

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

Public Hearings and a Regular Meeting of the Board of Supervisors of the Fiddler’s Creek Community Development District #1 were held on **Wednesday, August 26, 2015, 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:**

Phil Brougham	Chair
Gerald Bergmoser	Vice Chair
Richard Peterson	Assistant Secretary
Robert Slater	Assistant Secretary
Charles Turner	Assistant Secretary

**Also present were:**

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Terry Cole	District Engineer
Tony Pires	District Counsel
Carrie Robinson ( <i>via telephone</i> )	Tobin & Reyes, P.A., Litigation Counsel
Tony DiNardo	Developer
Ron Albeit	The Foundation
Mike Charbonneau	The Foundation
Alice Carlson	AJC Associates, Inc.
Rick Herndon	LandCare
Bill Reagan	FMSbonds
Rick Benedetti	Resident
Joseph Vaccaro	Resident
Joseph Badessa	Resident
Joe Schmidt	Resident
Allison Yang	Resident
Gretchen Scott	Resident
Jim Robertson	Resident

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Adams called the meeting to order at 8:00 a.m., and noted, for the record, that all Supervisors were present, in person.

**SECOND ORDER OF BUSINESS**

**Public Comments: Non-Agenda Items (3  
minutes per speaker)**

Mr. Rick Benedetti, a resident, presented photographs of items related to work on the lake, which were stored on Club Center Boulevard. He explained that a letter was sent to Mr. Charbonneau, which he forwarded to others; however, the CDD was not included.

Mr. Cole met with Mr. Charbonneau and the contractor when the work commenced and identified that area as the best location to store materials during the lake bank erosion repair project. He indicated that the work should be completed within a few weeks.

Mr. Benedetti pointed out that permission to use the area was not obtained from residents. He voiced his opinion that the area was beginning to “look like a pigpen”.

Mr. Brougham agreed that residents should have been notified in advance. Mr. Brougham stated that the materials should be removed when the project is completed. Mr. Benedetti questioned if the materials could be moved to the Club Center parking lot. Mr. Cole will ask Mr. Charbonneau about an alternate location.

Mr. Brougham asked about the notification process for this type of activity. Mr. Cole reiterated that he consulted with Mr. Charbonneau about the storage location at the beginning of the project and believed that Mr. Albeit was notified. Mr. Albeit contended that residents were notified of the lake erosion work but not about the storage mess and disruption to the village. Mr. Benedetti felt that the situation and appearance were a Management issue and not Mr. Charbonneau or The Foundation's responsibility. Mr. Benedetti reiterated that he wanted the area cleared, as he felt “it has been long enough”. Mr. Cole restated that he will work with Mr. Charbonneau to find another location. It was noted that the project would be completed within a few weeks and a Mr. Bergmoser questioned if Mr. Benedetti could wait until then. Mr. Benedetti stated “clean it up, that's all, just clean it up”. Mr. Cole will advise the contractor to clean the area up.

Mr. Brougham directed Ms. Crismond, Mr. Cole and Mr. Charbonneau to develop a notification process for residents when future projects arise.

Mr. Benedetti advised of trees from Fiddler's Creek Parkway overhanging 9154 Cherry Oaks Lane and asked that it be “cleared up”. Mr. Brougham noted another instance in another area. Ms. Crismond was aware of the situation. Mr. Brougham directed Ms. Crismond to resolve the issues on Cherry Oaks Lane, Montreux and throughout Fiddler's Creek.

Mr. Benedetti identified an area where, if looking over the lake from Cherry Oaks Lane, dead wood can be observed because the area was not trimmed. Ms. Crismond stated that dead wood was the result of previous white fly treatments. Mr. Brougham asked who determines whether the ficus trees will recover or the dead branches should be cut.

Mr. Benedetti referred to the outside of the hedge, on Club Center Boulevard, when entering either direction of the residential section, and asked who was responsible for that area, as it "is starting to get out of control". Mr. Benedetti indicated that trees outside of the hedge were overhanging the street. Ms. Crismond believed that the CDD was responsible from the sidewalk to the road. Mr. Benedetti presented photographs of overhanging trees. Mr. Brougham voiced his opinion that the CDD has maintenance responsibility.

Mr. Brougham directed Ms. Crismond to meet with Mr. Benedetti regarding the tree issues and for her to "take care of everything".

Mr. Jim Robertson, a resident, referred to email correspondence between Mr. Brougham and Mr. Joe Vaccaro, a resident, which was included in the information packet. He voiced his opinion that Mr. Brougham's response implied that Mr. Vaccaro was wrong and Mr. Brougham was correct, based on his vast experience and 20 years operating the District. Mr. Robertson pointed out that, last year the District had \$1 million in "General" fund reserves but now has \$20,000. Regarding the Board's fiduciary responsibility to homeowners, Mr. Robertson asked where the money went and wanted to know if it "just disappeared" or if the District Treasurer must explain that there was no default. Mr. Robertson was concerned that Mr. Brougham might not know about fiscal management and responsibility.

Mr. Brougham indicated that his email stated that the District had 20 years experience. Mr. Robertson read from Mr. Brougham's email "my experience in operating the District for nearly 20 years". Mr. Robertson questioned if Mr. Brougham understands fiscal responsibility regarding financial assets.

Mr. Brougham asked Mr. Adams to respond.

Mr. Adams advised that the \$1 million was "eaten up" by a shortage of approximately \$278,000 in assessment revenue, due to an assessment protest matter related to the 951 parcels, which would be discussed later in the meeting. He stated that approximately \$400,000 was frontend funding of the traffic signal; however, CDD #2 was expected to reimburse 50%, which is estimated to be \$200,000. Mr. Adams surmised that those two items accounted for about \$450,000 to \$500,000 of the previous \$1 million reserve amount. He noted that money must be

available from surplus funds to pay expenses from October through December until tax receipts begin to roll in. Mr. Adams discussed the District's landscaping, which is an uninsured asset and can be a costly unforeseen initial clean up expense in the event of a significant tropical storm event.

Mr. Brougham advised the audience that the "signup sheets" are for items that are not on the agenda and pointed out that this topic was on the agenda. He referred to Mr. Robertson's "aggressive words directed towards the Chair, instead of the Board" and read from his email response to Mr. Vaccaro:

*"To the question of fiduciary responsibility, it is my personal belief that to reflect upon experience in operating this District for nearly 20 years, anticipate expenses associated with aging infrastructure and propose a budget which reflects both is exercising fiduciary responsibility."*

Mr. Brougham indicated that there was no intent to say "Phil Brougham" operated this District. He reminded Mr. Robertson that he sat on the CDD #1 Board, for many years, and was a participant in setting budgets during that period of time and authorizing expenditures.

Mr. Vaccaro advised of an instance when a landscape crew member was driving his cart in the road, with earplugs in, and that they also drive on the sidewalks, crossing from one side to the other, without looking. He felt that an "incident" would eventually occur. Mr. Vaccaro questioned if the landscape contractor had insurance on the carts.

Mr. Brougham agreed that the crew must obey the signals and slow down.

Mr. Pires believed that the District was named as an additional insured on LandCare's certificate of insurance, as part of the contract. Mr. Adams added that the contract also contains a hold harmless and indemnification, in favor of the District. Mr. Brougham directed Staff to send a letter to LandCare advising that crew members must slow down when driving through the community, be aware of all exits, pedestrian crossings, etc.

Mr. Vaccaro asked if the landscape crew could be advised not to "sleep" on the sidewalks during their lunch break. Mr. Brougham directed Staff to include this matter in the letter to LandCare.

Mr. Joe Schmidt, a resident, asked if the District accepted Runaway Bay and was responsible for installing a second lift of asphalt. Mr. DiNardo replied no; it is a private road. Mr. Schmidt referred to road markings on areas with upheaval of the second lift. Mr. Cole confirmed that those areas would be repaired next month.

**THIRD ORDER OF BUSINESS**

**Special Counsel Update**

Ms. Robinson indicated that, since the District's filing of the Amended Counterclaim, U.S. Bank filed a Motion to Dismiss, asserting the same grounds as in the past. She noted that U.S. Bank did not prevail on those grounds any other time they were asserted; however, U.S. Bank is entitled to reassert them, by way of the motion. Ms. Robinson stated that the judge offered an entire afternoon for the hearings on U.S. Bank's Motions to Dismiss related to CDD #1 and CDD #2's claims, as the Motions to Dismiss are interrelated. Potential hearing dates in October and November were being negotiated between all parties. She advised that, once those motions are heard and disposed of, the case could proceed.

**\*\*\*Ms. Robinson left the meeting.\*\*\***

**FOURTH ORDER OF BUSINESS**

**Developer's Report**

Mr. DiNardo indicated that the Marsh Cove Gate House was completed and the Marsh Cove south phase construction will begin. He discussed new flow for construction traffic, a fence with a beam that will alert the rover if the fence is opened and wireless alarm systems that will be installed at two pump stations. Mr. DiNardo noted a farming area that has a fence across the road, which will require everyone, including the farm workers, to enter a code to gain access; the fence will also be programmed to notify the rover if the fence opens at certain times. He pointed out other construction roads and a fence that will be programmed the same. Mr. DiNardo surmised that most construction traffic will travel through the back of Fiddler's Creek and there should be very little construction traffic in other areas, by next season.

Mr. DiNardo described the abilities of the new camera system.

**FIFTH ORDER OF BUSINESS**

**Engineer's Report**

Regarding the SR 951 traffic signal, Mr. Cole advised that the last mast arm was supposed to be set this week. Control wiring, traffic loops and filling on the west side of SR 951 should be completed within the next two weeks. Mr. Cole anticipated that the signal would be "live" by the first or second week of September.

Mr. Brougham asked about a foundation installed on the southeast corner of the intersection. Mr. Cole advised that it was related to the controls. In response to a question, Mr. Cole stated that the blinking light burn in period would be a few days and not weeks.

Mr. Cole reported that the District would be allowed to plant a hedge around the control box but it must be no more than 5' tall, with a 6' clearance around the signal, along with leaving a 6' access opening. Mr. Brougham wanted to hide the control box but noted that planting a hedge could obscure the monument. Mr. Cole will provide a sketch to Mr. DiNardo.

Mr. Cole indicated that lake bank erosion repairs were ongoing and anticipated completion within the next few weeks. He advised that the curb repair and striping project was ongoing; some curb repairs were completed and areas will be patched in conjunction with the CDD #2 paving project and the striping will be completed later.

Regarding fire hydrant repainting, Mr. Brougham recalled that, as of June 10, 2010, the county became responsible for all inspection and maintenance of fire hydrants in Fiddler's Creek. He was advised that all of the fire hydrants would be repainted; however, upon inspection, Mr. Brougham discovered that the fire hydrants along Fiddler's Creek Parkway, Championship Drive, Club Center Drive and Mahogany Bend were painted but those on Montreux and any other villages, including Cherry Oaks Trail, were not painted. The county advised Mr. Brougham that those hydrants were behind master meters or backflow protection; therefore, they are in a private system that the HOA is responsible for. Mr. Brougham disagreed and was told that the fire marshal will investigate, as it was believed that, when the fire hydrants were conveyed to the county, it was everything that they previously maintained. Mr. Brougham asked Mr. Cole to comment on whether any Fiddler's Creek HOA was responsible for fire hydrant maintenance.

Mr. Cole confirmed that Fiddler's Creek has backflow assemblies in a few locations; however, 95% of the hydrants are not behind a backflow assembly. Mr. Brougham voiced his opinion that, since the creation of Fiddler's Creek, the HOAs had no responsibility for or ownership of any fire hydrants; the county or fire department always flushed, maintained and painted them.

Mr. Cole recalled prior streetlight issues on Cherry Oaks Trail and Cherry Oaks Lane, due to lightning, which were repaired. He will check Cherry Oaks Lane for anything needing repair, prior to the District acquiring it.

**SIXTH ORDER OF BUSINESS**

**Public Hearing to Hear Comments and  
Objections on the Adoption of the  
District's Final Budget for Fiscal Year  
2015/2016, Pursuant to Florida Law**

**\*\*\*Mr. Brougham opened the Public Hearing.\*\*\***

**A. Affidavit of Publication**

Mr. Adams presented the Affidavit of Publication for today's Public Hearing.

**B. Written Comments from Cherry Oaks Resident, Joseph Vaccaro**

Mr. Adams presented the written comments from Mr. Joseph Vaccaro.

**C. Consideration of Resolution 2015-7, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2015, and Ending September 30, 2016; Authorizing Budget Amendments; and Providing an Effective Date**

Mr. Adams presented Resolution 2015-7 for the Board's consideration.

Mr. Adams recalled that an updated Fiscal Year 2016 budget was distributed on Friday; the only change was infusion of 36 units in CDD #2, which slightly impacted the cost sharing distribution between CDD #1 and CDD #2 for access control and the irrigation system.

Mr. Adams referred to the "O&M" Assessment Analysis, which was a summary of the significant changes in expenditures and/or appropriations. He noted the following changes from Fiscal Year 2015 to Fiscal Year 2016:

- ✓ "Professional and Administrative": "Legal-litigation" decreased from \$100,000 to \$50,000

Mr. Brougham explained that the litigation costs were related to the District's participation in lawsuits against U.S. Bank, as Trustee, due to conflicts. He advised that, if successful, the District would recoup "stolen" construction bond money taken by U.S. Bank from the District's construction bond account.

Mr. DiNardo specified that, if the District recovers funds, the developer will "let" the District take money from the construction fund to pay for the traffic signal.

Mr. Brougham indicated that CDD #1 is obligated to fund 50% of the cost for the traffic signal and, since the District's construction bond money "disappeared at the hands of U.S. Bank", the cost, of approximately \$200,000, must be funded from the District's "General" fund, which partially contributed to the decrease in fund balance.

Mr. Adams reviewed the following changes from Fiscal Year 2015 to Fiscal Year 2016:

- ✓ "Professional and Administrative": "Contingencies" increased from \$2,000 to \$22,000 (Increased due to potential unforeseen expenses, such as the irrigation mainline break experienced in Fiscal Year 2015.)

- ✓ “Water Management”: “Other Contractual” increased from \$398,773 to \$415,896 (Increased primarily due to \$20,000 increase for aquatic plant maintenance.)
- ✓ “Water Management”: “Fountains” increased from \$47,500 to \$60,000 (Increased due to Fiscal Year 2015 actuals, reflective of aging equipment.)
- ✓ “Landscaping”: “Other Contractual” increased from \$935,000 to \$985,000 (Increased to address rising maintenance costs, if a new contractor must be hired, as other contractors’ bids were higher than LandCare’s bid.)
- ✓ “Access Control”: “Total Department” decreased from \$567,908 to \$472,095 (Decreased due to cost sharing percentage shift between CDD #1 and CDD #2 and reduction to capital outlay related to completion of the one-time camera upgrade.)
- ✓ “Roadway Services: “Roadway Maintenance” increased from \$50,000 to \$134,200 (Increased due to increased costs to maintain roadway, sidewalk and signage system, as well as the one-time cost for localized repairs and restriping the roadway.)
- ✓ “Increase to Fund Balance”: increased from \$0 to \$195,425 (Increased to provide more appropriate fund balance, which should be 30% to 40% of the annual budget to cover expenses until December, when the first assessment revenues are received, as well as to ensure that funds are available for initial cleanup following a significant storm event and to recover the unexpected Fiscal Year 2015 \$278,000 loss of revenue due to loss of the protested assessable units and the \$200,000 unbudgeted portion of the traffic signal.)

Mr. Adams indicated that the number of assessable units decreased from 2,213, in Fiscal Year 2015, to 1,987, in Fiscal Year 2016, resulting in the aforementioned revenue loss of approximately \$278,000, which caused a Fiscal Year 2016 on-roll assessment increase of \$144 per unit and an off-roll assessment increase of \$139 per unit. He explained that on-roll assessments also increased \$127 and off-roll increased \$111, due to additional appropriations and to build fund balance. Mr. Adams stated that the overall assessment increases would be approximately \$271, for on-roll units and \$250, for off-roll units.

Mr. Adams advised that CDD #2 had 36 additional units, which changed the shared cost expenses percentages, and, if the Board approves the proposed budget provided today, the



“Excess/(deficiency) of revenues over/(under) expenditures” line item, on Page 3, would increase from \$195,425 to \$201,100.

Mr. Brougham recalled the Board’s previous budget discussions and acknowledged that the Board could choose not to budget for unanticipated expenses; however, he preferred to budget sufficient funds in case of emergencies. Mr. Brougham discussed the necessity and benefits of building the fund balance. He noted that, if the District can obtain a line of credit, it would mitigate some of the surplus fund balance required. Mr. Brougham indicated that the District has pursued a line of credit with Iberia Bank since December and was very close to finalizing it; he was confident that the \$500,000 line of credit documents would be provided at the next meeting.

Mr. Brougham stated that, if the line of credit is obtained, he would not feel justified in voting for a “tremendous” increase to the fund balance; therefore, when the time comes, he would “make appropriate motions”, as he felt that the District can reduce the assessment increase amount because the line of credit “is almost fact”.

Mr. DiNardo was told by contacts at Iberia Bank that the line of credit “will come to fruition”. He explained that a line of credit should not be negotiated with lawyers because the lawyers are fighting over language. Mr. DiNardo voiced his opinion that this matter should have been completed a long time ago. He reiterated his willingness to complete the deal for the District, as the developer has millions deposited in Iberia Bank.

Mr. Joseph Badessa, a resident, confirmed that his question regarding the increase to fund balance was answered.

Mr. Vaccaro recalled his letter to the Board and Mr. Adams regarding his concerns about the large assessment increase and he and Mr. Brougham exchanged emails about the subject. He voiced his opinion that the line of credit should be the District’s “reserve” and used to pay expenses from October through December, until assessment revenues are received. Mr. Vaccaro recommended that the District perform a “reserve study” of the roads, infrastructure, etc.

Mr. Brougham wanted a presentation by Mr. Cole and Mr. Adams, at the October meeting, regarding the experiences of other CDDs with respect to roadway reserves. Mr. Adams stated that he will provide Mr. Brougham with a sample reserve study of roads and infrastructure that he had completed for another CDD.

Mr. Slater asked if there were guidelines in the Florida Statutes regarding reserve requirements. Mr. Adams indicated that statutes do not require CDDs to maintain a reserve.

Mr. DiNardo discussed the District's ability to issue tax exempt bonds to pay for improvements.

Ms. Gretchen Scott, a resident, noted that, "Rentals and leases", under "Access control", on Page 2, included the lease of the trailer at the Sandpiper Gate and asked about plans for a gate house at the Sandpiper Gate. Mr. Brougham indicated that the Board had no idea. Mr. DiNardo advised that the trailer would remain for the foreseeable future, as it is the construction entrance. In response to Ms. Scott's question, Mr. Adams explained that the new construction road begins inside the gates. Ms. Scott referred to "Operating supplies", in the chart, on Page 7, and asked for further explanation of the \$45,000 total and noted that closing 100 to 200 homes per year and charging \$50 per transmitter, equated to \$5,000 to \$10,000 per year and asked why the remainder of the costs in that category, for office supplies, etc. was so high. Mr. Adams replied that the Districts use a lot of paper and office supplies, including new printers and computers at the gate houses, on a regular basis. In response to Ms. Scott's question, Mr. Adams indicated that the \$15,299 "Repairs and maintenance – gatehouse" line item, on Page 2, is related to the structures and gates.

**\*\*\*Mr. Brougham closed the public hearing.\*\*\***

Ms. Alice Carlson, of AJC Associates, Inc., introduced herself and explained that she prepares the District's lien roll for placement on the tax bills.

Mr. Brougham was confident that the District would obtain a \$500,000 line of credit with Iberia Bank so on-roll assessments could be reduced to \$1,500 per unit. He noted the condition on the line of credit that the District maintains \$300,000 on account with Iberia Bank.

Discussion ensued regarding what would happen if the District failed to maintain \$300,000 on deposit.

Mr. Bergmoser pointed out that some have approached the line of credit as if it was "free money" and asked about the interest rate if the District must draw from the line of credit. It was noted that the interest rate was 4.25%. Mr. Bergmoser did not believe that the District should borrow money from a line of credit and pay 4.25% to cover its operating expenses from October through December. Mr. Bergmoser stressed that a line of credit should be used only in emergencies such as hurricanes, broken pipes, road collapses, sink holes, etc. He indicated that, per a cashflow analysis prepared by Mr. Adams, "We end up January 1, 2016, with about eight or nine days worth of cash to handle any incoming invoices, in my mind, that is not enough. Now, to my thinking, it doesn't make sense for me to reimburse the CDD at 4% when, if I pay

my normal assessments, my bank isn't paying me one-tenth of 1% interest, so I am giving up one-tenth of 1% interest paying a higher assessment rather than paying the CDD back so that they can pay Iberia 4% interest.”.

Mr. Turner believed that reducing the assessment would not allow the District to build reserves for emergencies but it would still be able to fund the District from October through December, until assessment collections are received. Mr. Brougham confirmed that Mr. Turner's understanding was correct. Mr. Turner indicated that “we built this in to say here is, at the end of the year, after everything is all said and done, we could end up with the projected assessment of maybe \$200,000 in reserves but we still have enough money coming in to pay off bills and, by reducing it from \$1,600 to \$1,500 per unit, we still have the funds to support the operation and then the line of credit could be used to support unforeseen emergencies, with the understanding, yes, we got to pay it back but then there are other avenues we could go, at that time.”. Mr. Brougham agreed with Mr. Turner's understanding. Mr. Adams confirmed Mr. Turner's belief.

Mr. Bergmoser asked Mr. Turner what time period he meant in his comment “to cover the expenses”. Mr. Turner stated that the District “has budgeted until...our fiscal budget stops in September and we still don't get any monies, we don't have monies coming in until mid-December.” Mr. Bergmoser stated “January, 2016”. Mr. Turner replied “No, we have monies coming in December of this year.” Mr. Adams clarified “mid to late-December”. Mr. Bergmoser stated “off-roll”. Mr. Brougham stated “on-roll”. Mr. Turner indicated “just tax assessments”. In response to Mr. Bergmoser's question, Mr. Adams confirmed that it was included in his cashflow analysis, in addition to off-roll collections from October, November and December. Mr. Bergmoser voiced his opinion that, even so, “we end up with about nine days of cash on January 1, 2016”. Mr. Turner believed that 70% to 80% of the District's revenues would be received in December; therefore, the District would be flush in January and only needed to ensure that it has sufficient funds to operate in October, November and part of December. Mr. Adams concurred with Mr. Turner's comment, stating “That is correct. That is your gap funding period, the 25%, those three months and, conservatively, having all three months, by the mid to late part of December though, we are traditionally getting that first flush of cash; most everyone waits until that last week of November to pay their property tax bill and get the full 4% discount”.

Mr. Turner expressed his belief that the process of increasing assessments, at the last meeting, was to build additional reserves and build it over the years because the District did not

have a line of credit, at the time. He voiced his opinion that a \$250,000 reserve would not help if there was a great catastrophe or hurricane. Mr. Turner stated that the District still had “a little buffer” built in and would have enough reserves to support the District’s operating expenses during the first quarter of Fiscal Year 2016. He felt that everyone was confused because the District has a fiscal year budget but “everything looks calendar” year.

Mr. Bergmoser asked if the budget adoption could be subject to final approval of the line of credit. Mr. Brougham replied “No.”. Mr. Adams explained that the budget must be adopted today, as the lien roll must be finalized and submitted to the tax collector.

**On MOTION by Mr. Brougham and seconded by Mr. Turner, with Mr. Brougham, Mr. Turner, and Mr. Slater in favor and Mr. Bergmoser and Mr. Peterson dissenting, Resolution 2015-7, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2015, and Ending September 30, 2016; Authorizing Budget Amendments; and Providing an Effective Date, as amended to a Fiscal Year 2016 “on-roll” assessment of \$1,500, per unit, and “off-roll” assessment of \$1,357.50 per unit, reducing the Fiscal Year 2016 total appropriations to \$2,837,814, resulting in an adjusted increase to the fund balance from \$195,425 to \$17,300 and the projected ending fund balance to decrease from \$846,590 to \$668,465, was adopted. (Motion passed 3-2)**

**SEVENTH ORDER OF BUSINESS**

**Public Hearing to Hear Comments and Objections on the Imposition of Special Assessment to Fund the Budget for Fiscal Year 2015/2016, Pursuant to Florida Law**

**A. Mailed Notice(s) to Property Owners**

This item was provided for informational purposes.

**B. Consideration of Resolution 2015-8, Imposing Special Assessments and Certifying an Assessment Roll; Providing a Severability Clause; and Providing an Effective Date**

**\*\*\*Mr. Brougham opened the Public Hearing.\*\*\***

Mr. Brougham presented Resolution 2015-8 for the Board’s consideration.

Mr. Adams explained that Resolution 2015-8 takes into consideration the adopted Fiscal Year 2016 budget and the assessment levels within the budget, directs Staff to finalize the lien roll and to submit the lien roll to the tax collector for collection of on-roll assessments. The

resolution further directs the District to direct-bill the off-roll bond assessments to the major landowner, based on a set schedule of 50% by October 25, 2015 and 50% by April 25, 2016 and direct-bill and collect the off-roll O&M assessments monthly.

Ms. Allison Yang, a resident, noted that she was new to the community and questioned how the budget could be reviewed, since it was received a half hour ago. Mr. Brougham pointed out that the proposed budget was posted on the CDD website last Friday. Ms. Yang suggested emailing residents. Mr. Pires advised that the District is not obligated to email it. Mr. Adams provided the website address. Mr. DiNardo indicated that The Foundation would send an e-blast, if the District provided the budget.

**\*\*\*Mr. Brougham closed the Public Hearing.\*\*\***

**On MOTION by Mr. Brougham and seconded by Mr. Peterson, with all in favor, Resolution 2015-8, Imposing Special Assessments and Certifying an Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.**

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2015-9, Adopting the Annual Meeting Schedule for Fiscal Year 2015/2016**

Mr. Brougham presented Resolution 2015-9 for the Board's consideration.

**On MOTION by Mr. Brougham and seconded by Mr. Bergmoser, with all in favor, Resolution 2015-9, Adopting the Annual Meeting Schedule for Fiscal Year 2015/2016 and authorizing Staff to advertise, accordingly, was adopted.**

**NINTH ORDER OF BUSINESS**

**Consideration of Assessment Protest Settlement Agreement**

Mr. Brougham presented the Settlement Agreement. Mr. Adams confirmed that the agreement was reviewed by the District's outside counsel, as Mr. Pires cannot comment on it, due to a conflict of interest.

Mr. Brougham indicated that the agreement agrees to certain terms and conditions, including:

1. *Accept assessment of commercial parcel at 75 ERUs, going forward*
2. *Accept future commercial access to Fiddler’s Creek and proposed plan for commercial frontage on State Road 951*
3. *Accept ownership and obligation to maintain portion of Cherry Oaks Lane*
4. *Agree to areas of change in district boundaries*

Mr. Adams pointed out that the area in Item 4 is not encumbered by any bond issues. Mr. Brougham indicated that the boundary change would decrease CDD #1’s acreage by about 50 acres, it would not impact assessments and would obligate the District to apply for the boundary change.

Mr. DiNardo commented that the developer would pay all costs involved with the boundary change.

**On MOTION by Mr. Brougham and seconded by Mr. Bergmoser, with all in favor the Assessment Protest Settlement Agreement was approved.**

**TENTH ORDER OF BUSINESS**

**Consideration of Line of Credit Documents with Iberia Bank *(to be provided under separate cover)***

Mr. Brougham indicated that Mr. Pires will review the documents and they will be considered at the next meeting.

**ELEVENTH OFDER OF BUSINESS**

**Update: SR 951 Traffic Signal Installation**

Mr. Cole presented Draw #97 for approximately \$12,000, for the Series 2005 A/B bonds, for work related to the traffic signal.

Mr. Brougham questioned how long the foundation must cure. Mr. Cole stated that it must cure for about one week, which had passed, and the concrete strength breaks showed that it met criteria.

Mr. DiNardo asked if CDD #2 reimbursed CDD #1 for any costs, yet. Mr. Adams indicated that CDD #2 paid a small amount. Mr. DiNardo suggested that CDD #2 be encouraged to pay more, as CDD #1 is “tight on cash”.

**TWELFTH ORDER OF BUSINESS**

**Approval of July 22, 2015 Regular Meeting Minutes**

Mr. Brougham presented the July 22, 2015 Regular Meeting Minutes and asked for any additions, deletions or corrections.

Lines 78, 83, 85, 87, 88 and 155: Change "Swanson" to "Cook"

Line 452: Change "Peterson" to "Slater"

**On MOTION by Mr. Brougham and seconded by Mr. Bergmoser, with all in favor, the July 22, 2015 Regular Meeting Minutes, as amended, were approved.**

**THIRTEENTH ORDER OF BUSINESS**

**Action Items**

This item was presented for informational purposes.

**FOURTEENTH ORDER OF BUSINESS**

**Other Business**

There being no other business, the next item followed.

**FIFTEENTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Mr. Pires indicated that Mr. Brougham was served with a subpoena in the Fiddler's Creek LLC versus Naples Lending litigation and objections will be filed.

**B. District Manager**

Mr. Brougham asked Mr. Adams if he contacted "TEM" regarding a reduction to the service contract. Mr. Adams replied "we are playing some phone tag right now while he determines what it is he can do".

**i. Approval of Unaudited Financial Statements as of July 31, 2015**

Mr. Brougham presented the Unaudited Financial Statements as of July 31, 2015.

Mr. Brougham pointed out that "Engineering" costs were \$9,800 for July. Mr. Adams believed that the majority of the cost was review and analysis of the roads to prepare the documents for the contractor to provide pricing for the road project, along with oversight of the lake bank erosion repair project.

ii. **NEXT MEETING DATE: September 23, 2015 at 8:00 A.M.**

The next meeting will be on September 23, 2015 at 8:00 a.m.

**C. Operations Manager**

Ms. Crismond presented the Operations Report. She was advised by the electrical contractor that there were numerous lightning strikes, which caused power outages; the contractor is on site, weekly, making repairs.

Mr. Brougham recalled that, on April 30, 2015, it was reported that the top of the street lamp, at 7666 Mulberry, was on the ground and, since then, it was stolen and the streetlight still does not work because there is no top. Ms. Crismond acknowledged that it has been a long time. Mr. Brougham directed Ms. Crismond to have it repaired by next week.

Ms. Crismond indicated that bulrush removal was delayed because it was so wet. Mr. Bergmoser asked if the \$6,500 cost included replacement vegetation. Ms. Crismond advised that it was only to remove bulrush.

Ms. Crismond will tour with LandCare, on Tuesday, and email her observations. The Mulberry landscape project was completed.

Regarding Fiddler's Creek Parkway, Ms. Crismond reported that the Design Review Committee (DRC) granted approval to replace Xanadu with dwarf firebush.

**On MOTION by Mr. Brougham and seconded by Mr. Bergmoser, with all in favor, the GulfScapes Landscape Management Services proposal to install dwarf firebush, was approved.**

Ms. Crismond recalled that LandCare prunes trees up to 14' and 8' over sidewalks; she will review the pruning on Tuesday, during her tour with LandCare. She noted that the District has an annual contract with The Davey Tree Expert Company (Davey) to perform major hard pruning and crown reduction. Ms. Crismond stated that the park bench paver repair project was scheduled for tomorrow.

Ms. Crismond was awaiting a proposal from the pressure cleaning contractor; all specifications were provided to the contractor. Mr. Brougham mentioned "greening walks" in the shaded area, on the north side, between Peppertree and the Main Gate. In response to a question, Ms. Crismond confirmed that the District was still on the contractor's schedule.

Ms. Crismond reported that the Sandpiper Bridge project would commence today.



**SIXTEENTH ORDER OF BUSINESS**

**Supervisors' Requests**

Regarding the ponds, Mr. Slater asked Mr. Cole how far from the water line is owned by the District. Mr. Cole indicated that the maintenance easement is 20'. Mr. Slater noted that, in Bent Creek, a tree behind 8516 fell in the water and a tree at 8520 will fall and recommended that it be removed, if it is a CDD tree. Mr. Slater wanted a replacement tree for the one that fell. Mr. Cole will evaluate the trees.

**SEVENTEENTH ORDER OF BUSINESS**

**Adjournment**

There being no further business to discuss, the meeting adjourned.

**On MOTION by Mr. Brougham and seconded by Mr. Bergmoser, with all in favor, the meeting adjourned at approximately 9:42 a.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

  
Secretary/Assistant Secretary

  
Chair/Vice Chair