

MINUTES OF MEETING

Board of Supervisors Annual Landowners Meeting

Reedy Creek Improvement District

May 26, 2021

The annual meeting of the owners of land within the Reedy Creek Improvement District (RCID) was called to order at 9:30 a.m. on Wednesday, May 26, 2021 at the Administrative Offices of the District, 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida, by Chairman Larry Hames.

Landowners present were Larry Hames; Jane Adams; Wayne Schoolfield; Max Brito; Mark Kohl, Walt Disney Parks and Resorts U.S., Inc. (WDP&R); Lee Schmudde, Palm Hospitality; and Page Pierce, The Celebration Company, Flamingo Crossings, LLC and Golden Oak Development, LLC, constituting a quorum of the Landowners of the District. Others in attendance included John Classe, District Administrator; Ann Blakeslee, Deputy District Administrator; Wanda Siskron, District Clerk; Tina Graham, Assistant District Clerk; Chris Quinn, Finance; Ron Zupa, Technology Services; Paulette Montero, Farhan Ali, Marguerite Nyhuis-Zierdt, and Raphael Port, Emergency Services; Ed Milgrim, Milgrim Law Firm; and Dianne Schoolfield, spouse of Wayne Schoolfield. Those participating via teleconference were: Heidi Powell and Lexy Wollstadt, Finance; Bruce Jones, Procurement; Eryka Washington and Erin O'Donnell, Communications; Mark Swanson and Anthony Kasper, RCES; Kate Kolbo and Max Elliott, Planning & Engineering; Jason Middleton, HR; Kerry Satterwhite and Craig Sandt, Facilities; Mike Crikis, Jeff Holland and Wendy Duncan, Environmental Sciences; Deputy Chief Eric Ferrari, Emergency Services; and Ilana Perras, Milgrim Law Group.

Chairman Hames called the meeting to order. First order of business was the Reedy Creek Emergency Services Color Guard presenting the colors as everyone stood and recited the Pledge of Allegiance.

Mr. Classe presented the safety instructions for the Administration Building. Mr. Classe identified the locations of the emergency exits and the location of the two AEDs in case of an emergency. Mr. Classe 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. Classe advised that a first-aid kit is located at the Security Guard's desk right outside the Boardroom. Mr. Classe advised that the National Safety Council recognizes June as National Safety Month. Mr. Classe advised that some of the safety tips for the Memorial Day weekend include; you can drink, but only if you do it responsibly; you can drive, but not if you've been drinking; you can grill, but not enough to alarm the fire department; and you can socialize, but never sacrifice your health somewhere you don't feel comfortable; and most importantly, have fun, but never forget the true meaning of Memorial Day which is to honor the men and women who gave the ultimate sacrifice so that we could enjoy the many comforts we have today. May they rest in peace.

Chairman Hames asked if the meeting was properly noticed. The District Clerk, Wanda Siskron, acknowledged that the meeting was properly noticed. **(Exhibit A)**

Mr. Classe presented the Letter of Certification from Jeff L. Green, P.S.M., setting forth the amount of land owned by each Landowner within the District. **(Exhibit B)**

Mr. Classe called the roll of Landowners, and based on the verbal roll call, advised the following Landowners were present in person or by proxy, representing 23,492.24 of the 24,607.79 acres within the District:

Jane Adams
Max Brito
Laurence Hames
Wayne Schoolfield
Flamingo Crossings, LLC
Golden Oak Development, LLC
Reedy Creek Improvement District
The Celebration Company
Palm Hospitality
Walt Disney Parks and Resorts U.S., Inc.

Mr. Classe introduced the Landowner Representatives (in addition to the Board members) present for the meeting: Mr. Mark Kohl, representing Walt Disney Parks and Resorts U.S., Inc. (WDP&R); Mr. Lee Schmudde, representing Palm Hospitality; and Mr. Page Pierce, representing Flamingo Crossings, LLC, Golden Oak Development, LLC and The Celebration Company.

The following Landowners were not present and/or not represented by proxy for the verbal roll call:

ARDC-Ocala
Celebration Community Development District
Florida Department of Transportation
FC Hotel A, LLC
Hess Retail Stores, LLC
HHR FSO LLC
JL-FX Hotel Development, LLC
JL-FX Orlando Hotel 4, LLC
Orange County
Orlando Gateway Group, LLC
Osceola County
Walgreen Co.

Chairman Hames requested nominations for Chairman for the meeting. Mr. Kohl made a motion to nominate Mr. Hames as Chairman for the meeting. Motion was duly seconded. All in favor.

Nomination approved. Chairman Hames then requested nominations for Secretary for the meeting. Mr. Lee Schmutde made a motion to nominate Mr. Classe as Secretary. Motion was seconded by Mr. Pierce. All in favor. Nomination approved.

Secretary John Classe announced the expiration of the terms of Board of Supervisors' Members Jane Adams, Wayne Schoolfield and Don Greer. Chairman Hames asked for nominations for Seat 1 being vacated by Jane Adams. Mr. Page Pierce, Flamingo Crossings, LLC, Golden Oak Development, LLC and The Celebration Company, made a motion to nominate Jane Adams for Seat 1 for a four-year term to expire June 1, 2025. Motion was duly seconded. Chairman Hames asked for any further nominations. There being no further nominations, Chairman Hames moved that nominations be closed for Seat 1. Motion was duly seconded. Chairman Hames asked for nominations for Seat 2 being vacated by Wayne Schoolfield. Mr. Lee Schmutde, Palm Hospitality, made a motion to nominate Wayne Schoolfield for Seat 2 for a four-year term to expire June 1, 2025. Motion was duly seconded. Chairman Hames asked for any further nominations. There being no further nominations, Chairman Hames moved that nominations be closed for Seat 2. Motion was duly seconded. Chairman Hames asked for nominations for Seat 3 being vacated by Donald Greer. Mr. Mark Kohl, WDPR, US, Inc., made a motion to nominate Donald Greer for Seat 3 for a four-year term to expire June 1, 2025. Motion was duly seconded. Chairman Hames asked for any further nominations. There being no further nominations, Chairman Hames moved that nominations be closed for Seat 3. Motion was duly seconded. The Assistant District Clerk then handed out Ballots for Seats 1, 2 and 3 to the Landowners. Ballots were completed and then retrieved by the Assistant District Clerk and District Administrator. The Clerk then examined all of the ballots and declared them to be duly executed. The Clerk then handed ballots to Secretary John Classe with the results. Mr. Classe then announced that Jane Adams, Wayne Schoolfield and Donald Greer had been elected to four-year terms to expire June 1, 2025, each receiving all votes represented at the meeting.

Chairman Hames stated the next item of business was ratification of the Minutes from the May 22, 2019 and May 20, 2020 Landowners Meetings. Mr. Lee Schmutde, Palm Hospitality, moved a motion for approval of May 22, 2019 and May 20, 2020 Minutes. Mr. Wayne Schoolfield, seconded the motion, and the motion was unanimously approved. **(Exhibit C)**

Secretary Classe asked Ms. Kate Kolbo to present Planning & Engineering's two reports; the 2020 Annual Report for Reclamation & Water Control, Roadway & Bridge Infrastructure and the 2021 Annual Water Control Inspection Report.

Both the 2020 Annual Report for Reclamation & Water Control, Roadway and Bridge Infrastructure and 2021 Annual Water Control Inspection Reports were then presented by Ms. Kolbo. Ms. Kolbo advised that these two reports were included in the Landowners material previously provided and that the reports are required by RCID's Charter to be presented to the Landowners for their acceptance. Ms. Kolbo advised that these reports identify scheduling of ongoing maintenance and the planning for future expansion. Chairman Hames advised that both the 2020 Annual Report for Reclamation & Water Control, Roadway and Bridge Infrastructure and the 2021 Annual Water Control Inspection Reports were accepted on behalf of the Landowners. **(Exhibits D & E)**

Chairman Hames asked Mr. Quinn to present the Annual Financial Report on behalf of the District Treasurer. Mr. Quinn presented an overview of Fiscal Year ended September 30, 2020, summarizing the governmental activities and utility operations by major financial statement classification. Mr. Quinn reviewed governmental expenses; utility revenues and expenses; capital assets, and outstanding debt, all as of September 2020. Mr. Quinn reported that the District's financial strength of \$470M is very solid. Mr. Quinn reported that the District's credit ratings are still pretty strong with an AA- rating for Ad Valorem Bonds and an A rating for Utility Revenue Bonds. Mr. Quinn advised that the District is in regular contact with the rating agencies due to Utilities ratings. Mr. Quinn reported that the auditors advised that RCID is in compliance with the State of Florida requirements and issued a clean report. Mr. Quinn advised that all financial compliance and disclosure requirements have been met. Mr. Quinn advised that for FY2021, RCID's ad valorem millage rate is 11.1429 and the utility debt service coverage is 1.37. Mr. Quinn reported that the Fiscal Year 2021 Budget is on target. Mr. Quinn went on to report that some of the effects of COVID-19 on operations and current and future budgets include; deferring capital projects that are not critical (no bond-funded projects have been deferred); an internal freeze on hiring and overtime; and no non-essential travel. Chairman Hames accepted the Annual Financial Report on behalf of the Landowners.

Chairman Hames then asked Secretary Classe to present the annual reports to the Landowners.

Mr. Classe reported that he would be focusing on a couple of different areas; COVID-19 Response; Capital Projects; and Diversity Equity Inclusion. Mr. Classe advised that in regards to COVID-19, the District maintained all services to its taxpayers; set District fiscal year budget (millage) to the roll-back rate; no significant health issues to District staff; no staff furloughs; and continued capital projects. The capital projects include World Drive North-Phase 2 (construction); World Drive North Phase 3 (design); Flamingo Crossings Pedestrian Bridges (design); and District-Wide DMS/Fiber Network (design). Mr. Classe advised that World Drive North-Phase 2 construction is underway near the Car Care Center. This will include a two-lane divided roadway near entrance to Magic Kingdom parking which will allow access to Shades of Green, the Polynesian, Grand Floridian and Bear Island Road. This also includes improvements to structures for bridges and an exit for leaving Magic Kingdom via new flyover.

Mr. Classe reported that the World Drive North Phase 3 design is for a two-lane road past Seven Seas, the Polynesian, Magnolia Golf Course and the Grand Floridian. This construction will impact the Shades of Green entrances, but we are working on Osceola Parkway to help with this. To eliminate pedestrian traffic at the Grand Floridian, there will be a pedestrian bridge near Fire Station 3. There will be a two-lane road from Reams Rd. to World Drive to I-4 to Celebration and a roundabout will be used as opposed to traffic signals. This construction will start in the spring of 2022. The golf course work will be done first. A budget of \$90M was approved for this project. However, with an estimate of 90% of the plans, there will not be enough funds to complete. Mr. Classe advised that early next year, we will ask the BOS for approval to fund the gap.

Mr. Classe advised that the Flamingo Crossings Pedestrian Bridges project will be a separate project. The two bridges will be exactly the same design. Pre-Bids will be issued today. Bids should be received within three weeks and this item will be brought to the BOS at the June 23rd BOS meeting for authorization. Flamingo Crossings is rapidly growing with the college housing and apartments, retail dining, etc. Mr. Classe advised that we need to move forward quickly with this project.

Mt. Classe advised that District-Wide DMS/Fiber Network Boards will be installed across property. Mr. Classe presented a chart that showed exactly what areas of property are covered present and what will be provided with this expansion over the next year. Mr. Classe advised that Reedy Creek Energy Services will provide electric power for this project.

Mr. Classe advised that in January of 2021, the District took the pledge with the Economic Partnership of Orlando to establish Diversity Equity Inclusion and to examine its existing relationships with MWBE organizations; establish an MWBE Outreach to establish new relationships; and DEI education and awareness programs. Mr. Classe advised that the District has established a Diversity Initiative Committee to implement more educational awareness to District employees.

Chairman Hames advised that the next item on the agenda is for Ratification of Actions by the BOS and Officers of the District. Mr. Mark Kohl, WDP&R, made a motion to ratify these actions and Mr. Page Pierce, Flamingo Crossings, LLC, Golden Oak, LLC and The Celebration Company seconded the motion. The motion was unanimously approved.

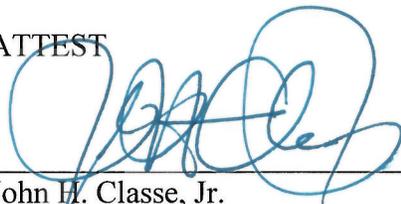
Chairman Hames and the Board members thanked everyone for their reports.

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



Laurence C. Hames
Chairman, Board of Supervisors

ATTEST



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