

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

The Board of Supervisors of the Fiddler’s Creek Community Development District #2 held a Regular Meeting on March 23, 2022 at 10:00 a.m., at the Fiddler’s Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114. Members of the public were able to listen to and participate at 1-888-354-0094, Participant Passcode: 709 724 7992.

Present were:

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

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant District Manager
Tony Pires	District Counsel
Terry Cole	District Engineer
Joe Parisi	Developer’s Counsel
Valerie Lord	Foundation Counsel
Ron Albeit	Foundation General Manager
Todd Lux	Fiddler’s Creek Director of Facilities
Ed Jasiiecki	Fiddler’s Creek Director of Safety
Richard Renaud	Fiddler’s Creek Security
Michael Buck	Resident
James Smith	Resident
Steve Schwartz	Resident
Robert Gibson	Resident
Nat Pappagallo	Resident
Cesare Turrin	Resident
Shannon Benedetti	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 10:00 a.m. All Supervisors were present in person.

SECOND ORDER OF BUSINESS

Public Comments: Non-Agenda Items

Resident Steve Schwartz agreed to hold his comments about drainage issues behind Lots 1 through 7 on Campanile Circle until it comes up in the agenda.

Resident Michael Buck stated he wanted to invite both the Fiddler’s Creek CDD #1 (CDD #1) and Fiddler’s Creek CDD #2 (CDD #2) Boards to initiate discussions for alternate or backup irrigation feeder systems. Mr. Miller stated Mr. Lux is in charge of irrigation and asked Mr. Buck to wait until Mr. Lux gives his report.

THIRD ORDER OF BUSINESS

Health, Safety and Environment Report

A. Irrigation and Pressure Washing Efforts: *Todd Lux*

Mr. Lux stated his department is responsible for tree canopy trimming, pressure washing sidewalks and curbs, and ensuring that irrigation is supplied to the communities.

Mr. Miller stated that The Foundation is responsible for the operation of the irrigation, not the CDD; the CDD has a contract with The Foundation. Mr. Buck asked if the CDD owns the pumphouses and all the infrastructure. Mr. Miller replied affirmatively and stated the Fiddler’s Creek Irrigation Manager, Mr. Jody Benet, reports to Mr. Lux.

Mr. Buck reiterated that he wanted to invite the CDD #1 and CDD #2 Boards to initiate discussions for alternate or backup irrigation feeder systems. He believed that, in a drought, flow rates are cut back and that many options available now were not available when the current system was designed. He felt that the CDDs should research Collier County’s Reclaimed Irrigation Quality (RIQ) water to determine if it would work in Fiddler’s Creek and to determine the costs involved. He would be interested in the cost per gallon; he believed maintenance and repair costs would be slightly less than the cost to connect to RIQ water. He stated there would still be a need for pumps and it is possible the County would buy them since they bought some in another municipality. He suggested that it would be a good idea to get the monthly draw rates, in gallons, from the surface water lakes. He noted that this information is collected and submitted to the South Florida Water Management District (SFWMD) every month and it is public record. He believes that 61 to 63 gallons per month go through the three pumphouses. He distributed a handout with information and websites.

Mr. Buck felt that there is an immediate need to repair ruptured irrigation pipes. He stated he discovered that the mechanical joints on the fittings that connect the pipes are made of metal and the pipes are plastic, and, since those two materials have different coefficients for expansion and contraction, they are susceptible to vibration. In 2016, pipe manufacturers sent a letter regarding an advisory that threaded cement should be used in certain instances; he confirmed that the proper material was used.

Mr. Miller stated there are two issues, the first is an operational issue and the other is a structural issue. While structure is the CDD's responsibility, a contract is in place, whereby the operations are a function of The Foundation. He complimented Mr. Buck on his extensive work investigating these issues and suggested he meet with Mr. Lux and Mr. Benet, who oversees the operations. Regarding structural issues, he suggested Mr. Buck meet with Mr. Cole.

Mr. Klug thought Mr. Buck is suggesting the CDD study installing the proposed system. He noted that would be a capital expenditure, and an additional investment to expand the system, which would be a Board decision. Mr. Miller stated Mr. Cole would need to review the structure and present an Engineering analysis on which the Board can make a judgment.

Mr. Buck stated Mr. Cole would need to review the numbers and he could also consult with the County, and, in his opinion, the CDD does not have much choice on an aquifer because it is on the shallow side. Mr. Miller recalled a County representative provided an analysis at a CDD meeting a few years ago. Ms. DiNardo stated the study stopped temporarily. She asked if Mr. Buck is suggesting an expansion or a substitute of the current system. Mr. Buck stated he wants to have a backup plan in case the lakes go dry; therefore, it would be an addition to the system and a capital expense. Ms. DiNardo noted that the community is still developing. Mr. Buck agreed and expressed his opinion that is one reason why it should be addressed now. He stated the CDD could connect to the RIQ line on US 41, at Sandpiper.

Mr. Cole stated, when the water use permit was initially obtained nearly 30 years ago, the CDD investigated this with Collier County, but there was no capacity for RIQ water so the CDD was added to a waiting list. Mr. Cole stated the last he knew there was no capacity, but he would check with the County regarding the status. Mr. Buck stated a new deep aquifer was installed for storage of surface and reclaimed water. Mr. Cole stated, when availability of RIQ water was discussed in the past, the proposed locations were east of Veneta coming down from

US41 into Lake 88, which is the main irrigation lake. He stated Lake 85 near Sandpiper is another possible location; he would check with the County regarding the availability of RIQ water. Mr. Miller thanked Mr. Buck for his contributions and suggested he speak with Mr. Cole, Mr. Benet, and Mr. Lux. Mr. Cole would address capital considerations.

Resident James Smith asked Mr. Lux for a status update on the digitalization of the irrigation system. Mr. Lux stated the system was being reviewed but he has no further information about it.

Mr. Miller asked Mr. Lux to meet with Mr. Smith and Mr. Benet. Mr. Smith stated Sonoma shares a controller with Serena which makes using the system difficult because only Serena's landscapers are allowed to access the system. The DRC was petitioned in January 2021 and the request was denied; they were told that Fiddler's could not communicate with that system and were advised to save their money because the system is going digital soon. Mr. Parisi offered to work with Mr. Smith to resolve the matter before implementation of the digital system.

Mr. Lux proceeded with his PowerPoint presentation and reported the following:

➤ Tree Canopy Trimming: Trimming of fruited palms is underway in CDD #2 and would be completed in March; a second trimming is planned for mid-October. Hardwoods in the buffer around Veneta will be trimmed in April.

➤ Pressure Washing: The new machine is in the shop being custom-built after being held up in port. Over the past 30 days, crews have been working in the Marsh Cove communities and completed Isla Del Sol. Crews are currently working on Championship Drive. Delivery of the new machine is expected within the next 30 days. In the future, crews would proceed to Amador and the surrounding communities. Monuments in Oyster Harbor were cleaned.

➤ Current Month Projected Plan: Areas in red on the graphic were completed, areas in green represent the past month's cleaning, and areas in yellow are scheduled for the next 30 days.

B. Security and Safety Update: *Ed JasiECKi*

Mr. JasiECKi gave the monthly PowerPoint presentation and discussed the following:

➤ Community Patrol staff are not first responders. In an emergency, 911 should be called first, followed by calling the Community Patrol, who will respond and assist as needed.

➤ The safety@fiddlerscreek.com email address is the preferred method of communication for questions, concerns, and visitor registration. Emails are monitored by all three gatehouses and Supervisors 24 hours a day, 7 days a week and they are generally quick to respond.

➤ Gate Access: In February, between 2,000 and 3,000 vehicles entered the property on any given day, and the four-weekly totals were as high as 11,000.

Mr. Miller asked if Mr. JasiECKi could provide estimates for each of the three gates. Mr. JasiECKi stated he did not have it on hand, but he could email it later today. He estimated the Championship gate had the least amount of traffic and the Sandpiper and 951 gates were close in numbers.

➤ Occupancy Report: February residency on property was approximately 9,200.

A resident asked how the residency number is calculated. Mr. JasiECKi stated he believed it is a combination of the RFID readers and a formula which extrapolates occupancy based on data. He did not have the exact formula, but he could find out. He stated occupancy increased each week over the four weeks in February.

➤ Incident Reports: The January and February incidents showed that parking warnings were the most common incident, with 114 violation notices issued. Open garage doors were common, and, in those instances, notices are put on the house. Speeding is an issue and the Sheriff's Office is working in Fiddler's Creek, at Mr. JasiECKi's request, to help keep speeding and traffic under control.

Mr. Miller asked if anyone was sent to the fining committee over the last month. Mr. JasiECKi noted that Mr. Renaud works with Ms. Lord and the mobile traffic unit has been deployed. Repeat offenders would be referred to the fining committee. Mr. Renaud stated none have been sent to the fining committee.

Mr. Miller asked if the golf carts all have license plates, as required. Mr. JasiECKi stated all the ones he has seen have license plates.

Resident Robert Gibson asked for an update on the Publix gate to be installed at Sandpiper. Mr. Miller stated that is an agenda item and asked him to comment during that item.

Mr. Buck asked why the number of gallons is no longer shown on the irrigation report. Mr. JasiECKi stated that it is no longer under the purview of Safety.

Mr. Buck felt that the Board should receive those numbers and the run rates every month. Mr. Lux stated the system is run in order to slow irrigation on rainy days; currently, the specific data is not received. Mr. Buck voiced his opinion that it is important to send the data to the Board for planning purposes.

Mr. Parisi stated it might be easier to post the data on the Fiddler's Creek website so that anyone wishing to view it can access it; they could post the data on the website and work from there. Ms. DiNardo asked if that information could be included in the Board agenda packages. Mr. Parisi stated he would figure that out, but he thought the best remedy is to post the data on the website for all to see.

Resident Nat Pappagallo believed the reports would not show the true capacity because some lakes are self-controlled.

FOURTH ORDER OF BUSINESS

Update: Status of Taylor Morrison Faulty Design Issues and Potential Claim for Associated Engineering and Legal Expenses

Mr. Miller stated he, Mr. Cole and Mr. Pires have had discussions about this item. Mr. Cole has worked with the impacted residents and Mr. Pires has worked on the documentation.

Mr. Pires stated that he and Mr. Cole had a call with Taylor Morrison (TM) representatives, and they discussed the costs, the GulfScapes proposal, and the Legal and Engineering fees totaling approximately \$72,663. It was a good and productive call, and he believed a lot of misunderstandings and misconceptions were addressed. TM wants to know the final number and the final resolution so a Settlement Agreement can be done, and the issues encountered by the CDD and the residents can be addressed. The CDD would receive the full amount of money. License Agreements with the various property owners would permit the CDD to enter their property to perform the work. A draft Settlement Agreement was circulated amongst the District Manager, District Engineer and the Chair, and a draft reflecting Mr. Miller's edits will be circulated to the parties involved. He believed that TM is eager to resolve the matter, and that TM wants to be a good neighbor and have finality.

Mr. Pires stated he hoped to send the draft to TM by Friday and to have a definite document by the next Board meeting. The License Agreement would be a simple agreement

giving the CDD permission to perform remedial activity. Mr. Cole has done the bulk of the work including the engineering, negotiating with GulfScapes and meeting with residents.

Mr. Cole stated he met with resident Steve Schwartz, who has been raising the issue for over two years. He appreciated Mr. Schwartz meeting with himself and with Mr. Mike Mills, the HOA President, and Ms. Marlo MacQuaker, who handles HOA landscape issues. While this is not an HOA issue, Ms. MacQuaker helped coordinate a meeting with impacted residents. Six of the seven impacted property owners attended the meeting, and they were very attentive and agreeable to the proposed solution and to the License Agreement, provided certain things are done.

Mr. Cole stated he and Mr. Pires felt that the CDD should accept the \$72,000 that TM is proposing to pay. Mr. Pires stated that TM understands that would be the final amount. Mr. Miller asked if that would be the Settlement Agreement amount. Mr. Pires replied affirmatively. Referring to a sketch, Mr. Cole stated those funds would be used to install drainage lines, from the rear where the swale should have been, to run a pipe between the sidewalk and the existing hedge in the green turf space and bring it to Lot 3. The funds would also be used to install a swale for Lots 3, 2 and 1 to accommodate the existing berm. The first three lots will have piping in the swale in the easement as they should have had from the beginning. The other four lots will have yard drains installed within the drainage easement. TM previously installed a series of pipes and yard drains that are not within the drainage easement. The \$72,000 includes removal of those pipes and yard drains that are up to four feet within the lots.

Mr. Cole stated he explained the remediation to the property owners, and they understand the remedy and that the License Agreement is not an easement, and it does not encumber the lots or involve any mortgages; it only allows Staff access to the property. He toured the entire property, explained what is proposed, and each homeowner asked questions. The \$72,000 includes installing the drainage pipe and removal of the Ficus hedge in Lots 1, 2 and 3 which might be approximately 250'.

Mr. Cole stated residents are concerned about the 15-year-old Ficus hedge. It is very top heavy and unruly because it has not been maintained, but the bottom is so sparse it can be seen through, and residents use it as a shortcut through an open space near Lot 7. The hedge is badly in need of replacement and, in his opinion, this has nothing to do with TM.

Mr. Pires asked if Mr. Cole means that the condition of the Ficus hedge on Lots 4, 5, 6 and 7 is unrelated to TM's activities. Mr. Cole replied affirmatively and confirmed that Lots 1, 2 and 3 are different.

Mr. Cole stated GulfScapes submitted a proposal of approximately \$61,000 to remove the 480' of Ficus hedge and plant 25-gallon Clusias. That Clusia would be the same size as proposed for Lots 1, 2 and 3.

Mr. Klug asked why the pipe must be removed, rather than abandoning it. Mr. Cole stated it could be capped off, but removal is a minor part of the expense.

Mr. Cole stated, for comparison, he asked LandCare and Juniper for proposals for the entire project. He would likely need to meet with them to explain the scope of the project. Mr. Miller asked if Mr. Cole had an idea of the possible proposal amounts. Mrs. Adams stated the previous proposal from LandCare was much higher than the one from GulfScapes. Mr. Miller felt that there is a qualitative difference between the two companies. Ms. DiNardo asked if the quote included the removal and addition of new plants. Mr. Cole replied affirmatively.

Mr. Miller expressed concern about whitefly. Mr. Cole stated his understanding is that Clusia is not susceptible to whitefly. He is obtaining proposals from Juniper and LandCare. He recommended CDD #2 agree to spend whatever is necessary to replace the Ficus hedge on Lots 4 through 7 because it needs to be replaced anyway. Mr. Miller asked if the quote included removal of the Ficus on Lots 1 through 3. Mr. Cole stated the \$61,000 quote does not.

Mr. Pires stated the quote totaling approximately \$56,000 includes the drains, new pipes, regrading, and replacement of the Ficus on Lots 1, 2 and 3.

Mr. Cole suggested completing the work and planting the Clusia before the upcoming rainy season. He understood from Mr. Barrow, at GulfScapes, that the Clusia will be very mature and provide a buffer between homes and Fiddler's Creek Parkway within two rainy seasons. Mr. Miller asked Mr. Cole to follow up with Juniper and LandCare if he does not hear from them within one week. Mr. Cole stated he would do so and reiterated that he explained the remedy to the residents, and they were very understanding; he invited the impacted residents to the meeting, and many were in attendance.

Mr. Schwartz thanked Mr. Cole for his work and stated the drainage issue started when they first bought their home in 2019. He stated that the drainage issue has been untenable, and

he appreciates that it is being addressed. He stated the sidewalk behind the homes allows passersby to look into the homes and Clusia would address the privacy concerns. Mr. Schwartz voiced his concern that the landscaping and irrigation installed by homeowners to try and address the issue on their own will be impacted. He stated residents need assurances that things will be put back to the way they were.

Mr. Pires asked if there was consensus that Staff has direction from the Board to proceed. Mr. Miller replied affirmatively and stated this item would be discussed at the next meeting, at which, documents would be presented, and a vote taken.

Mr. Cole stated GulfScapes' initial \$72,000 quote includes restoration of Mr. Schwartz's current landscaping, including Crotons and Copperleaf. The \$61,000 quote includes an allowance for repairs to the irrigation and control wiring running under and through the Ficus hedge.

The owner of Lot 7 noted that he was also speaking on behalf of the owner of Lot 6, and stated they approve of the work being discussed. He thanked the Board and Staff.

Mr. Klug asked Mr. Cole who would prepare the details for the regrading if regrading is part of this project. Mr. Cole stated areas to be regraded, primarily Lots 1 through 3, were included in the sketches he prepared for the work. Mr. Klug asked if the owners agree with the regrading. Mr. Cole stated the owners he met are agreeable and he is willing to discuss the project with other homeowners.

Mr. Pires stated the License Agreements will define the project and scope; the proposal and Mr. Cole's sketches would be attached.

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

Mr. Parisi stated the fence behind the vegetation by the gatehouse at Amaranda was installed.

In response to a question submitted by Ms. Viegas, Mr. Parisi stated the lot at the corner of Dorado Lane and Aviamar Circle will be the washout area for upcoming construction in Dorado Village. Construction trucks will use the area to clean truck tires to avoid tracking dirt through the community.

- **Status of Gate Behind Publix**

Mr. Parisi stated the gate is nearly complete and he expects it to be completed and operational by March 28, 2022. The gate has been done for a while and operations for the gate are being installed behind the wall.

- **Status of Sandpiper Lane Stop Sign**

Mr. Parisi reported the following:

- Palm trees were removed from the island by the Sandpiper Lane crossbar.
- Vegetation blocking the view of the signage was lowered to only 2' above ground to allow visibility all the way to the exit.
- Ongoing efforts would be needed to keep vegetation low to maintain visibility.
- The County approved the addition of stop signs to the Site Development Plan.
- Permits were approved. A schedule would be created for ordering parts and signage, and for installation and striping.
- Collier Paving would be asked for an estimate on the timing.
- Striping would require lane closures.

Ms. Viegas thanked Mr. Parisi for circulating Commissioner LoCastro's email about the proposed US41 traffic signal to the Board. The Commissioner stated, even though the Florida Department of Transportation (FDOT) might approve a traffic signal, delays could cause installation to take a very long time.

Ms. Viegas asked Mr. Parisi if he contacted Pulte regarding the missing section of the sidewalk at the intersection of Amaranda Court and Aviamar Circle. Mr. Parisi stated he contacted Pulte but follow up is needed. Ms. Lord would assist with notifications in this regard.

Ms. Viegas asked what is being done with the area at the intersection of Cherry Oaks Trail and Sandpiper Drive, where the old showroom used to be. She noted trees were being removed, and the buildings were being leveled. Mr. Parisi stated the area was unsightly. The area will be used for storage facilities because construction materials must be ordered in advance in order to manage projects effectively.

SIXTH ORDER OF BUSINESS

Engineer's Report: *Hole Montes, Inc.*

- **Update: Pumphouse Repairs**

This item was presented below.

- **Construction Fund Summary for Traffic Light**

Mr. Cole distributed an email he sent to Staff with a budget update regarding the signal. He stated he was given three different dates from the FDOT for the required pre-design meeting, but he unfortunately could not attend any of them, so the group is still trying to schedule a virtual meeting.

Mr. Cole stated that Mr. Jim Banks, the CDD's Warrants Consultant, is trying to coordinate the meeting with the FDOT. Mr. Banks mentioned to the FDOT that when the CDD developed Sandpiper Drive and installed the turn lanes, they were done at a certain length. Mr. Banks pointed out that the FDOT shortened the turn lanes on US41 several years ago and stated now that the turn lanes must be longer, he did not think Fiddler's Creek should have to pay for it. It now appears that the FDOT will allow the CDD to apply for a deviation, such that no modifications to the turn lanes would be required, which is very good news.

Mr. Cole stated in addition to scheduling a meeting, Staff is working on getting the topographic data to the signal design Engineer so that he can determine the location for the soil boring testing for the mast arm installation. Mr. Miller asked how the design can proceed before receiving approval. Mr. Cole stated the warrants were met so now the plans and specifications must be produced; they are moving forward even though the pre-design meeting has not happened yet.

Mr. Miller recalled there was a soil issue with the 951-traffic signal and possibly needing to move the signal. Mr. Cole stated the issue was that the 951-traffic signal area is a wetland, but there are no wetlands at this intersection. Mr. Miller asked Mr. Cole if he is confident that the signal will not have to be moved and the planning and design can proceed. Mr. Cole replied affirmatively.

Mr. Miller asked how long manufacturing would take. Mr. Cole stated his understanding that, once the mast arms are ordered, it takes several months to receive them, as they are built very specific to the height, location, and length.

Mr. Cole distributed and reviewed the updated funding budget for the traffic signal and responded to questions. He stated \$115,850 represented the presently committed funding obligations. The present bond balance is \$173,000, which leaves approximately \$57,000 for contingencies, including the six or seven permanent signs for pedestrian crossings in Museo.

Mr. Miller asked if the signs on US41 are included in the construction costs. Mr. Cole stated they are. Signage would be similar to the "Next Signal: Fiddler's Creek Parkway" sign, in both directions on 951.

Mr. Cole stated the expense would be paid back from several different sources, including Halvorsen, the County, 7-Eleven and CDD #1. All funds are needed upfront to award the contract. Mr. Miller stated Mr. Parisi was asked to renegotiate the contract so that the funds from Halvorsen are received in stages.

Mr. Cole stated that will help for cash flow for CDD #2. The new estimated amount needed upfront is \$890,000, meaning \$445,000 from each CDD. Last year's estimate was increased by 20% due to inflation. Due to the volatility in the cost of construction materials, the actual costs would not be known until bids are received. He stated Mr. Adams asked him to provide this information and the pumphouse budget to begin conversations in advance of the initial Fiscal Year 2023 budget discussions in May.

Mr. Klug noted the calculation is based on CDD #2 getting the full \$200,000 contribution from Halvorsen; however, he understands it is still an open issue because CDD #1 has decided to obtain counsel to dispute CDD #2's funds from Halvorsen. Mr. Miller voiced his opinion that CDD #1's claim has no validity. The consensus was that continuing discussions was senseless. Mr. Cole stated he reviewed the same summary with CDD #1. He noted that he has no legal opinion, he is just presenting the summary in the same format as presented to the Boards previously.

Ms. DiNardo asked if a better estimate would be obtained when the project goes out to bid. Mr. Cole replied affirmatively and stated the bidding process would likely be in six or seven months. Mr. Cole stated, between now and May, he would speak with contractors to gauge price increase trends. Supply chain issues and price increases affecting the project were discussed. Mr. Miller asked if the contractors keep parts in inventory. Mr. Cole stated they do not and noted that some components are site-specific and not stock items. The consensus was that, given the current market conditions, a 20% contingency might not be adequate.

Mr. Cole stated the total estimated cost for the signal is \$1 million. It is estimated that the fair share contribution from the County and from 7-Eleven is 20%. The 20% estimate could

be more or less; the estimate was based on prior conversations with Mr. Banks. It was hoped that the County and 7-Eleven would participate.

Mr. Klug asked if there were discussions with the County or 7-Eleven regarding their contributions. Mr. Cole stated no, but there is language in the PUD requiring them to pay their fair share, which is based on a percentage of traffic. He believed the traffic is not a high percentage, given all the traffic entering Fiddler's Creek. Ms. DiNardo noted, if it is based on traffic, it is not taking inflation into consideration. Mr. Cole stated they would pay their share of the signal costs. Ms. DiNardo wanted to make sure the record reflects that. Mr. Cole stated their PUD document requires the County and 7-Eleven to reimburse the CDD their fair share after the signal is in operation. Mr. Miller asked if there were conversations with their representatives and how he calculated the \$173,000. Mr. Cole stated he did not have a conversation with them. The amount would have to be refined as the project progresses, but their contribution is assumed to be 20% of the total cost.

Mr. Klug asked if the 7-Eleven percentage would be determined by the traffic study statistics. He noted that the study was not completed yet. Mr. Cole stated he would speak with Mr. Banks because he believes adequate information is available to make a calculation.

Mr. Cole stated, assuming \$1 million is the total signal cost and the contribution from the County and 7-Eleven portion is removed, the remaining \$832,000 cost would be split between CDD #1 and CDD #2. In round numbers, each CDD would pay approximately \$420,000. CDD #1 would pay \$420,000 and CDD #2 would pay \$420,000, less the \$115,000 already included in the 2014-2 bond and less the \$200,000 being received from Halvorsen.

Mr. Miller stated, with regard to CDD's payment obligation, how CDD #2 gets the funds is its business. If the funds come from Halvorsen that is CDD #2's business and it should not be phrased as "taken off the top" as the Halvorsen funds relate only to CDD #2.

Mr. Pires stated he would not participate in the conversation, as he is District Counsel for both CDD #1 and CDD #2.

Ms. Viegas identified an error in Mr. Cole's calculations regarding the County and 7-Eleven contribution, which states 20% of \$1,005,000 is \$173,000. She stated it should be \$201,000 and stated the calculation used the total amount from the initial summary, over a year ago, which was \$865,000. When corrected, she believed that each CDD's share will be

\$402,000, not \$420,000 as the summary states. After removing the bond and Halvorsen contributions, CDD #2's portion would be \$87,000 not \$105,000.

Mr. Cole stated he is raising the issue because he estimated that, with the increased costs, each CDD will need to have \$445,000 available up front when the contract is awarded. When the other sources pay the reimbursements discussed, CDD #2's net reimbursements are currently estimated at \$340,000.

Mr. Miller expressed concern that, with inflation, it is not possible to make an accurate estimate. In his opinion, a 20% contingency seems modest. Mr. Cole stated he will speak with the contractors to gauge the costs and possible inflation.

- **Update: Pumphouse Repairs**

Mr. Cole distributed an email about budget suggestions. He reviewed the needed pumphouse repairs and discussed the following:

- The first two pumphouses at Lake 88 are over 20 years old and have reached their maximum lifespan. The Lake 85 pumphouse near Sandpiper Drive and US41 is much newer, at 10 to 12 years old. When the two pumphouses are replaced, all the mechanics must be replaced, and the roof must be removed and totally replaced. Some components have been replaced along the way, but the units now require total replacement and new state-of-the-art components would be installed. Pumphouse #2, near Lake 88, has six pumps and will be completed first because it is in the worst condition. It will be replaced in August 2023 and the expense needs to be included in the proposed Fiscal Year 2023 budget.

- Metro Pumping Systems, the contractor who constructed and maintains all the pumping system controls inside the building, submitted an updated cost proposal on February 23, 2022. The proposal increased from \$589,000 last year to \$663,000, equating to a real-time increase of about 12%. The roof must be replaced. In the short term, leaks are being repaired to prevent further damage. Increasing the roof replacement budget from \$50,000 to \$60,000, including trusses, is recommended.

- The estimate from one month ago would be increased by an additional 20% for contingencies and inflation anticipated between now and next year, bringing the overall project budget to approximately \$880,000, which is up from the \$750,000 budgeted last year. The project would be funded in Fiscal Years 2022 and 2023. In Fiscal Year 2022, approximately

\$162,500 was funded from each CDD for a total of \$325,000. That leaves \$555,000 to be funded in Fiscal Year 2023; the total would be split between the CDDs based on the number of residents. Last year, the split was 55% for CDD #1 and 45% for CDD #2, but he suspected the percentage is narrowing.

Mr. Miller believed the number is narrowing, based on Oyster Harbor.

Mr. Klug asked if the work would necessitate the pumphouses coming offline, if there would be a capacity deficiency, and how that would be compensated for.

Mr. Cole stated the work will be performed in August, in the middle of rainy season, and the pumphouse should only be down for a few weeks.

- Lake 88 Pumphouse #1 needs to be replaced within three years; this expense needs to be planned for in a future budget.
- Pumphouse #3 has a remaining lifespan of approximately 10 years and requires some maintenance. Metro Pumping Systems provided a \$100,000 proposal to replace and upgrade the control system for the eight pumps in the large pumphouse. Each CDD would pay \$50,000.
- Other irrigation capital expenses need to be budgeted for repairs and replacements, including screening, doors and hatches, and gate valve replacements and repairs. For Fiscal Year 2023, the total is \$56,500 for CDD #1 and \$36,500 for CDD #2
- Based on what was budgeted in Fiscal Year 2022, the Fiscal Year 2023 increase is \$153,000 for CDD #1 and \$175,382 for CDD #2.

Mr. Miller noted that CDD #2's budget increased by \$22,000 more than CDD #1's budget. Mr. Cole stated it is because CDD #1's budget was already larger. These amounts assume a 20% inflationary increase for the pumphouse, which represents the largest expense. Mr. Miller thanked Mr. Cole for the estimates. Mr. Cole stated he would continue researching whether 20% is a reasonable inflation estimate. Mr. Miller asked if contracts can be offered on an option basis. Mr. Cole was not sure.

Mr. Pappagallo recalled discussions about the traffic signal and asked if the project would go to bid next spring, with a not-to-exceed amount of \$1 million. Mr. Miller stated \$1 million is the current estimate, it is not a not-to-exceed amount. The consensus was that the traffic signal would hopefully be completed by the end of 2023.

Resident Cesare Turrin complimented the Board on their work on the traffic signal planning and suggested renegotiating the Halvorsen contribution, given the increased project costs. Mr. Miller stated the Board attempted to renegotiate the contract; however, Halvorsen declined any increase, but agreed to pay for the project in stages. The suggestion to make another request to renegotiate would be taken under consideration.

Mr. Turrin questioned why there was no amount specified in the 7-Eleven agreement. Mr. Miller stated it is not an agreement; there is a provision in the PUD requiring 7-Eleven to make a specific payment, but the amount has not been calculated.

Mr. Turrin discussed Hole Montes' long service to the CDDs and their reputation as one of the most trusted and reliable full-service engineering firms in the country since 1966. He stated, while the CDDs have no reason to lack trust or faith in the firm, he felt that the Board should be verifying Hole Montes' work to confirm that projects are well planned, timelines and contractual obligations are met, costs are controlled, and commitments met. He suggested a "trust but verify" approach similar to the independent verification utilized with CDD financials. He suggested that the Board or a related advisory board oversee the traffic light project.

Mr. Miller stated, with regard to CDD finances, the CDD has an outside CPA firm that performs an annual audit.

Ms. DiNardo discussed Mr. Cole's previous experience with the light on Collier Boulevard and noted that he met all expectations. She pointed out that these delays are beyond Hole Montes' control.

Mr. Miller thanked Mr. Turrin for his comments and suggestions and stated the Board would take them under consideration.

SEVENTH ORDER OF BUSINESS**Update: Status of Petition for Boundary Amendment**

Mr. Miller recalled that, in this matter, CDD #2 is dealing with the County and CDD #1 is dealing with the State.

Mr. Pires stated the County Commission approved the Amending Ordinance for the boundaries of CDD #2, subject to the amended rule for CDD #1 being filed and recorded in the

public records of Collier County. The CDD #1 petition was presented by Ms. Silvia Alderman and Mr. Ken van Assenderp, in Tallahassee, and their fees were paid by the Developer.

Mr. Miller asked if they would make it known to the State that the County approved CDD #2's petition. Mr. Pires replied affirmatively; Ms. Alderman and Mr. van Assenderp are to present CDD #1's petition at the March 29, 2022 Florida Land and Water Adjudicatory Commission (FLWAC) meeting.

▪ **Discussion Resumed: Engineer's Report: *Hole Montes, Inc.***

Mr. Cole distributed a handout with photos of the land bridge repairs needed in Aviamar. A \$37,695 proposal was presented last month to repair and replace missing fascia boards and the vertical supporting board. He presented a reduced proposal of \$18,600 for just the necessary repairs, including replacing some boards and painting the existing Hardie board. Part of the reason the proposal is so expensive is because scaffolding is needed in the water.

Mr. Klug noted that, in the photos, it looks like some of the wood beam the fascia board rests on is rotting. He asked about the foundation integrity of the bridge and if total replacement in the future is anticipated. Mr. Cole stated, at this time, the structure, foundation, and the piles look to be intact and fine, and it might be possible to treat the pilings to prolong their life. Ms. DiNardo asked for the expected life of the land bridge. Mr. Cole thought it could last another 20 years. He noted the less expensive proposal excluded replacement of the rotting wood that supports the plant container, as well as vertical pieces.

Mr. Cole suggested the initial proposal be accepted because the contractor will be on site, and it seems prudent to have the work done now so no further work should be needed for 20 years.

Mr. Klug noted the caveat to do the other items discussed with the wood not being replaced. Mr. Cole would request an updated proposal addressed to CDD #2. He suggested increasing the budget to \$40,000 to allow for treatment at the end of the structural members.

On MOTION by Ms. DiNardo and seconded by Mr. Nuzzo, with all in favor, Precast by Design Proposal #7015 for bridge repairs, as amended to include a not-to-exceed amount of \$40,000, was approved.

EIGHTH ORDER OF BUSINESS

Update: Status of IberiaBank Term Sheet for Revolving Line of Credit (Renewal)

Mr. Adams stated First Horizon agreed to the suggested modifications to the term sheet. He stated First Horizon requires the minutes from the meeting approving the line of credit to approve the term sheet; once the minutes are adopted today, a copy will be sent to First Horizon to begin the document process.

Ms. Viegas asked if Mr. Adams clarified the type of account the CDD must open and the interest rate that would be paid on it. Mr. Adams stated the interest rate is measly. The CDD's primary goal is preservation of principal.

NINTH ORDER OF BUSINESS

Continued Discussion: Consideration of Acceptance of Deeds for Fee Simple Ownership of Various Landscape/Buffer Tracts Within Fiddler's Creek CDD #2

Mr. Pires stated he would cover this at the next Board meeting.

TENTH ORDER OF BUSINESS

Update: Meeting with LandCare Regarding Landscape Issues

Mrs. Adams stated she met with LandCare on Friday and spent several hours with Mr. Dennis Bretz reviewing all of CDD #1 and CDD #2's observations, concerns, and discussions. Mr. Bretz asked for another 30 days to get things back to where they should be. Mrs. Adams stated Mr. Bretz apologized; she has worked with Mr. Bretz for years and he is sincere and very honest. Mr. Bretz advised her that employees left, and they need to hire and train people and pay them more. Mrs. Adams stated that it is a Board decision and, should the Board decide to terminate the contract with LandCare, it will not be necessary to go out to bid; 30-day notice can be given to LandCare and GulfScapes can be hired.

Mr. Miller recalled ongoing issues with LandCare and that payments were withheld. Mrs. Adams stated a Defective Work Notice was issued three years ago for similar issues and other items. Mr. Miller recalled one of the reasons GulfScapes was brought in was because of performance issues. Mrs. Adams recalled that there was a desire to bring in additional competition and to attract more companies to the CDD.

Mr. Miller asked Mrs. Adams for her suggestion on how to proceed. Mrs. Adams stated, given their years of service to the CDD she would suggest giving LandCare the 30 days requested. She stated GulfScapes advised that they are ready to start immediately.

Mr. Miller asked the Board Members for their opinions.

Ms. Viegas asked if the CDD would still be within the window to not have to go out to bid again if LandCare is given 30 days, but they do not perform as needed. Mrs. Adams stated, provided GulfScapes is willing to honor their bid submittal, the CDD could terminate the LandCare contract with 30 days' notice and hire GulfScapes.

The Board agreed to give LandCare the 30 days and discussed their reasons.

Ms. DiNardo asked Mrs. Adams to notify GulfScapes to be ready to provide additional services, if needed. Mrs. Adams stated she had already done so.

Ms. Benedetti stated she has been working with Mrs. Adams and she provided her follow up report on the work completed. She stated that LandCare has been working and addressed all outstanding issues in CDD #2, including replacing the shrubs and installing grass on the median endcaps. She noted that, while some bougainvillea on a small section of Campanile Circle were not coming back, the bougainvillea behind the fountain were being replaced in small groups and fertilizer and treatments were provided.

ELEVENTH ORDER OF BUSINESS**Consideration of Oyster Harbor Resident
Generac Generator Request**

Mr. Pires believed Mr. Cole was supposed to contact the resident to see if they wanted this item on the agenda. Mr. Cole stated he sent an email response two weeks ago, but did not recall the outcome. He reviewed several requests between the two CDDs. The consensus was that there was a request and it was determined that the generator was not in a CDD easement.

TWELFTH ORDER OF BUSINESS**Acceptance of Unaudited Financial
Statements as of February 28, 2022**

Mrs. Adams stated the Financial Highlights Report was distributed. There were no questions. The financials were accepted.

THIRTEENTH ORDER OF BUSINESS

Approval of February 23, 2022 Regular Meeting Minutes

Mrs. Adams presented the February 23, 2022 Regular Meeting Minutes.

The following changes were made:

Line 313: Change "Drafting" to "Design"

Line 317: Change "and an agreed rate" to "which will be"

Line 317: Insert "in" after "locked"

On MOTION by Ms. DiNardo and seconded by Mr. Miller, with all in favor, the February 23, 2022 Regular Meeting Minutes, as amended, were approved.

▪ **Discussion Resumed: Consideration of Oyster Harbor Resident Generac Generator Request**

Mr. Pires noted that a Generac generator request for which a pipe was present in the easement was mentioned on Page 15 of the February 23, 2022 meeting minutes. The consensus was that there was also a new generator request within the last two weeks. Mr. Pires stated he and Mr. Cole would confer and review their emails; he noted there were many encroachments for docks, spas, pools, equipment, etc.

• **Action/Agenda or Completed Items**

Items 10, 11, 12,16, 24, 29 and 31 were completed.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

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

Mr. Pires stated Mr. Miller and Mrs. Adams were very helpful in addressing the issue with the dead palms still in Amaranda. Mr. Miller stated he saw Ms. Kayla Soler at a Chiasso meeting, and she advised that she would have her father, Mr. Stewart Carter, address the issue. Mrs. Adams stated all relevant information was sent to the HOA. The consensus was that this problem has been ongoing for over a year.

Mr. Miller stated Ms. Soler would no longer be managing Amaranda. He asked Mr. Pires to send a letter to Mr. Carter stating that the CDD has a contract and will take action if the

palms are not replaced. Ms. Viegas stated the rest of the plantings are not being maintained either. Mr. Pires would add that to the letter.

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

- **NEXT MEETING DATE: April 27, 2022 at 10:00 A.M.**
 - **QUORUM CHECK**

The next meeting would be held on April 27, 2022.

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

The Monthly Status Report was emailed to the Board and provided as a handout. Mrs. Adams encouraged anyone with questions to email them to her.

Ms. Viegas asked if SOLitude could be considered for fountain maintenance. Mrs. Adams stated SOLitude does not service concrete fountains, they only service lake fountains.

Mr. Pappagallo asked about the Oyster Harbor fountain which is still down. Mrs. Adams stated there was no update; she emailed information and photos to the Board and Staff.

FIFTEENTH ORDER OF BUSINESS

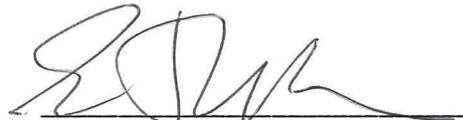
Adjournment

There being no further business to discuss, the meeting adjourned at 12:05 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair