

MINUTES OF MEETING

Board of Supervisors

Reedy Creek Improvement District

February 23, 2022

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, February 23, 2022, at the Administrative Offices of the District, 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida.

Those present were President Larry Hames, Max Brito, Jane Adams, Don Greer, and Leila Jammal constituting a quorum of the Board of Supervisors. Others in attendance included; John Classe, District Administrator; Tina Graham, District Clerk, Administration; Ron Zupa, Technology Services; Chris Quinn, Heidi Powell and Susan Higginbotham, Finance; Jason Middleton, Human Resources; Eryka Washington and Erin O'Donnell, Communications; Ed Milgrim and Ilana Perras, Milgrim Law Group; Ron Conrad, Brian Liffick and Justin Conley, Cherry Bekaert. Those participating via teleconference were: Craig Sandt, Kerry Satterwhite, Facilities; Bruce Jones, Procurement; Lexy Wollstadt, Finance; Kate Kolbo, Planning & Engineering; Yenni Hernandez, Technology Services; Chief Richard LePere, Fire Department; and Mike Crikis and Wendy Duncan, Environmental Sciences.

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

SAFETY MINUTE

Mr. Classe presented the safety instructions for the Administration Building. Mr. Classe identified the locations of the emergency exits, AED and the evacuation procedures.

APPROVAL OF MINUTES

Minutes from the January 26, 2022 BOS Meeting were approved and accepted as presented.

The District Clerk recorded proof of publication of the meeting notice.

REPORTS

District Administrator had no report to present.

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 – Construction Services Agreement Change Order Allowance

CONSIDERATION of Request for Board approval to increase the previous Board authorized change order allowance in the amount of **\$10,000.00** for the construction services agreement with **Southland Construction, Inc.**, associated with the construction laydown yard. Funding for this request is in the approved project budget and will be derived from the RCID 2016-2024 Transportation Projects Ad Valorem Bonds. **(EXHIBIT A)**

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 – Utility Agreement – Vista Way Apartments

Mr. Milgrim requested Board approval to authorize the District Administrator to execute on behalf of the District the revised proposed Utility Agreement with the owner of the **Vista Way Apartments** and related properties in substantially similar form to Exhibit B. The owner has requested that the previously approved Utility Agreement be revised to address the outside date for the District to provide potable water and wastewater, to modify the amount of damages should the District be required to continue providing services beyond the outside date and other non-substantive modifications. Mr. Milgrim advised that the agreement sets a two year outside date for Orange County to take over providing utilities from RCID. 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 B)**

Item 7B – Fire Response Agreement – Vista Way Apartments

Mr. Milgrim requested Board approval to authorize the District Administrator to execute on behalf of the District, the proposed Fire Response Agreement with the owner of the **Vista Way Apartments** in substantially similar form to Exhibit C. The District is agreeing to continue to provide fire response and emergency medical response services to the Vista Way Apartments until Orange County begins providing such services. Mr. Milgrim advised that the District has provided services since the location opened and this will help with a smooth transaction to Orange County. 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 7C – World Drive Phase 3 – Engineering Design Services Change Order

Ms. Kolbo requested Board approval to award a change order to **TLP Engineering Consultants, Inc.**, in the total amount of **\$57,250.00**. This change order is for additional design services, specifically to adjust access connections to a variety of adjacent construction projects, overhead sign adjustments, 3D utility modeling, additional design survey, and addressing constructability comments. Staff also request Board authorization for the District Administrator to execute change orders up to an aggregate amount of 15% of this amount. Funding for this request is in the approved project budget and will be derived from the RCID 2016-2024 Transportation Projects Ad Valorem Bonds. 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)**

Item 7D – Review of RCID Financial Statements

Mr. Quinn requested for the Board to accept FY2021 RCID Financial Statements. Mr. Quinn presented slides advising what services the Auditors, Cherry Bekaert, are engaged to perform. A copy of the Financial Statements was provided to the BOS with their packages. Mr. Quinn reported that he was pleased with the technical consulting support that Cherry Bekaert is providing to the District. The Auditors issued various compliance reports including a management letter with comments which have been addressed. Mr. Quinn reported that the District had an increase in total net position of \$53.6 million; an increase in net long-term debt of \$23.1 million with principal payments of \$60.8 million; a decrease in net pension liability of \$55.8 million. Mr. Quinn reported on Financial Statement Highlights for FY2021; COVID-19 Impact on Financial Statements, e.g., hiring freeze; overtime reduction; cuts to travel and unnecessary expenses; postponement of planned work and operating capital; total governmental fund expenditure savings of \$11.7 million; utility revenues increased 7% over 2020 due to theme park attendance increase; and utility operating expenses 15% less than budget.

Mr. Quinn reported on 2022 items which include changes to the way leases are accounted for in the financial statements due to Governmental Accounting Standards Board (GASB 87) and potential borrowing for additional capital needs due to World Drive Phase 3. Mr. Quinn asked if there were any questions. Mr. Greer asked if bonds would be issued and Mr. Quinn responded bonds would be issued later this fiscal year to cover expenses for World Drive Phase 3 and other capital projects.

Mr. Quinn introduced Ron Conrad, Brian Liffick and Justine Conley from Cherry Bekaert. Mr. Conrad and his team gave a brief presentation to the Board. The Auditors advised that they issued separate letters to each entity, RCID and Cities of Bay Lake and Lake Buena Vista and stated that they concluded with clean unmodified audit opinions for the District and the Cities. Mr. Conrad reported that there were no difficulties or disagreements with management; there was one material adjustment and no uncorrected misstatements and no management consultations with other accountants was necessary. Mr. Conrad thanked management for their support during the audit process as well as the Board. Mr. Conrad asked if there were any questions on his presentation and there were none.

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 E)**

8. OTHER BUSINESS

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

Mr. Classe advised that the next BOS meeting will take place on March 23rd at 9:30 a.m.

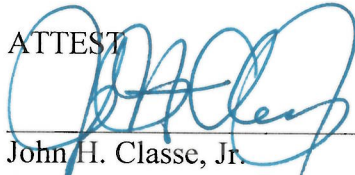
Mr. Classe advised that in support of Presents' Day, today's Final Thought is from Barack Obama, "Change will not come if we wait for some other person, or if we wait for some other time."

There being no further business to come before the Board, the meeting was adjourned at 10:15 a.m.



Laurence C. Hames
President, Board of Supervisors

ATTEST



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