

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

The Regular Meeting of the Board of Supervisors of the Fiddler's Creek Community Development District #1 was held on **Wednesday, February 25, 2009 at 9:30 a.m.**, immediately following the Fiddler's Creek Community Development District #2 meeting, **at the Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.**

Present at the meeting were:

Phillip Brougham	Chairman
James Curland	Vice Chairman
Jim Schutt	Assistant Secretary
James Robertson	Assistant Secretary
Robert Slater	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Terry Cole	District Engineer
Anthony Pires	District Counsel
Ron Albeit	Fiddler's Creek Foundation
Mike Charbonneau	Security
John Stack	Architectural Fountains
Al Love	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

The meeting was called to order at 9:32 a.m., and Mr. Adams announced that all Supervisors were present at Roll Call.

SECOND ORDER OF BUSINESS

Staff Report: Engineer

- **Consideration of Revised District Engineer's Report for Phase 4 of the Fiddler's Creek Community Development District #1**

Mr. Cole presented Pay Draw #31 for the 2005 Series Bond for approximately \$24,000. He explained the majority of this covered maintenance spraying for the preserve area cleared last

year. He indicated some areas will be cleared and inspections will be done with the contractor, the following Monday, to clear some exotic vegetation.

Mr. Cole recalled that discussion was previously held about amending the Engineer's Report to add aeration fountains at the main entrance and additional sidewalk connections along Championship Drive. Mr. Cole referred the Board members to the revised Engineer's Report and stated some minor final revisions would be forwarded to Mr. Adams. He explained the Report was previously amended in 2005 for Phase 4. Mr. Cole briefly summarized sections of the revised Engineer's Report. He referred to the list of different Phase Bonds on page 19. He pointed out that the grand total for Phase 4 was \$14,250,000. He stated there is approximately \$8.2 million remaining in the construction funds for the Phase 4 Bond.

Mr. Brougham explained, no money is to be expended out of construction funds, unless it is authorized in the Engineer's Report.

Mr. Slater asked, how big is the set-aside for the Collier County School Board parcel. He also asked whether it is a known fact that a school property lies in the CDD. Mr. Cole explained this property is not physically part of the District; rather, the School Board traded the parcel for mitigation of one (1) of its projects. He said the school will not be developed at the property. Mr. Cole said he believed the District is maintaining the property to be free from exotic vegetation. He stated he would check further on this.

Mr. Slater referred to page 13 and said it should be updated to reflect Comcast, instead of Time Warner.

Mr. Slater referred to page 16 and asked that language about main gate Security be revised, as it implied the gate would be manned at night. Mr. Cole stated he would delete the word "manned".

A Board member referred to page 21 and asked where the bike path is located. Mr. Cole said on Fiddler's Creek Parkway, one (1) side is a bike path and the other side is a sidewalk.

Mr. Brougham asked about the status of sidewalk cuts and ramps. Mr. Cole stated work on the crosswalk mats should have already started. He advised he had spoken with the Developer's representative, who is following up on why these have not been started. He reported striping around the circle on Cherry Oaks Trail has been done. He stated Staff just received the permits for the sidewalk ramps along Championship; this permit application would be submitted to the County.

A Board member referred to page 11 and asked if language regarding Marco Shores Golf Course referred to The Rookery. Mr. Cole responded affirmatively and stated he will amend this language to state The Rookery.

On MOTION by Mr. Slater and seconded by Mr. Schutt, with all in favor of approving the Revised Engineer's Report, as amended.

THIRD ORDER OF BUSINESS

Continued Discussion: Delinquent Assessment Risk/Remedies

Mr. Brougham recalled discussion was previously held regarding delinquent assessments. Mr. Adams recalled discussion was held about pursuing different ways to collect on-roll and off-roll assessments and different steps to seek remedy from property owners. As a part of the continued discussion on this subject he identified a spreadsheet showing how many units are owned by the Developer and on-roll and those that are off-roll and owned by the Developer. Mr. Adams advised that he had discussions with SunTrust Bank about a possible line of credit; as the District has an existing loan with the bank he felt they may be in a better position than most lending institutions to consider it. He stated the bank's response was that the concentration of risk, with the one (1) property owner, the developer, having such a large percentage of units, was not enticing. He added he is having discussions with a more non-traditional lending entity. He spoke of Municipal Capital Corporation, which does a lot of leases for the District's tangible equipment. He stated this entity is entertaining extending a line of credit, which may be an option for the District. Mr. Adams advised he continues to be in discussion with this entity. Mr. Adams said he suspected there will be similar resistance from other banks.

Mr. Brougham asked if risk would be mitigated if the Developer-owned units were on-roll. Mr. Adams said probably not, as the long term timing for collecting from the property owner would be slower. Mr. Brougham encouraged Mr. Adams to continue pursuing other alternatives and other banks.

FOURTH ORDER OF BUSINESS

Discussion: Main Gate Access Issue, Related to Open Houses Held on February 15, 2009

[START OF VERBATIM RECORD]

Mr. Brougham: The reason for this issue is resolved. That's the bottom line. But the reason I and Chuck wanted to put it on the Agenda here is for all the Supervisors to know what the facts of the situation were, at that time, and what actions were taken appropriately to resolve it, because, within a community like this, as you all know, there is a lot of misinformation that's bandied about as to what happened and so forth and so on. Suffice it to say -- and you guys, Mike Charbonneau and Ron Albeit, jump in if you hear me say something that's not quite factual. I received a phone call on Sunday, the 15th from a realtor who was upset because she was informed that two (2) folks from the public had come into the front Main Gate with an advertisement in hand about open houses to be held at certain addresses within Fiddler's Creek. At least two (2) people were denied access because "the homes were not registered" for open houses on that date. I hung up and I phoned out to the main gate and spoke to the gentleman that was on duty, who confirmed that, in fact, that is what happened and that he wasn't aware of the fact that our current Post Orders facilitated entry for Open House people. In this particular circumstance, they had advertisements. I, subsequent to that, then constructed an email to Ron Albeit and went through the circumstances, as it was relayed to me by both the realtor and the gate guard, and then Mr. Love, who was one (1) of the homes affected, also wrote an email. On Monday morning, Ron sent an email and he and Mike had met with the guard involved and had taken appropriate action to solve that situation, at that point. I will defer to you Ron, if you want to add any comments. Suffice it to say that everyone has been put on alert and the Post Orders have been reviewed. We are assured that those circumstances will not happen again and I commend Ron and Mike both for their immediate attention to the matter. I hope it's resolved. It's something we shouldn't have to waste our time on. Any questions? Okay. Al?

Mr. Love: I can either approach the bench now, or wait.

Mr. Brougham: I think since the topic is on the floor, Al, please.

Mr. Love: I won't take a lot of your time. First of all, on behalf of my wife, I will pass out a letter that she has written and pass one (1) down for everybody. First of all, I will first say that, for those of you who know my wonderful wife, she's a very nice lady. She's from Minnesota and they make them there very nice. So for her to write something like this, she's pissed off. Okay. So I'm not even going into all of it -- and I will just start off -- and I'm not going to read the whole thing, but basically, she was here in December, attended a meeting,

and I'll just start on the third paragraph: *One of the discussions, that day, was with regard to persons who have an interest in looking at and perhaps purchasing resale property in Fiddler's Creek. I sat in utter amazement and disbelief as you bantered around your ideas on how to deal with these "villainous" folks who would dare to show up at our private gate and want to look at resale property. Your dialogue went from tracking them to be sure they only drove down the street where the address was that they wanted to view and went so far as to include a discussion about the ramifications of the Community Service Officer stopping them to interrogate them on what they are doing driving freely around our community if they should venture off that path (which wouldn't be hard to do if they are trying to find Mulberry Lane) . My question to each of you is where is the process for tracking and interrogating the flood of the non-resident golfers and others, who pass through those same gates every day of the week, to ensure that they don't stray away from Fiddler's Creek Parkway on their way to the Golf Club at Fiddler's Creek or the Rookery Club or anywhere else in our now "open to the public" community. Where is that written and when and how are those rules enforced? It seems to me that our community is now open to anyone and everyone unless you are here to view property owned by anyone other than Gulf Bay...then you hit the roadblock! I know that one person has been relieved of his duties due to the last episode of turning people away who came for advertised open houses but you can't solve this problem by shooting the messenger and that is, essentially, what you have done. My question, above, underscores the fact that this problem starts much higher than the front gate and is endemic in Fiddler's Creek, starting at the very top and winding it's woe some way down through management and down to this CDD Board. We, personally, have had more than one occasion where prospective buyers have been turned away at our front gate or even worse, referred back to the Sales Center...no Illegitimate intent there on behalf of Gulf Bay! How short-sighted it is turning away anyone who wants to take a look at our community, especially in these economic times. I continue to be discouraged and amazed at the actions taken in this community.*

And she would just like an answer to some of these things and she would also expect to see it in the online minutes of this meeting.

Mr. Brougham: Expect to see her letter? Chuck, you can arrange that, right? It will be included.

Mr. Love: I wrote you all a letter, you know, how I feel. I sat on this Board for four (4) years. We talked about it many times. I was concerned, I think, before I put the house

on the market and I really am still not satisfied that what's going on, because I think you guys are sitting on a real minefield here if you don't solve it. I really feel that way. There's no reason in the world that this stuff should happen. Now, attending a -- I'm not trying to ramble here, but attending an open meeting of the Foundation, probably five (5) years ago, Mr. DiNardo basically said, "If you're not satisfied here, sell your house and move." Well guess what guys? That's all we're trying to do. I have done everything I can. At that time, I was a very happy camper here. I don't think there was anyone in this community much more positive about this place as I was, and my wife. We attended all the functions. I sat on the Advisory Board of the Golf Club. I am a member of the Golf Club. I joined this to contribute to the community. So, we're not very happy about this. I sure as hell hope that it doesn't happen again.

Mr. Brougham: Well, I hear your pain. I was very unhappy on that Sunday, as you and I talked on the phone. I only speak for myself, but I think this Board has expressed, multiple times, our concern about people being thwarted from one (1) perspective or another from entering this community and we tried to do what we thought were reasonable efforts to correct the situation - amend the Post Orders. It's my opinion, good, bad or indifferent, that it's still going to boil down to individuals involved, and you can't be there to police each and every incident. All you can do is make your sincere, best efforts to educate the people involved, our contractor, and certainly to correct situations that occur where the proper procedures were not followed. It is not the intent of this District or this Board to turn people away from entry through that public gate. It is, however, our intention to put forth reasonable efforts, in conjunction with our contractor, to safeguard the properties of the people within the community and to that extent, I think people do appreciate the fact that anyone and everyone can't "roam freely" within the confines of the property and I take your point that there are a lot of golfers that come in and a lot of people that come to restaurants and so on, and so on, that you don't tag around to see if they actually went where they said they were going to go. Point taken.

Mr. Love: The only other thing I would say, and if Tony has any input, I'd be glad to listen, but it's my opinion that there's a huge risk here if this continues. And I would think that, as far as Gulf Bay is concerned, it doesn't take a rocket scientist to be a little proactive. I ran businesses. You know there are Open Houses on either Friday, Saturday, Friday or Sunday. Someone calls the guard at the gate and says, "Is everything cool today?" That's all you gotta do, it's that damn simple, if you really want it to happen.

Mr. Brougham: Well, I can't speak for Gulf Bay. I can't speak for our contractor. But I do know that, in prior conversations, Mr. Albeit has expressed his interest personally to me that we should all be encouraging real estate, potential real estate buyers into this community--

Mr. Love: --no kidding--

Mr. Brougham: --whether it's resale, new sale, whatever sale, because all this property sitting for sale is not helping anyone. It's not helping Gulf Bay. It's not helping Al Love. It's not helping anyone. So all I can do as Chairman is pledge to you and to Char that I will do my best, in conjunction with my Supervisors and our contractor, to ensure that proper access is facilitated. The procedures are changed as errors of omission or commission are pointed out and that proper disciplinary action is taken when there are offenses. I don't know what more we can do to assure you of that. But I appreciate you coming.

Mr. Love: Alright. Thank you.

Mr. Brougham: You're welcome.

Mr. Schutt: I have a question for Tony. Tony, under what legal authority can essentially a private citizen, in this case, our security contractor, stop anybody from access to a public road? And what right do they have to question?

Mr. Brougham: They can't. I'm not going to answer for Tony, but my personal answer is they can't. That's come up before. He has no authority.

Mr. Pires: Right. Consistent with the amendments and the by covenants and the indentures required by the Bond Counsel after (unintelligible) Bond Counsel was denied access to a bond road here in Fiddler's Creek. Security for the District cannot deny access to District road.

Mr. Brougham: How about questioning?

Mr. Pires: Well, we can. The District has the ability, at the gatehouses to make reasonable inquiries as to the identity of individuals and reasonable inquiries as to areas where they wish to go, and also to jot down that which is in public view, that is, make and model and description of the vehicle, as well as license plate. And if the person says, "I don't want to tell you where I'm going, I don't have to say where I'm going, I'm not going to tell you where I'm going," they cannot be denied access. The Post Orders require and obligate the access control personnel to then provide a brochure or a map to the individual saying: "These are the public roads. These are the District roads. These are roads that you are allowed to travel on

unless invited to any other property. If you're not invited to any other property, please be aware of the fact that that owner or agent may call law enforcement or call other appropriate entities to indicate that you are trespassing and to take appropriate steps." That has been codified in the Post Orders and the Board has been very proactive, as well as also retaining the services of a vendor to periodically test the system to ensure, to the best they can, that the Post Orders are being complied with, as well as the bond covenants.

Board Member: Unfortunately, this issue of realtors and customers being denied has been around for years, as Al has indicated. He sat on the Board when it was brought up before and we are apparently incapable, for whatever reason, changing the personnel or whatever, of assuring that it won't happen tomorrow, for example. Other than the fact that someone was terminated this time and I'm sure that the rest of the guards say, "Well, I'm going to be a little more careful," but what right do we have to block the road? I mean, can I, as a private citizen, put a block up on 951 and question people as to where they're going?

Mr. Pires: The District has optional powers that have been approved and extended to optional powers for access controls, security and gatehouses and the District has the right to permit that optional power.

Mr. Schutt: Who gave them that power?

Mr. Pires: The statute that, the charter for community development districts is Chapter 190 Statute. There are general powers that are there, and at the time the District is established by rule or ordinance, depending upon the size of the District and then after its establishment, typically the District can go back to the local government's jurisdiction, in this case, Collier County, to ask for additional optional powers, which include parks and recreation, access control, there are a number of other mosquito control that could be asked for--

Board Member: So access control is under that?

Mr. Pires: Correct. And that was approved by -- that was consented to by the Board of County Commissioners in 1996.

Mr. Brougham: And Fiddler's Creek is not unique in Collier County for that, or in the state of Florida. I mean, there are CDDs all around Collier County, to the tune of around 20 or 21 or 22 CDDs, that have the same authorities under that statute and have gatehouses and have some form of controlling access to their community. We're not breaking new ground here whatsoever.

Mr. Pires: This District has the same sort of issues too, consistency or inconsistency with the gatehouse personnel. I have been many times waved right through, plenty of times. Other times, I have had to sit there and give them a copy of my driver's license, and I tell them I've been their District Counsel for 14 years. So I mean, it just all depends on who the personnel is, unfortunately vagaries and the individual operating it, and the key aspect is for this District to consistently take a positive, proactive position on it. I've had other districts where a County Commissioner was denied access. And that never goes over well.

Mr. Love: I have one (1) more comment.

Mr. Brougham: Sure.

Mr. Love: This is your decision. But when I sat on the Board, and we had trouble with our (unintelligible), whether it be landscapers, we wrote them a notice of non-compliance. Just throwing it out there.

Mr. Brougham: It was considered and it was decided by myself, in conjunction with the District Manager, not to do that, in view of the actions taken immediately, the next morning. But it was discussed between Chuck and myself and, if it happens again, that will be the appropriate action I will recommend, amongst other potential actions. I have every assurance it's not going to happen again. It's certainly got the support of the General Manager of Fiddler's Creek Foundation that it won't happen again, and from our contractor. I don't know what more this Board can do to assure that it won't happen again. People make mistakes. People make mistakes.

Mr. Pires: And Mr. Chairman, unfortunately, I also have this experience at one (1) of my districts where they employ their personnel themselves. Unfortunately, the same issues arise. But I think you take a very proactive approach, and this is what was taken.

Mr. Adams: I think if there's any positive, is the fact that the Foundation, this is the sole -- they're the sole provider here. I mean, these guards don't get moved around from post to post to post where there could be changes in the way you address that, which creates a whole other issue altogether if you outsource to an outside contractor and they move people around from post to post and there are different ways that you address these things. That makes it even more of an opportunity for there to be mistakes in particular, to how this one has to be handled.

Mr. Brougham: And that's a major consideration that came into play when we awarded the contract in 2007. The Foundation was not the lowest bidder, but there was, I think,

unanimous opinion on the Board that we liked seeing people in the same posts. They get familiar with the neighborhood. They get familiar with the rules. They get familiar with the people. And that was worth some extra money to the District to award it to the Foundation and, to Chuck's point, if we brought in Brink's Guard Service or whomever, you could have Manny here today and you could have Mary here tomorrow and they would never keep up, in my opinion.

Mr. Slater: I would like to comment on the letter that was written by Mrs. Love. She has a very, I think, salient point in here when she said, when the realtors come in here, they have a set of rules and then when the golfers or other people come in here, there are no rules. There is nothing handed out to anybody from the Marriott or anybody else here telling them, "this is the road that you have to travel." So why do we have two (2) sets of rules for the same thing?

Mr. Slater: It's not. Could you explain how the golfers and (unintelligible)--?

Mr. Charbonneau: Okay. If there is no, as far as public access, well, it's a two (2)-part answer, Mr. Slater. Public access, as Mr. Pires had indicated, they do get a map that is highlighted with the different roads, and it's shown to them up front where they access. We do log--

Mr. Slater: --I don't mean to interrupt you, but you're talking now only of--

Mr. Charbonneau: No, I'm saying two (2) parts of public access. We do allow the vehicle, ask them for identification, which is part of the District's (unintelligible), what is your name. We log the vehicle, give them the map, and advise them that if you go into these private villages and other spots, you may be interviewed and/or asked to leave the property, or the Club may be notified. As far as (unintelligible), people that are golfing, we have a tee sheet, we have their reservations from (unintelligible), and we log them from that, and they're given a destination. I mean, if I find a vehicle (unintelligible) with the Golf Club, I'm going to investigate it and find out if (unintelligible) end up at the Sheriff's Office. This car was at the Golf Club, what is it doing here.

Mr. Slater: They come in through the access control -- this is a naive question -- but they come in closer to the guardhouse, so they're given a pass to go golf just like any visitor coming to our house?

Mr. Charbonneau: Yeah, with a specific destination, and if they don't have a specific destination and they say, well I want to drive around, I want to go look at the Open House, or

what have you, then they're accessed as the general public. If they don't have a destination, give them the map--

Mr. Brougham: With the guest pass.

Mr. Charbonneau: Still give them a guest pass.

Mr. Brougham: But there's another point to be made there with respect to The Rookery. By agreement between Gulf Bay Group and Mass Mutual, we have to allow unimpeded access to all Rookery staff, members, and guests who have tee times at that Club. Unimpeded means you can come there, identify --you're either a member, you have a clicker now, or if you're going to The Rookery, you get a guest pass, and the same things then would apply as Mike just pointed out. We can't -- with the exception of Rookery members who have been issued gate clickers.

Mr. Albeit: The report in front of you -- there are 14,000 registered guests that came through the gate last month; 14,000 incidents at the gate that were issued passes to this community. And then -- so we had -- I'm a zero (0) defect person, and that's what we strive to have. Fourteen thousand transactions and one (1) incident.

Mr. Love: The incident, Ron, is not new.

Mr. Albeit: It's not new. It's always about people and training, and you do what you can. But I'd like you to tell me in your company that you had zero (0) defects. You had Six Sigma. You were Six Sigma, I'm sure. Zero defects.

Mr. Brougham: I think enough has been said on the topic. We have further business to conduct and we'll move on.

Unidentified Speaker: While we're speaking of access, is the back gate closed again? Someone told me, a resident--

Unidentified Speaker: I went in and out of it yesterday.

Mr. Brougham: We'll have an update on that momentarily.

[END OF VERBATIM RECORD]

FIFTH ORDER OF BUSINESS

Approval of January 28, 2009 Regular Meeting Minutes

Corrections were provided to the minutes as follows:

Line 52: Replace "areas" with "aerators".

Line 53: Replace "lakes" with "aerators".

Line 103: Replace "unintelligible" with "fouling".

Line 151: Replace "all" with "majority".

Line 192: Replace "all" with "majority".

Line 267: Insert "assessment obligations" after "Bay".

Line 220: Replace "close to \$100,000" with "significant money".

Mr. Love referred to his comments in the minutes and said he had also asked how many units the developer still owns; also, he had voiced concern about potential liabilities faced by homeowners.

On MOTION by Mr. Brougham and seconded by Mr. Schutt, with all in favor of approving the January 28, 2009 Regular Meeting Minutes, as corrected.

SIXTH ORDER OF BUSINESS

Other Business

▪ Sandpiper Gate

Mr. Albeit advised that the Sandpiper Gate is operating as it did before. He explained that the new electronics had to be permitted by the County. He said the County ruled that the existing guardhouse was approved during the construction phase; now that the gate is open, it falls under different requirements and needs to be ADA accessible and provide a bathroom facility. Mr. Albeit said this is a public road, but it has to be locked at night and on Sundays, until this facility is approved.

A Board member voiced concern that matters like these come up, despite all the planning and oversight of District projects. Mr. Adams said the resolution to the situation is to enter into a leasing agreement for a mobile trailer that has bathroom facilities and to rent a holding tank for the sewer portion of this operation. He advised that the cost would be \$60 per month to rent the trailer and \$360 per month for the holding tank, which includes supply and weekly service. Overall, the total cost is about \$500 per month for this rental. Mr. Adams requested that the Board authorize Staff to enter into appropriate rental agreements to support this facility.

Mr. Schutt voiced concerns about the CDD paying for this obligation and questioned how long it would take for the permanent gate to be installed. He objected to spending more money,

along with CDD #2, while waiting for the developer to build a permanent gatehouse. He asked whether the District could build the gatehouse sooner, because the money is available now. Mr. Brougham said CDD #1 has no authority to cause this action; therefore, this discussion is not pertinent to the issue on the table.

On MOTION by Mr. Brougham and seconded by Mr. Slater, with the majority in favor and Mr. Schutt dissenting, approval of authorizing Staff to enter into trailer rental and sanitary tank agreements. (Motion passed 4-1)

SEVENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Pires said he had nothing to report.

Mr. Brougham asked about the status of the lake ownership transfer issue between the Developer and Gulf Bay. Mr. Pires said, to his understanding, there has been no change in this matter. He added that some concern was expressed that some lakes in areas where development is ongoing may be reconfigured. Mr. Brougham said the historical interest is that a lot of areas were identified that were not properly conveyed to the CDD, and lakes became a part of this process; therefore, lakes remained owned by the Developer. He explained that the District is requesting a bottom line answer as to whether the developer is or is not interested in relieving himself of the liability of lake ownership.

Mr. Brougham said he had held some discussions recently with Elysee Marshall several weeks ago concerning litter along 951. He asked whether the CDD could adopt a road in agreement with the County. He said the County supplies all the materials for cleanup and posts a sign on that section of the roadway indicating who has adopted it. Mr. Brougham proposed that the CDD step up and become the sponsoring organization. He said there is no obligation, expense or exposure to sponsoring a portion of the road. He said the only obligation is to secure an adequate number of volunteers to help maintain the road once per month. Mr. Brougham said Mr. Albeit has agreed to provide storage space for the cleanup materials and also to help publicize and sign up volunteers. Mr. Pires recommended that the Manager check the insurance policy for coverage of volunteers in programs sponsored by the District.

Mr. Adams said he would check into the insurance coverage of volunteers.

Mr. Brougham stated he had asked Mr. Pires to provide guidance as to the duties and responsibilities and limitations of the District Treasurer, Mr. Wrathell. He recalled three (3) months ago, Mr. Wrathell recommended moving the District's monies into government securities. Mr. Brougham explained that, in view of what is happening in financial institutions, he asked Mr. Pires if he knew where it was outlined that the Treasurer was vested with such responsibilities and authorities. Mr. Brougham stated these responsibilities are not specified in the contract with the management company, nor by Statute. He stated he did not think there was any cause to be concerned, but said he would be more comfortable with defined rules and limitations as to what the District Treasurer could do.

Mr. Pires read aloud a portion of Chapter 190 concerning the District Treasurer's responsibilities. Mr. Brougham requested that Mr. Pires distribute copies of this document to the Board members after the meeting.

Mr. Robertson pointed out that Mr. Brougham said earlier there is no cause for concern. He said it is very clear what the State Law says and added that the District has an annual auditor paid to ensure the Treasurer is doing these things.

Mr. Slater said it appears Mr. Wrathell does realize that he cannot move funds without the Board's approval. Mr. Brougham disagreed and read aloud a portion of an email from Mr. Wrathell, dated September 19, 2008, stating: "As Treasurer, I have the authority to move funds from the operating account and invest in the Money Market, as prescribed." Mr. Brougham said this statement led him to question where the authority came from.

Mr. Slater said he wished for the Board to advise Mr. Wrathell that he does not have the authority and cannot do this.

Mr. Schutt asked how much money the Treasurer has access to. Mr. Adams replied that he has access to the fund balances. He asked the Board to bear in mind the spirit of Mr. Wrathell's email, which went out to all the firm's clients. He recalled that, at the time, it was "doomsday" in the financial banking world and concerned the movement of money to preserve and protect the District by using vehicles with insured coverage. He suggested that any policy be considered in conjunction with discussions with another member of the Board. Mr. Brougham said he was not criticizing this action; instead, he was voicing concern that no limits have ever been set as to what the Treasurer can do with the District's funds. He felt a concise policy should

be drafted, in cooperation with District Counsel and the District Manager, that would set appropriate controls and limit the authority of the Treasurer to move investment funds.

Mr. Brougham asked Mr. Pires to draft a letter to Mr. Wrathell for his signature. He requested that the letter restate the Statute's paragraph. He also requested that the letter include a statement that "until the Board establishes further policy direction for the Treasurer, all decisions concerning movement of money in investment vehicles need to be brought before the Board."

On MOTION by Mr. Curland and seconded by Mr. Brougham, with the majority in favor and Mr. Robertson dissenting, approval of directing Mr. Pires to write a letter to Mr. Wrathell and amending the current contract, as well. (Motion passed 4-1)

b. Manager

i. Unaudited Financial Statements as of January 31, 2009

Mr. Adams presented the Unaudited Financial Statements as of January 31, 2009. He advised that April statements, which will be prepared in May, will provide a good picture in terms of assessment delinquencies. He added that developer assessments continue to be on track year-to-date. Mr. Adams pointed out that year-to-date expenditures are under budget.

A Board member asked about the \$5,800 amount for Trustee Fees. Mr. Adams explained this related to the trustee management of the Debt Service Accounts. A question was raised as to why this amount was increased. Mr. Adams said there is an annual charge billed throughout the year.

The Board asked Mr. Adams to explain what this variable amount is.

ii. NEXT MEETING DATE: March 25, 2009, 9:30 A.M. or immediately following the Fiddler's Creek Community Development District #2 meeting

The next meeting was scheduled for March 25, 2009.

c. Operations Manager

Fountains: Ms. Crismond reported aerators have been ordered and the approximate time for installation is six (6) weeks. She expected this to take place some time in March.

Lakes: Ms. Crismond reported that a lake tour was scheduled for March 9.

Landscaping: Ms. Crismond reported she continues to tour the property with the landscape contractor on a weekly basis.

Irrigation: Ms. Crismond reported, as of that morning, Wesco Turf had completed its irrigation study. She said she would provide a report on this at the next meeting.

Sheriff Patrol: Ms. Crismond reported January statistics included eight (8) stops: two (2) citations, and six (6) warnings. All stops were for excessive speeding. Ms. Crismond stated Management verified that the current patrol schedule changes weekly, with regard to hours of operation, and includes early morning shifts.

Security: Ms. Crismond recalled that, at last month's meeting, the Board had requested statistics on open doors versus open garage doors. He advised that Mr. Charbonneau indicated the open doors issue was relative to the Club.

Pressure Cleaning: Ms. Crismond recalled a request to have sidewalks pressure cleaned at Sandpiper. She reported this project would be completed that day.

Access Controls: Ms. Crismond reported that quarterly gatehouse testing is upcoming.

Mr. Brougham spoke of a section of Club Center Drive that is currently being rough cut. He asked whether this area has been turned over to the CDD for maintenance. Ms. Crismond advised this area has been given to the District to do bush hogging, but has not been officially turned over because this work is not complete.

Mr. Brougham said the canopy tree pruning program is upcoming. He advised he had suggested to Ms. Crismond that a meeting be held with all parties, including any potential contractors, Mr. Vajen, Ms. Crismond and Code Enforcement representatives from Collier County. He recalled that two (2) years ago, Code Enforcement had said the CDD was in violation of code regarding tree trimming. He said there is disagreement between Code Enforcement and professional arborists as to what can be done with canopy pruning. He voiced concern that all parties need to be on the same page on this matter. Mr. Adams agreed and said this meeting will be held in the March or April timeframe. Mr. Brougham requested the date of the meeting one (1) week in advance, so he can get Code Enforcement representatives there.

EIGHTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors'

Mr. Slater asked who owned the patrol car sitting in the CDD #2 area to slow down people. He said he received several calls from residents who did not like seeing this car, as it

made the community appear to be a high crime area. He stated he has never seen a car parked in this manner and asked that this be removed.

Mr. Robertson disagreed and said numerous state police vehicles show that decoy vehicles are very effective in slowing down traffic. Mr. Slater said he felt this degraded the look of the community. A Board member agreed with Mr. Slater and said he had also received calls from residents with the same view.

Mr. Brougham asked whether insurance coverage was in place for intentional damage to District assets. Mr. Adams replied affirmatively and said he had asked this specific question of the agent and the response was that the District has coverage for vandalism or sabotage, after meeting the \$5,000 deductible.

Mr. Brougham asked whether tax assessment receipts were paid into CDD #1 for both Districts. Mr. Adams replied no, and said the receipts are received into one (1) bank account, for each District; these are then dispersed to the other funds. Mr. Brougham commented that security is an expense shared by both Districts. Mr. Adams explained that security is a shared program; CDD #1 pays the bill and the accounting books reflect a "Due From" note regarding the other District. He said this is done to avoid cutting two (2) checks for one (1) bill. Mr. Brougham asked why two (2) checks could not be written. Mr. Adams said he did not advise this because, in his experience, paying with two (2) checks leads to confusion and incorrect posting by vendors. Mr. Brougham voiced concern with CDD #1 paying the entire bill, when there may not be adequate reimbursement funds in the future. He stated the security contract is signed by both Districts and both Districts should be liable for the bill. He stressed that he did not like CDD #1 paying a portion of any bill for the other District. Mr. Brougham commented that appropriate mechanisms need to be in place to show the District is being fiscally responsible.

Mr. Adams said he will review the Interlocal Agreement with regard to the District's financial responsibilities, as this may need to be amended.

Mr. Brougham asked Mr. Pires to review the Interlocal Agreement with regard to both Districts and bring back options for consideration.

Mr. Slater asked that the patrol car matter be brought back as an Agenda item the next month. Mr. Brougham asked Mr. Albeit to have Mr. Charbonneau prepare for this discussion.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Brougham and seconded by Mr. Slater, with all in favor of adjourning.

The meeting was adjourned [time not provided].


Secretary/Assistant Secretary


Chairman/Vice Chairman