

MINUTES OF MEETING

Board of Supervisors

Reedy Creek Improvement District

November 20, 2019

9:30 a.m.

President Hames called the regular meeting of the Reedy Creek Improvement District Board of Supervisors to order at 9:30 a.m. on Wednesday, November 20, 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, Don Greer and Wayne Schoolfield, constituting a quorum of the Board of Supervisors. Others in attendance included; Ann Blakeslee, Deputy District Administrator; Wanda Siskron, District Clerk; Tina Graham, Assistant District Clerk; and Erin O'Donnell, Administration; Bruce Jones, Craig Sandt, and Eddie Fernandez, Contract & Risk Management; Chris Quinn, Susan Higginbotham, and Heidi Powell, Finance; Kerry Satterwhite, Property Management; Ron Zupa and Yenni Hernandez, Technology Services; Chief Richard LePere and Deputy Chief Keith Cartwright, RCFD; Jason Herrick and Mark Swanson, RCES; Steven Miller, WDP&R; 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 presented the safety instructions for the Administration Building. Mr. Fernandez identified the locations of the emergency exits at the front and rear of the building. Mr. Fernandez advised that the monthly safety tip is related to holiday tips. Remember to change the batteries in your smoke alarms; don't drink and drive; have working fire extinguishers in your home; and don't walk and text. Mr. Fernandez advised that November is National Gratitude Month. Remember to always keep a positive attitude and to focus on the positive, not the negative.

APPROVAL OF MINUTES

Minutes from the October 23, 2019 BOS Meeting 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 Deputy District Administrator. **(EXHIBIT F)**

Ms. Blakeslee gave an update on Mr. John Classe's recent hip replacement surgery. Mr. Classe is recuperating well, but has some good days and some rough days. Ms. Blakeslee presented a slide with a photo showing Mr. Classe holding three fake hipbones that had been autographed by various employees of RCID who were sending their get well wishes to Mr. Classe. Ms. Blakeslee thanked Chief LePere for securing these hipbones and for getting them autographed. The hipbones were wrapped in a box similar to a box of flowers and delivered to Mr. Classe at home by Ms. Marsha Malecki who lives nearby. Both Mr. Classe and his wife, Anne, had a good laugh with John opening the box and finding the hipbones.

On a more serious note, Ms. Blakeslee presented a slide of Mr. Brito whereby he was honored by the Orlando Chapter of the American Institute of Architects with the 2019 Nils M. Schweizer Award for his community service. This award is named after the late prominent Orlando architect and humanitarian. Ms. Blakeslee congratulated Mr. Brito for this prestigious award and thanked him for his service to the community and to RCID.

Ms. Blakeslee reported that at a future BOS meeting, she would like to present to the BOS an update on the RCFD Communications Center's new 911 system upgrade that has been in the works for approximately three years. Ms. Blakeslee advised that this new system went live on Tuesday, November 19th, and that there were no major issues. Ms. Blakeslee advised that this update required a lot of work as it was a big core upgrade. Ms. Blakeslee advised that everyone involved deserves recognition for this accomplishment.

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 – World Drive North Phase II Project – Amendment of Professional Services Agreement

CONSIDERATION of Request for Board approval to amend the Agreement for Professional Services between RCID and **Jordan Brothers Construction, LLC**, and add to the Not-To-Exceed fee in the total amount of **\$5,316.00**, for construction scheduling services supporting the World Drive North Phase II project. The total amount is comprised of a fee in the amount of **\$5,062.60** and reimbursable expenses in the amount of **\$253.40**. 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 6B – World Drive North Phase III Project – Amendment of Professional Services Agreement

CONSIDERATION of Request for Board approval to amend the Agreement for Professional Services between RCID and **Jordan Brothers Construction, LLC**, and add to the Not-To-Exceed fee in the total amount of **\$5,316.00**, for construction scheduling services supporting the World Drive North Phase III project. The total amount includes, **\$5,062.00** in fee and **\$253.40** of reimbursable expenses. 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 6C – EPCOT Resorts Blvd. Bridge Replacement – RCES Soft Costs

CONSIDERATION of Request for Board approval of an amount Not-To-Exceed **\$40,000.00** for RCES engineering and construction support, including survey, submittal review and project inspection costs for the EPCOT Resorts Blvd. Bridge Replacement 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 is derived from the RCID 2016-2020 Transportation Projects Ad Valorem Bonds.

Item 6D – Estoppel to Osceola County for Osceola Parkway Development Agreement

CONSIDERATION of Request for Board approval of Amended and Restated Osceola Parkway Development Agreement dated as of December 1, 2003. **(EXHIBIT A)**

Item 6E – RCES Labor Services Agreement – Proposed Revision

CONSIDERATION of Request for Board approval to authorize the District Administrator to re-execute on behalf of the District the Labor Services Agreement previously approved by the Board with RCES for FY2020 which has been revised only to include the required public records language pursuant to Chapter 119, Florida Statutes. **(EXHIBIT B)**

No items were pulled from the Consent Agenda for review. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the Consent Agenda.

REGULAR AGENDA

Item 7A – World Drive North Phase II – Professional Services Agreement

Mr. Bruce Jones requested Board approval to enter into an Agreement for Professional Services with **Land Design, Inc.**, in the total Not-To-Exceed fee amount of **\$143,390.00**, for area development design services supporting the World Drive North Phase II Project. The total amount is comprised of a fee in the amount of **\$141,190.00** and reimbursable expenses in the amount of **\$2,200.00**. 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 he would like to make an amendment to this request. Mr. Jones asked for approval from the BOS to authorize the District Administrator or Deputy District Administrator to execute change orders up to an aggregate amount of **10%** of the contract amount. Mr. Jones apologized for the oversight of

not adding this verbiage to the original request. Mr. Jones advised that this request is for the design of an irrigation lifeline during the course of construction on this project. Mr. Jones advised that competitive proposals were received from six landscape design companies and that this request is from the lowest bidder. Mr. Jones then presented a slide that showed we are at 23% of budget with approval of 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 C)**

Item 7B – A.3 Garage Pond Modification – Construction Services Agreement

Mr. Jones requested Board approval to award a Lump-Sum Fixed-Price Agreement for Construction Services in the amount of **\$255,200.00**, to **Watson Civil Construction, Inc.**, for the removal of sedimentation and slope adjustments to an existing pond located at the A3 Garage project site. 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 additional contract amount. Mr. Jones advised that this request is related to the pond located between the south side of the Grapefruit Garage and I-4. Mr. Jones advised that this pond was constructed a long time ago by another contractor. Mr. Jones advised that during this construction, a lot of heavy equipment was traveling in this area. This caused the sloughing of sediment back into the pond that we were not aware of until recently. This request is to remove the sedimentation and make slope adjustments to get the pond back into compliance with the South Florida Water Management District's guidelines. Mr. Jones advised that the World Drive project will not be completed in time for the 50th anniversary of WDP&R, but that a lot of coordination is being done with a lot of companies involved. Mr. Jones advised that the anniversary activities will not delay the impact of work to be done. 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 D)**

8. OTHER BUSINESS

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

Ms. Blakeslee advised that she wanted to update the BOS on the status of bonds. Ms. Blakeslee advised that we are in the process of working on refinancing the 2013A Bonds. Ms. Blakeslee advised that these bonds were used to finance the Buena Vista Drive Corridor including the Orange and Lime Garages. Ms. Blakeslee advised that this is due to interest rates being very low with the yield curve currently flat. Ms. Blakeslee advised that our financing team is monitoring the numbers for us. Ms. Blakeslee advised that a Resolution will be brought to the BOS at the December 18th meeting. Ms. Blakeslee advised that work is now being done on the documents. Ms. Blakeslee advised that the new tax law does not allow advance refinancing of tax exempt bonds and the existing bonds are not callable until 2023; therefore, these bonds will be a taxable issue. Ms. Blakeslee advised that the earliest we could do a current tax exempt refunding would be after the call date in 2023. Mr. Quinn advised that the savings could be in the range of 9-11%, approximately \$25-\$30 million present value savings and that this is something that needs to be

done. Ms. Blakeslee advised that the bonds were issued in the amount of \$360M and that no principal has been paid to-date. Ms. Blakeslee advised that the original bond issue was for 25 years. Ms. Blakeslee advised that JP Morgan and Bank of America are the underwriters in this deal. Ms. Blakeslee advised that Mr. Bob Gang and Mr. Craig Dunlap will be coming to the District next month. Ms. Blakeslee advised that we will close in January or February of 2020. Ms. Blakeslee advised that we will monitor how rates do over year-end. They will be taxable bonds at a low rate of possibly 3%. Ms. Blakeslee advised that we will begin to look at a Utility new money funding in 2020.

Ms. Blakeslee then gave an update on Osceola Parkway. Ms. Blakeslee advised that the agenda item related to this will result in Osceola County gaining more control over Osceola Parkway. Ms. Blakeslee advised that they are issuing bonds to take RCID out of our Guaranty and will repay \$70 million of funds the District loaned to the county over the years for the Parkway. Ms. Blakeslee advised that RCID will still own and maintain the roadway from I-4 towards Animal Kingdom. Ms. Blakeslee advised that RCID would have representatives keeping an eye on what Osceola County does once the Guaranty is released.

Ms. Blakeslee advised that we have \$20 million outstanding bonds associated with the District's parkway funding and will continue to pay the debt service. Ms. Blakeslee believes the \$70M will be used for capital projects' funding; therefore, requiring less District bonds to be issued in the future. There are several projects on the radar.

Ms. Blakeslee advised that the next BOS Meeting will take place on December 18th at 9:30 a.m. and that the agenda may be a lengthy one.


Ms. Blakeslee then presented the Final Thought provided by Mr. Classe. This Final Thought comes from a Chinese proverb, "The diamond cannot be polished without friction, nor the person perfected without trials." Ms. Blakeslee advised that Mr. Classe provided this Final Thought as it probably relates to the health condition he is in at the present time.

There being no further business to come before the Board, the meeting was adjourned at 10:00 a.m.



Laurence C. Hames
President, Board of Supervisors

ATTEST



Ann G. Blakeslee
Assistant Secretary, Board of Supervisors