

June 29, 2019

Mr. Armando Silva
 District Manager
 Fontainebleau Lakes Community Development District
 Special District Services, Inc.
 The Oaks Center
 2501A Burns Road
 Palm Beach Gardens, FL 33410

Re: Year 2019 Fontainebleau Lakes CDD Report

Dear Mr. Silva:

The intent of this report is fourfold: 1) To inform as to the status of ownership of the infrastructure that was financed or constructed by Fountainbleau Lakes Community Development District (the “District” or “CDD”); 2) To describe the state, working order and condition of the infrastructure still owned by the District; 3) To give recommendations as to the funds estimated necessary for the proper maintenance, repair and operation of the District’s infrastructure and; 4) to review the insurance carried by the District and amounts set aside for paying the premium.

The District is located in the North ½ Section 5, Township 54 South, Range 40 East and government Lot 5 between township 53 South and 54 South recorded in Plat Book 166 Page 45. The Development is located within Postal Code 33172. See Exhibit 1 for the boundaries of the District and configuration of the Development.

1. Infrastructure Ownership

a. Land Ownership

- i. The District currently owns 93.00 acres of land as described in Table 1 and in Exhibits 2 and 3.

Table 1						
Grantor	Grantee	Recording	Tract ID	Plat Book - Page	CDD Owned Land (Ac)	Exhibit #
Fontainebleau Lakes LLC	CDD	ORBK 27755, PG1495	Parcel 1	168-26	14.27	3
			Parcel 2	170-40	2.90	
Fontainebleau Lakes LLC	CDD	ORBK 28635, PG 2633	A	169-23	12.51	2
			N ⁽¹⁾	169-23	0.40	

Table 1						
Grantor	Grantee	Recording	Tract ID	Plat Book - Page	CDD Owned Land (Ac)	Exhibit #
			V	169-23	0.12	
			W	169-23	15.11	
			X	169-23	8.32	
			Y	169-23	4.46	
			Z	169-23	0.73	
			P	166-45	27.33	
			Q	166-45	3.10	
			R	166-45	2.39	
Fontainbleau Lakes LLC	CDD	ORBK 29252, PG 950	B1	169-23	0.48	2
			F	169-23	0.65	
			G	169-23	0.23	
				Total	93.00	

⁽¹⁾ Also known as Parcel 3 in ORBK 27755, PG 1495

b. Roads

- i. The CDD road improvements were completed and are owned by the CDD. They are located in Tract A of Fontainebleau West-North (PB 169, PG 23) and in tracts R and S of Fontainebleau West (PB 166, PB 45).

c. Stormwater Management System

- i. The CDD drainage and stormwater management systems were completed and are owned by the CDD. The road drainage system is located in Tract A of Fontainebleau West-North (PB 169, PG 23) and in tracts R and S of Fontainebleau West (PB 166, PB 45). The lakes and open areas are located in the CDD-owned lands indicated in Table 1 and in Exhibits 2 and 3.

d. Water Distribution and Sanitary Sewer System

- i. The water system was completed and conveyed to Miami-Dade County Water and Sewer Department ("WASD"), in accordance with WASD Agreement number 19195.
- ii. The gravity portion of the sanitary sewer system was completed and is owned by the CDD. It is located in Tract A of Fontainebleau West-North (PB 169, PG 23) and in tracts R and S of Fontainebleau West (PB 166, PB 45).
- iii. The two lift stations that serve the Development, one located in Tract V (PB 169, PG 23), and the other in Tract S (PB 166, PG 45) (refer to Exhibit 2) were completed and are owned by the CDD.

2. State, Working Order and Condition of the Infrastructure

Alvarez Engineers, Inc. conducted a field inspection to determine the current state, working order and condition of the infrastructure owned by the District and reports the following

a. Roads

- i. The CDD roads are in good working order and condition.



CDD Roads in Good Condition

b. Stormwater Management System

- i. The CDD drainage and stormwater management systems in the portion of the Development located west of NW 97 Avenue (refer to Exhibit 2) are in good working order and condition.



Lakes West of 97 Ave in Good Condition



Lakes West of 97 Ave in Good Condition

- ii. Parcel 1 (refer to Exhibit 3). The retention lake and CDD pedestrian access way have been completed and are in good working order and condition.



Parcel 1 Pedestrian Access Way Completed

Parcel 2 Lake Completed

- iii. Parcel 2 (refer to Exhibit 3). The CDD retention lake has been completed. The pedestrian access way has been completed. The upland amenities and landscape were completed in accordance with the conditions and configuration described in the Amendment to Easement Agreement between the CDD and CJUF III, Flagler LLC recorded at ORB 28868, PG 1315 and are in good condition



Parcel 2 Pedestrian Way Completed

Amenities and Landscaping

c. Water Distribution and Sanitary Sewer System

- i. The water system was conveyed in good condition to Miami-Dade County Water and Sewer Department ("WASD") for ownership and maintenance.

- ii. The sanitary sewer system consisting of onsite gravity structures and pipes, the two lift stations and force mains are in good working order and condition,



Lift Station and Water Distribution System are in good working order and condition.

3. Estimated Maintenance Costs for District Owned Infrastructure

a. General

- i. The CDD proposed 2018-2019 Fiscal Year budget has the following amounts for maintenance expenditures:

2018-2019 Budget for Maintenance	
Engineering/Annual Report/Inspections	\$6,600
Lake Tract Aquatic Maintenance (Includes Parcel 1)	\$12,600
Landscaping Service/Pest Control/Fertilizer	\$87,840
Mulch (Tree Rings & Shrubbery Beds)	\$8,750
Irrigation Systems Maintenance (North & South)	\$12,600
Tree & Shrubbery Replacement (North & South)	\$10,000
Community Lighting Upkeep (North & South)	\$15,000
FP&L - Power - Street Lighting (North & South)	\$36,000
FP&L - Power - Irrigation Pump Stations (N & S)	\$3,000
Park Maintenance - Upkeep	\$6,200
Roadways & Street Maintenance (North & South)	\$7,200
Fountain Maintenance (Tract A)	\$3,000
Entrance/Exit Gate Maintenance/Repairs (N & S)	\$7,000
Electrical Outlets Maintenance (North & South)	\$1,800
Traffic Calming Devices Maintenance	\$3,600
Open Space Misc. MTE - Tracts P, Q, W,X,Y,Z	\$3,800
Hurricane Preparedness/Miscellaneous	\$11,000
Lift Station Maintenance (North & South)	\$34,000

Alvarez Engineers, Inc.

FL Certificate of Authorization No. 7538

10305 NW 41 Street, Suite 103, Doral, Florida, 33178

Telephone (305) 640-1345 Fax (305) 640-1346 E-Mail: Juan.Alvarez@AlvarezEng.com

Lift Stations Power - FPL (North & South)	\$7,800
Miscellaneous Improvements (North & South)	\$9,000
Solar Lighting Pilot Project	\$50,000
Maintenance Contingency	\$15,000
Total	\$351,790

For more detailed information on the 2018-2019 Fiscal Year Budget please visit the District's website at the following link:

<http://fontainbleaulakescdd.org/financials/>

Alvarez Engineers finds the District's final maintenance budget for Fiscal Year 2018/2019 adequate, but recommends considering the following suggestions for future budgets:

a. Roads

Funds will be needed to replace the wearing roadway asphalt layer in about 20 years, when the asphalt has reached its estimated 30-year service life. The District Board of Supervisors may decide whether to create a sinking fund to finance the future capital expense over the next 20 years or to pay a lump sum amount at the end of the asphalt service life. The table below provides the estimated future replacement cost and the estimated annual contributions over the remaining service life to fund the expense. The calculations below assume an annual interest rate of 0.25%.

Pavement Service Life (30 Years Estimated)		Present Year	Remaining Service Life (Yrs)	Present Year Cost (PC) of Pavement Replacement (Mill and Resurface 3/4" Thick)			Future Replacement Cost @ End of Service Life*	Annual Interest Rate	Annuity to Finance (FC) in (n) Years given (i)
From	To		(n)	Quantity (SY)	Unit Cost (\$/SY)	(PC)	(FC)	(i)	$FCi/((1+i)^n-1)$
2009	2039	2019	20	72,146	\$5.75	\$414,840	\$758,742	0.25%	\$37,044
* Using Florida Department of Transportation Inflation Factors									

b. Stormwater Management System

The following is a suggested 5-year cyclical program for servicing the inlets, manholes, pipes and French drains of the drainage system. The program consists of servicing 20% of the system every year so that at the end of the fifth year, 100% of the system will have been serviced. The table below shows the estimated amount that would need to be budgeted yearly to service the 152 drainage structures and 11,857 Linear Feet of pipes in the District.

Total No. Structures in CDD	Total LF Pipes	No. Structures with Pipes Serviced per Year					Cost/EA Structure	Cost/LF Pipe	Total Budget Amount Per Year
		Year 1	Year 2	Year 3	Year 4	Year 5			
152	11857	31					\$150.00	\$5.00	\$16,600
			31				\$150.00	\$5.00	\$16,600
				31			\$150.00	\$5.00	\$16,600
					31		\$150.00	\$5.00	\$16,600
						31	\$150.00	\$5.00	\$16,600

4. Insurance

Alvarez Engineers has received the District's general liability, inland marine, hired non-owned auto, employment practices liability and public officials liability insurance policy provided by Florida Insurance Alliance under Agreement No. 100118033 for the period between October 1, 2018 and October 1, 2019. The District has budgeted enough funds to cover the insurance premium of \$5,686.

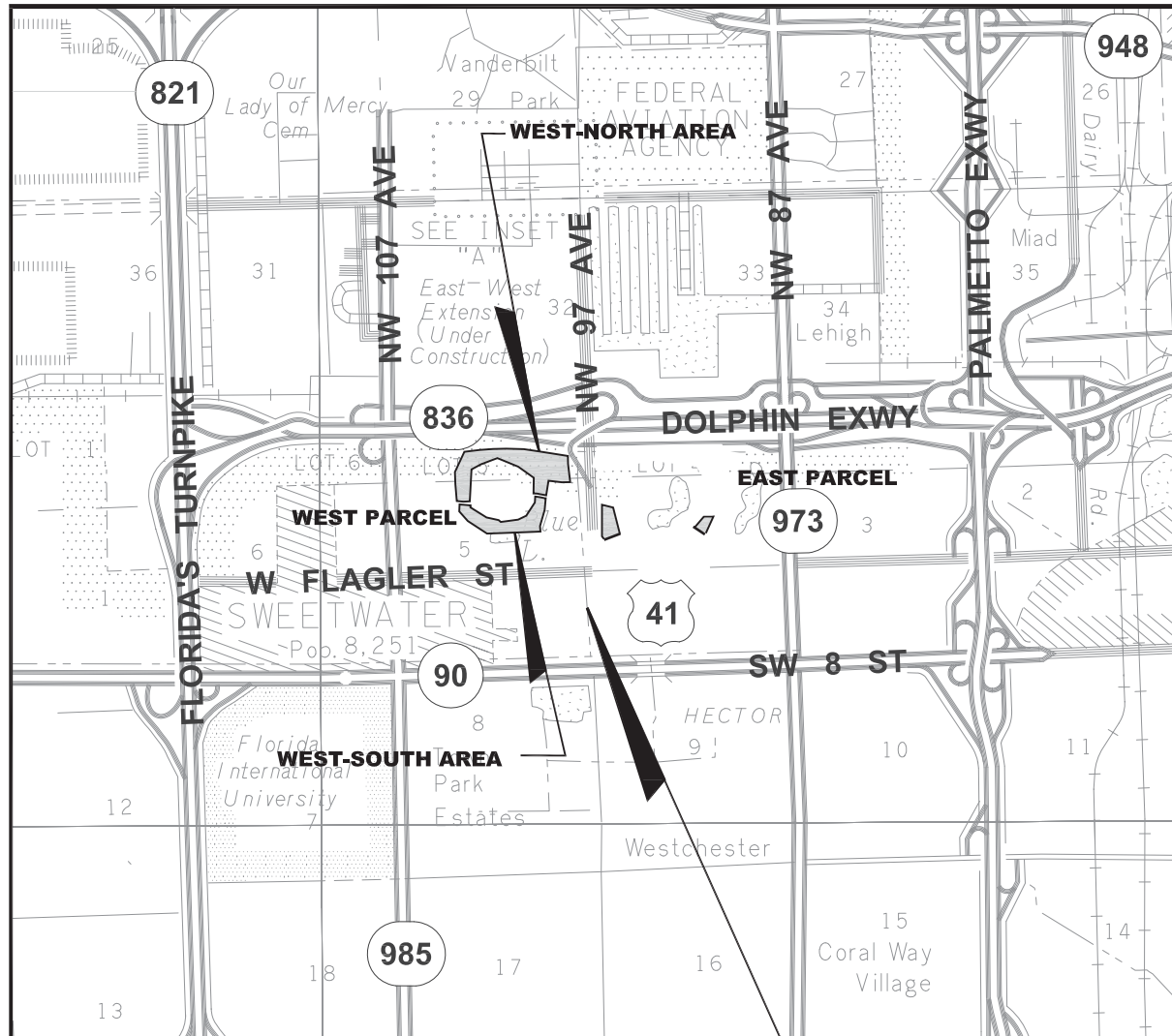
This report was prepared to the best of my knowledge and belief and is based on field observations conducted by Alvarez Engineers personnel, the District Engineer's Report, public documents available and communications with the District's field staff.

If you have any questions, please do not hesitate to contact me at 305-640-1345 or at Juan.Alvarez@Alvarezeng.com

Sincerely

Alvarez Engineers, Inc.

Juan R. Alvarez, PE
District Engineer
Florida Engineer License No. 38522
Date: June 29, 2019

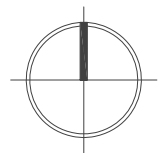


ALVAREZ ENGINEERS, INC.

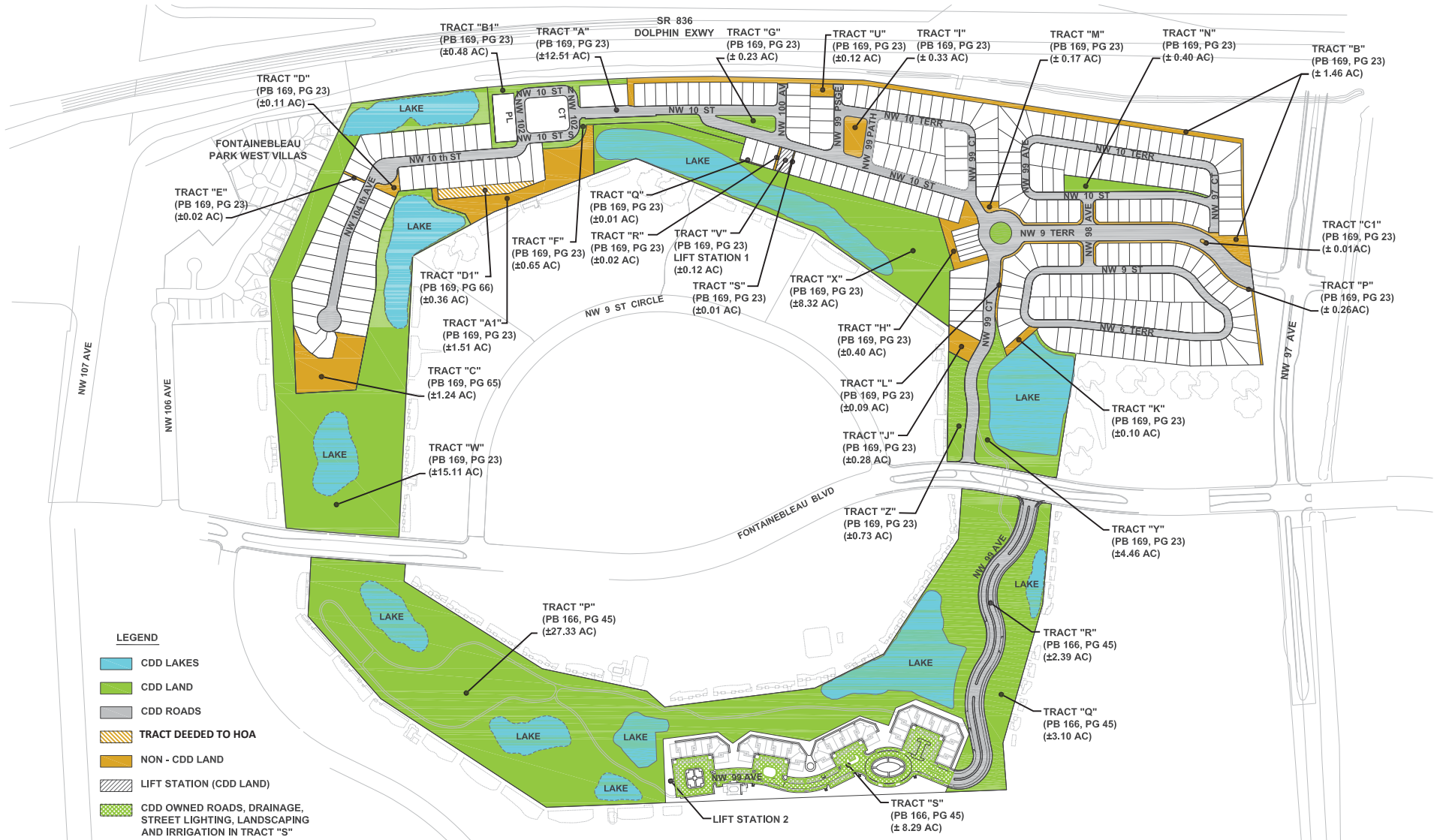
FONTAINEBLEAU LAKES C.D.D.
DISTRICT LOCATION MAP

LOCATION OF DISTRICT

MIAMI-DADE COUNTY
 FLORIDA



1 MILE



TOTAL DISTRICT OWNED LAND 93.00 AC

ALVAREZ ENGINEERS, INC.

**FONTAINEBLEAU LAKES C.D.D.
CURRENT CDD LAND OWNERSHIP**

EXHIBIT 2

1" = 600'

