

**MINUTES OF MEETING
FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1**

The Public Hearing and Regular Meeting of the Board of Supervisors of the Fiddler's Creek Community Development District #1 was held on **Wednesday, July 23, 2008 at 10:00 a.m.**, at the **Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.**

Present at the meeting were:

Phillip Brougham	Chairman
Alexander Love	Vice Chairman
James Curland (via telephone)	Assistant Secretary
Peggy Schmitt	Assistant Secretary
James Robertson	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Matt Morris	Client Services Manager
Terry Cole	District Engineer
Carlo Zampogna	District Counsel
Jim Vajen	Gulf Bay

FIRST ORDER OF BUSINESS

Call to Order

Mr. Adams called the meeting to order at 10:55 a.m., and announced that all Supervisors were present with Supervisor Curland attending via telephone.

SECOND ORDER OF BUSINESS

Copies of Affidavits of Publication

- **Notice of Rule Development**
- **Notice of Intent to Consider Adoption of Amendment 2 to the Rules of Procedure**

Ms. Schmitt pointed out a discrepancy in the meeting notice which advertised the start time as 9:00 a.m. Mr. Adams acknowledged this error and said it does not affect the Board legally, as long as the meeting is held at the advertised time or later, it is acceptable.

Mr. Brougham requested that the Board agree to start meetings at 10:30 a.m. when both CDD Boards hold individual meetings.

THIRD ORDER OF BUSINESS

Staff Report: Engineer

Mr. Cole presented the following pay draws:

Draw # 25, for approximately \$92,000. Mr. Cole said this mainly reflected soft costs for engineering and permitting; invoices for clearing work being done over the past few months; work on water mains in Phase 3, on the eastern side in Marsh Cove; and irrigation piping on Fiddler's Creek Parkway.

Mr. Brougham asked for clarification about the irrigation piping work. Mr. Cole said he did not entirely recall the details of this work and commented that this may have been retainage money. Mr. Brougham asked for clarification on the irrigation piping via email.

Mr. Brougham asked Mr. Cole about the progress of clearing work. Mr. Cole advised not much was being done due to the wet weather, but this will resume soon in the dry season. Mr. Brougham asked Mr. Cole to speak on the two irrigation proposals before the Board that day. Mr. Brougham advised that CDD #2 had tabled this issue to get more information, rather than proceed with spending this kind of money without a guaranteed solution. Mr. Brougham said he had spoken with Jim Vajen prior to the meeting and discussed the approach of investigating and getting proposals to install blow off valves in villages that don't have these. Mr. Brougham said he wished to direct Mr. Cole and Mr. Vajen to work with an appropriate vendor to get some quotations on the installation of the appropriate number of blow off valves both in the villages and on the main line and get quotes in incremental fashion. He requested that both men collaborate on this. Mr. Brougham requested some recommendations from Mr. Vajen in light of his expertise on irrigation matters. Mr. Vajen said it appears that the villages with the most difficulties are those located furthest from the pumping station. He suggested that maybe a blow off station is needed closer to the pump station.

Discussion ensued on this topic.

It was suggested that the Board table the proposals from Aquamatic and Entrix while alternative mechanical solutions are explored.

Mr. Vajen suggested speaking with the Mallards HOA, which is very interested in this matter.

Mr. Curland commented that the Board needs to identify the problem before attempting to implement a solution. Mr. Brougham said that to his understanding, snail brine is part of the problem clogging up lines and heads. He stated that the Board has decided to table the proposals for one (1) month while staff obtains quotations for the mechanicals. At that point, the Board can look at proposals and consider dollars necessary for mechanical solutions. Mr. Brougham said Jim Vajen is sending samples of the snails to the University of Florida for analysis which will help arrive at a solution.

On MOTION by Mr. Brougham and seconded by Ms. Schmitt, all voted in favor of pursuing proposals for installing CDD and neighborhood blowoffs.

A clarification was given with regard to the irrigation piping work on Fiddler's Creek Parkway. It was explained that the main line was never reconnected from Fiddler's Creek Parkway to the Whisper Trace inlet after changing from City water. This had resulted in pressure problems in Whisper Trace. This payment covered work involved with reconnecting this line.

Mr. Brougham said there is no way to pay for mechanical blow off valves as a capital improvement item. Mr. Adams said if the payment is significant enough, this can be done. However he explained that within individual neighborhoods this is not possible. He stated that improvements to irrigation systems that branch off the main artery are transferred to individual neighborhoods as they are private property.

FOURTH ORDER OF BUSINESS

Public Hearing to Hear Public Comment and Objections to the Adoption of Amendment 2 to the Rules of Procedure

Mr. Brougham advised that the Board has reviewed the Rules of Procedure quite frequently. He explained that this amendment reflected revisions that will move the Rules of Procedure more into conformance with existing statutes.

Discussion ensued briefly with regard to quorum requirements for Board members. Mr. Adams clarified that three (3) Board members needed to be present to constitute a quorum.

Mr. Brougham opened the Public Hearing. As no members of the public spoke, the Public Hearing was closed.

FIFTH ORDER OF BUSINESS

**Consider Resolution 2008-6 Amending
the Rules of Procedure of the District**

**On MOTION by Mr. Brougham and seconded by Mr. Love, all
voted in favor of approving Resolution 2008-6.**

SIXTH ORDER OF BUSINESS

**Continued Discussion of Proposed Budget
for Fiscal Year 2009**

Mr. Adams indicated that a revised version of the budget was located behind Tab 6. He stated that this revision incorporates changes discussed at the previous meeting and reflects staff's efforts to look at places to cut costs. Mr. Robertson said he was heartened by the proposed reduction of approximately \$100,000 for 2009.

Mr. Robertson commented that an arbitrary decision to cut the budget by a specified amount is the wrong way to go. Mr. Adams said the changes in effect included reductions in street sweeping, based on the Board's consensus at the previous meeting; also, the fountains lease was adjusted to reflect only three (3) monthly payments. Additionally, staff looked at electricity and repairs and maintenance of fountains. Mr. Adams summarized reductions to the overall budget

Mr. Brougham stated that the potable water contingency was eliminated entirely for CDD #1. Mr. Adams agreed and stated that the changes made will not have an effect on service, but rather bring the budget in alignment with reality.

Mr. Adams pointed out that the tree trimming item on page two (2) does not show well on the document, but this will be corrected.

Mr. Brougham asked what the additional \$40,000 figure was projected for. Mr. Adams said this was to deal with additional striping or potholes, pressure washing and sealing of brick pavers and removal of staining by black olives. He explained that this year to date figure was reduced to address the District's needs going forward. Mr. Adams stated he needed the Board to authorize staff to take actual assessment numbers plus one (1) percent for noticing the cap amount. He explained that the Board cannot go over the cap amount at the Public Hearing.

On MOTION by Mr. Robertson and seconded by Mr. Brougham, all voted in favor of authorizing staff to add one (1) percent over the actual assessment, to proceed with legal notice and preparation purposes.

A comment was made about the frequency of sprinklers running along Championship Drive and on Mulberry. Mr. Brougham said the pumps ran continuously at a slow revolution and will always be rotating. He stated that the irrigation system has been put on hold periodically over a recent period. It was stated that the system was managed and that there were periodic times when it was shut off. Mr. Brougham asked for information on which villages had rain sensors on their sprinkler controllers. Mr. Adams said it is very difficult to measure this on large projects as the computer looked at the entire community by zones; as it figured out capabilities of the pump house, it looked at measurements from different zones. Mr. Brougham said any resident who observed off-hours irrigation that appeared to be running for no good reason, should call the number advertised in the *Boardwalk*.

SEVENTH ORDER OF BUSINESS

Summary of Access Control Test – July 2008

Mr. Morris reported that he had coordinated an access control test procedure with Ron Albeit and Mike Charbonneau. He explained that he had recently presented himself as a realtor attempting to access a residence that he knew to be for sale. Mr. Morris advised that the guard was unable to contact the resident via telephone; the guard then gave him a CDD map and advised that he could enter the community, but had to remain on the roadways outlined on the map. Mr. Morris said he was also provided with an Open House participation form. He stated that it appears the Post Orders are being followed as written.

It was commented that homeowners who are not available by telephone could be traveling overseas. It was asked whether homeowners are required to provide a realtor's name to guards or whether the guards are required to contact a real estate agent. Mr. Brougham responded negatively.

Discussion ensued briefly on this topic.

Mr. Brougham commented that Mr. Morris will not be able to get away with such a test on an ongoing basis. He asked about the quote provided earlier from an agency to do this work.

On MOTION by Mr. Brougham and seconded by Mr. Love, all except Mr. Curland and Mr. Robertson voted in favor of engaging a private agency to perform access testing quarterly, to be funded 100% by CDD #1 in an annual amount not to exceed \$900. (Motion passed 3-2).

Mr. Brougham recalled previous discussion on the issue of the unimpeded access easement to The Rookery staff members and guests. He asked the attorney about the results of the conference call on this issue. The District Attorney advised that there is an agreement for unimpeded access for Mass Mutual to use Championship Drive gate. He stated that no contact has been made with Mass Mutual or The Rookery. Mr. Brougham said he wanted facts on the table on this issue, inclusive of the opinion of Mass Mutual and/or Chris Major, General Manager of The Rookery. Staff indicated they will follow up on this request.

EIGHTH ORDER OF BUSINESS

Update on Irrigation Study

- **Consideration of Entrix Proposal**
- **Consideration of Wesco Turf Proposal**

This item was discussed earlier in the meeting.

NINTH ORDER OF BUSINESS

Approval of June 25, 2008 Joint Board Meeting Minutes

Corrections to the minutes were provided as follows:

- Line 164: Change Boards to Board.
- Line 226: Correct spelling of Campanielle.
- Line 198: Change A&B to A&D.
- Line 232: Correct spelling of Ohye.
- Line 268: Change principles to principals.

On MOTION by Mr. Brougham and seconded by Mr. Love, all voted in favor of approving the June 25, 2008 minutes as corrected.

TENTH ORDER OF BUSINESS

Other Business

No Other Business was discussed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

No report was given.

b. Manager

i. Unaudited Financials as of June 30, 2008

Mr. Adams presented the Financials as of June 30, 2008.

Mr. Brougham recalled that a line item entitled Due from Developer was supposed to be included on page one (1) but was not there.

Mr. Brougham stated that on page two (2), there should be a line item entitled Due from Developer under General Fund 1.

Mr. Brougham asked what the District paid with regard to telephone charges. Mr. Adams said he needed to look into this. It was stated that the District uses the interface between Championship Gate and the main guardhouses. Mr. Adams said it is possible that some recent phone line additions were added to the wrong line and need to be re-coded under Access Controls.

Mr. Brougham referred to page seven (7) and requested that the amount of \$103,680 be included as a line item entitled Due from Developer.

Mr. Brougham asked what changes have been made since the discussion regarding developer assessments received. Mr. Adams said accounting staff has dug into this issue and rebuilt the transactions, pertaining to General Fund 001, with the developer and going all the way back to October of 2007. He explained that the 002 assessments reflected the repayment of the SunTrust Fund. He added that the developer pays this on a quarterly schedule. He stated that the management firm had not sent a bill since last fall, but this has since been corrected.

Additionally, Mr. Adams reported that there was a \$93,000 payment from Gulf Bay; however, for some reason, the check had not cleared and due to an oversight, this payment was never collected. He stated both parties shared responsibility on this error. Also, there is \$49,000

payment due on the General Fund 001 side; this bill has landed in the developer's accounting department and they have responded that this will be paid in two (2) payments. He said the entire \$153,000 payment will be received and cleaned up year to date through the end of July. Mr. Adams stated that going forward, staff will send out a bill at the end of the month; therefore, the developer will receive bills for payment the first week of the month in which payment is due.

Discussion ensued briefly on this topic.

Mr. Adams reiterated that his firm and the developer are committed to resolving this.

Mr. Brougham voiced frustration with payments not being made on time by the developer.

It was commented that while the discrepancies could have been discovered one (1) or two (2) months earlier, Mr. Brougham's implication that the developer is not paying on the due date is incorrect. Mr. Brougham said the fact that \$153,000 in developer payments was overlooked by both management and the developer did not reflect good management practices. He stressed the need for some sort of incentive that this not happen again. Mr. Adams agreed that his firm bore the responsibility of not recognizing that this payment was not red flagged. However, his firm has worked through this and implemented some changes to alleviate this on a go-forward basis. He suggested that the Boards continue to monitor this more closely. He said he felt confident that this will be reflected as a zero Due from Developer going forward. Mr. Brougham apologized for the implication in his comments about the developer payments.

ii. Quarterly Continuing Disclosure Report, April 1, 2008 to June 30, 2008

Mr. Adams said this is an informational item. He explained that this report provides statistical data to the bond holders and investment community on how the community is growing.

Mr. Brougham asked about the deadline for the ERUs. Mr. Adams stated that CDD #1 has set ERUs and that there are no changes in planned units. He explained that CDD #1 will have some change in assessments based on what CDD #2 does; however this should come down. Mr. Brougham advised residents that their operating maintenance assessment should decrease by about \$30 or \$35 per unit.

Mr. Brougham said he received a request from a homeowner to look at Cherry Oaks to look at striping around the circle and the pool. The resident brought up an issue saying that upon exiting the pool, the arrows point one in the wrong direction. He indicated that the only arrow is

on the sign saying "Keep Right." However, to go left, one would have to drive the wrong way around the circle. Mr. Brougham asked whether this was striped correctly as one would have to drive over the yellow stripes to go around the circle.

c. Operations Manager

Ms. Crismond provided the following updates:

Landscaping: Pine strawing is in progress and sod replacement will be completed in various areas of the community.

Tree Trimming: Tree trimming is underway and scheduled to be completed by the following week. They did meet with Collier County Code Enforcement personnel to make sure there are no issues of concern.

Ms. Crismond said she continued to tour monthly to make sure ongoing maintenance is completed. She voiced concern that the contractor has recently been lagging on hedge trimming, consistent manicuring of entry monuments and dead foliage removal.

Mr. Brougham said he has noticed various locations where maintenance has fallen behind. He commented that it is part of One Source's contract to ensure that CDD 1 is consistently manicured and well kept. Mr. Brougham complained about what he considered defective work by this firm. He suggested that management issue a defective work order to One Source to get them to perform their work in accordance with the contract.

Ms. Schmitt commented that with the wet weather, everything is growing faster and likely contributing to the contractor falling behind on landscape maintenance. Ms. Crismond agreed that this might be part of the problem; however, she complained that she often noticed the same problem areas after drawing them to the contractor's attention week after week.

Mr. Curland requested that specific areas for remediation be outlined in the defective work order. Mr. Robertson said he was unsure whether a "nasty letter" would accomplish the Board's goals. Mr. Brougham said a defective work order was not a nasty letter but rather a remediation request that is well defined under the contract that was agreed upon. Mr. Albeit agreed that the contractor was behind on its contract duties. Mr. Robertson disagreed with the decision to issue the defective work order. Mr. Brougham pointed out that Ms. Crismond has been pointing out deficiencies week after week with little improvement from the contractor. Ms. Crismond said the contractor continues to say they will send additional crew out to the property; however, she is unable to verify whether this is actually done.

Discussion ensued on this topic.

On MOTION by Mr. Brougham and seconded by Mr. Love, all except Mr. Robertson voted in favor of directing staff to issue a Notice of Defective Work Order to One Source in accordance with the contract terms they agreed to. (Motion passed 4-1)

Pavers: Ms. Crismond recalled Mr. Adams' previous suggestion to flip the brick pavers on Mulberry, but advised that all contractors she had spoken with advised against doing this. She suggested power washing as an option and stated there is money in the budget for this. She added that there are sufficient funds to cover striping of two (2) cross walks – one at the Sales Center and one by the small construction road. Mr. Brougham felt it was important to identify these crosswalks and suggested it might result in a violation if they are not visibly striped. There was consensus from the Board for staff to proceed with this work.

Mr. Brougham spoke of an area at the triangular lake between Cherry Oaks Trail and Fiddlers Creek Parkway that has excessive weed growth. Ms. Crismond advised that this is already being addressed by Lake Masters who will chemically treat this. Mr. Brougham asked that Lake Masters provide a forecast as to when this will be solved so he can advise the homeowner.

TWELFTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors'

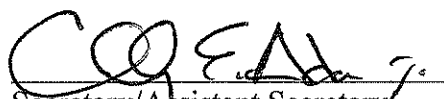
A resident stated that the Village of Montreux had trees that hang over Championship Drive and Montreux Lane. He felt that the community should not pay for the tree trimming work necessary. It was stated that staff is looking into this. Mr. Brougham said the issue at hand is that there are areas abutting Fiddler's Creek Parkway and Montreux on the north side which have been in dispute as to whether they are District property or whether they belong to Montreux. He recalled that Mr. Pires had given an opinion that these were not CDD easements. Staff reiterated that this will be followed up with the engineer. Mr. Brougham requested that the trees in question be identified. The resident spoke of roadways in Montreux that collected water. Mr. Brougham advised that this is not CDD property; therefore, this needs to be resolved between the community and the developer.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Brougham and seconded by Ms. Schmitt,
all were in favor of adjourning.

There being no further business to discuss, the meeting was adjourned at 12:40 p.m.


Secretary/Assistant Secretary


Chairman/Assistant Chairman