

**MINUTES OF MEETING  
FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #1 &  
FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #2**

A Joint Special Meeting of the Boards of Supervisors of the Fiddler's Creek Community Development District #1 and Fiddler's Creek Community Development District #2 was held on **Thursday, February 10, 2011, at 8:00 a.m., at the Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.**

**Present at the meeting were:**

**For Fiddler's Creek CDD #1:**

Phillip Brougham	Chair
Jim Curland	Vice Chair
Jim Schutt	Assistant Secretary
Gerald Bergmoser	Assistant Secretary
Robert Slater	Assistant Secretary

**For Fiddler's Creek CDD #2:**

James Robertson	Chair
Manuel Correia	Vice Chair
Victoria DiNardo	Assistant Secretary
Gretchen Scott	Assistant Secretary
Peggy Schmitt	Assistant Secretary

**Also present were:**

Chuck Adams (via telephone)	District Manager
Cleo Crismond	Operations Manager
Aleida Martinez Molina (via telephone)	Weiss Serota, CDD #1 Special Counsel
Robert DeMarco (via telephone)	Treiser Collins, CDD #2 Special Counsel

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Ms. Crismond called the meeting to order at 8:00 a.m., and noted, for the record, that all Supervisors were present, in person, for both CDD #1 and CDD #2.

**FIDDLER'S CREEK CDD #1 ITEMS**

**SECOND ORDER OF BUSINESS**

**Consider Requesting Executive Summary  
to Discuss Potential Responses to Revised  
Disclosure Statement and Plans of  
Organization Filed by Developer**

Mr. Adams stated today's meeting is in anticipation of the revised disclosure statement being filed and reserving the Districts' rights to come together in an Executive Session, in the event a closed door session is needed to discuss the disclosure statement, revised reorganization plans and consider any filings that may have to be made on behalf of the Districts. He noted there is a deadline of Monday, February 14<sup>th</sup> for such filings, with the hearing scheduled for the 16<sup>th</sup> and the deadline of today for those documents to be filed by the debtors.

Mr. Adams explained that requests must be made by Counsel for the Executive Sessions and he noted that both counsels were present, via telephone, to make such requests. The date being considered was Monday at 11:00 a.m.

Ms. Martinez Molina stressed the need to meet as quickly as possible to discuss the amended disclosure statement that will be filed. She indicated that she will forward the revised disclosure statement to Mr. Adams, as soon as it is received, for distribution to the Board.

Mr. Robertson inquired about the date that the CDDs, together or separately, have to respond to the debtors' filing. Ms. Martinez Molina advised the date is Monday, February 14<sup>th</sup>. She explained, at the hearing, the judge stated he would consider arguments that are not set forth in writing but they need to file something on the 14<sup>th</sup>, if nothing else, to point out that there was not sufficient time to digest the massive amounts of information provided to them, that was not previously provided. Ms. Martinez Molina indicated if there are any objections, the deadline for written submittal is Monday.

Mr. Brougham explained that the hearing is to hear facts or opinions put forth with respect to the disclosure statement and the judge may not make a decision, pro or con. If the judge approves the disclosure statements, he will set a date for the confirmation. Ms. Martinez Molina confirmed next week is not about whether the plans are acceptable or not; it is about determining if there is enough information to consider the plan. Mr. Brougham added the hearing is to gather facts and opinions on both sides, which the judge will take under advisement and make a rendering as to when the confirmation hearing will occur.

Discussion ensued regarding the meeting time. Mr. DeMarco indicated that a number of the bond counsel requested to provide their input prior the attorneys engaging in the executive session with their respective CDD Boards. He noted the importance of the CDD Boards being aware of the bondholders' position with respect to the documents. He advised he wants the bondholders to have an opportunity to get their opinions to him and Ms. Martinez Molina so they can share them with the Boards.

Mr. Brougham suggested telling the bondholders that if they have anything specific that they wish CDD #1's Board to consider at their executive session, they should do so prior to the meeting. Ms. Martinez Molina stated she relayed that information to the bondholders immediately after the dates were set and they advised they will do their best. Mr. Brougham suggested that CDD #1 meet in an executive session at 8:00 a.m., on Monday, with Ms. Martinez Molina. Ms. Martinez Molina agreed.

**On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham and seconded by Mr. Bergmoser, with all in favor, the request for an Executive Session for Fiddler's Creek CDD #1, to be held on Monday, February 14, 2011, at 8:00 a.m., was approved.**

**THIRD ORDER OF BUSINESS**

**Engagement Letter from Akerman  
Senterfitt to Serve as Bond Counsel**

***\*\*\*This item was an addition to the Agenda.\*\*\****

Mr. Adams referred to the proposed bond counsel bond issue agreement, with the firm of Akerman Senterfitt. He stated part of the reorganization plan is to restructure the bonds, or exchange them under different terms, to alleviate some of the debt obligation and provide some relief to the debtor.

Mr. Brougham stated, in summary, the debtor is proposing to exchange the existing bonds for new bonds and roll the delinquencies into the new bond. Mr. Adams advised, in order to make that work, there will be some new terms, such as increased amortization schedules or different principal amounts. He stated, having one (1) firm handling all of the work, for both Districts, provides some economies of scale. Mr. Adams noted Mr. Bill Reagan has prepared some proposed structures which need to be reviewed by the Districts' engaged bond counsel, to

ensure compliance with Chapter 190, with tax law and with any bankruptcy laws; this is phase 1 to these agreements. The cost is not to exceed \$6,000, per District, for bond counsel to look at the bonds that are proposed for the exchange or refund, and will be paid on a time and materials basis. Mr. Adams explained that, as a part of the reorganization, if the parties and the court approve the bonds for refunding and exchange, they will proceed towards the sale of the bonds. The second phase of the agreements is to proceed with that process, for a lump sum payment of \$25,000, per bond issue, which will be paid only if the bond issue is successful.

Mr. Schutt questioned if they will be duplicating the efforts carried out by someone else, since the bondholders will be reviewing all of these same issues. Mr. Adams indicated the Districts are required to engage their counsel to review the structures and ensure their legal compliance.

Mr. Brougham reiterated that the debtor is proposing an exchange of the two (2) bonds and the exact amounts, terms and conditions of the new bonds will be negotiated between the debtor and the current bondholders. The court will decide whether to order the bondholders to accept the deal. Mr. Brougham stated, as the entities issuing the bonds, the Districts are obligated to review the proposed legal structure, tax status, etc., of the bonds into which the debtors will input the terms, conditions and amounts. Mr. Brougham indicated that the related expenses will be rolled into the new bond. He stated the first phase is to determine if the structure is correct and that will be done by Mr. Michael Williams, with Akerman Senterfitt.

**On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham and seconded by Mr. Slater, with all in favor, accepting the engagement of Akerman Senterfitt, for the purposes stated in their proposal, was approved.**

**FOURTH ORDER OF BUSINESS**

**Continue Fiddler's Creek CDD #1**

***\*\*\*This item, previously the Third Order of Business, was discussed out of order.\*\*\****

There being no other items on CDD #1's agenda, the meeting recessed at 8:22 a.m., and will be continued at 8:00 a.m. on Monday, February 14, 2011.

**FIDDLER'S CREEK CDD #2 ITEMS**

**FIFTH ORDER OF BUSINESS**

**Engagement Letter from Akerman  
Senterfitt to Serve as Bond Counsel**

***\*\*\*This item was an addition to the Agenda.\*\*\****

Mr. Robertson requested that the Board vote to accept the engagement letter from Akerman Senterfitt to serve as Bond Counsel for CDD #2.

**On MOTION for Fiddler's Creek CDD #2 by Ms. Scott and seconded by Ms. DiNardo, with all in favor, accepting the engagement of Akerman Senterfitt, for the purposes stated in their proposal, was approved.**

**SIXTH ORDER OF BUSINESS**

**Consider Requesting Executive Summary  
to Discuss Potential Responses to Revised  
Disclosure Statement and Plans of  
Organization Filed by Developer**

***\*\*\*This item, previously the Fourth Order of Business, was discussed out of order.\*\*\****

Mr. DeMarco stated, as attorney for CDD #2, in the Fiddler's Creek, LLC bankruptcy proceeding, which is pending in the Middle District of Florida, Case #10-03846, in which CDD #2 is a party in interest, there will be a revised disclosure statement and plans to be issued today, to be considered by the CDD #2 Board. Accordingly, pursuant to Florida Statute 286.011, Subsection 8, Mr. DeMarco requested that the Board meet with him, in private, to provide him with advice and counsel with respect to the Board's wishes and responses to the perspective amended disclosure statement and plans. He requested that the Board vote to have a meeting on February 14, 2011, and then determine the time.

**On MOTION for Fiddler's Creek CDD #2 by Mr. Robertson and seconded by Ms. Scott, with all in favor, the request for an Executive Session for Fiddler's Creek CDD #2, to be held on Monday, February 14, 2011, at a time to be determined, was approved.**

Mr. DeMarco felt it would be appropriate to give some amount of time, other than Sunday, for bond counsel to provide him with their comments so he can present them to the Board, at the executive session. He stated if they were to have the materials to him by 8:00 a.m., on Monday, February 14<sup>th</sup>, he should be able to print them out, get them prepared and be at the meeting by 9:00 a.m. Mr. DeMarco questioned Mr. Adams' availability, given the time of the CDD #1 meeting. Mr. Adams suggested that they meet at 9:30 a.m.

Mr. DeMarco referred to the spreadsheets that were circulated by the debtor to give an idea of what it is that the perspective disclosure statement and plans will contain. He suggested that both Boards review the spreadsheets and bring them to the executive sessions. Mr. Adams noted he believes they will be part of the revised disclosure statement and were sent out in preliminary form. He indicated that he will forward them to Ms. Alice Carlson to review, for accuracy, once he receives the revised disclosure statement, in the morning. At Mr. DeMarco's request, Mr. Adams noted that he will provide copies of the current version of the spreadsheets to the Board Members before Monday.

Mr. DeMarco emphasized that the focus is not on the substance of the disclosure statement or the plans that are going to be provided; it is on whether or not the information provided to the Board is sufficient for the Board to be able to vote intelligently on the terms, later. He indicated they will not be voting on anything on Monday; they will be looking at the information provided by the debtors, including the spreadsheets, and determine whether or not the schedules that were provided have been changed, in some regard. They will then review the disclosure statement, which he will forward as soon as possible.

Ms. DiNardo asked what impact the Board's information will have on the judge's determination. Mr. DeMarco explained that the judge will take into account that they have voiced objection, or have requested additional information, in determining whether or not the disclosure statement meets with the provisions of bankruptcy law. He advised the Board they should read the Joint Disclosure Statement, review the spreadsheets and try to determine whether or not they have enough information as to the treatment that CDD #2 will receive. This will determine whether they file a request for more information, or an objection. Mr. DeMarco stated the best thing that can happen is that they provide meaningful feedback to the debtor and to bond

counsel so that they know what CDD #2's position is, going forward, and if they need more information, they can ask for it.

**SEVENTH ORDER OF BUSINESS**

**Continue Fiddler's Creek CDD #2**

***\*\*\*This item, previously the Fifth Order of Business, was discussed out of order.\*\*\****

There being no further business to discuss, the meeting recessed at 8:51 a.m.

**On MOTION for Fiddler's Creek CDD #2 by Ms. DiNardo and seconded by Ms. Scott, with all in favor, continuing the meeting to Monday, February 14, 2011, at 9:30 a.m., was approved.**

**FIDDLER'S CREEK CDD #1 &  
FIDDLER'S CREEK CDD #2**

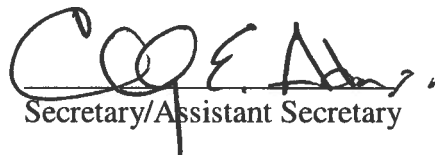
**February 10, 2011**

**Fiddler's Creek CDD #1**

  
Secretary/Assistant Secretary

  
Chair/Vice Chair

**Fiddler's Creek CDD #2**

  
Secretary/Assistant Secretary

  
Chair/Vice Chair