

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

A Continued Meeting of the Board of Supervisors of the Fiddler's Creek Community Development District #1 was held on **Monday, February 14, 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 and constituting a quorum were:**

Phillip Brougham	Chair
James Curland	Vice Chair
Jim Schutt	Assistant Secretary
Gerry Bergmoser	Assistant Secretary
Robert Slater	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
Amanda Barton	ITG Holdings, LLC
Andrew Sanford	ITG Holdings, LLC
Elliott Miller	Resident

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Ms. Crismond reconvened the meeting at 8:00 a.m., noting, for the record, that all Supervisors were present, in person.

**SECOND ORDER OF BUSINESS**

**Recess Public Meeting**

Ms. Crismond recessed the public meeting at 8:01 a.m., in order to go into the Executive Session.

**THIRD ORDER OF BUSINESS**

**Convene Executive Session**

The Executive Session convened at 8:01 a.m.

**FOURTH ORDER OF BUSINESS**

**Recess Executive Session**

The Executive Session was adjourned at 8:41 a.m.

**FIFTH ORDER OF BUSINESS**

**Reconvene Public Meeting**

Ms. Crismond reconvened the Public Meeting at 8:42 a.m., and noted, for the record, that all Supervisors were in attendance.

Mr. Sanford clarified that the indenture trustee is U.S. Bank, for all series of bonds, regardless of counsel, and the indenture trustee's objection was sent by U.S. Bank., as indenture trustee.

**On MOTION for Fiddler's Creek CDD #1 by Mr. Slater and seconded by Mr. Brougham, with all in favor, joining with the bondholders in their objection, as well as the recommendation of District Special Counsel, requesting further information and clarification of the authority of the exit financing group in approving or disapproving the terms and conditions of the disclosure statement, as well as the timing of such agreement or disagreement and the impact, if there is not 100% agreement, on all of the terms and conditions disclosed, was approved.**

Mr. Brougham read the first paragraph, under Item #6, into the record:

*"The treatment of all of these O&M claims provides that: b) receive cash in an amount equal to the secured CDD O&M claim outstanding, as of the effective date, less an amount equal to all advances made through the effective date, to the applicable CDDs by the debtors."*

Mr. Brougham confirmed that the Board understands the language and they have not received any advances. Discussion ensued regarding which O&M assessments will be paid under the proposed plan on the confirmation date. Mr. Adams advised they received all of the O&M that was on-roll, pre-petition, through a tax certificate sale that took place several months following the filing of the petition. He indicated, since then, there are more on-roll assessments that were not paid because they are stayed, under the bankruptcy; Ms. Martinez Molina advised

him that those were treated differently and would potentially be recovered through the administrative claims. Mr. Slater requested that a statement be included in their objection confirming that.

Ms. Martinez Molina stated technically, the disclosure statement should address amounts owed through the date the bankruptcy was filed. Mr. Brougham stated, as he read the amended disclosure statement, as well as other agreements reached with the debtors, they have agreed to pay all delinquent post-petition O&M on-roll assessments, as of the confirmation date. He indicated that the debtors have not made any payments towards the 2010 or 2011 tax bills. Mr. Adams advised the language in the disclosure statement indicates they will pay those bills. He noted the claims analysis, in the disclosure statement, does not include post-petition assessments, as this is a pre-petition plan.

Mr. Bergmoser indicated, according to the claim's analysis, \$230,000 in O&M assessments is owed to CDD #1. Mr. Schutt stated the tax bills are received in November so they are pre-petition and the obligation is post-petition. Ms. Martinez Molina advised since it was not due and owing at the time of the petition, it was not put in as a claim. Mr. Schutt requested that she add language so that CDD #1 receives that money back.

Mr. Brougham referred to the 'Settlement Terms Sheet with Unsecured Creditors Committee' and indicated he believes it contradicts what they have discussed. He read the options in the second item and stated the debtors had two (2) options in the Unsecured Creditors Agreement and they took option 1, which was to pay in full, in cash. He advised Ms. Martinez Molina to add additional protections for payment, under an administrative claim process, if she felt it was necessary but his understanding was the debtors had agreed to pay all pre and post-petition CDD O&M on-roll and off-roll assessments, in cash, on the confirmation date. Ms. Martinez Molina stated it seems that the O&M payments will be paid through the petition date. If the understanding is that all O&M payments will be paid through the effective date and thereafter, she asked the Board if they are satisfied that the disclosure statement sets forth the necessary information for them to make that determination. Mr. Brougham requested that Ms. Martinez Molina add a condition confirming that in Attachment 4 to the Amended Disclosure Statement, concerning payment of CDD O&M on-roll and off-roll assessments, the debtors are, in fact, agreeing to pay all pre and post-petition, on-roll and off-roll CDD O&M assessments, in cash, as of the effective date of the plan and from that date forward.

Mr. Brougham requested that Mr. Adams email the Board with the amount of on-roll O&M assessments owed.


Ms. Martinez Molina clarified that the consensus of the Board is to file a limited objection/request for additional comments or information, as set forth by the bondholder group and, in particular, their concern regarding the role of the exit strategy money, as well as confirmation regarding O&M payments that will be made, pursuant to the plan.

The Board granted Mr. Brougham the authority to review the draft objection prior to filing. Ms. Martinez Molina will email the document to him, with a copy to Mr. Adams.

**SIXTH ORDER OF BUSINESS**

**Adjournment**

**On MOTION by Mr. Brougham and seconded by Mr. Schutt with all in favor, the meeting adjourned at 9:13 a.m.**

  
Secretary/Assistant Secretary

  
Chair/Vice Chair