

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT  
DISTRICT #2**

**REGULAR MEETING  
AGENDA**

**December 6, 2017**

# Fiddler's Creek Community Development District #2

## OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Fax: (561) 571-0013 • Toll-free: (877) 276-0889

November 29, 2017

**ATTENDEES:**

**Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.**

Board of Supervisors

Fiddler's Creek Community Development District #2

Dear Board Members:

The Board of Supervisors of the Fiddler's Creek Community Development District #2 will hold a Regular Meeting on Wednesday, December 6, 2017 at 10:00 a.m., at the Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments: Non-Agenda Items
3. Special Counsel Update
4. Developer's Report/Update
5. Engineer's Report
6. Discussion/Consideration: Wall Repair/Replacement Options (Grady Minor)
7. Acceptance of Unaudited Financial Statements as of October 31, 2017
8. Staff Reports
  - A. District Counsel
  - B. District Manager
    - i. NEXT MEETING DATE: January 24, 2018 at 10:00 A.M.
  - C. Operations Manager
9. Consideration of October 25, 2017 Regular Meeting Minutes
10. Supervisors' Requests
11. Adjournment

Should you have any questions, please do not hesitate to contact me directly at 239-464-7114.

Sincerely,

A handwritten signature in black ink that reads "C.E. Adams, Jr." with a stylized, cursive script.

Chesley E. Adams, Jr.  
District Manager

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
FINANCIAL STATEMENTS  
UNAUDITED  
OCTOBER 31, 2017**

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
OCTOBER 31, 2017**

	General	Debt Service Series 2003	Debt Service Series 2004	Debt Service Series 2005	Debt Service Series 2014-1	Debt Service Series 2014-2	Debt Service Series 2014-3	Debt Service Series 2014-4	Debt Service Series 2015A-1	Debt Service Series 2015A-2	Debt Service Series 2015B	Capital Projects Series 2014-2	Capital Projects Series 2015A-1	Total Governmental Funds
<b>ASSETS</b>														
Cash	\$567,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 567,248
Investments														
Revenue A	-	7,931,812	128,431	116,034	285,734	455,367	252,450	309,750	264,549	64,812	117,656	-	-	9,926,595
Revenue B	-	18	-	-	-	-	-	-	-	-	-	-	-	18
Reserve A	-	173,226	50,166	50,167	-	-	100,317	-	108,859	36,353	185,435	-	-	704,523
Prepayment A	-	4,924,874	1,103,144	3,586	217,886	1,366,764	-	-	662,306	198,677	1,641,280	-	-	10,118,517
Prepayment B	-	505,939	-	-	-	-	-	-	-	-	-	-	-	505,939
Remedial	-	10,218	-	-	-	-	-	-	-	-	-	-	-	10,218
Construction	-	-	-	-	-	-	-	-	-	-	-	274,778	1,327,256	1,602,034
Optional redemption	-	-	-	-	-	-	69	-	-	-	-	-	-	69
Due from other funds														
General fund	-	-	-	-	-	-	-	-	1,124	378	-	-	-	1,502
Debt service fund series 2003	18,978	-	-	51	-	-	-	-	-	-	-	-	-	19,029
Debt service fund series 2004	2,923	244,175	-	25,559	-	-	-	-	-	-	-	-	-	272,657
Debt service fund series 2005	2,172	-	-	-	-	-	-	-	-	-	-	-	-	2,172
Debt service fund series 2014-1	609	-	-	-	-	-	-	-	-	-	-	-	-	609
Escrow 2003B	-	3,113,439	-	-	-	-	-	-	-	-	-	-	-	3,113,439
Accounts receivable	3,116	-	-	-	-	-	-	-	-	-	-	-	-	3,116
Undeposited funds	30,012	-	-	-	-	-	-	-	-	-	-	-	-	30,012
Due from Fiddler's Creek CDD #1	6,532	-	-	-	-	-	-	-	-	-	-	-	-	6,532
Prepaid int expense series A	-	178,802	-	-	-	-	-	-	-	-	-	-	-	178,802
Prepaid int expense series B	-	46,220	-	-	-	-	-	-	-	-	-	-	-	46,220
Total assets	<u>\$631,590</u>	<u>\$17,128,723</u>	<u>\$1,281,741</u>	<u>\$195,397</u>	<u>\$503,620</u>	<u>\$1,822,131</u>	<u>\$352,836</u>	<u>\$309,750</u>	<u>\$1,036,838</u>	<u>\$300,220</u>	<u>\$1,944,371</u>	<u>\$274,778</u>	<u>\$1,327,256</u>	<u>\$27,109,251</u>
<b>LIABILITIES AND FUND BALANCES</b>														
<b>Liabilities</b>														
*Accounts payable	\$106,090	\$ 367,159	\$ 3,500	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 480,249
Principal payable - A1	-	2,333,310	-	-	-	-	-	-	-	-	-	-	-	2,333,310
Interest payable - A1	-	5,702,743	-	-	-	-	-	-	-	-	-	-	-	5,702,743
Principal payable - B	-	4,197,412	-	-	-	-	-	-	-	-	-	-	-	4,197,412
Due to other funds														
Debt service fund series 2003	-	-	244,175	-	-	-	-	-	-	-	-	-	-	244,175
Debt service fund series 2005	-	51	25,559	-	-	-	-	-	-	-	-	-	-	25,610
Debt service fund series 2015A-1	1,124	-	-	-	-	-	-	-	-	-	-	-	-	1,124
Debt service fund series 2015A-2	378	-	-	-	-	-	-	-	-	-	-	-	-	378
Due to Fiddler's Creek CDD #1	38,800	-	-	-	-	-	-	-	-	-	-	-	-	38,800
Due to General Fund	-	18,978	2,923	2,171	609	-	-	-	-	-	-	-	-	24,681
Due to Developer	110,735	-	-	-	-	-	-	-	-	-	-	-	-	110,735
Total liabilities	<u>257,127</u>	<u>12,619,653</u>	<u>276,157</u>	<u>5,671</u>	<u>609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,159,217</u>
<b>Fund balances:</b>														
Restricted for:														
Debt service	-	4,509,070	1,005,584	189,726	503,011	1,822,131	352,836	309,750	1,036,838	300,220	1,944,371	-	-	11,973,537
Capital projects	-	-	-	-	-	-	-	-	-	-	-	274,778	1,327,256	1,602,034
Unassigned	374,463	-	-	-	-	-	-	-	-	-	-	-	-	374,463
Total fund balances	<u>374,463</u>	<u>4,509,070</u>	<u>1,005,584</u>	<u>189,726</u>	<u>503,011</u>	<u>1,822,131</u>	<u>352,836</u>	<u>309,750</u>	<u>1,036,838</u>	<u>300,220</u>	<u>1,944,371</u>	<u>274,778</u>	<u>1,327,256</u>	<u>13,950,034</u>
Total liabilities & fund balances	<u>\$631,590</u>	<u>\$17,128,723</u>	<u>\$1,281,741</u>	<u>\$195,397</u>	<u>\$503,620</u>	<u>\$1,822,131</u>	<u>\$352,836</u>	<u>\$309,750</u>	<u>\$1,036,838</u>	<u>\$300,220</u>	<u>\$1,944,371</u>	<u>\$274,778</u>	<u>\$1,327,256</u>	<u>\$27,109,251</u>

\*The entire series 2003 accounts payable relates billing from a third party which is in dispute.

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GENERAL FUND  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$2,148,501	0%
Assessment levy: off-roll	32,146	32,146	366,459	9%
Interest & miscellaneous	30	30	7,500	0%
Total revenues	<u>32,176</u>	<u>32,176</u>	<u>2,522,460</u>	1%
<b>EXPENDITURES</b>				
<b>Administrative</b>				
Supervisors	1,077	1,077	12,275	9%
Management	7,055	7,055	84,662	8%
Assessment roll preparation	-	-	22,500	0%
Audit	-	-	16,500	0%
Legal -general	-	-	15,000	0%
Legal - litigation	-	-	140,000	0%
Engineering	-	-	18,000	0%
Telephone	-	-	282	0%
Postage	24	24	2,000	1%
Insurance	8,446	8,446	9,207	92%
Printing and binding	50	50	595	8%
Legal advertising	322	322	2,000	16%
Office supplies	-	-	750	0%
Annual district filing fee	175	175	175	100%
Trustee	-	-	25,500	0%
Arbitrage rebate calculation	-	-	8,000	0%
Contingency	-	-	8,332	0%
Total administrative	<u>17,149</u>	<u>17,149</u>	<u>365,778</u>	5%
<b>Field management</b>				
Field management services	952	952	11,424	8%
Total field management	<u>952</u>	<u>952</u>	<u>11,424</u>	8%
<b>Water management</b>				
Other contractual	-	-	130,125	0%
Fountains	11,525	11,525	137,500	8%
Total water management	<u>11,525</u>	<u>11,525</u>	<u>267,625</u>	4%
<b>Street lighting</b>				
Contractual services	-	-	20,000	0%
Electricity	1,056	1,056	30,000	4%
Miscellaneous	-	-	1,000	0%
Total street lighting	<u>1,056</u>	<u>1,056</u>	<u>51,000</u>	2%

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GENERAL FUND  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>Landscaping</b>				
Other contractual	-	-	1,109,000	0%
Improvements and renovations	14,461	14,461	75,000	19%
Contingencies	-	-	5,000	0%
Hurricane Clean-Up	18,218	18,218	-	N/A
Total landscaping	<u>32,679</u>	<u>32,679</u>	<u>1,189,000</u>	3%
<b>Access control</b>				
Contractual services	75	75	300,195	0%
Rentals & leases	-	-	26,882	0%
Fuel	-	-	5,752	0%
Repairs & maintenance - parts	-	-	3,319	0%
Repairs & maintenance - gate house	322	322	11,062	3%
Insurance	3,613	3,613	3,982	91%
Operating supplies	2,159	2,159	19,912	11%
Capital outlay	-	-	8,850	0%
Total access control	<u>6,169</u>	<u>6,169</u>	<u>379,954</u>	2%
<b>Roadway maintenance</b>				
Contractual services (street cleaning)	-	-	5,000	0%
Roadway maintenance	13,426	13,426	75,000	18%
Total roadway services	<u>13,426</u>	<u>13,426</u>	<u>80,000</u>	17%
<b>Irrigation</b>				
Controller repairs & maintenance	23	23	2,000	1%
Supply system	2,015	2,015	97,349	2%
Total irrigation	<u>2,038</u>	<u>2,038</u>	<u>99,349</u>	2%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	33,570	0%
Tax collector	-	-	44,760	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>78,330</u>	0%
Total expenditures and other charges	<u>84,994</u>	<u>84,994</u>	<u>2,522,460</u>	3%
Excess/(deficiency) of revenues over/(under) expenditures	(52,818)	(52,818)	-	
Fund balances - beginning	427,281	427,281	467,097	
Fund balances - ending	<u>\$ 374,463</u>	<u>\$ 374,463</u>	<u>\$ 467,097</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2003  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 1,878,400	0%
Assessment prepayments	217,368	217,368	-	N/A
Interest	8,354	8,354	-	N/A
Total revenues	<u>225,722</u>	<u>225,722</u>	<u>1,878,400</u>	12%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal A	-	-	580,000	0%
Interest A	-	-	1,204,238	0%
Total debt service	<u>-</u>	<u>-</u>	<u>1,784,238</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	29,350	0%
Tax collector	-	-	39,133	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>68,483</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>1,852,721</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	225,722	225,722	25,679	
Fund balances - beginning	4,283,348	4,283,348	3,878,246	
Fund balances - ending	<u>\$ 4,509,070</u>	<u>\$ 4,509,070</u>	<u>\$ 3,903,925</u>	



**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2004  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 182,304	0%
Assessment prepayments	51,202	51,202	-	N/A
Interest	622	622	-	N/A
Total revenues	<u>51,824</u>	<u>51,824</u>	<u>182,304</u>	28%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal - on-roll	-	-	45,000	0%
Interest - on-roll	-	-	125,213	0%
Total debt service	<u>-</u>	<u>-</u>	<u>170,213</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	2,849	0%
Tax collector	-	-	3,798	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>6,647</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>176,860</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	51,824	51,824	5,444	
Fund balances - beginning	<u>953,760</u>	<u>953,760</u>	<u>336,793</u>	
Fund balances - ending	<u>\$ 1,005,584</u>	<u>\$ 1,005,584</u>	<u>\$ 342,237</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2005  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 230,281	0%
Interest	87	87	-	N/A
Total revenues	<u>87</u>	<u>87</u>	<u>230,281</u>	0%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal: on-roll	-	-	60,000	0%
Interest: on-roll	-	-	142,500	0%
Total debt service	<u>-</u>	<u>-</u>	<u>202,500</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	3,598	0%
Tax collector	-	-	4,798	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>8,396</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>210,896</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	87	87	19,385	
Fund balances - beginning	189,639	189,639	193,349	
Fund balances - ending	<u>\$ 189,726</u>	<u>\$ 189,726</u>	<u>\$ 212,734</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE EXCHANGE FUND SERIES 2014-1 (SERIES 2005)  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 58,250	0%
Assessment levy: off-roll	259,677	259,677	709,461	37%
Interest	108	108	-	N/A
Total revenues	<u>259,785</u>	<u>259,785</u>	<u>767,711</u>	34%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	205,000	0%
Interest	-	-	560,588	0%
Total debt service	<u>-</u>	<u>-</u>	<u>765,588</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	910	0%
Tax collector	-	-	1,214	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>2,124</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>767,712</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	259,785	259,785	(1)	
Fund balances - beginning	243,226	243,226	32,218	
Fund balances - ending	<u>\$ 503,011</u>	<u>\$ 503,011</u>	<u>\$ 32,217</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE EXCHANGE FUND SERIES 2014-2 (SERIES 2005)  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 277,117	0%
Assessment levy: off-roll	361,013	361,013	1,015,440	36%
Interest	623	623	-	N/A
Total revenues	<u>361,636</u>	<u>361,636</u>	<u>1,292,557</u>	28%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	370,000	0%
Interest	-	-	910,500	0%
Total debt service	<u>-</u>	<u>-</u>	<u>1,280,500</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	4,330	0%
Tax collector	-	-	5,773	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>10,103</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>1,290,603</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	361,636	361,636	1,954	
Fund balances - beginning	1,460,495	1,460,495	7	
Fund balances - ending	<u>\$ 1,822,131</u>	<u>\$ 1,822,131</u>	<u>\$ 1,961</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE EXCHANGE FUND SERIES 2014-3 (SERIES 2005)  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: off-roll	\$ 252,404	\$ 252,404	\$ 709,900	36%
Interest	51	51	-	N/A
Total revenues	<u>252,455</u>	<u>252,455</u>	<u>709,900</u>	36%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	205,000	0%
Interest	-	-	504,900	0%
Total debt service	<u>-</u>	<u>-</u>	<u>709,900</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	252,455	252,455	-	
Fund balances - beginning	100,381	100,381	107,770	
Fund balances - ending	<u>\$ 352,836</u>	<u>\$ 352,836</u>	<u>\$ 107,770</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE EXCHANGE FUND SERIES 2014-4 (SERIES 2005)  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: off-roll	\$ 309,697	\$ 309,697	\$ 874,500	35%
Total revenues	<u>309,697</u>	<u>309,697</u>	<u>874,500</u>	35%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	255,000	0%
Interest	-	-	619,500	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>874,500</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	309,697	309,697	-	
Fund balances - beginning	53	53	2	
Fund balances - ending	<u>\$ 309,750</u>	<u>\$ 309,750</u>	<u>\$ 2</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2015A-1  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 313,326	0%
Assessment levy: off-roll	40,320	40,320	69,926	58%
Interest	457	457	-	N/A
Total revenues	<u>40,777</u>	<u>40,777</u>	<u>383,252</u>	11%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	80,000	0%
Interest	-	-	297,950	0%
Total debt service	<u>-</u>	<u>-</u>	<u>377,950</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	4,896	0%
Tax collector	-	-	6,528	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>11,424</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>389,374</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	40,777	40,777	(6,122)	
Fund balances - beginning	996,061	996,061	348,562	
Fund balances - ending	<u>\$ 1,036,838</u>	<u>\$ 1,036,838</u>	<u>\$ 342,440</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2015A-2  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ -	\$ -	\$ 104,388	0%
Assessment levy: off-roll	11,458	11,458	22,978	50%
Interest	131	131	-	N/A
Total revenues	<u>11,589</u>	<u>11,589</u>	<u>127,366</u>	9%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	40,000	0%
Interest	-	-	85,600	0%
Total debt service	<u>-</u>	<u>-</u>	<u>125,600</u>	0%
<b>Other fees &amp; charges</b>				
Property appraiser	-	-	1,631	0%
Tax collector	-	-	2,175	0%
Total other fees & charges	<u>-</u>	<u>-</u>	<u>3,806</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>129,406</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	11,589	11,589	(2,040)	
Fund balances - beginning	<u>288,631</u>	<u>288,631</u>	<u>110,028</u>	
Fund balances - ending	<u>\$ 300,220</u>	<u>\$ 300,220</u>	<u>\$ 107,988</u>	



**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2015B  
FOR THE PERIOD ENDED OCTOBER 30, 2017**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: off-roll	\$ 117,645	\$ 117,645	\$ 235,313	50%
Interest	903	903	-	N/A
Total revenues	<u>118,548</u>	<u>118,548</u>	<u>235,313</u>	50%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Interest	-	-	235,313	0%
Total debt service	<u>-</u>	<u>-</u>	<u>235,313</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>235,313</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	118,548	118,548	-	
Fund balances - beginning	1,825,823	1,825,823	232,673	
Fund balances - ending	<u>\$ 1,944,371</u>	<u>\$ 1,944,371</u>	<u>\$ 232,673</u>	

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND EXCHANGE 2014-2 (SERIES 2005)  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date
<b>REVENUES</b>		
Interest & miscellaneous	\$ 141	\$ 141
Total revenues	<u>141</u>	<u>141</u>
<b>EXPENDITURES</b>		
Capital outlay	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures	141	141
Fund balances - beginning	<u>274,637</u>	<u>274,637</u>
Fund balances - ending	<u><u>\$ 274,778</u></u>	<u><u>\$ 274,778</u></u>

**FIDDLER'S CREEK  
COMMUNITY DEVELOPMENT DISTRICT #2  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND 2015  
FOR THE PERIOD ENDED OCTOBER 31, 2017**

	Current Month	Year to Date
<b>REVENUES</b>		
Interest & miscellaneous	\$ 679	\$ 679
Total revenues	679	679
<b>EXPENDITURES</b>		
Total expenditures	-	-
Excess/(deficiency) of revenues over/(under) expenditures	679	679
Fund balances - beginning	1,326,577	1,326,577
Fund balances - ending	\$ 1,327,256	\$ 1,327,256

1 **MINUTES OF MEETING**  
2 **FIDDLER’S CREEK COMMUNITY DEVELOPMENT DISTRICT #2**  
3

4 A Regular Meeting of the Board of Supervisors of the Fiddler’s Creek Community  
5 Development District #2 was held on Wednesday, October 25, 2017 at 10:00 a.m., at the  
6 Fiddler’s Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.  
7

8 **Present at the meeting were:**  
9

10 Elliot Miller	Chair
11 Victoria DiNardo	Vice Chair
12 Joseph Mayer	Assistant Secretary
13 Linda Viegas	Assistant Secretary
14 Bill Klug	Assistant Secretary

15  
16 **Also present were:**  
17

18 Chuck Adams	District Manager
19 Cleo Adams	Assistant Regional Manager
20 Tony Pires	District Counsel
21 Terry Cole	District Engineer
22 Carrie Robinson ( <i>via telephone</i> )	Tobin & Reyes, P.A., Litigation Counsel
23 Valerie Lord	Developer Counsel
24 Tony DiNardo	Developer
25 Ron Albeit	The Foundation
26 Shannon Benedetti	Landscape Advisory Committee
27 Michael Laurence	Resident
28 Residents	

29  
30  
31 **FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

32  
33 Mr. Adams called the meeting to order at 10:00 a.m. All Supervisors were present, in  
34 person.  
35

36 **SECOND ORDER OF BUSINESS**

**Public Comments: Non-Agenda Items**

37  
38 Mr. Miller asked Mr. Adams if any speaker cards were submitted. Mr. Adams replied  
39 that Mr. Michael Laurence, a resident, wanted to talk about the Route 41 exit gate and when it  
40 will be installed.

41 Mr. Laurence stated that the resident exit gate on Route 41 was not installed and, when  
42 the guard was off duty, there was no security. He wanted to know when it might be installed.

43 Mr. Miller clarified that Mr. Laurence asked two different questions. When the security  
44 guard is on duty, there is security, which is a different issue than the gate. Mr. Miller asked Mr.  
45 DiNardo to answer the remainder.

46 Mr. DiNardo stated that there were two issues:

47 1. In the litigation that the District has against U.S. Bank, \$1.3 million of funds that were  
48 designated to build the guard gate were taken.

49 Mr. Miller stated that not all of those funds were designated for the guard gate. Mr.  
50 DiNardo stated that most would be but, if the funds came tomorrow, it would expedite  
51 construction.

52 2. When Publix is built, it would be the other catalyst because the Developer would front  
53 the money to install the gate, if the District did not have the funds.

54 Mr. DiNardo stated that two events must happen; receipt of funds related to the U.S.  
55 Bank litigation and the Publix being built.

56 Mr. Klug inquired about the timing of the litigation. Mr. Miller replied that Ms.  
57 Robinson was on the phone. There would be a case management conference and that conference  
58 would set the timeline for depositions and discovery.

59 It was noted that Mr. Laurence's comments were about the broken gate arm. Mr. Miller  
60 requested that everyone stop talking at the same time, and he was talking. Mr. Miller continued  
61 about the timing of the litigation and the case management conference for the setting of  
62 depositions, discovery and trial. Mr. Miller was under the impression that there still had to be a  
63 hearing, which was supposed to occur in October.

64 Mr. DiNardo replied that it would be in March.

65 Mr. Miller replied that they said the hearing would be in October and now it may be  
66 March. Mr. Miller asked Mr. Laurence if that was his concern.

67 Mr. Laurence stated, no, his concern was the missing gate at the resident exit. Mr. Miller  
68 asked if Mr. Laurence was talking about the arm. Mr. Laurence replied, yes, and his question  
69 was when it might be..... Mr. Miller said that he thought Mr. Laurence was talking about the  
70 gatehouse and moving the new gatehouse and stated that there would be a new gatehouse and an  
71 entirely new exit on 41, which was what he thought that Mr. Laurence was addressing.

72 Ms. \_\_\_\_\_ stated that she had a work order from TEM Systems (TEM) and it was  
73 more than just the arm; the actual void locks blew away in the hurricane. Mr. Miller asked if it

74 was a TEM issue. Ms. \_\_\_\_\_ replied, yes. The cards are in, ready for installation, and should be  
75 completed within a week.

76 Mr. Miller stated that, if anybody in the audience had any questions about the agenda  
77 items, as the Board went through the items, he would recognize them after the Board Members  
78 spoke on that issue.

79

### 80 **THIRD ORDER OF BUSINESS**

### **Special Counsel Update**

81

82 Mr. Miller asked Ms. Robinson to discuss the Motions pending today, in the U.S. Bank  
83 case, and to discuss the detail of the upcoming case management conference.

84 Ms. Robinson stated that the hearings today were set for 1:30 p.m., before Judge Shenko.  
85 Ms. Robinson's Separation Motions were all extremely interrelated and all related to both CDD  
86 #2's and CDD #1's Replies to the Affirmative Defenses asserted by U.S. Bank and ITG is a  
87 pleading issue. When a Complaint is filed, one gets an Answer and Affirmative Defenses so one  
88 does have an opportunity as the Claimant to file a Reply to those Affirmative Defenses either  
89 avoiding them or claiming that they are legally insufficient. As yet another way to prolong this  
90 case and prohibiting it from getting it set, U.S. Bank and ITG filed Motions to Strike those  
91 Replies claiming that they were legally insufficient. They are not legally insufficient and the  
92 hearing on all five of those Motions is set for today at 1:30 p.m. It is a one-hour Hearing and, at  
93 the conclusion of that Hearing, one way or another, the Court will consider this matter "at issue",  
94 meaning it is eligible to be set for trial. The pleadings, including the Complaint, Answer and  
95 Affirmative Defenses will have been considered closed and Counsel would be going forward  
96 with Discovery and moving towards trial.

97 Mr. Miller noted that it is exceedingly unusual to file a Motion to Strike a Reply. Ms.  
98 Robinson concurred that it is not frequently done; however, it is permissible under the rules. She  
99 will challenge the legal basis and believes that she has the right end of that argument but, either  
100 way, Judge Shenko will make that decision and the end result will be that the case will be at  
101 issue and ready to be set on a schedule headed towards trial. Mr. Miller asked if, at some point,  
102 with all the spherious Motions being made like the fifth reiteration of dismissing the tort claims,  
103 filing a Motion for Sanctions would be considered. Ms. Robinson replied that it was being  
104 considered but it was easier said than done. The Court has that enhanced authority throughout  
105 the entire pendency of the case but the authority for her to move for sanctions is somewhat  
106 limited.

107 Mr. Miller thought that he would like to put an end to all of this and the case management  
108 conference may accomplish that. He asked Ms. Robinson to explain the case management  
109 conference. Ms. Robinson stated that, two weeks ago, she had a very short, five-minute hearing  
110 at which most of the attorneys appeared by telephone, to request that the Court place this on a  
111 case management schedule. Typically, very shortly after cases are filed, the Court will require  
112 everyone to discuss how long they think the case will take, how many days one needs for trial,  
113 and propose a schedule for the Court. This case was unique in its procedural posture and the fact  
114 that there was a Temporary Injunction Motion immediately, which was then appealed, and there  
115 were numerous Motions, a lot of which were "countless Motions to Dismiss", in light of that  
116 reputed procedural policy, the litigation never got set for case management. CDD #1 and CDD  
117 #2 moved together to ask the Court to compel the parties to come together for a case  
118 management conference and get this case on a schedule so it is headed towards something, as  
119 opposed to constantly dialoguing over the pleadings. At that five-minute Hearing, the Judge  
120 expressed his belief that there were a lot of issues and attorneys in this case and asked that the  
121 case management conference be set for one hour to allow him and the other attorneys to ask  
122 questions and handle the material issues, such that everyone could leave the case management  
123 conference with a realistic schedule for setting this case for trial. That one-hour case  
124 management conference was set for November 21, 2017. All the attorneys would attend, in  
125 person. This was not the kind of case where the Court will set a date certain for trial; a  
126 Notification would be sent advising that the case would be set on the Court's trial calendar, for a  
127 particular month, likely that month will not be until late 2018 but more would be known after the  
128 Hearing on November 21, 2017.

129 Mr. Miller asked if, given Judge Shenko's predication to consider things carefully and at  
130 great length, Ms. Robinson was confident that the Judge, at that juncture, would give dates for  
131 depositions, interrogatories, discovery, document production, etc. Ms. Robinson replied that it  
132 was the present intention of the Court for that to be the end result of the case management  
133 conference. In anticipation of the November 21 Hearing, the lawyers are required to discuss  
134 these items and try to reach as much agreement as possible on some of these deadlines and only  
135 bring to the Court for resolution those items for which agreement cannot be reached. Mr. Miller  
136 stated that, if this was being pursued on an attempted stipulated basis, he wanted Ms. Robinson  
137 to prepare a first draft and circulate it to the other lawyers.

138 Ms. Robinson replied that she would prepare it. A rather ambitious schedule was set  
139 forth. It would be in a time necessary to prepare the District's case. One of the first things must  
140 be the Deposition of Mr. Harvey Pitt, which would be reset and prepared for. She will put forth  
141 an ambitious schedule but was certain that the way this case had gone so far, U.S. Bank and ITG  
142 would push back with a much more laxidasical schedule. The intention of the Court is that the  
143 parties try to come to a compromise, when possible. She would seek input from everyone and  
144 not make a stipulated decision without either a reason, or approval to do so.

145 Mr. Miller suggested that Mr. Pitt's office be contacted, as soon as possible, to schedule  
146 the deposition. For the benefit of the audience, Mr. Miller stated that Mr. Pitt, who will be one  
147 of the expert witnesses, was formerly the Chairman of the Securities and Exchange Commission  
148 (SEC), which administers the Trust Indenture Act, and this is an issue dealing with a Trust  
149 Indenture, not covered by the Statute, since it is a government bond; however, he is an expert and  
150 very much in demand.

151 In terms of ITG, Mr. Miller asked if they would be dealing with Ms. Abby Kaplan, Mr.  
152 Scott Underwood, or both. Ms. Robinson replied that, on the underlying case, it was still Ms.  
153 Kaplan and, in the Interpleader, it was Mr. Underwood. Mr. Miller asked who would appear at  
154 the case management conference. Ms. Robinson replied that it would likely be both; Mr.  
155 Underwood called and indicated that he had nothing to add but did call in to monitor the five-  
156 minute, telephonic Hearing, to set the case management conference, so Ms. Robinson had every  
157 belief that he would attend, even if he has nothing to add.

158 Mr. Miller asked if anyone on the Board had any questions. He thanked Ms. Robinson  
159 and she asked permission to be relieved.

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

161

#### 162 **FOURTH ORDER OF BUSINESS**

#### **Developer's Report/Update**

163

164 Mr. DiNardo stated that, in Aviamar, a section of property that was labeled Amaranda,  
165 was sold to Pulte. There will be 71 single-family homes on 50' wide lots. Mr. Miller asked if  
166 Mr. DiNardo knew the price point. Mr. DiNardo replied that it would likely be in the \$500,000  
167 range. It will not be Lennar as the Developer was not selling anymore property to Lennar in the  
168 Aviamar section; Lennar was almost finished in the Varenna Section, with about two units to  
169 sell. D.R. Horton has about four units to sell in the Varenna section.



170 Mr. Miller inquired about their only being six left around Campanile Circle. Mr.  
171 DiNardo replied that, if you look at what Lennar and D.R. Horton did, most of it is in the process  
172 of being built out so, there would be a new product to sell by January. Mr. Miller thanked Mr.  
173 DiNardo.

174 As a follow up to that, and with Lennar leaving, Ms. Viegas stated, for the record and for  
175 the Minutes, that, when Lennar is leaving, there are a lot of pending items in Aviamar, such as  
176 sidewalks that go up and down and damaged gutters, so, when Ms. Lord and Mr. Cole do the  
177 turn over, they should do what is necessary, as far as holding back Lennar's deposit.

178 Mr. Miller asked if this was in connection with the bond issue. Ms. Viegas replied, yes. Mr.  
179 DiNardo stated that, once he signs the last Estoppel, he could not help and that was The  
180 Foundation's so it should be done as soon as possible. Mr. Miller replied that Mr. Cole had to do  
181 that. Ms. Viegas said it was brought up at previous meetings but, now that is known, for sure,  
182 because Lennar only has two homes left in Aviamar; all the others are under agreement, and the  
183 last one..... Mr. DiNardo interrupted and stated that Ms. Viegas should also look at Varena.  
184 Ms. Viegas replied that she did not know Varena well and could only speak of Aviamar, as far  
185 as the damages. Mr. Miller asked Ms. Viegas to ask Lennar and D.R. Horton when they would  
186 finish.

188 **FIFTH ORDER OF BUSINESS**

**Engineer's Report**

189  
190 Mr. Cole stated that five different punch list project items were being worked on, which  
191 were delayed due to the storm. The contractor has begun working again, but there were some  
192 delays due to the debris piles impeding access. Discussion ensued regarding which areas had  
193 debris, removal of debris in certain areas, sidewalk work, valley gutters and house gutters, the  
194 sidewalk review and completing another review, and various punch list items.

195 Regarding cleaning the storm drain basins, Mr. Cole stated that about 200 were cleaned;  
196 about two-thirds before the storm and the remaining were cleaned after the storm. A spot check  
197 of about 50 basins revealed about seven that needed to be cleaned again so a few thousand  
198 dollars of additional cleaning might need to be added. Discussion ensued regarding the locations  
199 of the storm drain basins.

200 Mr. Cole stated that Mr. Mark Meyers' Report on street lighting and signage identified  
201 about \$80,000 of work related to street lighting and signage repair. He spoke with the County  
202 yesterday, and explained to them that the District was in the process of finishing the developer-

203 related work to get the projects' final acceptance, but, now there was maintenance-related work  
204 from the storm, and the County understood. Mr. Cole spoke with Mr. Joseph McKenna, the  
205 County Engineer. The County said they understood and as long as the stop sign is up; while it  
206 may not be a formal, decorative stop sign, Mr. McKenna knew that a lot of that work was  
207 performed on an emergency basis. If there was a leaning light bulb, the County would not hold  
208 up final acceptance, since they realized the CDD was fixing those types of things, which are  
209 somewhat aesthetic.

210 Mr. Cole presented Draw #140, for approximately \$1,200, for the bond-related cleaning  
211 of the basins; there were about a dozen basins cleaned that were attributed to this fund. There  
212 was also maintenance-related cleaning and builder-related cleaning, which were separated  
213 accordingly.

214 Mr. Klug inquired if the storm related items that Mr. Cole was handling, such as catch  
215 basin clean up, etc., for reimbursement purposes under the Restoration Plan, would be broken out  
216 and billed as separate items. Mr. DiNardo felt that he would have trouble telling the bank that  
217 sewer cleaning was part of the work since, in his opinion, it was not the same as the landscaping,  
218 sidewalk damages, etc. Mr. Miller asked Mr. DiNardo if he thought this was normal  
219 maintenance and Mr. DiNardo replied, yes, if he had no other claim or hurricanes, and this was  
220 the only damage the District had; this has to be a maintenance thing. In response to Mr.  
221 DiNardo's question regarding a guess as to how much it would cost, Mr. Cole stated that, based  
222 on his site inspection, he could not imagine it would be more than \$10,000 for all of CDD #2.  
223 Mr. DiNardo replied that he could not do it. Mr. Miller stated that the question was, if there was  
224 no hurricane, would this work need to be done and Mr. Cole replied, yes. Mr. DiNardo stated  
225 that, even if the result was related to the hurricane, he would not introduce a new line item to  
226 obtain financing for basic cleaning.

227 In response to Mr. Klug's inquiry concerning additional street lighting issues resulting  
228 from the storm and that street lighting repairs had to be made, Mr. Cole stated that the County  
229 will not hold up the final acceptance because of that work. The County will consider it CDD  
230 maintenance, and let that go because they realize it might take a couple of months to get that  
231 work completed. The payment for that work is related to the storm payments and not these  
232 items. In response to Mr. Klug's question, it was noted that this would be reimbursed under the  
233 Coordination Agreement.

234 Mr. Cole stated that the last time he attended the Board meeting, he passed out pictures.  
235 He referred to the pictures for Lake #88 and a map, which he used for Phase 1 repairs in 2011.  
236 On the whole west side of Lake #88, about 600' plus another 50' on the south side, there was  
237 significant damage because of the ficus trees blowing over. All the trees blew landward since  
238 the wind was coming from that direction. Prior to the storm, he had suggested a \$60,000 budget  
239 for lake erosion repairs on this lake, which was included in the Fiscal Year 2018 budget. As part  
240 of the cleanup process, those downed trees would be removed. The lake erosion repairs  
241 previously assumed those trees remained and would be worked around but, since the trees would  
242 be removed, he assumed there would be a Case 1B repair with two permanent bags, to repair the  
243 area. When those trees are removed, he could determine the best repair method; a budget of  
244 \$70,000 to repair this lake was suggested. Mr. DiNardo stated that, since the work was  
245 associated with the landscaping and would be \$70,000, he could probably take that. Mr. Miller  
246 understood but stated that the \$70,000 was for work that would only be completed because of the  
247 hurricane; he wanted to be clear that it had nothing to do with what was in the budget. Mr. Cole  
248 concurred and, in response to Mr. Miller's question, Mr. Cole stated that he did not discuss it  
249 with the Engineers but would provide this to Mr. Meyer and add it to the Report, per Mr.  
250 Miller's request.

251 Discussion ensued between Mr. DiNardo, Mr. Miller and Mr. Cole regarding:

- 252 ➤ If the \$70,000 was to repair everything or if it was a higher amount
- 253 ➤ Whether the repairs were related to the hurricane
- 254 ➤ Mr. DiNardo taking the entire \$70,000 so the District would have the money in the Fiscal  
255 Year 2019 budget for the \$60,000 that the District could not spend
- 256 ➤ Moving \$60,000 to the contingency plan
- 257 ➤ \$10,000 extra for the tree removal, since it was the difference between the \$70,000 and  
258 the \$60,000 figures
- 259 ➤ Other items for contingencies and contract administration, such as irrigation repairs and  
260 the bottom line amount of \$70,000 to include the \$60,000 that was already budgeted
- 261 ➤ Removal of the trees under Mr. DiNardo's Restoration Plan
- 262 ➤ The downed trees destroying the geotubes and the District having \$60,000 in the budget  
263 that could be moved to the contingency.
- 264 ➤ Mr. Miner being put on The Foundation contract

- 265 ➤ Mr. Cole talking to Mr. Miner, a Project Manager appointed under The Foundation
- 266 contract
- 267 ➤ Who would be in charge of the Restoration Plan
- 268 ➤ Every contract that The Foundation gives being handled by the Project Manager, Mr.
- 269 Robert Dickman, as the temporary Project Manager and The Foundation not being
- 270 charged for him
- 271 ➤ Ms. Robinson and Mr. Dickman talking and Mr. DiNardo telling Ms. Robinson that this
- 272 is part of the package
- 273 ➤ Working it out with Mr. Dickman and keeping Mr. Cole in the loop, under The
- 274 Foundation contract
- 275 ➤ Hiring the same vendor that Mr. Cole recommends
- 276 ➤ Mr. Cole possibly receiving a fee, since CDD #1 engaged Mr. Cole to do that work for
- 277 District #1 and Mr. Miller saying the Board would talk about that
- 278 ➤ Separate entities involved, which included The Foundation, the CDDs, the various
- 279 Villages, the HOA or Condominium Associations, and the Developer
- 280 ➤ Mr. DiNardo being with both the Developer and The Foundation and Mr. Ron Albeit
- 281 being with The Foundation

**SIXTH ORDER OF BUSINESS**

**Consideration of Coordination Services Agreement between Fiddler's Creek Foundation, Inc., and Fiddler's Creek Community Development District #2**

288 Mr. Miller stated that the Board would consider the Coordination Services Agreement but  
 289 he first wanted to discuss the deal with Mr. Tony Perez and his law firm. When Mr. Miller met  
 290 to discuss this contract, Mr. Joe Peresi, himself, Mr. Pires, Mr. DiNardo, Mr. Albeit, Ms. Lord  
 291 and Mr. Brougham were in attendance. At that meeting, Mr. Miller asked Mr. Pires if he felt  
 292 there was a conflict because he represented the District and his partner represented The  
 293 Foundation; his firm represents both the District and The Foundation. Mr. Pires did not feel  
 294 there was a conflict and asked if Mr. Miller was concerned about a conflict. Mr. Miller replied,  
 295 no.

296 Mr. Pires stated that Mr. Perisi and Ms. Lord were the attorneys for The Foundation and  
 297 were working on the Agreement. He was the attorney working on the Agreement, on behalf of  
 298 the District. To his knowledge, although Mr. Miner was a Board Member of The Foundation, he

299 did not negotiate with him on the contract; it was Ms. Lord and Mr. Peresi, the attorneys  
300 representing The Foundation. Under the part of the District's Rules, there could be a conflict of  
301 interest to the representation of one client that would be directly adverse to one client, or there is  
302 a substantial risk that the representation of one or more clients would be materially limited by the  
303 large responsibilities to another client. In this instance, Mr. Pires did not think that either of  
304 those were factors. Additionally, in this instance, there is a transaction so he believed their  
305 interests were aligned between The Foundation and the District, although there could be some  
306 difference between the entities. The interests are not antagonistic to each other, under this  
307 arrangement. Ultimately, whether there was a potential conflict of interest was the Board's  
308 decision.

309 Mr. Miller stated that, even if there was a conflict of interest, the Board could waive it.  
310 Mr. Pires concurred. The contract for discussion contained a provision in which the District  
311 would indemnify The Foundation. Mr. Pires replied to Mr. Miller's inquiry about a conflict of  
312 interest stating that the language in the provision says, "to the extent authorized", without  
313 waiving the District of sovereign of immunity; it did not pose a conflict. The language was  
314 substantially changed in the original drafting regarding how that would occur; Mr. Pires  
315 referenced the Attorney General opinions. Mr. Miller stated that he understood and just wanted  
316 to articulate that since he was going to be talking about the contract in which the District might  
317 be obligated to indemnify The Foundation. He wanted to make clear that he felt, not  
318 withstanding that, there was not an adversary relationship that would cause a conflict of interest.  
319 Mr. Pires stated that, in his opinion, the answer was "no"; however, it was up to the Board as the  
320 client, to make that determination. Mr. Pires would request that the Board make the  
321 recommendation that, in their opinion, there is not a conflict of interest or, if so, sign a Waiver.  
322 Mr. Miller stated that, in his view, there may be a conflict but he was not uncomfortable with it;  
323 he was perfectly comfortable with the work that Mr. Pires was doing, on behalf of the District,  
324 and there may a conflict because of the indemnity, but he was willing to waive it. Mr. Klug  
325 stated that he was in agreement with Mr. Miller's point of view. He felt that there was a  
326 potential conflict and, for purposes of clarifying this and based upon counsel's recommendation,  
327 the Board should consider waiving any potential conflict of interest.

328

329

330  
 331  
 332  
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**On MOTION by Ms. DiNardo and seconded by Mr. Mayer, with all in favor, waiving any potential conflict of interest for Mr. Pires, as related to the Coordination Services Agreement, was approved.**

Mr. Miller asked Mr. Pires to prepare the Waiver. He wanted explain the structure of the Agreement so that residents could understand the background and why the Agreement was structured this way. Mr. Miller explained that, several years ago, there was a Supplemental Maintenance Agreement (SMA) between the District and The Foundation, which was a renewal of an expired Agreement. The Foundation has a responsibility to the overall community, even though CDD #2 has responsibility for the ownership and maintenance of the infrastructure within it. Nonetheless, the overall responsibility for the appearance and the general environment for Fiddler’s Creek reside with The Foundation. The SMA provides, for example, if the District spends money on something, such as landscaping, and The Foundation feels that the landscaping that the District owns and pays for is not adequate to maintain the overall environment, appearance, and glorification of the community to the extent that The Foundation would like to see it, The Foundation can provide the District with money and compel the District to adhere to plans and programs created by The Foundation, which would enhance the community to the satisfaction of The Foundation. That Agreement was effective in November 2014. The Coordination Services Agreement (CSA) was predicated on the SMA. This is the Agreement pursuant to which The Foundation would borrow money from Iberia Bank and provide funds for the District to do the work authorized within the Agreement, pursuant to the Engineer handling the hardscape and the firm handling the landscape. Essentially, the CSA was a furtherance of the SMA. This was an Agreement pursuant to which The Foundation would borrow money and advance it to CDD #2, and the Villages that opt in, after CDD #2.

Mr. DiNardo clarified that he would only reimburse the District as to what was already spent. Going forward, would be under The Foundation contracts.

Mr. Miller stated that he wanted to deal with what was spent, separately before adopting the contract. Once the contract was adopted they could talk about what Mr. Cole was going to do, how it would fit in with the Project Manager, and how the \$350,000 the District was asking for was calculated, etc. Right now he wanted to describe the Agreement, which is what was being talked about. Pursuant to this Agreement, The Foundation will borrow the money, make it available to the District and make it available to the various Homeowners’ Associations that opt

364 in. An assessment would be levied on every effected property in the District and in the Villages  
365 that adopt it. The assessment amount could either be paid at once or paid, with interest, over a  
366 period of seven years. Mr. Miller called attention to the following:

367 1. Ms. Viegas raised the question of, if the assessment was paid in full when issued, would  
368 there be a prepayment penalty, regardless of whether the Agreement said there would be one.  
369 Mr. Miller did not see that as an issue since there was no implicit prepayment penalty and, unless  
370 a prepayment penalty was stated, there would be no prepayment penalty. In order for there to be  
371 a prepayment penalty, it must be stated and the amount must be set forth. Since none was stated,  
372 he did not think there was an issue.

373 2. Originally, when this was conceived, the idea was to get the assessment out in December.  
374 The Agreement provides that, during every December, homeowners have the option to prepay  
375 the balance or continue to pay it monthly. Although the goal was to send the assessment bills by  
376 December, it appeared that it would not be sent until January. He thought that the Agreement  
377 should just state that there can be a one-time, 30-day period of time in which a homeowner could  
378 agree to pay the entire amount.

379 Discussion ensued between Mr. Miller and Mr. DiNardo regarding Mr. DiNardo wanting  
380 to obtain the loan now, the banking provision, the Board agreeing that the month would be  
381 December, getting the assessments out by December everybody having the right to pay the  
382 assessment off at one time, making the first payment even if the assessment came out in January,  
383 including that in the Agreement, Mr. DiNardo's assertion that it has nothing to do with the  
384 Agreement since he would be issuing giving the assessment, the Agreement providing that the  
385 terms of payment of the assessment, wording the Agreement clearly to state that, when the first  
386 assessment comes out, it could be prepaid within 30 days and Mr. Pires ensuring that occurs.  
387 Mr. DiNardo preferred a Letter of Understanding (LOU). The Board concurred. Mr. Pires  
388 would prepare it to state that, whenever the assessment goes out, within 30 days, the bank  
389 assessment payment can be made at one time.

390 Mr. Miller asked if there were any questions regarding the Agreement. Ms. Viegas had a  
391 list of questions regarding the Agreement and already gave it to Mr. Cole and Mr. Perisi. Mr.  
392 Mayer, for a point of clarification, was trying to understand how this works, considering Mr.  
393 DiNardo stated that he would have an assessment out by December, and was wondering if Mr.  
394 DiNardo would have all of the hard numbers. Mr. DiNardo replied that he would attempt to have  
395 everything completed by December. He was letting the contract and, once CDD #1 agreed to the

396 Agreement, it was a question of the scope of the contract. Mr. DiNardo was hoping to get the  
397 work started on Monday. Once this work is being done, he had to bring in the light and signage  
398 work; he was going out for contracts now. The biggest issues that might take time were the  
399 walls, since the true damage to the walls would not be known until the landscaping was pulled  
400 out and then the landscaping itself. Mr. DiNardo's goal was to put everybody under contract  
401 before the assessment because he must have a total amount to assess. Even though the work may  
402 be done in May, for the planting, it will be under contract. Mr. Mayer stated that he understood,  
403 but the wall example sounded like it would be a time and material component. Mr. DiNardo  
404 replied, not really, as things could be measured and he would put vendors under a maximum  
405 contract. Mr. Mayer stated that it could be a not-to-exceed amount. Mr. DiNardo stated that, if  
406 the contract was less, he could adjust the assessment. He wanted to go out with the something so  
407 he could go out with the assessment, since the bank was going to start giving him the money, and  
408 how is he going to get paid. Corollary to the Agreement, the District is signing this. When Mr.  
409 DiNardo does the deal, the bank they will want an attorney's opinion that it is assessable and  
410 collectible. The work being done in the District helps that opinion.

411 Discussion ensued regarding Mr. DiNardo obtaining hard contract numbers by December  
412 so he could send out the assessment, a contracted amount coming in less than the assessment and  
413 an adjustment to the assessment, the Agreement being presented to The Foundation and how  
414 they were going to do this.

415 Mr. DiNardo explained that The Foundation worked on a concept called "fund  
416 accountable", which means that there is a balance sheet and a Profit and Loss (P&L) concept for  
417 a specific purpose. The Foundation would have a specific purpose. There is a separate checking  
418 account that the loan funds would go to for the specific purpose; it could be called "Irma  
419 Restoration", so that when all the monies come out, it would be identified there. If, for any  
420 reason, there is excess money, it will be presented to The Foundation and then it would be  
421 decided as to what to do with the money. If the amount was substantial, property owners would  
422 get some money back. Mr. Miller wanted it to be clear that the accounting for these monies  
423 would have nothing to do with the operational accounts, and budgets. There would be two  
424 accounts that Mr. Pires; one would be for The Foundation and the other would be for other than  
425 The Foundation and that would be separate from The Foundation. Mr. DiNardo stated that those  
426 funds would be audited, and part of The Foundation audit, which would be distributed to all  
427 homeowners.



**On MOTION by Mr. Mayer and seconded by Ms. DiNardo, with all in favor, the Coordination Services Agreement between Fiddler's Creek Foundation, Inc., and Fiddler's Creek Community Development District #2, as stated, with a caveat that there would be a Letter of Understanding, was approved.**

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435 Mr. Miller recalled discussion last month about a FEMA loan. Mr. Adams stated that it  
436 was a FEMA Grant Assistance. Mr. Miller stated that presented a problem and the Board must  
437 really think about if the District wanted the grant. Mr. Adams stated that it was easy to withdraw  
438 and the application was submitted within 30 days so the District had the option to pursue it.  
439 Discussion ensued regarding assessing property owners, property owners potentially submitting  
440 a claim to their insurance for the amount of the assessment, potential issues if FEMA ended up  
441 reimbursing the District and property owners possibly being required to pay back their insurance  
442 carrier or FEMA and difficulties administering a grant.

443 Mr. Mayer wanted clarification as to the District getting financed under the CSA, the  
444 District collaterally negotiating for a FEMA grant and then receiving those funds. He wanted to  
445 know how does the presence of those funds interact, or relate to the financing the District is  
446 getting under the CSA. Mr. Miller discussed insurance requirements, under Florida Statutes, and  
447 possible implications of submitting a claim. Mr. DiNardo believed that the District could not  
448 get the FEMA grant, since it must show FEMA that it had the expenditures and the District  
449 would not have the expenditures. Mr. Miller stated that his point was that, if one received a  
450 check from FEMA, they could not keep that money if their insurance company already paid.  
451 The amount would have to be prorated and money received from a FEMA grant would have to  
452 be given to the insurance company or one would be committing insurance fraud.

453 Mr. Klug asked how much the FEMA grant would be. Mr. Adams replied that it would  
454 be for a portion of the costs. Mr. Miller wanted to explain why and noted that, perhaps the rules  
455 for FEMA changed. Mr. Adams stated that Mr. Pires explained it perfectly; one would have to  
456 sign a certification that the District did not receive funding from another source. Mr. Adams  
457 stated that the choices were to incur the costs, up to now, or file for a grant application, which the  
458 District would get a portion of reimbursement on, many years in the future, as related to public  
459 safety, removal of the material that was in the trees and across the sidewalks, and the District did  
460 more than that in the right-of-way (ROW), which would not be recoverable.

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**On MOTION by Mr. Mayer and seconded by Ms. DiNardo, with all in favor, withdrawing the District's Federal FEMA Application related to Hurricane Irma recovery costs, was approved.**

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Mr. Miller stated that he and Mr. Cole spoke about the need to have some oversight over the contracts being issue. Mr. Cole was called yesterday by Mr. Phil Brougham, Chair of CDD #1. When Hurricane Wilma occurred, Mr. Brougham asked Mr. Cole to provide engineering services and CDD #1 entered into contracts and, as the District Engineer, Mr. Cole certified that the work was done for the hurricane recovery. Mr. Brougham was now asking Mr. Cole to do something similar. For instance, The Foundation would have someone supervising the contracts, coordinating the work, and performing the inspections. CDD #2 would not be doing all of the same things as CDD #1. Mr. Cole would provide some oversight, confirm that certain areas were CDD property, review contracts, review invoices, and conduct some inspections, as needed, to support CDD #1, on behalf of CDD #2. CDD #1 asked Mr. Cole to perform those services and approved it for him to begin next week, on an hourly basis. By the next Board meeting, in mid November, CDD #1 would provide an estimate for what it believed those services would be, once CDD #2 understood the full scope and length of time that the recovery efforts would take. Mr. Cole had discussed with CDD #1, the coordination of what Mr. DiNardo suggested regarding the Project Manager. Mr. Miller asked for clarification regarding how Mr. Cole's duties and the Project Manager's position would not be duplicative. Mr. Cole explained that work, such as landscape restoration could occur on CDD property and some might not be CDD property. He would be reviewing the work and area to make sure that the work and costs were properly split between the CDD and any other entities. Upon completion of the work, he would review the invoices that the Project Manager already reviewed and agree or ask questions about the invoices, accordingly.

489 Mr. Miller stated to Mr. DiNardo that he raised this question because he did not want  
490 there to be any duplication. Discussion ensued between Mr. Miller and Mr. DiNardo regarding  
491 Mr. Miller understanding the process and how complicated it is, Mr. Cole's role versus the  
492 Project Manager, Mr. DiNardo agreeing with the concept, what the Engineers identified in this  
493 District, human factors impacting things, the Landscape Architect possibly tagging trees that  
494 possibly needed to be destroyed, the many variables in the whole process, the first analysis, some  
495 Villages opting out of the Plan, some Associations planting trees with their own funds, inability

496 to identify the entire tree population with radio frequencies and acquiring, an accurate count,  
497 There was discussion of utilizing a security guard to take pictures, count the trees, and work with  
498 the temporary Project Manager, Marie doing spot checks to check tree counts and stumps, Mr.  
499 Cole working with the Project Manager to perform spot checks, sending the Project Manager's  
500 bill to Mr. Cole for review, Mr. Cole acting as an auditor for the counting purposes, Mr. Cole not  
501 only checking but giving a report saying he reviewed the invoices and identified the District-  
502 related work, determining the assessment, the District accepting the work being completed as  
503 part of the Agreement, identifying the work being done and Mr. Cole reviewing seeing the stump  
504 removal data and stumps to be ground, the possibility of the Project Manager resenting Mr. Cole  
505 for his role in the work, the need for a total cooperative effort, and conflicts between Mr. Cole  
506 and the Project Manager being directed to Mr. DiNardo and his office for resolution.

507 Mr. Miller asked if Mr. Cole would be able to provide an estimate of the cost. Mr. Cole  
508 could provide the estimate by the November meeting. Mr. DiNardo wanted to engage Mr. Cole  
509 immediately so he could begin the work now. Mr. DiNardo stated that, before the work is  
510 performed, pictures would be taken and Mr. Cole would be given access to them. Ms. Viegas  
511 stated, when Mr. Cole submits his proposal next month, with a price, it would help the Board if  
512 he would distinguish his role and the role of the Project Manager and include exactly what he  
513 would be doing for that price. She thought that it would be helpful to the Board as well, if Mr.  
514 DiNardo would give the Board information about the Project Manager's responsibilities. Mr.  
515 DiNardo replied that the Project Manager's responsibilities were called turn-key; to deliver the  
516 whole product. Ms. Viegas replied that is not what she is asking and that Mr. DiNardo must  
517 have something to hire someone. Mr. DiNardo replied that he was hiring a person dedicated and,  
518 even though he is dedicated to the project, he does contracts and supervises the work; that is  
519 what a Project Manager does. Ms. Viegas wanted a job description for the Project Manager. Mr.  
520 DiNardo indicated that he would provide the job description. Ms. Viegas wanted to know if both  
521 Engineers who promised, at the last meeting that they would have their final Reports by last  
522 Friday, submitted those Reports. Ms. Viegas stated that the Engineers would have the money,  
523 and the final say in what it is going to entail, which is what Mr. Cole would be overseeing. Mr.  
524 DiNardo stated that Mr. Cole would not oversee the work or Project Manager, he would only  
525 verify.

526 Ms. DiNardo thought that it was important to have one person doing this so that, if  
527 questions were raised about the work, the District could indicate that it was validated and the

528 work product was inspected. Mr. Klug agreed 100%. Mr. Adams suggested engaging Mr. Cole  
529 immediately. Mr. Miller wanted to engage Mr. Cole, pursuant to a proposal, which he will  
530 submit next month and, if the proposal is not approved, Mr. Cole would stop the work.

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**On MOTION by Mr. Klug and seconded by Ms. DiNardo, with all in favor, engaging the District Engineer to certify the District's Hurricane Irma recovery work and to submit a proposal for his services, for approval at the next meeting, were approved.**

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Mr. Miller wanted to discuss his understanding that Mr. Adams submitted a claim figure of \$350,000 to The Foundation. Mr. Adams stated that he gave The Foundation a figure, for the purposes of sizing the loan, which was inclusive of invoices received from contractors for debris removal through Friday, October 13, 2017, of approximately \$280,000. There were some miscellaneous invoices from Bentley Electric (Bentley) for emergency streetlight repairs from Lykins-Signtek (Lykins), for emergency repairs, such as installing temporary stop signs. The District had initial dumpster requirements for the mobile home parts and pieces and clean up of a lane that was covered with mobile home pieces so that the pump station could be accessed and some initial work on the pump station where one of the pumps was lost could commence. Inclusive of that, plus knowing what the District had for minimum resources for the week following, Mr. Adams stated that he sized the costs at \$350,000.

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Mr. Adams replied to Mr. Miller's question that none of the \$350,000 had been spent yet. Those were invoices he received. He kept daily logs as to who was where, the amount of equipment, in terms of crew, types of equipment, number of chainsaws, etc. He was backing up the invoices to the daily log to ensure they matched, the invoices were for the correct District and had the correct location, with the right amount of equipment, and that the unit prices were correct. There has been a lot of back and forth with the vendors and they want to be paid; however, he had to first ensure that the invoices were accurate and correct, especially at a time when the District thought they would be submitting to FEMA wherein, one must submit with backup information and a whole litany of detail.

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Mr. Miller stated that, in anticipation of the FEMA grant, Mr. Adams verified the amount of the work that was performed, where the equipment was, how many people were there, how long they were there, etc. Mr. Miller wanted to know how Mr. Adams did that. Mr. Adams

562 stated that he had daily logs; every morning, from the day after the storm, he logged who they  
563 had for crews, who was on site, the number of crew members, trucks, equipment, skids, the  
564 equipment, the rates, and matched them up. As he received invoices he would go back to the  
565 daily log and match up to ensure they tied together. If there were any discrepancies, and in some  
566 cases there were, we had to work back with the contractor in terms of getting them revised, and  
567 corrected. There has been a bit of back and forth with the contractors and their offices in terms  
568 of ensuring that everything was accurate.

569 Mr. Miller asked Mr. Adams how he knew the logs were accurate. Mr. Adams replied  
570 that he was on site with the crews and, for the first two weeks, he was there every day directing  
571 crews around and ensuring that the right crews were in the right locations, depending on what  
572 type of equipment they had and the needs for a particular location. In response to Mr. Miller's  
573 inquiry, Mr. Adams responded that he actually verified everything. When he arrived on site he  
574 would get the morning start time and then, when he and Mrs. Adams came to the site they would  
575 verify the counts. Mrs. Adams logged everything in.

576 In response to Mr. Miller's question, Mr. Adams stated that the Distinct was very close to  
577 being in proper form to be given to the Foundation. Mrs. Adams was not finished yet, and was  
578 still going through everything; it was a lot of work. Mr. Adams stated that they probably had  
579 three of the contractors for each District. He confirmed there were five and sent those through  
580 for payment processing. A couple were difficult, since their offices were displaced, such as  
581 LandCare and Davie Tree, was another; their offices were uninhabitable, lost roofs, totally  
582 flooded and they were working out of hotel rooms. Field crews were trying to prepare invoices  
583 so when their office staff and accountants got hold of them, there was a mess to clean up. Mrs.  
584 Adams stated that they were just released on October 20 so she did not have them yet. In  
585 response to Mr. Miller's questions, Mr. Adams replied that the whole package would be  
586 complete in a couple of weeks. Mrs. Adams took the numbers, his office was now auditing these  
587 to make sure they were appropriate but it was work something that he and Mrs. Adams did and  
588 the office staff had no idea what took place on the ground so it was dependent upon Mrs. Adams,  
589 him and the written diary. Everything gets written down and gets backed up with the invoices.

590 Mr. Miller asked Mr. Adams who at his end would be coordinating with The Foundation  
591 about this and Mr. Adams replied that he would be doing that ultimately; a package would be put  
592 together, and he would come in, sit down with them, and run through it. Mr. Miller wanted to

593 know if Mr. DiNardo heard this and Mr. Adams replied that he did not; therefore Mr. Adams  
594 reiterated what he said again about the package.

595 Mr. Klug wanted clarification on the Motion that was adopted to accept the Coordination  
596 Services Agreement and that the adopted Motion did not obligate the Board to approve the  
597 Exhibits that are presently attached to the draft Agreement, as there are corrections or additions  
598 that must be made to the Exhibits.

599 Mr. DiNardo stated that, while everyone is busy, he would get the final Report and send  
600 it to everybody as the final Report.

601 Mr. Klug inquired if the Motion did not apply to the content of the Exhibits contained in  
602 the meeting package and Mr. Cole replied that the Agreement states approved and adopted. Mr.  
603 Miller replied that they were adopted the preliminary Report.

604 Mr. DiNardo stated that CDD #2 was dumping debris on his property, which he gave  
605 permission for but now the debris must be removed. He was charging CDD #2 rent and did not  
606 ask for indemnification for that property but, since he had to remove it all, it would be part of the  
607 cost to remove it all. Mr. Adams stated that Mr. Brougham indicated that the CDD #2 was  
608 finding out when the County was going to remove it; he gave the County permission. Mr.  
609 DiNardo replied that the property owner gave the County the permission to remove it. He is  
610 waiting for it and is not going to keep it for long; therefore, if that was not done by the time he  
611 did the work, he would remove it and send CDD #2 the bill. Mr. Miller noted that he made the  
612 point that it was the preliminary Report and Mr. DiNardo replied that he would send the final  
613 Engineer's Report, which could be different than the final cost.

614 A Board Member stated that the Board needed to approve the final Engineer's Report.  
615 Mr. Miller stated that, since he was going to sign the Certificate of Cost, it should say, "as  
616 Chairman", underneath his signature and not as an individual. Mr. DiNardo preferred the  
617 individual name.

618 Mr. Klug stated that he wanted to clarify what Mr. DiNardo said, to the extent that the  
619 Exhibits to this Agreement are subsequently modified, this Board needs to readopt those  
620 amended or modified Agreements, and Exhibits. Mr. Pires concurred and stated it must be at a  
621 duly noticed Public Hearing. Directing his comment to Mr. Miller, Mr. Klug stated, Mr.  
622 Chairman, so long as you understand, to the extent that the Exhibits, as they are contained in the  
623 packet today change, this Board will need to readopt those amended or modified Exhibits.

624 Mr. Miller replied that these documents were intended to be preliminary.

625 Mr. Klug replied that he understood and the documents were going to change.

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627 **SEVENTH ORDER OF BUSINESS**

**Discussion/Consideration of Rescinding  
Prior Board Action Regarding Replanting  
Bougainvillea Trees at Veneta Entry**

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631 Mr. Klug stated that he wanted to raise a question about this because of Irma's  
632 intervention and the fact that there was going to be a Master Landscape Plan for CDD #2,  
633 pursuant to the Coordination Services Agreement. He questioned if the Motion previously  
634 adopted by the Board, relating to the three bougainvillea trees should be rescinded so that what is  
635 going to be done in front of the fountain would be part and parcel of the new Master Landscape  
636 Plan.

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**On MOTION by Mr. Klug and seconded by Ms. Viegas, with  
all in favor, rescinding prior Board action regarding  
replanting bougainvillea trees at the Veneta Entry, was  
approved.**

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644 **EIGHTH ORDER OF BUSINESS**

**Update: Hurricane Irma Recovery**

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646 Mr. Miller asked Mr. DiNardo if there was anything left to be said that had not been said.

647 Mr. DiNardo thought they had covered it all.

648 Mr. Adams stated that, from his perspective, the District officially passed the baton with  
649 the ceasing of Phase 1 and Mr. DiNardo had agreed to pick it up from there.

650 Mr. DiNardo stated that he was trying to assemble a package for the bank and would  
651 hopefully get it out when these documents become part of that package; he would try and get it  
652 out by Friday. Then, he would start working on the documents with the bank, which would take  
653 time.

654 Mr. Miller asked Mr. DiNardo if he received definitive results from every Village. Mr.  
655 DiNardo replied, no. CDD #1 voted that it did not need a reimbursement since it had \$550,000  
656 for debris removal, which can be done in-house. That changed the development was why he  
657 wanted these meetings, since the \$550,000 comes out of the deal. From all the Villages, so far  
658 about \$1 million was received and he has \$350,000 from CDD #2 just on the debris removal. He  
659 has \$1.2 million on the Restoration Program but received more tree statistics from the Landscape  
660 Architect from the Villages that opted in. He has some numbers that the Villages opted out and

661 had some of the Villages that did some of the work; therefore, that number would be fluid but he  
662 thought it would be around \$1.5 million. Figure the \$1.3 to \$1.5 million that is \$2.8 million; \$3.7  
663 million for the replanting, \$650,000 for the fences, \$250,000 for the signs, the Engineers and all  
664 the storm costs that would be close to \$450,000 for the two Engineers and the Project Manager  
665 would be about \$450,000. The total would be close to \$8 million.

666 In response to Mr. Miller's inquiry regarding contemplating breaking it down between  
667 Iberia and SBA, Mr. DiNardo stated that he would see; it was going to be part of the  
668 negotiations between Iberia. He discussed the loan negotiation process that he would follow and  
669 noted that Iberia would not charge any loan fees because they are The Foundation's banker;  
670 however, he must pay lawyers on both sides, which would cost \$50,000 to \$75,000.

671 Mr. Miller asked who would give the opinion. Mr. DiNardo stated that he was going to  
672 hire Mr. Mark Woodward to do The Foundation work, as he is familiar with all the documents.  
673 There is no title insurance so that would make it easy.

674 Mr. Miller asked if Mr. DiNardo's D&O Policy was in shape. Mr. DiNardo did not  
675 answer the question but stated that he wanted to do this as quickly as he can so he could give  
676 them their money.

677 In response to a question from Mr. Miller, Mr. DiNardo asked Ms. Lord if she had the list  
678 to determine how many Villages declined to join. She did not have the list. Mr. DiNardo stated  
679 that he would email Mr. Miller the list and Mr. Miller replied that he was just curious. Mr.  
680 DiNardo stated that his guess was that there might be seven or eight and those were mostly  
681 single-family, such as Mulberry, Runaway, Mahogany, etc. He would email the CDD Boards.

682 Mr. DiNardo asked if anyone was here from Callista, as he did not have an affirmative  
683 answer from Callista and requested that they obtain an affirmative answer from Callista and then  
684 send the letters.

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## 686 NINTH ORDER OF BUSINESS

## Acceptance of Unaudited Financial 687 Statements as of September 30, 2017

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689 Mr. Miller presented the Unaudited Financial Statements as of September 30, 2017.

690 Mr. DiNardo wanted to add a discussion about pressure cleaning to this agenda. Mr.  
691 Miller agreed.

### 692 ■ Pressure Cleaning

693 \*\*\*This was an addition to the agenda.\*\*\*



694 Mr. Albeit stated that he started the pressure cleaning and the map would be constantly  
695 updated. The map showed what was accomplished in two weeks. Right now, there was a  
696 problem with the curb attachment so that is why the curbs had to be done. The front columns  
697 and monuments were all pressure washed, but the curbs have not been done. All the sidewalks,  
698 from the beginning of the property to the end, were completed. He started at CDD #1 and, once  
699 completed, he would move onto CDD #2.

700 Mr. Miller asked Mr. Albeit to explain to everybody about the fact that this will be a full  
701 time operation and who will be permanently operating this. Mr. DiNardo replied that the District  
702 paid for one full cleaning and he thought, with the time it takes, he could do another full cleaning,  
703 which would be absorbed by The Foundation. Some Villages need to be cleaned and he would  
704 determine a rate to clean those properties.

705 Mr. Miller asked if somebody would pick up bottles and trash. Mr. Albeit replied that  
706 they would pick up bottles and trim some of the stuff that was hanging over the sidewalks as  
707 well. Mr. Miller replied that the workmen leave a lot of stuff all around sometimes. Mr. Albeit  
708 stated that, if anyone wanted to see a sample of curbs and sidewalks, they could look just past  
709 the gates in Marsh Cove.

710 Discussion ensued regarding GPS in the vehicles so their locations would be known and  
711 clearing debris following a big thunderstorm; debris stays there for awhile.

712 Mr. Miller asked if the theory was that it would be operational every day. Mr. DiNardo  
713 replied affirmatively and stated that the Districts were contributing \$80,000 and The Foundation  
714 would pick up rest of the cost.

715 Ms. Viegas asked if there was a Maintenance Agreement for when the machine breaks.  
716 Mr. DiNardo replied it was The Foundation's machine.

717 **\*\*\*Mr. DiNardo and Mr. Albeit left the meeting.\*\*\***

718 Mr. Miller stated that he had an overall question related to Page 15 of the financials,  
719 which reflected a deficiency of revenues, with expenditures of \$375,000 greater than revenues.

720 Mr. Adams stated that Mr. Miller he should keep in mind that the District already has a  
721 balance of \$1.3 million. The only revenue into this account now was interest earnings. Then  
722 there were the actual requisitions, during the course of the year, which Mr. Cole was processing  
723 against the Capital Projects fund. The District would always have that negative number, once it  
724 gets past the first year, when the fund is actually funded when the bond is issued. The  
725 construction fund is when there is a positive number. In subsequent years, the District's only

726 influent money is going to be interest earnings so there would always be a negative number  
727 against projects that the District funded through the course of the year.

728 Mr. Miller stated that he just wanted that explained for the record.

729 Mr. Adams stated that, on the operating fund, there were the same culprits that were over  
730 budget for the same reasons. He verified the street lighting number and it was accurate. There  
731 were a number of poles that were knocked down and there was no opportunity to pursue for the  
732 recovery of costs. Some were pursued and that was the primary amount of the District's interest  
733 and miscellaneous income, on Page 2. Some systems had to be put back together. He thought  
734 that this was in some of the older areas. As the District started to recover, it was brought to his  
735 attention that lighting systems were being put back together and those were all legitimate. He  
736 viewed those as being one-time expenses and a majority of the lighting systems were now 100%  
737 up in those under developed, or remote areas of CDD #2, except for the ones that fell down,  
738 which would be covered by the other agreement for Irma recovery.

739 Mr. Miller stated that the District had interest income of \$7,500 that was like 75 basis  
740 points, or less or half of that.

741 Mr. Adams stated that, for interest and miscellaneous, the lion's share of the  
742 miscellaneous was going to be recovery of insurance claims. When the District knew somebody  
743 damaged CDD property, a claim could be filed. A small portion would be revenue from the sale  
744 of clickers and replacement clickers.

745 Mr. Miller stated that the District essentially received no interest. Mr. Adams replied that  
746 the District received little to no interest.

747 Ms. Viegas asked, since this is a fiscal year-end... Mr. Adams clarified that, short of  
748 accruals, he would say that there would be some accruals and some Hurricane Irma expenses that  
749 were booked for Fiscal Year 2017; invoices he should say for September. The Board would  
750 more than likely see a budget amendment at the November meeting, since some surplus funds  
751 must be rolled up to pay for those before certifying for reimbursement from The Foundation.

752 Mr. Miller asked if that would be considered an advance. Mr. Adams replied  
753 affirmatively.

754 Ms. DiNardo asked how Mr. Adams would list the money. Mr. Adams replied, as  
755 hurricane recovery line items that say "Hurricane recovery" to keep it simple. He was setting  
756 this up for a FEMA application.

757 Ms. Viegas stated at that point the unassigned in the accounts payable, because I know  
758 you usually have a timing issue with that, but because we are at a fiscal year end, and we need to  
759 close it out... Mr. Adams stated that it would be rolled up and everything would be cut.

760 In response to Ms. Viegas inquiry, Mrs. Adams stated that she did not know if there was  
761 a high hit this month on the fountains. It could be from several weeks or two months between  
762 repairs and pump routine maintenance; the only thing that is covered is maintenance. CDD #2  
763 pays for the contractor to clean and inspect the fountain, once per week. If the fountains are  
764 down, Mrs. Adams should be called and she would get the contractor to go out, which is billable  
765 time that they normally waive. The District is paying to have that fountain cleaned whether it is  
766 running, or not. That fountain is full of water even if it is down and must be chemically cleaned  
767 every week or it will turn green.

768 Ms. DiNardo stated that getting the fountains to work properly was an ongoing concern.  
769 She asked if the District is charged each time they come and are part of getting the fountain to  
770 work. Mrs. Adams replied affirmatively; when they come out and work on the fountain, the  
771 District gets charged but a proposal is provided.

772 Ms. DiNardo felt that it should have been a package price. Mrs. Adams responded that  
773 they never are. Discussion ensued regarding the ongoing issues with the Veneta fountain, being  
774 billed each time the contractor works on the fountain, the number of pumps replaced, replacing  
775 pumps as they go out, why some parts of the fountain function while other parts do not,  
776 sometimes replacing with rebuilt pumps, etc.

777 Mr. Miller wanted to know if there was any way of negotiating a different kind of  
778 contract, such as a fixed amount. Mrs. Adams replied that she could not answer that question, as  
779 there were so many price components on those fountains; no contractor could guarantee that the  
780 fountain would be up and running 24/7. Unfortunately, the fountain is older.

781 Discussion ensued regarding ongoing fountain issues, the current issues at fountains in  
782 CDD #1 and CDD #2, landscape damage, damage to pumps and pump equipment, debris in the  
783 fountains, the inability to have all fountains functioning at the same time, the Board's overall  
784 frustration with the fountains, Pinnacle opening an in-house service and not performing as they  
785 had in the past, finding another contractor, Mrs. Adams' time spent on the fountains, Stahlman  
786 reviewing the Veneta fountain, determining why the fountain breakers are tripping, paying the  
787 bills despite an unsatisfactory result, Vista not being responsive because they "were very busy",  
788 Stahlman conversations with Mrs. Adams, other communities not experiencing these types of

789 fountain problems, the size of the District’s fountains, Vista taking care of other smaller  
790 fountains without problems in other communities, in-house fountain maintenance, Mr. Miller’s  
791 desire to avoid this discussion every month, issues with the brand new Marsh Cove fountain,  
792 obtaining a proposal from Mr. Albeit and The Foundation, and obtaining comprehensive  
793 proposals for on-site fountain maintenance, from The Foundation and Stahlman, by the next  
794 meeting.

795

796 **TENTH ORDER OF BUSINESS**

**Staff Reports**

797

798 **A. District Counsel**

799 Mr. Pires stated that yesterday he and Ms. Lord received an email from Mr. Ken van  
800 Assenderp regarding District #1’s Rule Amendment. There is a 20-day time frame for it to  
801 become final and effective. District #1’s Rule Amendment would be finalized 20 days from  
802 October 4, and that would be sent to the Clerk for Collier County. District #2’s Ordinance  
803 Amendment would become effective. Mr. Miller was sure nobody would file an objection and  
804 Mr. Pires hoped not.

805 **B. District Manager**

806 **i. NEXT MEETING DATE: November 15, 2017 at 10:00 A.M.**

807 The next meeting would be held on November 15, 2017 at 10:00 a.m., at this location.

808 **C. Operations Manager**

809 Mrs. Adams stated that palm tree pruning would occur over the next few weeks. District  
810 #1 talked about mulching and putting it off until some of the stumps could be removed. She  
811 asked the Board if they wanted to do the same. Mr. Klug thought that the weeds were bad and  
812 mulching might take care of it; he noticed the beds were naked and weeds were coming up.

813 Mr. Mayer started that bulldozers would be running over the things, and when the trees  
814 were pulled; there was no sense of wasting the money on the mulch.

815 Mrs. Adams stated that she needed to extend contracts for landscaping and the lake  
816 maintenance, since they would expire in December. There was not time to put those out to bid  
817 and present responses at the December meeting.

818 Mr. Miller asked if they could get an extension, on a monthly basis, and recommended  
819 doing so. Mrs. Adams replied affirmatively; she would pursue extensions and try and present the  
820 bids at the January meeting.

821 Mr. Miller stated that as a priority, the package for The Foundation must be prepared and  
822 asked about the control. Mrs. Adams replied that she just received it this morning, but she did not  
823 read it.

824 Regarding the security statistics, Mr. Miller stated that, under the “incidents”, there were  
825 two process servers and he wanted to know what those were related to. Mr. Adams replied that,  
826 from time-to-time someone comes in to deliver a subpoena. Mr. Miller inquired why that was on  
827 the Department of Safety Monthly Status Report. Mr. Adams replied that it was just a statistic;  
828 they note that they came in. Obviously, the gate does not supposed to interfere, they just note it.

829 Mr. Klug asked what “thermo-cameras” meant, on the upper right of the report and why  
830 it had numbers. Mrs. Adams did not know. Mr. Adams replied that it might be the number of  
831 times they turned on the camera. Mr. Klug felt that response was evasive. Mr. Adams stated that  
832 he would find out.

833

834 **ELEVENTH ORDER OF BUSINESS**

**Consideration of September 27, 2017  
Regular Meeting Minutes**

835  
836  
837 Mr. and Mrs. Adams gave a big thank you to Ms. Viegas for reviewing the Minutes.

838 Mr. Adams presented the September 27, 2017 Regular Meeting Minutes and asked for  
839 any additions, deletions or corrections. The following changes were made:

840 Line 39: Insert: “Mr. Schiavo” after “Mr. Klug”

841 Ms. Viegas referred to Line 173 wherein Mr. John Snyder stated that there was a  
842 statutory provision and she wanted it noted, for the record, that there is no statutory provision.  
843 She alerted the Board to this and wanted it noted in the minutes but assumed that that would not  
844 be acceptable. Mr. Miller replied that it would not be acceptable to change the September 27  
845 minutes. Mr. Pires stated that Ms. Viegas should just note it today. Mr. Adams stated that was  
846 what Ms. Viegas was requesting. Ms. Viegas stated that she relayed to the Board herself that no  
847 such statutory provision existed, she visited the homeowner, and he determined that it was only  
848 an insurance policy.

849

850 **On MOTION by Mr. Mayer and seconded by Mr. Klug, with**  
851 **all in favor, the September 27, 2017 Regular Meeting Minutes,**  
852 **as amended, and incorporating Ms. Viegas’ changes, were**  
853 **approved.**

854

855 **TWELFTH ORDER OF BUSINESS** **Supervisors' Requests**

856

857 There being no Supervisors' requests, the next item followed.

858

859 **THIRTEENTH ORDER OF BUSINESS** **Adjournment**

860

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

862

863 **On MOTION by Ms. DiNardo and seconded by Mr. Klug, with**  
864 **all in favor, the meeting adjourned at 12:05 p.m.**

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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

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Chair/Vice Chair

DRAFT