

MINUTES OF MEETING
BONNET CREEK RESORT
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Bonnet Creek Resort Community Development District was held Thursday, December 5, 2019 at 2:00 p.m. at the Hilton Bonnet Creek, 14100 Bonnet Creek Resort Lane, Orlando, Florida.

Present and constituting a quorum were:

Bob Gaul	Chairman
Randall Greene	Vice Chairman
Glen Winsor	Secretary
Herb Von Kluge	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
John Florio	District Engineer
Jim Nugent	DWMA, Inc.
Justin Koegel	Whiting-Turner Contracting Company
Clayton Smith	GMS

The following is a summary of the minutes and actions taken at the December 5, 2019 meeting and a copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint stated we have a representative of the contractor for the Hilton expansion present. There was a request we might deal with his issue first if the Board is amenable to that.

Mr. Koegel stated we are finalizing the plans to turn through the median coming out of the fire lane and we just have to insert the turning radius and finalize the engineering plans so we will have that formal plan to you in the next week or so. I also brought the excerpt from our contract and clarified our coverage with our insurance broker. Basically, if there is an incident

we are responsible for, my insurance is responsible for it. Barkley's has us with a \$5 million occurrence policy. I can get the CDD additionally insured for that. I think that should suffice for coverage.

Mr. Von Kluge asked are you going to be proactive in testing?

Mr. Koegel responded absolutely.

Mr. Florio stated construction permits typically come with a requirement to do a background sampling. Our case is different only because the water from that particular lake goes in several different directions. Our concern is that if there is an issue it is going to the Wyndham, the wetlands and the road. I take it the \$5 million pollution policy is similar to what RCID requires too.

Mr. Koegel stated I believe so.

Mr. Gaul asked will the testing also be at the lake that is part of the Wyndham property because we have a lot of wildlife in that lake?

Mr. Florio stated technically you have to test the lake you are working in. If you find a problem in the lake you are working in, then you have to start hunting downstream.

Mr. Koegel stated we will likely have monitoring stations right before we dump into the Chelonia Parkway.

Mr. Flint stated the reason this is being presented to you is at the last meeting the discussion was about requiring them to do a bond of some sort. I think they are looking at this in lieu of.

Mr. d'Adesky stated I would look at the policy language, the definition of what the pollutant coverage covers and if that covers the scope of the potential damages that could happen, in this case we are not looking at possible damage for outfall structures that would be more of a general liability issue although if it is possible to add us as an additional insured to the general liability policy, that would bolster. If we can get assigned to both policies, I would be much more comfortable.

On MOTION by Mr. Von Kluge seconded by Mr. Gaul with three in favor and Mr. Winsor abstaining due to a conflict of interest, being named additional insured on both the pollutant policy and general liability policy for the Hilton expansion subject to review by District Counsel, was approved.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the November 7, 2019 Meeting

On MOTION by Mr. Greene seconded by Mr. Von Kluge with all in favor the minutes of the November 7, 2019 meeting were approved, as presented.

FOURTH ORDER OF BUSINESS

Consideration of Request for Utilization of the CDD Rights of Way by Smart City Telecom to Serve the JW Marriott

This item was deferred.

FIFTH ORDER OF BUSINESS

Consideration of First Amendment to Temporary Conditional License Agreement with Allen E. Smith Ranching, Inc.

This item was deferred.

SIXTH ORDER OF BUSINESS

Consideration of Form of Letter Terminating the Temporary and Conditional License Agreement with James Mack and Allen Smith

Mr. Flint stated this is essentially a letter terminating a license agreement allowing hunting to take place on Crosby Island and the desire is to terminate that license agreement.

Mr. d'Adesky stated the letter contemplated doing both amending and terminating and I will edit that letter to just be terminating the license agreement, related to feral hog hunting off of airboats.

Mr. Flint stated it was supposed to be under the supervision of someone who has since passed away and the desire is to terminate that agreement.

On MOTION by Mr. Winsor seconded by Mr. Greene with all in favor the 2005 temporary license agreement related to feral hog hunting with James Mack and Allen Smith was terminated.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky stated I will follow-up on the insurance issues and licenses. I still have not heard from Lennar or the survey company. I sent a letter to the trail folks; I said we have issues we need to look at and this is on hold indefinitely but I think the resolution of the Board was a hard no.

Mr. Florio stated I volunteered to be the one to tell them the hard no.

Mr. Flint stated I do have for the file a memo from BDA outlining the reason why.

Mr. d'Adesky stated I still haven't heard from the attorney on the golf course easement.

Mr. Von Kluge stated I understand that it is going to be done. There are people who understand the sense of urgency on our behalf to get this done. What is the timing of being up and running?

Mr. Nugent stated there will be a companion document that needs to be prepared and executed by Park or GBH, golf course unless they want to act as the permittee for the irrigation lift station. To pull an Orange County building permit we will need an affidavit, signed and notarized by an authorized person at GBH that says the CDD has permission to pull a building permit to construct the pump station. That was input from Orange County building department because it is not a normal thing to happen. I will ask if they have a format they prefer or if they can send me one from another project with the names blacked out if necessary.

Mr. Florio stated a letter from your office with a copy of the easement would probably get us there. All they want to know is if we have a legal right to be doing what we are doing. The easement not only grants us the right to build there but the ingress and egress we need to get there. The old pump system may last a little longer if we set up a watering schedule now.

Mr. Flint stated Clayton will work with your Engineer, Reese and someone from JW on a watering schedule.

B. Engineer

Mr. Florio stated I handed out two documents. The Waldorf and Hilton project: the Waldorf submitted their permit applications to the water management district for the Waldorf building expansion, which is on the east side of the current Waldorf upland not near the water. The water management district requested a letter from the Board acknowledging that the project was moving forward. We wrote a very benign letter saying we, the District, have the permit and

we are the ones responsible and issued it to the District and they already issued the permit so this is a ratification, but I wanted you to have it.

The second piece, which is a much more voluminous document is a summary of all the items I know to be outstanding. Reedy Creek responded to our request for the sign again with yet another proffer of ten comments I attached in an email with bullets basically saying everything has to move. We tried to formulate a plan that shows that and at the back of this is a sketch of where the Reedy Creek Improvement District would like us to move. The median sign stays exactly where it is. The west wingwall she wants moved back ten feet from the edge of the right of way line and the east wall they want pushed way back into the area they originally offered as right of way for us. The good news is they have agreed to expand the viewshed easement to include a window from the interchange all the way basically to this intersection.

Mr. Flint asked are there any environmental permits?

Mr. Florio stated they are responsible for it. They say that the easement they are drawing is in their right of way and they have the right to clear their right of way because I told them we wouldn't consider a viewshed easement if it was not mowed to the ground.

The balance of the memo is the status on all the other stuff. The Marriott we still have the easement swap to do and a couple other things related to our access to the lift station. The Waldorf and Hilton we talked about including their approval for maintenance of traffic plan and surety. Irrigation pump station we have been all over the high point there. Taxi staging lane: at the last meeting we offered to get proposals from Whiting-Turner, we sent the plans and they are working on it now. Nature trail, I will write them a formal letter telling them we are not interested. Lennar access, we have an agreement that promises us a deed for right of way that is access to a parcel that is critical to fire. They are not going to fix anything, they are not going to survey anything, and they are not going to fight you over it. They just don't want to fix it.

Mr. d'Adesky stated because it has been so many months they may not have started it. I will demand a deed and if I don't get the deed I will send a letter with the complaint.

Mr. Gaul asked going back to the sign issue. Where are we at in the timeframe on construction of the sign?

Mr. Flint asked and how do we keep momentum?

Mr. Florio stated keeping momentum means responding to Reedy Creek. They aren't going to have the money until after the first of the year. We can respond right now and say okay

and give them a new sketch and probably get an agreement. I don't know that what we get is what you are going to be happy with. I just thought there is a conservation easement over the south triangle of what they are going to give us. They are going to have to vacate a conservation easement to give us that piece of right of way and it is not going to happen.

Mr. Von Kluge asked how important is it to have this wall there?

Mr. Florio stated that is not as critical.

Mr. Gaul stated to me that is not as important as the median signage.

Mr. Florio stated if we are generally okay with this my proffer back to them would be this looks like it is going to work we want to revise the design but you have to make sure I'm going to get free and clear right of way so I can build the sign.

Mr. Gaul stated the big sign is important to get here. The other sign is almost like making you feel good where you are staying while you are waiting to go out and most people don't know where they are going and they switch lanes at the last second. If we were voting right now my vote would be let's go forward.

Mr. Florio stated if it were deal or no deal I would suggest we build the median sign and leave the walls where they are and let it go and when they come in and build the road let them do it. We have \$1 million from them on the table for these three pieces in exchange for the right of way.

What if we agree to move everything the way it is on this plan subject to them being able to deliver free and clear right of way unencumbered on the piece we want to build on and to the extent they cannot do that we get all the money and use it for whatever we want to do with the money.

On MOTION by Mr. Gaul seconded by Mr. Winsor with all in favor staff was authorized to proffer a proposal back to Reedy Creek that if they are unable to deliver free and clear right of way unencumbered on the land for the wingwall, the District receives the \$1 million.

Mr. Florio stated I will come to any Disney meeting, any Reedy Creek meeting, I will be available for whatever I need to do to finish this project.

C. Manager

i. Consideration of Check Register

On MOTION by Mr. Greene seconded by Mr. Von Kluge with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iii. Field Manager's Report

Mr. Smith stated reviewed his report, copy of which was included in the agenda package.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.


NINTH ORDER OF BUSINESS

Other Business

There being none,

On MOTION by Mr. Greene seconded by Mr. Gaul with all in favor the meeting adjourned at 3:14 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman