the new edition of the 2018 EPCOT Building Codes, which are re-issued every three years, with supplements being issued in-between the three year period. Mr. Wooldridge advised that this compilation of codes is to recognize current technology and to correlate EPCOT code requirements with recent statutory modifications and

current code philosophies. Mr. Wooldridge advised that RCID has a variety of other municipalities and sources to review at a national level while also attending code development hearings and talking with experts in every industry. Mr. Wooldridge advised that these revised codes have been reviewed and accepted by the RCID Board of Appeals, other affected RCID departments, Walt Disney World Legal, Walt Disney Imagineering, Facility Operations Services, Facility Asset Management, World Safety and Accessibility, and other Disney Company entities deemed appropriate. 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 G)**

8. OTHER BUSINESS

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

Mr. Classe advised that Staff will present an update on the status of bonds and expenditure funds at the August 28th BOS meeting, as opposed to today's meeting.

Mr. Jones gave a brief update on the parking garages related to cost per parking stall as requested at the June 26th BOS meeting. Mr. Jones advised that for the Orange Garage, with a total of 3,873 parking stalls, cost per stall averaged \$23,754.00; for the Lime Garage, with a total of 2,078 parking stalls, cost per stall averaged \$28,874.00; and for the Grapefruit Garage, with a total of 3,003 parking stalls, cost per stall averaged \$24,975.00. These prices include all of the façade, parking guidance system, etc. Mr. Jones advised that on average, with a total of 8,954 parking stalls, cost per stall averaged \$25,352.00 each.

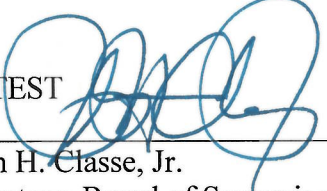
Ms. Blakeslee advised that a draft budget and work session will be conducted at the August 28th BOS meeting. Ms. Blakeslee advised that based on calculations as of the first of August, the proposed millage is currently 12.2908 and that when RCID files with the Property Appraiser's office the total millage will be no more than 12.3. Ms. Blakeslee advised that at least four BOS members will be required at each of the September BOS meetings. Ms. Blakeslee advised that there is a 6% increase in revenues and debt service is stable. Ms. Blakeslee advised that both the Four Seasons and the Dolphin Hotel have settled their lawsuits with the Property Appraiser's office.

Mr. Classe advised that the next BOS Meeting will take place on August 28th at 9:30 a.m.


Mr. Classe then presented the Final Thought from James Dent, American Author, "A perfect summer day is when the sun is shining, the breeze is blowing, the birds are singing, and the lawn mower is broken."

There being no further business to come before the Board, the meeting was adjourned at 10:30 a.m.

ATTEST



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



Laurence C. Hames
President, Board of Supervisors