

MINUTES OF MEETING

Board of Supervisors

Reedy Creek Improvement District

September 23, 2020

4:30 p.m.

President Hames called the regular meeting of the Reedy Creek Improvement District Board of Supervisors to order at 4:30 p.m. on Wednesday, September 23, 2020, at the Administrative Offices of the District, 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida.

Those present via teleconference were Max Brito, Wayne Schoolfield, Don Greer and Larry Hames. Ms. Jane Adams attended in-person, constituting a quorum of the Board of Supervisors. Others in attendance included; John Classe, District Administrator; and Wanda Siskron, District Clerk, Administration; Eddie Fernandez, Finance; Ron Zupa, Technology Services; Chris Quinn and Susan Higginbotham, Finance; and Kerry Satterwhite, Property Management. Those participating via teleconference were: Ann Blakeslee, Administration; Bruce Jones and Craig Sandt, Contract and Construction Management; Erin O'Donnell, Administration; Lexy Wollstadt, Finance; Yenni Hernandez, Technology Services; Jason Herrick, RCES; Kate Kolbo, Planning & Engineering; Jerry Wooldridge, Building & Safety; Jason Middleton, HR; Mike Crikis, Environmental Sciences; and Ed Milgrim and Ilana Perras, Milgrim Law Group.

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

SAFETY MINUTE

Mr. Eddie Fernandez advised that everyone in the room was familiar with the emergency exits, so he didn't go over the evacuation procedures. Mr. Fernandez advised that this month's safety tip is, "Safety is no laughing matter." Mr. Fernandez advised that these last several months have been very somber. Mr. Fernandez advised that the District has been very diligent with workplace safety as it relates to COVID-19. Everyone has been vigilant with safety issues and workplace safety. Mr. Fernandez advised that if we continue to contain the spread of the virus by doing the right things, it will pay off. Mr. Fernandez advised that we have succeeded in this effort by upping our safety standards.

APPROVAL OF MINUTES

Minutes from the August 26, 2020 and September 9, 2020 BOS Meetings were approved and accepted as presented.

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

REPORTS

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

Mr. Classe advised that both Larry Hames and Wayne Schoolfield have made great recoveries from their recent surgeries and are on the mend. Mr. Classe advised that everyone continues to think about them and glad all is going well. Mr. Hames had lower back surgery in August and Mr. Schoolfield had emergency gall bladder surgery early September. Glad to have them both back.

Mr. Classe advised that another one of our Board Members, Mr. Kermit Prime, from the Pollution Control Board, is in the hospital from complications with his pancreas and now pneumonia. Mrs. Liz Prime advised that Kermit has been transferred to a special hospital in Gainesville, FL and will remain there for approximately another month. Please keep Kermit in your thoughts and prayers.

Mr. Classe advised that the District and team are working hard to combat the COVID-19 virus. Mr. Classe advised that we still have a few cases here and there, but the percentage is very low. Mr. Classe advised that due to efforts put forth in the workplace, these positive cases are not from the workplace. Mr. Classe advised that transmission rates appear to be trending downward and we will continue our safe workplace protocols. Mr. Classe advised his Senior Leadership Team today that through the month of October, the District will continue with its modified work-from-home plan and then re-evaluate on a month-to-month basis.

Ms. Blakeslee advised that she had nothing to report except for the FY21 budget being presented at today's Public Hearing.

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. President Hames advised that there are no items on the Consent Agenda today to be considered for the Board's approval.

REGULAR AGENDA

Item 7A – BioSolids Dewatering Facility and Food Waste Transfer Station – 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 BioSolids Dewatering Facility and Food Waste Transfer Station 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 will be derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Herrick advised

that this request is to replace an antiquated water system. Mr. Herrick advised that he brought the design project for approval in July of 2020. Mr. Herrick advised that project has been on hold due to resolving a legal issue, so this request is now for RCES soft costs for this same project. Mr. Herrick advised that he will bring a request to the Board in the future for construction costs. Mr. Herrick advised that this project will run around \$12-15 Million dollars before completion. Mr. Herrick advised that design should be completed by end of FY21 and construction completed by end of FY 22. Mr. Herrick advised that old equipment will be removed and salvaged. Mr. Herrick advised that it is uncertain whether the existing structure can be used or if a new facility will be constructed. 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 – EPCOT Resorts Boulevard Bridge Replacement Phase II – Utility Relocation
Owner-Furnished Material Costs (OFM)**

Mr. Herrick requested Board approval of OFM in the amount of **\$200,000.00** for the utility relocation portion of the EPCOT Resorts Boulevard Bridge Replacement Phase II project. Funding for this request is included in the approved project budget and will be derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. Mr. Herrick advised that this request is for the relocation of utility systems on the existing vehicular bridge that is being replaced. Mr. Herrick advised that the utility systems include potable water, gas and electric and will include 8,260 feet of electric cable to be permanently relocated. 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 7C – EPCOT Resorts Boulevard Bridge Replacement Phase II – Utility Relocation
RCES Soft Costs**

Mr. Herrick requested Board approval of an amount Not-To-Exceed **\$100,000.00** for RCES engineering and construction support, including survey, submittal review and project inspection costs for the utility relocation portion of the EPCOT Resorts Boulevard Bridge Replacement Phase II 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 included in the approved project budget and will be derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds. 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.

8. PUBLIC HEARINGS

- A. President Hames then called a Public Hearing to order at 5:05 p.m. for the review and approval of the final millage rate and final budget for the Reedy Creek Improvement District (RCID) for Fiscal Year 2021. Ms. Higginbotham advised that nothing has changed since the approved tentative budget that was presented and approved on September 9th. Ms. Higginbotham advised that savings in FY20 gives RCID an ending balance of \$41M. Ms. Higginbotham advised that in FY20 RCID budgeted for a use of fund balance of \$7M, and

actuals are a positive \$5M. Ms. Higginbotham advised that for FY21, using the assessed values of \$13.8B times the millage rate of \$11.1429 and other income, gives us total revenues of \$153M; operating millage decreased from 7.3231 mills to 6.8467; and, debt service millage decreased from 4.9677 to 4.2962. Ms. Higginbotham advised that total expenses are \$163.8M and a \$10.8M use of fund balance and an ending fund balance of \$30M. Ms. Higginbotham advised that we would like to add \$1M to the already committed funds to property assessment settlements as we don't know the outcome of the lawsuits that are still pending against the Orange County Tax Assessor due to assessed valuations.

Ms. Higginbotham requested Board consideration and adoption of a millage levy for FY2021 at the rate of **11.1429** (Operating **6.8467**, Debt Service **4.2962**) dollars per one thousand dollars of assessed valuation and adoption of **RCID Resolution No. 617**. 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 A)**

RESOLUTION NO. 617

WHEREAS, the Reedy Creek Improvement District intends to levy the FY2021 millage rate of 11.1429 dollars per one-thousand dollars of assessed valuation; and

WHEREAS, Section 200.065, Florida Statutes requires that a resolution levying a millage rate be approved by the taxing authority; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation has been certified by the County Property Appraisers to Reedy Creek Improvement District as \$13,878,969,518; and

WHEREAS, the Reedy Creek Improvement District has, in accordance with Section 200.065) Florida Statutes,

1. Held a public hearing on September 9, 2020 for the purpose of adopting a tentative millage rate and budget; and
2. Advertised its intent to finally adopt a millage rate and budget; and
3. Held a public hearing on September 23, 2020 for the purpose of receiving comments regarding the final millage rate.

NOW, THEREFORE BE IT RESOLVED, that the Reedy Creek Improvement District, through its Board of Supervisors, hereby levies an operating millage rate of 6.8467 dollars per one thousand dollars of assessed value for FY 2021, which is 0.00% more than the rolled-back rate of 6.8467 computed pursuant to Florida Statutes 200.065; and

BE IT FURTHER RESOLVED, that the Reedy Creek Improvement District, through its Board of Supervisors, hereby levies a debt service millage rate of 4.2962 dollars per one thousand dollars of assessed value for FY 2021 thereby levying a total millage rate of 11.1429 dollars per one-thousand dollars of assessed value for the FY 2021.

BE IT FURTHER RESOLVED by the Board of Supervisors of the Reedy Creek Improvement District assembled in regular session this 23rd day of September 2020 that this Resolution be spread in full upon the minutes of this meeting.

President, Board of Supervisors

ATTEST:

Secretary, Board of Supervisors

Ms. Higginbotham requested Board consideration and adoption of the proposed FY2021 budget for the District and adoption of **RCID Resolution No. 618**. 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 B)**

RESOLUTION NO. 618

WHEREAS, the Reedy Creek Improvement District intends to adopt the FY2021 budget; and

WHEREAS, Section 200.065, Florida Statutes requires that a resolution adopting a budget be approved by the taxing authority; and

WHEREAS, the Reedy Creek Improvement District set forth the appropriations and revenue estimate for the Budget for Fiscal Year 2021 in the amount of \$193,996,349; and

WHEREAS, the Reedy Creek Improvement District has, in accordance with Section 200.065) Florida Statutes,

1. Held a public hearing on September 9, 2020 for the purpose of adopting a tentative millage rate and budget; and
2. Advertised its intent to finally adopt a millage rate and budget; and
3. Held a public hearing on September 23, 2020 for the purpose of receiving comments regarding the proposed millage rate and budget.

NOW, THEREFORE BE IT RESOLVED, that the Reedy Creek Improvement District, through its Board of Supervisors, hereby adopts the budget for the FY 2021.

BE IT FURTHER RESOLVED by the Board of Supervisors of the Reedy Creek Improvement District assembled in regular session this 23rd day of September 2020 that this Resolution be spread in full upon the minutes of this meeting.

President, Board of Supervisors

ATTEST:

Secretary, Board of Supervisors

Ms. Higginbotham requested direction by the BOS for the Comptroller to collect taxes for FY2021. 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.

President Hames then closed the millage and budget rate public hearing for the Reedy Creek Improvement District for FY2021 at 5:10 p.m.

- B. President Hames then called a Public Hearing to order at 5:10 p.m. for consideration and adoption of proposed utility rates and budget for the Reedy Creek Improvement District Utilities Division. Mr. Quinn addressed the Utility budget for FY2021 and advised that there have been no changes since the September 9th Budget Workshop. Mr. Quinn advised that FY21's utility planned costs are (\$5.2M) or -3% lower than the FY21 planned costs due to a reduction in labor to manage costs and a reduction in quantity of utilities. Mr. Quinn advised that pre-collected funds of \$3M in the previous year were to be used to do work in 2021, but this work has been pushed back until 2022. FY21 electric rates, natural gas rates, water and sewer, and solid waste are unchanged to current rates. **(EXHIBIT C)**

Mr. Chris Quinn requested consideration of request for Board consideration and adoption of proposed rates for electric for customers served by the Reedy Creek Improvement District effective for the first meter reading after September 20, 2020. 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.

Mr. Quinn requested consideration of request for Board consideration and adoption of proposed 2021 Utility budget. 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 C)**

President Hames then closed the public hearing for the Reedy Creek Improvement District utility rates and budget for FY2021 at 5:15 p.m.

President Hames then reconvened the Board of Supervisors' meeting at 5:15 p.m. and asked if there was any further business to discuss.

9. OTHER BUSINESS

A. RCES Proposed Labor Services Agreement

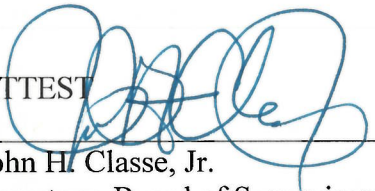
Mr. Quinn requested consideration of request for Board authorization for the District Administrator to execute on behalf of the District a proposed Labor Services Agreement with RCES for FY2021 in the amount of **\$33,840,000.00**. Mr. Quinn advised that this agreement and amount requested are consistent with previous years in providing labor services. 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)**


Mr. Classe advised that the next BOS meeting will take place on October 21st at 9:30 a.m. and it will be a virtual meeting.

Mr. Classe advised that today's Final Thought is from Henry James, American writer, "*Experience is never limited, and it is never complete.*"

There being no further business to come before the Board, the meeting was adjourned at 5:20 p.m.

ATTEST



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

Laurence C. Hames
President, Board of Supervisors