

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

A Special Meeting, Regular Meeting and Public Hearing of the Board of Supervisors of the Fiddler's Creek Community Development District #2 were held on Wednesday, August 22, 2018 at 9:30 a.m., at the Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.

Present at the meeting were:

Elliot Miller	Chair
Victoria DiNardo	Vice Chair
John Nuzzo	Assistant Secretary
Linda Viegas	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Jason Olson	Assistant Regional Manager
Tony Pires	District Counsel
Terry Cole	District Engineer
Ron Albeit	The Foundation
Robert Dieckmann	Project Manager
Marie Puckett	Fiddler's Creek Security
Mr. and Mrs. Thomas Lullo	Residents
Shannon Benedetti	Resident
Court Reporter	
Donovan Roper	Special Counsel, Roper & Roper, P.A.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 9:30 a.m. Supervisors Miller, DiNardo, Nuzzo and Viegas were present, in person. Supervisor Klug was not present.

SECOND ORDER OF BUSINESS

**OPEN SPECIAL MEETING/ANNOUNCE
EXECUTIVE SESSION/SPECIAL MEETING
RECESS**

Mr. Adams opened the Special Meeting and stated that the primary purpose of today's Special Meeting is to hold a Shade Meeting/Executive Session, as requested by the Special Counsel representing the CDD in the case of Anna Marie DeFeo v. Fiddler's Creek Community Development District #2, regarding the CDD's website not being in compliance with Americans with Disabilities Act (ADA) access requirements.

The Special Meeting recessed at 9:31 a.m.

THIRD ORDER OF BUSINESS

**COMMENCEMENT OF EXECUTIVE SESSION
(Closed to the Public by Law)**

- **Executive Session Regarding Anna Marie DeFeo v. Fiddler's Creek Community Development District #2, Pending Litigation**

The Executive Session commenced at 9:31 a.m.

FOURTH ORDER OF BUSINESS

RECONVENE SPECIAL MEETING

The Special Meeting reconvened at 9:56 a.m.

Mr. Adams stated that the same Board Members were in attendance, as at the start of the Special Meeting.

FIFTH ORDER OF BUSINESS

Consideration of Matters Related to Anna Marie DeFeo v. Fiddler's Creek Community Development District #2, Pending Litigation

Mr. Adams asked for consideration of approval of the Settlement Agreement contemplated during the Executive Session, as outlined by Special Counsel, Mr. Donovan Roper, of Roper & Roper, P.A.

On MOTION by Ms. DiNardo and seconded by Ms. Viegas, with all in favor, the Settlement Agreement in the case of Anna Marie DeFeo v. Fiddler's Creek Community Development District #2, as outlined by Special Counsel, Mr. Donovan Roper, was approved.

SIXTH ORDER OF BUSINESS

CLOSE SPECIAL MEETING/OPEN REGULAR MEETING

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, the Special Meeting adjourned at 9:57 a.m.

Mr. Adams called the Regular Meeting to order at 10:10 a.m. Supervisors Miller, DiNardo, Nuzzo and Viegas were present, in person. Supervisor Klug was not present.

SEVENTH ORDER OF BUSINESS

Public Comments: Non-Agenda Items

Mr. Miller asked if there were any public comment cards and if anyone in the audience had questions or issues.

▪ **Hurricane Restoration Update – Robert Dieckmann, Project Manager**

This item was an addition to the agenda.

Mr. Miller stated that because the District waived the performance bond requirement, more funds were available. Some of the additional funds were used to purchase the new fencing material.

Mr. Dieckmann stated he needed to leave the meeting early and reported the following:

- The fence material has been delivered and will soon be installed.
- With the extra funds from the fence change and not requiring a performance bond from the landscaper, \$41,700 is available.
- \$27,000 was being allocated to clean up the missed trees around Lake #88 and Creative Lane, near the pump house.
- He proposed using the remaining balance of approximately \$14,700 to provide power to the landscape lighting that is part of the Juniper Landscaping (Juniper) contract but was not funded.
- A proposal was received from Bentley Electric (Bentley) to provide power to the areas for uplighting; CDD #2's portion of the proposed costs would be \$15,200. CDD #2 has approximately \$14,700 available; the difference would be absorbed by the project.

Mrs. Adams asked if LED lighting will be installed. Mr. Dieckmann believed that the lights would be LED and stated that maintenance of them would be part of the Bentley contract.

➤ Lights will be installed around the Veneta and Aviamar Fountains, on the island towards Fiddler's Creek Parkway, and at the Sandpiper entrance.

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, the Bentley Electric proposal for uplight installation, in the amount of \$15,200, was approved.

Mr. Miller asked Mr. Dieckmann to inspect and revitalize the new copper plants leading to the Veneta Fountain, which appear to be half dead. Mr. Dieckmann would inspect the plants.

Mr. Miller discussed an excerpt from an article titled "Sunny Outlook for National Landscaper", from a Barron's publication, regarding BrightView Landscaping (BrightView) and offered a copy of the article to Mr. Dieckmann or anyone who was interested. He read the following:

"BrightView grew out of a 2014 merger between the U.S.'s top two private landscapers, a deal orchestrated by private equity firm KKR which remains a majority shareholder. MSD Partners owns an additional 13%.

BrightView is simultaneously a giant and a nobody in the \$62 billion U.S. commercial landscaping and snow-removal market. Its 2.7% market share leaves the vast majority of the market untouched, but with \$2.2 billion in annual revenue it's more than 10 times larger than the biggest competitor."

Ms. DiNardo asked if there was a warranty on the plantings that Juniper installed and if the current landscaping project could be restored, at no extra charge, if anything goes wrong. Mr. Dieckmann stated that there is a warranty period of one year on trees and shrubs, and 60 days on sod. The warranty becomes effective when the work is completed and the plantings are accepted by the CDD. Mrs. Adams felt that a one-year warranty for shrubs was high and felt that the warranty on shrubs was 90 days. Mr. Dieckmann stated that it was either six months or one year.

Ms. DiNardo stated that one tree on Museo is shriveling. Mr. Dieckmann was asked to check the plants on the way to the Veneta Fountain, as it is a major thoroughfare and the plants are unattractive. Mr. Dieckmann stated that the concept was spectacular and it is a work in progress; he would investigate.

Mrs. Adams asked about the oaks that were planted too close together. Mr. Dieckmann stated that he spoke to the lead person at Juniper and was advised that Juniper was doing its best to install plants according to what is on Waldrop's drawing/plan; if there are issues that require them to be pulled out, they would be.

Mr. Dieckmann left the meeting.

Mr. Thomas Lullo, a resident, inquired about the erosion on Lagomar Court. Mr. Miller confirmed that this item would be covered in the Engineer's Report.

EIGHTH ORDER OF BUSINESS

Special Counsel Update

As Mr. Reyes and Ms. Robinson could not attend the meeting, Mr. Miller provided the following update on the two lawsuits involving the CDD:

U.S. Bank Litigation:

- Depositions are underway in the U.S. Bank litigation involving CDD #1 and CDD#2.
- Mr. Adams was deposed, on behalf of CDD #1, and everything that he testified to could be used for CDD #2; he has answered all questions appropriately, honestly and effectively.
- Depositions are ongoing in CDD #2's lawsuit.
- Mr. Miller's deposition was rescheduled to September 20 and 21.
- Judge Hart was assigned to the case, on a temporary basis, through the end of the year.
- The trial date changed from February to March or April 2019.
- There is a currently a pre-trial order for the alternate dispute resolution to become non-binding arbitration. The District wants it moved back to mediation. The goal is to try to revert back to mediation because non-binding arbitration is a lengthy, costly and wasteful process.
- U.S. Bank has motioned to bifurcate the case and conduct separate trials for CDD #1 and CDD #2; the motion is pending and the CDDs will oppose it.
- Mr. Miller noted his previous request for a change of venue to Lee County to keep Judge Shenko; however, the opposition declined.

Interpleader Action:

- ITG's attorneys submitted a motion for summary judgment, CDD #2 countered with a motion to dismiss that claim, pending bringing Wilmington Trust back into the case so that CDD #2 can assert cross-claims against Wilmington Trust. The District has been paying both Trustees but they have not submitted payment to the bondholders.
- The Board's position is that the CDD's only obligation is to make payment to the Trustee, which was done; if the Trustee fails to make payments to the bondholders, the CDD is not responsible. If U.S. Bank or Wilmington Trust does not pay the bondholders, the interest obligation is on the Trustees and not the CDD.
- Wilmington Trust must be back in the case so the District can file a claim against them. A motion was recently made on behalf of the CDD and the CDD prevailed as a result.
- ITG has 10 days to serve Wilmington Trust and Wilmington Trust must file an answer and the CDD can then assert a cross-claim against Wilmington Trust, based on its failure to make payments to the bondholders.
- In preparing for his deposition, Mr. Miller noted that the 2003 A and B bond balances were not showing any difference, although the CDD has made regular payments. He conferred with Mr. Jeff Pinder, of Wrathell Hunt & Associates (WHA), and Special Counsel about it. Mr. Miller stated that, under GAAP it is supposed to show money owed to bondholders, not the amount the District has paid the Trustee. He asked Mr. Pinder to draft a footnote to explain this. He read the following draft of a footnote to be added to the financials, prepared by Mr. Pinder, into the record and motioned for its approval:

"Pursuant to Generally Accepted Accounting Practices (GAAP) and Government Accounting Standards Board (GASB), the District's outstanding debt has not been reduced by assessments that have been remitted by the District to the Indenture Trustees for which the Trustees have not remitted to the Bondholders. As such, the District's future obligation for this debt is no more than the reported outstanding debt less the funds that the Trustees have received from the District but not remitted to Bondholders."

The proposed footnote was reviewed by the Board and all agreed the footnote was acceptable. Mr. Miller asked Mr. Adams to arrange for the footnote to be added to the CDD's

audit going forward. Mr. Adams said he will add it and make sure it appears on all future audits. Mr. Miller stated that this is a crucial fact because the CDD's audits are inaccurate, by a large amount, while compliant with GAAP and the GASB. Once Wilmington Trust is added to the case, the Board will demand a formal accounting to see the actual amount owed. This is important because there will be a tremendous amount of interest that has accrued on the funds remitted to the Trustee, which the CDD will not pay; the CDD's position is that the interest is the obligation of Wilmington Trust and U.S. Bank.

NINTH ORDER OF BUSINESS**Developer's Report/Update**

Mr. Albeit recalled that at the previous meeting, Mrs. Adams gave an update on the irrigation situation and requested an overview. Mr. Miller reminded everyone that Ms. Puckett has been contending with various Homeowners' Associations (HOAs) complaining about the satellites not working properly. The CDD's obligation is to make sure the main central unit is working correctly but the satellites are managed by the Villages and landscapers who turn the satellites off and forget to turn them back on. There are constant issues and the District has been searching for a way to manage it on a central basis. Mr. Albeit noted that control of it must be kept to make sure the permitted water usage limit is not violated. With regard to the Consumptive Use Permits, Mr. Cole stated that the Community was originally part of the agriculture operations and, over time, those permits were transferred and modified to the Developer to fit with what is being irrigated now; crops versus lawns in common areas. The permits are issued based upon the type of water use and were recently extended, but there is a limit on water use, which is $\frac{3}{4}$ " per week. As Mrs. Adams will highlight, the system will provide helpful tools to limit water usage in the Community.

Mrs. Adams was asked to give a report regarding an irrigation management company.

Mrs. Adams stated that Irrigation Design Group (IDG) was hired for another of Management's communities, The Brooks. After hiring IDG, their water bill was reduced from \$120,000 to \$70,000 per year. Through IDG, The Brooks currently has a web-based system. IDG's main goal is to conserve water. Mrs. Adams would like IDG to give a presentation at a Board meeting. IDG would evaluate the entire system, including every irrigation head, manage the system and work with the landscapers, but IDG would be in control. Mr. Miller asked about

the cost. Mrs. Adams stated that it is related to the number of satellites. Mr. Adams discussed the many factors related to determining the cost for the services, installation, etc. Mrs. Adams stated that the initial startup fee varies depending on the CDD; the monthly fee for the other community is \$1,100 and its initial start up costs were \$6,000; however, overall, the costs for the entire Fiddler's Community will be higher because it is much larger. A breakdown will be prepared, this should yield a reduction in usage. Ms. Puckett stated that there are approximately 63 satellites in Fiddler's and she believed CDD #2 has 13.

Mr. Adams stated that engaging IDG would well-serve the Community and reduce water usage. Management and IDG will embark on an educational campaign to acquaint residents with the program. IDG will install a cell package into the satellites to allow them to be managed by IDG, through a web-based software program. Mr. Miller asked how the District could ensure that the Villages participate. Mrs. Adams stated Management will persuade the HOAs by educating them. Mr. Pires stated a formal Rule could be adopted for the irrigation system, requiring the Villages to participate.

Ms. DiNardo asked how breakages or issues would be communicated. Mr. Adams stated that IDG will contact the CDD landscape representative, or the Village landscape representative, depending on the breakage; landscapers will not control the system. Communication between the landscaper to the IDG representative will be imperative to address the District's special needs and other things that the landscapers notice. Mr. Miller asked if IDG will have physical control of the satellites. Mr. Adams replied affirmatively and confirmed that IDG will be able to turn the satellites on and off and will do testing. Ms. DiNardo asked about wet checks. Mr. Adams stated that the Village landscapers would still perform the wet checks. The landscapers could not go in standalone mode in the future. IDG would set up the system and change as needed for new plantings, etc. IDG will identify filtration issues, but the Villages will be responsible for installing filtration systems if they want them. Ms. Viegas asked about budgeting for the cost of this system, if approved, since the Fiscal Year 2019 budget would be adopted at today's meeting. Mr. Adams felt there was enough of a contingency and funds could be moved around as needed. IDG will make a presentation at the next CDD2 meeting.

Mr. Cole presented Draw #144 for the Series 2005 Bonds, in the amount of \$14,713.85, for work performed by GradyMinor related to sewer video in the Veneta area to obtain the final acceptance for Phases 4 and 5 subdivision improvements in Lagomar and Mussorie. As to why GradyMinor bills the District Engineer, Mr. Cole explained that the charges are capital expenses related to construction and funding comes out of the bond construction account.

Mr. Cole reviewed the previously circulated Hurricane Irma Update Report and noted the following:

- Landscape restoration work commenced in CDD #2.
- Streetlight repairs were essentially complete; a few poles require straightening.
- A few signs in CDDs #1 and #2 must be repaired and/or replaced.
- Installation of the Veneta fence will commence in the next few weeks.
- Inspection of the sidewalks for trip hazards was almost complete; a proposal to repair or replace the sidewalks was pending.
- The turnaround sign on Dorado Run Court, which was reported by Ms. Viegas, was straightened and repositioned.

Ms. DiNardo asked about street signage paddles in Veneta. Mrs. Adams stated that she would add them to her list.

Mr. Cole stated that everyone should have received a Stormwater Utility Fee Letter from Collier County. Mr. Pires stated that the County previously adopted a resolution approving the methodology, the reports and mitigation credits, but the assessments have not been approved yet. Mr. Cole stated that residents who live in CDD-maintained communities or HOAs are eligible for a 25% credit on their tax bills, residents who discharge directly into the Gulf are eligible for a 50% credit, and those with agricultural use receive a 100% credit. It could be argued that residents in CDDs #1 and #2 are eligible for a credit of more than 25% because of the waterways that the CDDs' stormwater discharges into. Fiddler's Creek residents automatically receive the credit. Residents who would like more information can access www.collierstormwater.com and research individual homes and businesses affected. A hearing on this topic is scheduled for September 6 at 5:05 p.m., in the Commission Chambers; Mr. Pires will attend the meeting on the District's behalf. In response to Mr. Miller's question regarding disputing the amount of the credit, Mr. Pires stated that there is a mitigation credit application

process that residents could apply for; however, the deadline to apply for mitigation credits was June 30, 2018. Mr. Pires was asked to prepare a Letter of Objection to present at the September 6 Commission meeting and assert that CDD #2 is entitled to the 50% credit because the District discharges directly into the Gulf. The same discussion was held at the CDD #1 meeting this morning. The Foundation also needs to do this; object, and ask for the 50% credit. Mr. Pires said he will work with Mr. Cole and Mr. Adams. Mr. Pires noted Commissioner Taylor is an advocate for this fee and suggested people contact Commissioner Fialla and oppose the fee. Many individual homeowners and businesses are potentially having very large fees imposed upon them. Lengthy discussion ensued. Mr. Cole stated that, after three years, if an HOA or CDD wants to continue receiving the credit it must file by June, 2020 and must also fulfill yearly reporting requirements. The Board instructed Mr. Cole to file for the continuation of the maximum credit amount in 2020 and, every year, file a report showing the CDD's compliance with the requirements. Mr. Cole confirmed his understanding.

Mr. Cole apologized to Mr. and Mrs. Thomas Lullo for not meeting with them sooner to evaluate their lot and noted that he will meet with them after the meeting. The Lulos were in attendance today due to erosion issues at 9446 Lagomar Court, which was discussed at the last meeting.

Mr. Lullo stated that he understood that there is an issue with lake erosion along certain properties on the south side of Lagomar and he would like more information since he was told it was the homeowner's responsibility to make repairs. Mrs. Adams stated that she recently mailed letters to the seven residences affected by erosion issues, including individual scopes of service repairs that will be required in order to make the proper repairs. Once the repairs are made, the CDD will stabilize the lake banks.

Mr. Lullo stated that his home is among the seven with erosion issues. GulfScapes told him what they thought would be needed and the cost. He had no issue with doing it, based on that cost, but his concern was that he doubted that the erosion behind his home was caused by the downspouts. He stated he and his wife bought one of the last homes built by DR Horton and he believes there is a problem with the grading and/or infrastructure for those homes. He repeated that he would be happy to have the work done but felt it would not alleviate the issue. Mr. Cole stated that, based on his inspection two or three months ago, the erosion issue

could have been exacerbated by the soil conditions or when the lot was stabilized with sod, grass, or whatever, but, in his opinion, it was a combination of downspouts, roof drains, and point discharges along the swale between the lots coming down to the lake; not every home had that issue but it was a common element. He speculated as to why this did not occur on other lots that were possibly developed earlier and stated that Staff was not made aware of the problem until spring and was unsure of what may have happened before. Mr. Lullo stated that he filed a claim with DR Horton and, although DR Horton has not responded to the claim, it would be helpful to present them with Mrs. Adams' letter.

Mr. Miller stated that residents in Mussorie are concerned, as drainage filters were not removed from areas where the construction was completed, and asked Mr. Cole to confer with Taylor Morrison about removing the filters and report on this at the next meeting.

Ms. Viegas asked Mr. Cole if he heard from Pulte regarding the street light that was knocked down and still missing on Aviamar Circle. Mr. Cole replied that he had not followed up, but he would make note of it and follow up for the next meeting.

Ms. Viegas stated that Lennar finished the sidewalk in front of 2939 Aviamar Circle but none of the other sidewalk paver issues were addressed. She asked Mr. Albeit to continue to hold the Lennar deposit until all sidewalk repairs are completed. Mr. Albeit confirmed that they would hold the deposit.

ELEVENTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Adoption of the District's Final Budget for Fiscal Year 2018/2019, Pursuant to Florida Law

A. Affidavit/Proof of Publication

The affidavit of publication for today's Public Hearing was provided for informational purposes.

B. Consideration of Resolution 2018-04, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Adams presented Resolution 2018-04. He reviewed the proposed Fiscal Year 2019 budget line items and noted that, as requested by the Board, the assessments remained the same year-over-year. As there were more on-roll units, which would result in additional assessment revenue, he increased the "Contingency" line item and the "Legal-litigation" line item. With the irrigation system that may be implemented, the "Contingency" line item may be necessary. Mr. Miller asked if the expense discussed in the Executive Session, held this morning, should be added or if it would be covered by the contingency. Mr. Adams felt that there would be enough funding either in the contingency or from other line items. Mr. Miller requested that the previously-discussed footnote be added to Page 9 of the budget, as "Footnote 2". Mr. Adams would add the footnote to Page 9 of the budget and to all monthly financial statements.

Mr. Adams asked for questions before opening the Public Hearing.

Ms. Viegas listed changes that were requested at the last meeting but were not made, and two additional errors in the assessment roll that were not added, including:

- Page 1: Change "Amortization Schedule" to "Debt Service Schedule"
- Page 2: "Total revenue" should be added (per Mr. Miller's request)
- Page 5, under "Landscaping services": Change "contracts with an outside company" to "contracts with two outside companies" (per Mr. Miller's request)
- Page 25, under "2005 Series Bond Issue": Change "(lots 50-54)" to "(lots 50-73)"
- Page 26, under "Fiscal Year 2017-2018 Assessments": Change "Amaranda UNSOLD" to "Amaranda SOLD"

Mr. Adams would make the changes prior to the Fiscal Year 2019 budget being filed.

Mr. Adams opened the public hearing.

No members of the public spoke.

Mr. Adams closed the public hearing.

Mr. Adams presented Resolution 2018-04.

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, Resolution 2018-04, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019, as amended; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

TWELFTH ORDER OF BUSINESS

Consideration of Resolution 2018-05, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2018/2019; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Adams presented Resolution 2018-05. This Resolution gives District Management authority to submit the approved assessments to the County to be added to the tax bills for CDD #2 property owners. This is done every year. The Resolution also gives the District authority to bill the off-roll units $\frac{1}{12}$ of their assessment each month.

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, Resolution 2018-05, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2018/2019; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

THIRTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-06, Adopting the Annual Meeting Schedule for Fiscal Year 2018/2019

Mr. Adams presented Resolution 2018-06. He stated that the schedule was similar to previous years and the November and December meetings were scheduled to avoid conflicts with the holidays. Ms. Viegas noted that the December meeting date was changed last year due to the conflict with Hanukkah but, since Hanukkah falls on December 2nd this year, she

suggested changing the December meeting date from December 5th to December 12th or December 19th so meetings were spaced further apart. The following change was made:

Change "December 5" to "December 12"

Mr. Adams stated that meeting dates could be changed throughout the year, if needed.

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, Resolution 2018-06, Adopting the Annual Meeting Schedule for Fiscal Year 2018/2019, as amended, was adopted.

FOURTEENTH ORDER OF BUSINESS

Consideration of Non-Disturbance Encroachment Agreement [Oyster Harbor at Fiddler's Creek Phase 1, Lot 94]

Mr. Miller stated that the Board is being asked to approve the Non-Disturbance Encroachment Agreement [Oyster Harbor at Fiddler's Creek Phase 1, Lot 94] after the fact because the homeowner already installed a generator on CDD #2 property without obtaining prior permission. He called attention to the Agreement and accompanying exhibits and asked Mr. Pires if there was any representation for the homeowner or if the homeowner or their attorney saw the Agreement. Mr. Pires replied no. The Board unanimously urged Mr. Pires to confer with the homeowner's attorney and inform him that no negotiated changes are permissible.

Ms. Viegas noted that the following changes were necessary:

Page 1, third WHEREAS clause: Change "FCDDD" to "FCCDD"

Page 2: Change "attorneys fees" and "attorney's fees" to "attorneys' fees"

The Board approved the Agreement and asked Mr. Pires to have the document signed and returned.

FIFTEENTH ORDER OF BUSINESS

Review of Fiddler's Creek Canopy Tree Pruning Evaluation Report by McGee & Associates

Mr. Miller asked about the reaction of McGee & Associates (McGee) after being told they needed to do additional work. Mrs. Adams stated that she informed them that they would

not be compensated unless the work was completed. She stated that CDD #1 is proceeding with the project, approved the McGee proposal, and is allowing McGee to create updated detail specifications. The consensus of the CDD #2 Board was to wait to see the revised product and then consider whether or not to follow it. CDD #1 is paying for the Report.

SIXTEENTH ORDER OF BUSINESS**Acceptance of Unaudited Financial Statements as of July 31, 2018**

Mr. Adams presented the Unaudited Financial Statements as of July 31, 2018. Mr. Miller asked about the heading on the 2003 A and B Bonds pages stating "Change in Fund Balances" based on the earlier discussions. Mr. Adams explained that the Change in Fund Balances is if monies are received during the current month, which would change the fund balance. Mr. Miller stated that the GAAP reporting remains unchanged despite the change in fund balances and asked Mr. Adams to include the phrase "Subject to footnote" after the Change in Fund Balances heading. Mr. Adams stated that this is where he would add the footnote to the monthly financials. The balances are being changed with more assessments, but the payments are not showing. Mr. Miller asked that he refer to the footnote after the heading "Change in Fund Balances" to make it clear.

Ms. Viegas asked about the charge to the "Trustee" line item and the budget being at 126%. The same figure was used in the Fiscal Year 2019 budget so had that line item been under budgeted. Mr. Adams stated the Trustee charges by trust account so, due to bifurcation, more trust accounts were created. He stated that the Fiscal Year 2019 budget should have been increased.

Ms. Viegas noted the "Electricity" line item was still significantly under budget. Mr. Adams stated that a large portion of the CDD's electricity system was offline for a number of months following Hurricane Irma. All bills had been processed.

SEVENTEENTH ORDER OF BUSINESS**Consideration of July 25, 2018 Regular Meeting Minutes**

Mr. Adams presented the July 25, 2018 Regular Meeting Minutes and asked for any additions, deletions or corrections. The following change was made:

Line 202: Change "meeting" to "meetings"

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, the July 25, 2018 Regular Meeting Minutes, as amended, were approved.

EIGHTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Woodward, Pires and Lombardo, P.A.*

Mr. Pires had no updates but stated that, on the next agenda, there will be a discussion concerning the canal between Cranberry Crossing and Oyster Harbor, where trees were removed. There will be a proposal to assign the area to CDD #1 but CDD #2 would continue to maintain the vegetation on the east side of the canal. Mr. Miller asked if this would adversely impact CDD #2's credit with the local water management district. Mr. Pires confirmed that it would not.

▪ Operations Manager: *Wrathell, Hunt and Associates, LLC*

This item, previously Item 18C, was presented out of order.

Mrs. Adams presented the August 22, 2018 Monthly Status Report and asked if the Board had reviewed the Report in the agenda, and if there were any questions. Ms. Viegas asked if there was an update on the damaged bench at the Aviamar fountain, which was knocked down and is currently blocked off. Mrs. Adams stated that Mr. Dieckmann gave her the name of someone who would be able to repair it but, unfortunately, the person was not a licensed or insured contractor so she could not allow him to work on CDD property; she was looking for a licensed contractor. She asked Mr. Cole for the name of the company that originally made the benches. Mr. Cole did not locate the name of the company. Ms. Puckett was asked if she knew the name. She did not know.

Ms. Viegas asked about the Veneta fountain lights. Mrs. Adams stated that all the lights should be repaired and on by the end of the day.

Mr. Miller asked about the Bougainvillea in the pots around the Veneta fountain and asked when they would bloom. Mrs. Adams stated that Bougainvilleas are not a part of The Foundation's restoration plan and they do not perform well with a lot of rain.

Ms. Puckett asked if Mrs. Adams was going to present the new gate software. Mr. Adams stated that he did not think it was ready to be presented yet.

Ms. Shannon Benedetti, a resident, stated that the copper leaf plants mentioned earlier will look good; they will need to be hard cut each year.

B. District Manager: *Wrathell, Hunt and Associates, LLC*

i. NEXT MEETING DATE: September 26, 2018 at 10:00 A.M.

The next meeting will be held on September 26, 2018 at 10:00 a.m.

C. Operations Manager: *Wrathell, Hunt and Associates, LLC*

This item was addressed following item 18A.

NINETEENTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

Mr. Albeit stated that the Board must address the new gate software because there was a timing issue with the TEM contract and it could not wait until the next meeting. Mr. Miller explained that it is a CDD #1 issue, since CDD #2 has an Interlocal Agreement with CDD #1. Mr. Adams reminded Mr. Albeit that it was discussed earlier at the CDD #1 meeting, which he attended.

Ms. Viegas mentioned that many bulbs were out in the streetlights along Sandpiper between the Aviamar entrance and Cranberry Crossing and they should be replaced. Mrs. Adams said she would have Bentley check on them.

TWENTIETH ORDER OF BUSINESS

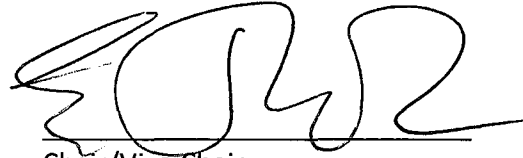
Adjournment

There being nothing further to discuss, the meeting recessed.

On MOTION by Ms. DiNardo and seconded by Ms. Viegas, with all in favor, the meeting adjourned at 11:54 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE


Secretary/Assistant Secretary


Chair/Vice Chair