

**MINUTES OF MEETING
FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #1 &
FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #2**

A Special Meeting of the Boards of Supervisors of the Fiddler's Creek Community Development District #1 and Fiddler's Creek Community Development District #2 was held on **Tuesday, September 21, 2010 at 1:00 p.m.**, at the **Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.**

Present at the meeting were:

For Fiddler's Creek CDD #1:

Phillip Brougham	Chairman
James Curland	Vice Chairman
Jim Schutt	Assistant Secretary
James Robertson	Assistant Secretary
Robert Slater (via telephone)	Assistant Secretary

For Fiddler's Creek CDD #2:

James Robertson	Chair
Manuel Correia	Vice Chair
Victoria DiNardo	Assistant Secretary
Gretchen Scott	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Operations Manager
Tony Pires	District Counsel
Dan Abbott (via telephone)	Special Counsel
Bob DeMarco (via telephone)	Special Counsel
John Knot	Resident
John Irwin	Resident
Betty Leric	Resident
Mike Joyce	Resident
Jessie Fritz	Resident
Elliot Miller	Resident
Francis Portknof	Resident
Al Love	Resident
Sharon Brougham	Resident

Bob Baldochi	Resident
Jack Perrin	Resident
Eileen Robertson	Resident
Garrett Messmarker	Resident
Alan Combie	Resident
Donna O'Hye	Resident
Rich Peterson	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 1:00 p.m. He noted for Fiddler's Creek CDD #1, Supervisors Brougham, Curland, Robertson and Schutt were present, in person, and Supervisor Slater was present via telephone. For Fiddler's Creek CDD #2, Supervisors Robertson, DiNardo, Correia and Scott were present, in person. Supervisor Schmitt was not present.

SECOND ORDER OF BUSINESS

**FIDDLER'S CREEK #1 Request for
Executive Session to Occur on September
22, 2010**

Mr. Abbott, on behalf of Fiddler's Creek CDD #1, requested an executive session regarding the litigation of *In Re: Fiddler's Creek LLC, et al.*, be held on September 22, 2010 at 9:00 a.m. Attending the session will be the Board of Supervisors, District Manager, Dan Abbott, Aleida Martinez Molina, Hank Morgan and Brian Fender.

Mr. Adams stated a public notice was posted on the gate houses and each of the meeting room doors on September 20, 2010.

Mr. Brougham asked for clarification on the time. Mr. Abbott recommended starting the session at 8:00 a.m., realizing that the executive session will begin at the conclusion of the regular meeting.

Mr. Demarco, on behalf of Fiddler's Creek CDD #2, requested an executive session regarding the litigation of *In Re: Fiddler's Creek LLC, et al.*, be held on September 22, 2010, at 8:00 a.m., and subsequent to the close of the regular meeting. Mr. Adams stated the Board of Supervisors, Chesley Adams and Robert Demarco will be in attendance. He noted this meeting was noticed on the gate houses and on the meeting room doors on September 20, 2010. Mr.

Correia questioned why bond counsel cannot be available for the meeting. Mr. Adams stated that bond counsel did not believe there were any issues to be discussed that required Executive Session coverage.

JOINT MEETING ITEMS

THIRD ORDER OF BUSINESS

Discussion: Access Control Services

Mr. Adams provided an amended agenda and stated the purpose of today's meeting is to discuss the District's access control service. He explained today's meeting was originally going to be a workshop; however, due to the request for executive session, it was advertised as a regular meeting and actions can be taken today.

Mr. Brougham reported he received 31 emails as to the service levels and the company to provide the services; 28 emails were in favor of retaining the current levels of service and provider, three (3) were not in favor of such. He requested the emails be made a part of the District record. Mr. Brougham read an email from Mr. Turner:

"Ladies and Gentlemen of the CDD Board #1 and #2,

Because of my inability to attend this meeting, I request this letter be read at the meeting and made a part of the record. I recently read in the Boardwalk that a special forum was being held on September 21st and being sponsored by the CDD #1 and #2 to review the importance of Fiddler's Creek Safety and Security department and see if the current staff should be maintained or replaced with an outside service. As a business owner for 23 years, in addition to working law enforcement for 10 years, I welcome this workshop to look at ways to making sure we are receiving the best returns on our investment. However, with that being said, there are members of the CDD #1 Board who have a personal bias against our safety and security department because of their relationship with the Foundation, their employer. This department provides a level of service that we have come to expect and will not accept anything less. Members of the department are provided with ongoing education that allows them to handle the requirements of the community for both safety and emergency medical needs. To replace this level of professionalism with sub-par personnel in the name of trying to save a dollar is not acceptable to me or many others in the community. I and many of my friends bought in to Fiddler's Creek because of the well planned villages, the manicured landscaping and the safe community that it

provides. To lower the standards and reduce the Staff in the name of cost cutting to save several dollars per month will jeopardize the stability and safety of our community and our real estate investments. However, the safety department has several areas of weakness that need to be addressed now and not later. They are the three (3) gate entrances. The main gate has coverage 24 hours a day, seven (7) days a week. There is partial coverage at the same Sandpiper Gate entrance and no coverage at the Championship Gate entrance. Understanding that technology provides some support, however by staffing all gates 24 by 7 would provide the needed eyes to help control unwanted visitors, which would increase the safety and stability of our community. Additionally, with the size of our communities we should have a second roving unit that would run an overlapping tour from late afternoon to early morning hours or look at the patrol statistics to see high periods of call volume. This would allow an ongoing presence throughout the community when a unit is handling the call. It is a known fact that to reduce funding in these areas will lead to greater costs. For the residents in the future both financial and emotional when problems occur, also lets not forget what happened the last time the CDD Board reduced the funding for the safety and security department, we the community never saw a reduction in our cost.”

Mr. Brougham stated he replied to Mr. Turner stating the cost of overall access control services, per unit, has decreased in three (3) years; however the overall budget has not.

“In closing the bottom line, I and my friends in the community are willing to invest (pay several dollars more per month) to have the very best safety and security department. This is not the time to reduce our safety requirement or jeopardize the stability of our community. It is the time to improve it and provide the needed funding for an excellent and exceptional safety and security department. Respectively, Mr. Turner”

FUTURE:

*****Items D. – F. were presented out of order.*****

D. Service Hours

i. Gate Manning Hours/Days (Main and Sandpiper)

Mr. Adams noted the Board awarded the contract to the Foundation, last year. The contract is a one (1)-year contract with a one (1)-year option to renew. The start of the contract was December 1, 2009 with the first year ending November 30, 2010. The second year option

would run the same dates. He stated the Boards have the option to terminate the contract, with or without cause, at their sole discretion, as well as termination for performance related issues. He stated the Boards have the ability to amend the contract. Mr. Adams stated the Rules of Procedure for the Districts outline a process for receiving sealed bids for the security services. He noted the options available to the District, as well as the possibility of going in-house. Currently, the service levels include the main gate and roving patrol with 24/7 services, Sandpiper gate is manned 12 hours, six (6) days a week, with no service on Sundays. Championship gate is automated. He noted the access control service is a shared expense between the two (2) Districts, based upon the number of platted and residential units.

Mr. Brougham discussed the possibility of various service levels. He stated he would like to give the audience the ability to weigh in on the issues, pro or con, and requested to avoid redundant comments. He noted that the budget was adopted at the last Board meeting; however, any savings discussed today will not be realized until the next fiscal year.

Mr. Adams stated the personnel service component of the budget, for the upcoming year, is \$435,912 and is shared between the Districts. The current contract with the Foundation anticipates an hourly rate of \$20.50 per hour for 21,000 hours.

Mr. Adams stated the main gate is a full service gate with 24/7 services. He questioned if the Boards were comfortable with the main gate. There were no comments from the audience. Mr. Adams stated Championship gate is automated 24/7 and, through technology, the guard at the main gate has the ability to assist visitors at Championship gate. He asked for comments from the Board regarding the schedule at Championship gate.

Mr. Correia stated Championship gate is often treated as the main entrance to Fiddler's Creek and suggested manning the gate during daylight hours. Mr. Brougham recalled previous discussion on the subject of manning/unmanning the gate. He stated he was not in favor of putting a guard at the gate but if a guard is to be put at the gate, the services will exceed the budgeted amount.

Mr. Schutt recalled discussion on redirecting parties to an appropriate gate, when the decision to unman the gate was made.

Ms. Scott asked to hear from residents of Hawks Nest, Cardinal Cove, Deer Crossing, Mahogany Bend or Deer Crossing, as to their experience with that gate. John Portknof recalled

incidents of break-ins and Mr. Robertson replied that the investigation is still ongoing. Mr. Portknof stated he moved into the community due to it being gated and provided his support for manning the Championship gate.

Mr. John Irwin stated anyone can enter the community. The Board confirmed. Mr. Irwin stated, if anyone can enter the community, then manning of the gates is not useful. Ms. Betty Leric stated she serves on the board for Hawks Nest and the reality of not having the Championship gate manned is an issue. She stated that people come through the gate in the evening and recommended finding an alternative to manning the gate 24 hours a day that truly protects the community. Mr. Mike Joyce noted his support for manning the gate 24 hours a day. Mr. Jessie Fritz noted that the community cannot be completely secured; however, a manned gate, with a camera, may deter thieves.

Mr. Schutt discussed the perceived security of a gated community versus a non gated community. He recalled previous incidents of theft and that the 24-hour patrol has never caught anyone. He recommended understanding what is considered the standard number and type of crime.

Mr. Miller commented that the presence of the guard can act as a deterrent. Mr. Charbonneau stated that when a person enters the community, as a member of the general public, the rover is contacted and made known that the person who entered the community is only to access the public roads. He stated that he contacted a lieutenant for crime statistics. The lieutenant provided statistics for the crimes reported to the Collier County Sheriff's Office, to date, in East Naples and District 3, which includes Fiddler's Creek. Dwelling Burglaries, District 3 - 190, Fiddler's Creek - 1; Conveyance Burglaries District 3 - 325, Fiddler's Creek - 6; Criminal Mischief, District 3 - 283, Fiddler's Creek - 0; Trespass, District 3 - 334, Fiddler's Creek - 0; Suspicious Persons, District 3 - 2,145, East Naples - 2; Suspicious Vehicles, 1,218, Fiddler's Creek, 3; Noise Complaints, 1,202, Fiddler's Creek - 6; Stolen Vehicles, District 3 - 83, Fiddler's Creek - 1; Public Fights, District 3 - 130, Fiddler's Creek - 0; Robbery of a Person, East Naples - 20, Fiddler's Creek - 0; Theft, District 3 - 766, Fiddler's Creek - 4; Assault and Battery, District 3 - 246, Fiddler's Creek - 1. He stated the information is available online at colliersheriff.org and click on the crime tab.

Ms. Francis Portknof recommended the gate be guarded 24 hours.

Mr. Al Love commented that the gate, before being closed, was closed on the evenings and weekends.

Ms. Sharon Brougham commented that the security services are doing a great job.

Mr. Bob Baldocia recommended the "lift up" gate be the first gate, followed by a second gate. He recommended not allowing someone to tailgate into the community.

Mr. Jack Perrin discussed the event of a car incident where someone was tailgating into the community. He recommended taking reasonable steps with reasonable costs.

Ms. Eileen Robertson asked how much it cost and who paid the bill when the people ran through the arm at the Championship gate. Mr. Adams replied that there were two (2) to three (3) occasions and one (1) incident was paid for by the individual; the other incidents were paid by the District.

Mr. Garrett Messmarker commented that he was in favor of 24 hour guards.

Mr. Robertson stated the security forces can help prevent crime through deterrence.

Mr. Schutt stated that adding guards to the gate is not going to improve security.

Mr. Curland stated the funds were not included in the budget and that adjusting the budget at this time does not make sense. Mr. Adams explained at this time, we are reviewing the level of service, not the budget; however as a result, the budget may be affected but the Board may have the opportunity to negotiate the service level within the budget. Mr. Curland stated, given the circumstances under which the District is operating, the District is in no position to reconsider the manning of Championship.

Mr. Slater stated everyone has a good opinion but the bottom line is that three (3) months were spent talking about Championship gate and that he definitely does not want to change the situation.

On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham and seconded by Mr. Schutt, with all in favor, manning of Championship gate remaining the same as the current arrangement and leaving Championship gate service levels as-is, for the ensuing fiscal year, was approved.

Ms. Scott commented that to man the gate for 24 hours a day would equate to \$63 per person; the total amount for both Districts is \$180,000, which is not in the budget, and would

have to be paid through a special assessment. She recommended considering a change for next year's budget.

On MOTION for Fiddler's Creek CDD #2 by Mr. Robertson and seconded by Ms. DiNardo, with all in favor, manning of Championship gate remaining the same as the current arrangement and leaving Championship gate service levels as-is, for the ensuing fiscal year, was approved.

On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham and seconded by Mr. Schutt, with all in favor, manning of Sandpiper gate remaining the same as the current arrangement, for the ensuing fiscal year, was approved.

On MOTION for Fiddler's Creek CDD #2 by Mr. Robertson and seconded by Ms. Scott, with all in favor, manning of Sandpiper gate remaining the same as the current arrangement, for the ensuing fiscal year, was approved.

ii. Roving Patrol Hours/Days

Mr. Adams stated the roving patrol is currently a 24-hour/7-day a week program that patrols the District's roads and private neighborhood's roads. Discussion ensued on the possible reduction.

Mr. Correia stated he does not view the roving patrol as only security. He recalled a story in which the patrol assisted in helping his wife to receive medical assistance. Ms. DiNardo recommended an increased use of the rovers.

Mr. Brougham commented that it is not imperative that Boards take action today regarding the access control contract, as the contract has another year to run. He stated the review of the components of the contract is important to the discussion. He stated the Districts are in the middle of the bankruptcy issues with the developer, which means a 13-week period of funding or no funding. With regard to roving, Mr. Brougham recommended the patrol be more random and less pattern.

Discussion ensued on the security that the rover provides.

Mr. Miller read an email from Mr. Joe Mayer into the record:

"Please present this email at the September 21 CDD meeting on the above subject. One of the reasons my wife and I chose Fiddler's Creek to live in is the presence of security 24 hours a day. The idea of eliminating even one part of security is ridiculous. In the past months, the homeowner on Menaggio Court was harassed at a community pool by several unruly teenagers. If not for the roving patrol, this incident could have become serious. It truly gives my wife and I a safe feeling knowing our community is being patrolled. I therefore ask the Board not to consider reducing security, as it is highly beneficial to our community. Jo"

Mr. Jim Mayer wrote, *"I can not attend the September meeting. I will be away and would appreciate it if you would provide the Board with my view relative to this matter. I do not want any changes to the current security arrangements at our development. I live here all year round and I have had opportunity to experience the excellent service we receive from the existing security professional organization protecting our lives and property. I and my family do not support any changes affecting personnel operational procedures specifically the roving patrols. My wife, Mary Ann and I, have owned properties in the Menaggio and Cascada. My son-in-law and daughter have a vacation home in Merango. I appreciate your help."*

An email from Mr. Bob Chaney was read into the record:

"We will not be able to attend the CDD #1 and #2 Workshop scheduled for September 21, due to our annual trip to our Pennsylvania home. Apparently, they are making an issue to reduce our 7/24 patrol coverage or the quality of the professional security personnel, while achieving minimal expense savings. We love the lifestyle. Our family has thoroughly enjoyed our Menaggio coach home in CDD 2 for the past three (3) years. One of the prime reasons for selecting this village was for the use of the village pools for lap swimming and relaxation. Unfortunately we had numerous and sometimes unfriendly encounters with poachers who disrupted the swimming and tranquility. These were people from outside Fiddler's Creek. Finally, we had security patrol stop by the pool near the end of the season to discourage uninvited people. The intrusions were from generally on weekends from guests or renters in other villages. As owners, we should not have to challenge poachers who are unwilling to leave. It gives us comfort that the security patrol reduces our confrontation, but more importantly, that the patrol will have more insight into potentially more serious intrusions, like theft in our vacant

home. Part time residents in a less than fully developed area are at even more of a risk. While we have little control or input into the bankruptcy proceedings in these economically challenging times in the greater Naples area, we do control the security that is essential to preserve our lifestyle and investment. It makes sense to contract our professional security function the most cost efficient and risk free manner. Since the security risk increases in troubled times such as this, it may make more sense to increase security than to decrease the security level. We would be adamantly, adamantly, opposed to any significant decrease in security.”

Mr. Alan Combie stated he would like to hear from the Districts' experts as to the exact issues. Ms. Donna O'Hye commented on the appreciation for the rovers and their ability to respond, with a defibrillator, in a matter of minutes.

On MOTION for Fiddler's Creek CDD #2 by Mr. Robertson and seconded by Ms. DiNardo, with all in favor, maintaining the roving patrol services, the same as for the current fiscal year, was approved.

On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham and seconded by Mr. Curland, with Mr. Schutt dissenting, maintaining the roving patrol services, the same as for the current fiscal year, was approved. (Motion Passed 4-1)

E. Securing Service Providers

- i. Sealed Bid**
- ii. Request for Proposals (No Sealed Bid)**
- iii. Negotiation with Current Provider to Provide "At Cost"**
- iv. District Direct Employ Security Staff**

These items were deferred for discussion at a later date.

F. Direction to Staff

This item was deferred for discussion at a later date.

CURRENT:

******Items A. – C. were presented out of order.******

A. Review of Current Contract Terms/Conditions Related to Cancellation, Modifications, etc.

Mr. Brougham requested to discuss the current contract. He stated the sealed bid process has been used for 11 years. The process includes people attending a pre-bid meeting in which the specifications are given; sealed bids are accepted, opened by Staff who then makes their recommendation to the Board and the Board makes their decision. In the past, the Board has not been under any obligation to select the lowest cost bidder. He stated the existing contract has one (1) year remaining and, despite miscommunications or intentional misleading communications, the current contract was not a pass-through of actual costs. Fiddler's Creek security charged the Boards a fixed rate, per hour, for actual hours worked by the personnel and the District paid in accordance with the rates. Mr. Brougham stated the Districts have the opportunity to make changes with the existing contractor. Mr. Brougham stated that Mr. Albeit committed to billing for actual labor rates, in accordance with payroll. Any revenues that go towards Fiddler's Creek security will not be a part of the revenue stream of Fiddler's Creek Foundation and they will not be subject to the management fee of 3.5%.

Mr. Albeit explained that the actual payroll, biweekly, plus benefits and uniform expense, can be submitted for reimbursement, if the contract is amended. He stated Mr. Charbonneau's payroll will not be included. Mr. Robertson requested to see all of the security costs under a single contract. Mr. Albeit stated Mr. Charbonneau provides services for the Foundation outside of the District responsibility. If the Districts were to sever relations with the Foundation, the position may not be necessary, as the position is a supervisor position, over 11 employees. Mr. Albeit explained that Mr. Charbonneau is absorbed by the Foundation as an expense. Discussion ensued on the potential of the contract being a pass-through contract.

Mr. Adams stated this program has no overhead costs, such as management, human resource support, network capabilities and an on-site office, that would be required if the program was to be handled in-house. Mr. Adams noted this amendment would account for the actual costs to provide the services. The other alternative is to complete the sealed bid process.

Discussion ensued on the actual process of controlling the costs. Mr. Robertson made a motion to accept the changes to the agreement. Mr. Adams noted the appropriate documents will

need to be provided as backup. Mr. Brougham discussed the need for Mr. Adams and Mr. Pires to negotiate the terms of an amendment to the current contract that includes all appropriate controls over the costs provided, the costs incurred and establishing an upper and lower limit on labor rates.

On MOTION for Fiddler's Creek CDD #2 by Mr. Robertson and seconded by Ms. DiNardo, with all in favor, authorization of Mr. Adams and Mr. Pires to negotiate the terms of an amendment to the current Foundation contract to include all appropriate controls over the costs provided, the incurred costs and establishing an upper and lower limit on labor rates, was approved.

On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham and seconded by Mr. Curland, with all in favor, authorization of Mr. Adams and Mr. Pires to negotiate the terms of an amendment to the current Foundation contract to include all appropriate controls over the costs provided, the incurred costs and establishing an upper and lower limit on labor rates, was approved.

Mr. Brougham requested receipt of the amendment prior to the receipt of the agenda package.

B. Review of Current Bid Specifications/Level of Service

Mr. Brougham stated the bid specifications need to be addressed at a later date. Mr. Robertson proposed the use of the Security Committee to discuss the bid specifications. Mr. Adams stated a meeting can be set and the details can be proposed to the Board within the next 60 days.

Mr. Rich Peterson noted there is a consensus in the resident's responses that this should be a public, bidding process, not an institutional pass-through. Discussion ensued on the existing agreement, receipt of the appropriate input from the vendor and the possibility of using different gates.

C. Review of Current Budgeted Costs

This item was discussed earlier in the meeting.

FOURTH ORDER OF BUSINESS

Other Business

There being no Other Business, the next item followed.

NEXT MEETING DATE: September 22, 2010 at 8:00 A.M.

Then next meeting will be held September 22, 2010 at 8:00 a.m.

FIDDLER'S CREEK CDD #1 ITEMS

FIFTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisor's

There being no Audience Comments or Supervisor's Requests, the next item followed.

SIXTH ORDER OF BUSINESS

Adjournment: Fiddler's Creek CDD #1

**On MOTION for Fiddler's Creek CDD #1 by Mr. Brougham
and seconded by Mr. Curland, with all in favor, the meeting
adjourned at 3:57 p.m.**

FIDDLER'S CREEK CDD #2 ITEMS

SEVENTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors'


There being no Audience Comments or Supervisor's Requests, the next item followed.

EIGHTH ORDER OF BUSINESS

Adjournment: Fiddler's Creek CDD #2


**On MOTION for Fiddler's Creek CDD #2 by Mr. Robertson
and seconded by Mr. Correia, with all in favor, the meeting
adjourned at 3:57 p.m.**


Fiddler's Creek CDD #1


Secretary/Assistant Secretary


Chairman/Vice Chairman

Fiddler's Creek CDD #2


Secretary/Assistant Secretary


Chair/Vice Chair