

**MINUTES OF MEETING
BAYSIDE IMPROVEMENT AND BAY CREEK
COMMUNITY DEVELOPMENT DISTRICTS**

A Joint Regular Meeting of the Boards of Supervisors of the Bayside Improvement Community Development District and Bay Creek Community Development District was held on **Monday, December 17, 2012 at 2:00 p.m.**, at the **Pelican Landing Community Center, 24501 Walden Center Drive, Bonita Springs, Florida 34134.**

For Bayside Improvement CDD:

Walter McCarthy	Chair
Marvin Hancock	Vice Chair
James Patterson	Assistant Secretary
John Crew	Assistant Secretary
Bernie Cramer	Assistant Secretary

For Bay Creek CDD:

Frederick McAuley	Chair
Nelson Glueck	Vice Chair
James Janek (via telephone)	Assistant Secretary
Keith Huffman	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Dan Cox	District Counsel
Carl Barraco	District Engineer
Bill Kurth	LakeMasters
Jim Murphy	PLCA
David Gillespie	General Manager, Pelican's Nest
Howard Lowe	Long Lake Village
Residents	

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

Mr. McAuley called the meeting to order at 2:00 p.m., and all present recited the Pledge of Allegiance.

SECOND ORDER OF BUSINESS

Roll Call

Mr. McAuley noted, for the record, that all Supervisors for the Bayside Improvement Community Development District were present, in person. For Bay Creek Community Development District, Supervisors McAuley and Glueck were present, in person. Supervisor Janek was attending via telephone. Supervisor Pritt was not present; he had an excused absence. Supervisor Huffman was not present at roll call but was expected to arrive shortly.

THIRD ORDER OF BUSINESS

Public Forum

Mr. McAuley asked if any members of the public wished to address items on the agenda. No members of the public spoke.

BAYSIDE IMPROVEMENT CDD

FOURTH ORDER OF BUSINESS

Administration of Oath of Office to Newly Elected Supervisors, John Crew [Seat 1], Walter McCarthy [Seat 3] and James Patterson [Seat 5] (*the following to be provided in separate package*)

Ms. Crismond, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Crew. She indicated that Mr. McCarthy and Mr. Patterson were sworn in previously.

Ms. Crismond provided and briefly explained the following items:

- A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- B. Membership, Obligations and Responsibilities**
- C. Financial Disclosure Forms**
 - **Form 1: Statement of Financial Interests**
 - **Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - **Form 1F: Final Statement of Financial Interests**

******Supervisor Huffman arrived at the meeting.******

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2013-1, Electing Officers of the District

Mr. Patterson presented Resolution 2013-1 for the Board's consideration. Mr. Adams noted the requirement to consider the slate of officers following an election or appointment of Supervisors to the Board.

Mr. Adams requested nominations for Chair. Mr. Patterson nominated Mr. Hancock. Mr. Cramer nominated Mr. McCarthy.

Mr. Adams asked for a second to the nomination of Mr. Hancock. Mr. Crew seconded the nomination. Mr. Patterson and Mr. Crew were in favor of Mr. Hancock serving as Chair; Mr. Cramer, Mr. McCarthy and Mr. Hancock dissented.

Mr. Adams asked for a second to the nomination for Mr. McCarthy. Mr. Hancock seconded the nomination. Mr. Cramer, Mr. Hancock and Mr. McCarthy were in favor of Mr. McCarthy serving as Chair; Mr. Patterson and Mr. Crew dissented.

Mr. Adams requested nominations for Vice Chair. Mr. McCarthy nominated Mr. Hancock. There were no competing nominations.

Mr. Adams advised that Mr. McCarthy will serve as Chair, Mr. Hancock will serve as Vice Chair and the remaining Supervisors will serve as Assistant Secretaries. Mr. Adams will serve as Secretary and Mr. Wrathell will serve as Treasurer and as an Assistant Secretary.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Hancock, with all in favor, Resolution 2013-1, Electing Officers of the District, as nominated, was adopted.

Mr. McCarthy thanked the Board for the appointment and thanked Mr. Patterson for his service as Chair. He indicated that Mr. Lienesch will be acknowledged for his years of service on the Bayside Improvement CDD Board at the next meeting.

Mr. McCarthy welcomed Mr. Crew to the Board and stated that he will be a real asset. He thanked the three candidates who ran for seats on the Bayside Improvement CDD Board. Mr. McCarthy also welcomed Mr. McAuley and Mr. Janek back to the Bay Creek Board.

Mr. McCarthy asked to reserve the right for further discussion with regard to organizational matters of the Bayside Improvement CDD and requested that the discussion be held following the adjournment of the Bay Creek CDD meeting.

BAY CREEK CDD

SIXTH ORDER OF BUSINESS

Administration of Oath of Office to Newly Elected Supervisors, Frederick McAuley [Seat 1] and James Janek [Seat 3] (*the following to be provided in separate package*)

Ms. Crismond, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. McAuley. She advised that Mr. Janek was sworn in previously.

Ms. Crismond indicated that she would forego the explanation of the following disclosures that were provided, as Mr. McAuley was a sitting Supervisor:

- A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- B. Membership, Obligations and Responsibilities**
- C. Financial Disclosure Forms**
 - **Form 1: Statement of Financial Interests**
 - **Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - **Form 1F: Final Statement of Financial Interests**

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2013-1, Electing Officers of the District

Mr. McAuley presented Resolution 2013-1 for the Board’s consideration and asked for nominations for Chair.

Mr. Glueck nominated Mr. McAuley to serve as Chair. There were no competing nominations.

Mr. Adams asked for nominations for Vice Chair. Mr. McAuley nominated Mr. Glueck. There were no competing nominations.

Mr. Adams indicated that Mr. McAuley will serve as Chair, Mr. Glueck will serve as Vice Chair and the remaining Board Members will serve as Assistant Secretaries. Mr. Adams will serve as Secretary and Mr. Wrathell will serve as Treasurer and as an Assistant Secretary.

On MOTION for Bay Creek by Mr. Huffman and seconded by Mr. Glueck, with all in favor, Resolution 2013-1, Electing the Officers of the District, as nominated, was adopted.

JOINT MEETING ITEMS

- **Discussion of Upcoming Meeting by Mr. David Gillespie, General Manager, Pelican's Nest**

****This item was an addition to the Agenda.****

Mr. Gillespie extended an invitation, on behalf of the members of Pelican's Nest, to attend a water meeting being held at Pelican's Nest on Monday, January 7, 2013 at 4:30 p.m. He explained that the purpose of the presentation is to discuss the implications of what seems to be a growing water shortage in Southwest Florida, and the general area, as well as alternatives to the decreasing water table and the ideas members have for resolution.

Mr. Gillespie advised that it will be an informational meeting. Four speakers will provide presentations: Mr. Dennis Vasey, a Supervisor with the Collier County Soil and Water Conservation District; Ms. Lisa Koehler, South Florida Water Management District (SFWMD); Mr. Fred Partin, the Executive Director of Bonita Springs Utilities and Ms. Jan Beljan, who was the primary architect for the Fazio Group, responsible for designing the golf courses at Pelican's Nest. The speakers will discuss the water situation in Southwest Florida and the presentations will be followed by a question and answer session.

Mr. McAuley asked if members of the CDD Boards can attend the meeting. Mr. Adams replied affirmatively; however, they may not express any opinions or positions.

Mr. Cramer asked about inviting Dr. Thomas and Mr. Barraco to attend the meeting. Mr. Adams stated that Dr. Thomas may wish to participate, as he seems intent on gathering information.

Mr. Huffman asked if handouts and/or brochures would be available to the CDDs. Mr. Gillespie advised that the suggestion was made to videotape the initial meeting for those who could not attend.

Mr. Patterson noted that it would be a good idea for Mr. Gillespie to contact The Colony golf course to ensure distribution of the notice.

EIGHTH ORDER OF BUSINESS

**Lake Maintenance Activities Report -
*LakeMasters/Management***

Mr. McAuley noted that he asked Mr. Bill Kurth, of LakeMasters, to be present to answer questions regarding the Lake Maintenance Activities Report.

Mr. Hancock reported that he witnessed a crew spraying algae in Lake A-18, which is one of the best looking lakes. A spray tech was on a tractor spraying over littoral plants. Mr. Hancock asked if it kills the vegetation around the lake. He also asked about dead vegetation behind the central fountain. Ms. Crismond advised that the contractor was told to spray that area.

In response to Mr. Hancock's question regarding overspray, Mr. Kurth explained that LakeMasters has been spraying algae in Lake A-18, in this manner, for many years. The algaecides being used are copper based and copper is not necessarily detrimental to plants.

Mr. Hancock expressed concerns regarding the loss of plants in the lakes in Long Lake. He stated that Lake C-4 was replanted about two years ago and the plants are dying. Mr. Kurth indicated that it may be due to water level fluctuation.

In response to a question from Mr. McAuley, Mr. Kurth explained that the use of copper sulfate has been reduced; however, the use of Captain XTR has greatly increased because it contains much less copper, it is more environmentally sound and provides better control over the algae.

Mr. McAuley inquired about Mr. Kurth's cooperation with Dr. Thomas. Mr. Kurth indicated that he met with Dr. Thomas initially but there has been no contact since then. Mr. Adams explained that Dr. Thomas initially met with him, Mr. Kurth, Ms. Crismond and Mr. Hancock; since then, no additional cooperation was necessary. All communication flows through Mr. Adams and Ms. Crismond.

NINTH ORDER OF BUSINESS**Discussion: EPAs Proposed Nutrient Loading Numerical Criteria**

Mr. McCarthy reported that he located a document that was released by the Florida Department of Environmental Protection (FDEP), on November 30, 2012, which indicated that the Environmental Protection Agency (EPA) approved the Florida rule to protect waterways from nutrient pollution. When he met with Mr. Adams, Mr. McCarthy suggested that this item be placed on the agenda and requested that Mr. Adams and Mr. Cox summarize its significance.

Mr. Cox reported that the rule for inland waterways and lakes, streams and springs was adopted. South Florida was specifically exempted from what was adopted, thus far, by the DEP and approved by the EPA. The rule for coastal estuaries was submitted by the DEP; however, the EPA is rejecting those proposed thresholds. Mr. Cox advised that a series of workshops will

be held regarding the coastal and South Florida flowing waters beginning in January, 2013 and webinars will be held on January 22, 23 and 24. He indicated that nothing has been done that affects South Florida waters. It is unclear to Mr. Cox whether they are going to address artificial waterways; however, they will be looking at discharges.

Mr. McCarthy asked if the parameters in the rule for lakes will likely apply. Mr. Cox indicated that there are likely to be different standards and thresholds in South Florida. In some cases, they may be more strenuous and, in some cases, more lax, due to the natural ambient backgrounds of the surface of the nutrients. Mr. Barraco noted that the reason South Florida is not included is because there is so much disagreement as to what the ambient conditions should be.

Mr. Barraco explained that, when reading about water quality, references may be made to the Basin Management Action Plan BMAP. He advised that Bay Creek CDD and Bayside Improvement CDD are not listed in the BMAP, which means there is no need for an action plan.

TENTH ORDER OF BUSINESS**Discussion: Follow Up Illicit Discharge Meeting With PLCA and PCGC**

Mr. Barraco reported that he and Mr. Adams attended two meetings; one with the tennis facility and one with the adjacent golf course management facility. He indicated that the meeting at the Tennis facility was good. The PLCA is in the process of constructing a clay spoils containment system and other methods for improvement were discussed.

Mr. Barraco discussed today's meeting with the golf course maintenance staff. He explained to the staff that many BMPs and design criteria were put in place since this system was designed and constructed. Mr. Barraco indicated that, overall, their storage materials are contained well, the equipment is being washed in the right areas and the runoff is not allowed to enter the system. Several areas needing improvement were noted and a report will be issued. It was observed that one or two inlets would benefit from a filter and some of the storage areas could use a containment system, to prevent runoff. The dry detention area, which is the first filter for the runoff from the facility, is in need of significant maintenance. It was being bypassed because it was full.

Mr. Adams explained that there are two maintenance facilities on the same site. The meeting took place at the Pelican's Nest golf course maintenance facility, which is the north half of the site. Mr. Barraco pointed out that the area is supposed to be a dry area and all of the

runoff is directed there. It fills up and then it is detained and allowed to slowly flow through a control structure and into the lake system. Mr. Barraco will continue to monitor the system.

Referring to a map, Mr. Adams pointed out the areas that The Colony golf course maintenance superintendent and the Pelican's Nest golf course maintenance superintendent committed to cleaning and restoring. They will work together, using their own equipment and staff and Mr. Barraco will provide a copy of the permitted design. Mr. Adams pointed out the location of the retention area that was filled in and excavated since the meeting with The Colony staff. Mr. Adams indicated that there was no staining on the asphalt to indicate improper washing locations. Both facilities were clean, well maintained and properly managed.

Mr. Glueck commented that, several months ago, it was thought that Palm Colony's lake problems mainly stemmed from tennis court runoff entering into the lakes; however, that is not the case. Mr. Barraco stated that all of the runoff from the golf maintenance facilities was to be treated in the dry detention area but it is flowing directly into the inlet and the lake. Mr. Glueck pointed out that Sewer Viewer did not find clay in the sewers.

Mr. Barraco stated that the concern was with three contaminants, which includes nitrogen, phosphorous and suspended solids. Sewer Viewer reported that they found no suspended solids that settled out where the pipe enters the lake. Mr. Barraco noted that the dry detention area did its job for the first few years because the area noted by Mr. Adams is composed of a much different material than the soil next to it. Staff continues to look for potential sources and removes them, whenever possible, to see if there is any improvement.

Mr. Adams discussed the report submitted by Dr. Thomas regarding sediment sampling in Ponds E-1 and E-2, in Pelican Landing. Core samples were obtained at the mouth of the inlet pipes coming into the lakes. Five core samples were taken at each location, visually examined and no green material was evident; however, it was noted that the deep organic black layer may have masked the deposition of the green material flushing off the street.

Mr. Adams stated that the analysis seems to support the observation by Sewer Viewer that there was no measurable amount of clay in the last section of pipe or in the junction boxes. Mr. Adams indicated that it is obvious that clay is running off the sides of the courts but it seems to be going into retention or low lying areas and the majority appears to be settling in those locations. A great deal is not getting into the system but there is still a need to contain the clay.

Mr. Adams reported that Lake E-2 contains a lot of biomass and the same program used on Lake E-1 may have to be implemented in an attempt to lower the amount. The suggestion

was made to use Phoslock in Lake E-1. Mr. Adams, Mr. Kurth and Mr. Barraco discussed the potential benefits of its use to seal the existing organic layer. This will be discussed at the next meeting.

Mr. McAuley requested that Mr. Adams provide a copy of Dr. Thomas' report to the Palm Colony residents.

Mr. McCarthy voiced his opinion that Dr. Thomas' report will bring a great deal of light to this particular subject and suggested caution, when proceeding, prior to providing the information from Dr. Thomas, especially if it is chemically related.

Mr. Hancock referred to the report from the December 3 meeting, where Mr. Barraco discussed construction of a clay spoils bin, and asked if Mr. Barraco observed a building permit. Mr. Barraco replied that he did not; he only observed the concrete block structure. Discussion took place regarding its completion because it was a three-sided bin.

Mr. Hancock commented that he has been working on the lakes for several years and that is an area of his focus. He indicated that he asked to attend the meeting and was told that he was forbidden and could not attend. Mr. Hancock requested that the minutes reflect that a Supervisor was not permitted to attend the meeting that took place on December 3. Mr. Adams clarified that the forbiddance was from the PLCA parties attending the meeting; it was not from District Staff.

Mr. Crew asked if inquiries were made to the grounds maintenance staff in Palm Colony concerning their practices related to fertilizer and herbicides and how they are being managed. Mr. Hancock replied not to his knowledge. Mr. McAuley clarified that Staff spoke with the Palm Colony maintenance staff with regard to shooting their grass clippings up, by the lake bank, rather than down. Mr. Hancock indicated that the Board Members were also contacted.

Mr. Cramer noted that Mr. Hancock served as liaison with Palm Colony for the last few years. Since Palm Colony lies within Bayside Improvement CDD, he suggested that Mr. Hancock remain the point of contact and continue to foster good relationships with them. Mr. McCarthy indicated that it would be more appropriate to discuss this topic later in the meeting.

Mr. Hancock asked Mr. Cox if any written replies were received from the five parties that were contacted with regard to illicit discharge. Mr. Cox stated the discussion was held at the PLCA meeting; however, no other communication was received.

ELEVENTH ORDER OF BUSINESS**Discussion: SFWMD Final Notice of Noncompliance Permit Conversion and**

Transfer to Operating Entity - Pelican Nest Permit

Mr. Barraco explained that there are two main permits, one for Pelican's Nest and one for Pelican Landing; the notice is in reference to Pelican's Nest. Pelican's Nest was certified by another engineer, in the past. The next step is to formally convert the permit to operation and maintenance. Prior to receipt of the notice, research was conducted to ensure that there were no secondary systems in the permit for which the CDD should not accept responsibility; no secondary systems were found. Mr. Barraco recommended that the Board review the documentation and formally accept the Pelican's Nest surface water management system for operation and maintenance.

Mr. Adams pointed out that it is in the best interest of the entire community to have one entity managing the system, as they are all under the same NPDES permit. He recommended that the Board begin the process of accepting the system for operation and maintenance.

Mr. McCarthy indicated that this involves 43 permits, along with subdivisions and condominium associations within Pelican's Nest. The documents refer to dedications and plats; however, the dedications and plats are very inconsistent, which is evidenced in some of the permit applications. Mr. McCarthy voiced his opinion that there is an issue that must be resolved to ensure that whatever the District is accepting is specifically what they intend to operate and maintain.

Mr. Barraco clarified that there is no evidence of a secondary system. The next step will include modifying any permit that does not specifically indicate that the CDD will be responsible for operation and maintenance. Barraco and Associates, Inc., will use their resources to make sure that the District has the proper ownership or easements on the facilities being accepted.

Mr. McAuley suggested that this item be tabled for discussion at the next meeting.

Mr. McCarthy pointed out that this work only relates to Bayside Improvement CDD and expressed his concerns regarding the cost. He recommended preparing an RFP and soliciting proposals. Mr. Adams suggested having WCI entertain a funding agreement, as they are currently the permit holder and were in receipt of the Notice of Non Compliance. WCI has the motivation to transfer the permit to the proper entity. Mr. McCarthy agreed.

Mr. Adams indicated that the best course of action is for the Board to consider an affirmative vote to begin the process of accepting the system for operation and maintenance,

recognizing that a good portion of the permit has facilities that should be operated by the District.

On MOTION for Bayside Improvement CDD by Mr. McCarthy and seconded by Mr. Patterson, with all in favor, authorizing Staff to begin the process of accepting the surface water management system for operation and maintenance, authorizing the District Engineer to prepare a proposal with regard to the permit transfer, authorizing the District Manager to contact Mr. Caldwell with regard to a funding agreement with WCI to fund the process, and designating Mr. McCarthy to participate in the process, was approved.

TWELFTH ORDER OF BUSINESS

Continued Discussion: Upgrades to Bay Cedar/Goldcrest/Spring Creek Village Landscape Buffer

Mr. McCarthy explained that the landscape buffer was installed between Spring Creek Village, Bay Cedar and parts of Goldcrest Drive. A development order requires maintenance of the buffer, in perpetuity. When the residents in the area purchased their property, they relied on the buffer to ensure their views and protect the value of their property; there is no question that there has been a decline in the quality of the buffer.

During the election campaign, the residents clearly expressed their feelings to Mr. McCarthy relative to the CDD's maintenance of the buffer. The ficus has seriously declined and the opacity of the buffer has deteriorated. Mr. McCarthy stated that the buffer is an asset, which the District is responsible to maintain and it requires substantial maintenance and restoration. Mr. Adams and Mr. Kucera agreed that there is a need for immediate action and it has already begun.

Mr. Adams reported that a field inspection was conducted by himself, Mr. Kucera and Mr. McCarthy and they walked the entire buffer. He explained that issues always arise with a living buffer, over time, especially when residents rely so heavily on it. Much of the material is not providing any benefit and must be replaced with material that is shade tolerant. Installation will be site specific and color will be introduced wherever possible. The front face of the ficus hedge will be reset; by doing so, an area will be opened up to add an additional layer of buffer material. Mr. Adams also discussed the close proximity of the oak trees in the area. He noted that every other tree may have to be removed.

Mr. Adams advised that notices will be mailed to all property owners explaining why the work is being done, what to expect, what it will look like once the work is completed and how long it will take to recover.

Mr. McAuley inquired about the completion of the work on Spring Creek Road and Addison Place. Mr. Adams stated that the work that was approved last spring was completed; however, there is still another phase. Mr. McAuley asked about the cost to complete the next phase on Spring Creek. Mr. Adams will provide the information. Mr. McAuley also asked about the cost for the Bay Cedar and Spring Creek Village project. Mr. Adams indicated that pricing will be provided at the January meeting.

Discussion ensued regarding the treatment for white fly.

Mr. McCarthy recommended obtaining a copy of the Lee County Development Order prior to making any changes or removing any materials.

THIRTEENTH ORDER OF BUSINESS

Discussion Regarding Affects of Possible Transfer of WCI Development Rights Out of District(s)

Mr. McCarthy reported that the PLCA, as part of the Coconut Point Marina acquisition, was asked to agree to allow WCI to transfer 200 residential development units in The Colony, which is within the Bayside Improvement CDD, to Raptor Bay timeshare property, which is outside the CDD boundary. Mr. McCarthy provided a copy of the contract to Mr. Cox and Mr. Adams and asked them to provide an assessment of the possible impacts on the CDDs and recommendations for action.

Mr. Cox explained that Raptor Bay would be building about 200 units on the property. They want to have the right to use the beach park. The PLCA joined in the agreement. The contract indicates that the net number of people able to use the beach club will remain the same, meaning that, if they are built, the 200 units that are authorized in The Colony area will not be able to use the beach club facility.

Mr. Jim Murphy, PLCA liaison, explained that The Colony will not build 200 units because if it put 200 units in The Colony and 200 units in Raptor Bay, there would be an overload on the amenities at the beach. The Raptor Bay units will only have access to the beach and will not have any access to the other amenities. Mr. Murphy stressed that the closing is tomorrow and they are still in final negotiations over this matter.

Mr. McCarthy expressed concern regarding the financial impact on the Bayside Improvement CDD. He explained that WCI has development rights for a finite number of units; where they are built is specified in the DRI. As a result, they are part of the Bayside Improvement CDD and they pay the assessments to the District. Moving the units from The Colony to Raptor Bay will impact the assessments of the remaining residents. Mr. Adams agreed. Mr. Adams stated that the removal of 200 units in The Colony will lower the number of assessable units that the costs are shared by and automatically result in an increase on the remaining units. Mr. McCarthy noted that it will also impact the irrigation fund and meter fees for the irrigation fund. If the number of units in Bayside Improvement is reduced, the proration between Bayside Improvement and Bay Creek will change.

Mr. McCarthy pointed out that, in the first meeting with Mr. Barry Ernst and the representatives of WCI, they made it clear that they could not build the units in The Colony and they wanted to move them to Raptor Bay.

Mr. Murphy asked if WCI has a right to do this. Mr. Cox indicated that it is their property; they can sell it, they can sell their development rights to someone else and they can transfer impact fees. If there is any outstanding debt service on the property, a true-up payment must be made.

Further discussion ensued.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Hancock, with Mr. McCarthy, Mr. Hancock, Mr. Cramer and Mr. Patterson in favor and Mr. Crew opposed, registering the District's objection to any endorsement of transfer of development rights from the Bayside Improvement CDD to lands which are outside said District, was approved. (Motion passed 4-1)

FOURTEENTH ORDER OF BUSINESS

Review and Discussion of Sunshine Law

Mr. Glueck indicated that he had concerns regarding what transpired during the November UOC meeting when Mr. Roger Brown gave a presentation on the highlights of a CDD meeting. He explained that, years ago, a member of the UOC or a member of the CDD would report the CDD highlights for the month. After Mr. Cox expressed his concerns with regard to the Sunshine Law, it was agreed that someone other than a CDD Board Member would report on

the CDD highlights, which is how Mr. Brown and his predecessor became involved in the reporting.

Mr. Glueck advised that, at the November UOC meeting, during Mr. Brown's presentation, four members of the CDD Boards were present during discussion of various aspects of the runoff in Palm Colony's lakes. Mr. Glueck felt this to be a violation of the Sunshine Law and asked Mr. Cox for his opinion.

Mr. Cox explained that any time a Board Member is outside of a noticed public hearing and CDD business is discussed, the Board Member must abstain from participating in the discussion. The Board may only discuss CDD business in these meetings.

Mr. Hancock clarified that he did not speak. Mr. Glueck indicated that Mr. McCarthy and Mr. Cramer spoke in response to questions from the UOC.

Mr. McAuley stated that individuals who were present at the UOC meeting came to Board Members and noted what was being done in the CDD. He stressed that the Board Members should not be discussing CDD business at the UOC or any other meeting.

Mr. Cox discussed the use of email by the Board. He pointed out that there are individuals watching for Sunshine Law violations because, when they report it, they receive a percentage of the fine.

FIFTEENTH ORDER OF BUSINESS

Approval of October 22, 2012 Joint Regular Meeting Minutes

Mr. McAuley presented the October 22, 2012 Joint Regular Meeting Minutes and asked for any additions, deletions or corrections.

The following changes were made:

Line 40: Add "Howard Lowe, Long Lake Village"

Line 205: Change "course" to "courts"

Line 291: Change "contamination" to "illicit discharge"

Line 354: Change "they may not have a large enough cross section with this proposal" to "some of the basins were not included"

Line 379: Change "Patterson" to "McAuley"

Line 388: Change "Patterson" to "McAuley"

Line 434: Change "lake" to "sewer adjacent to E-2"

Lines 596 through 598: Add to “Action Items” (landscaping crews to wear reflective safety vests)

Line 599: Change “Low” to “Lowe”

▪ **Action Items**

****This item, previously 17A, was presented out of order.****

Mr. McAuley reviewed the action items.

Mr. Patterson stated that they were going to ask FPL to identify the charges with locations. Mr. McCarthy indicated that he was given a document with the locations and function of each of the meters. Mr. Adams will forward an electronic copy to the Boards.

Items 8, 10, 12, and 15 were deleted.

With regard to item 16, Mr. Adams reported that the search for the Landscape License Agreement is ongoing. It is not in the electronic database or in the storage boxes.

Mr. Murphy stated that the PLCA Board asked him to report that the PLCA has no interest in entering into a one-year contract for roadside drainage facility cleaning services.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. McCarthy, with all in favor, the October 22, 2012 Joint Regular Meeting Minutes, as amended, were approved.

On MOTION for Bay Creek by Mr. Huffman and seconded by Mr. Glueck, with all in favor, the October 22, 2012 Joint Regular Meeting Minutes, as amended, were approved.

SIXTEENTH ORDER OF BUSINESS

Old Business

Mr. Adams recalled discussion, at the last meeting, regarding an opportunity to put some of the Districts’ large surplus funds into a new investment program. He stated that FineMark Bank has a program similar to the CDARS program, called Insured Cash Sweep (ICS). Deposits are placed in money market deposit accounts over various institutions while keeping all deposits under FDIC insured levels. The program currently has a 0.3 interest rate, which is comparable to the rate they are receiving on their CDs; however, unlike CDs, the monies deposited in ICS are immediately liquid.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Hancock, with all in favor, authorizing Staff to implement the ICS program and authorizing the Chair to execute all necessary documents, was approved.

On MOTION for Bay Creek by Mr. Huffman and seconded by Mr. Glueck, with all in favor, authorizing Staff to implement the ICS program and authorizing the Chair to execute all necessary documents, was approved.

SEVENTEENTH ORDER OF BUSINESS Other Business

A. Action Items

****This item was discussed during the Fifteenth Order of Business.****

EIGHTEENTH ORDER OF BUSINESS Staff Reports

A. Attorney

Mr. Cox reported that, next month, he will be in trial beginning on January 28. He will request a break during the trial to answer questions.

In response to a question from Mr. Hancock, Mr. Cox clarified that the license agreement referred to by Mr. Murphy is not a one-year agreement; it is an agreement that can be terminated with one-year notice. Mr. Cox stated the way it was designed, the notice would have to be given in sufficient time that the other entity's budget could take over. Mr. Hancock asked if they should respond to the PLCA Board that it is not a one-year agreement. Mr. Cox replied affirmatively.

Mr. Patterson recalled that the Boards agreed to ask the PLCA to present a proposal if they disagreed with the Districts' proposal. Mr. Murphy explained that it is not only a one-year agreement that the PLCA Board is not interested in; there is no interest in a short-term agreement. Mr. Murphy stressed that this is something that the community should have for a long time. The responsibility should not be passed back and forth; either the CDDs or the PLCA will have the responsibility.

Mr. Patterson asked about a new proposal. Mr. Murphy stated that they can provide another proposal but it will be very similar to the discussions they have had over the last year. Mr. McAuley requested that the PLCA report back to the CDD Boards next month.

B. Manager

i. Approval of Unaudited Financial Statements as of October 31, 2012

Mr. Adams presented the Unaudited Financial Statements as of October 31, 2012. He noted that assessment revenue was received, at 22% of the annual amount.

In the past, Mr. McCarthy recalled receiving year-end unaudited financial statements for the previous year. Mr. Adams indicated that year-end unaudited financial statements will be provided to the Boards.

Referring to Page 2, Mr. Patterson stated that all of the insurance items were underestimated. Mr. Adams explained that insurance rates continue to increase significantly each year and they are difficult to predict. Mr. Patterson noted that rentals and leases are already 224% of budget. Mr. Adams will look into it.

Mr. Patterson inquired about a principal prepayment of \$10,000. Mr. Adams advised that a payoff was likely received from a closing. He explained that money is put into the accounts as it is received, whether through collections or closings. The trustee controls the money once it is in the accounts.

Mr. Huffman inquired about a payment made for monument maintenance and asked who it was paid to. Ms. Crismond stated that the payment would have been to Florida Painters for the work that was discussed at the last meeting.

ii. Savings & Money Market Account/Investment Snapshot as of 12/10/12

This item was provided for informational purposes.

iii. Irrigation High User Report

- **Bayside Improvement CDD**
- **Bay Creek CDD**
- **Penalty Schedule: Bayside Improvement CDD**

Mr. McAuley noted that the irrigation report looks better this month, with the exception of one person.

Mr. Patterson asked for an explanation of the penalty schedule. Mr. Adams will prepare a written explanation of how to read the report, along with a legend to match up the codes.

iv. NEXT MEETING DATE: January 28, 2013 at 2:00 P.M.

Mr. McAuley noted that the next meeting will be held on January 28, 2013 at 2:00 p.m.

v. Operations Report (to be provided and presented at meeting)

Ms. Crismond reported that thalia is visible in several of the lakes and it will be removed by LakeMasters.

NINETEENTH ORDER OF BUSINESS	Audience Request	Comments/Supervisors'
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A resident recalled discussion regarding a newsletter for the residents and asked if it was approved. Mr. Adams requested newsletter topics. Mr. McCarthy recommended a summary of the budget so that residents can see where their money is being spent. Mr. Adams suggested including a CDD refresher to keep the residents educated with regard to CDDs. The article should explain what a CDD is and what they do at Pelican Landing. Mr. Crew recommended an article on the importance of the landscapers following prescribed practices for fertilizers and herbicides and the importance of the stormwater drains. Mr. Adams stated they will discuss the stormwater system, how it operates and what it is designed to do and the importance of not putting fertilizers and pesticides into the water.

Mr. Murphy noted that it would be helpful to receive the CDD minutes on a monthly basis.

A resident recalled discussion, at the last meeting, regarding reflective vests for the landscaping crews. Mr. Adams indicated that it is still in progress.

Mr. Huffman stated that he submitted a letter of resignation to Mr. McAuley. He and his wife will be relocating to Ohio on January 7, 2013. Mr. Huffman expressed his appreciation for having been elected and serving on the Board and he wished everyone continued success. Mr. McAuley expressed his appreciation to Mr. Huffman for his assistance.

On behalf of the Bayside Improvement Board, Mr. McCarthy stated that Mr. Huffman was a great asset and will be sincerely missed.

Mr. Janek requested a meeting with Ms. Crismond and Mr. Kucera in the third or fourth week of January to discuss plantings along Greenview and Point Creek Court that affect Bay Creek, Costa del Sol and The Point.

▪ **ADJOURNMENT – BAY CREEK**

****This item was an addition to the Agenda.****

The Bay Creek meeting adjourned at approximately 4:45 p.m.

BAYSIDE IMPROVEMENT CDD

Mr. Crew provided a background of his experience and requested an orientation regarding CDD operations and a tour from Staff.

Discussion ensued regarding the seating arrangements for the Bayside Improvement Board Members.

Mr. McCarthy asked to receive an electronic copy of the Monthly Operations Report in advance of the meeting.

Mr. McCarthy requested additional backup for the agenda packages. Mr. Adams explained that sometimes it may not be available until the meeting.

Mr. McCarthy voiced his opinion that it is the right of the District Supervisors to have representation at meetings held by Staff relative to issues within the Bayside Improvement CDD. He asked the Board to authorize the Chair to attend any meetings that take place or for the Chair to designate another representative, through Staff, to attend in his stead.

In response to a comment from Mr. McAuley, Mr. Adams explained that one member from each Board may participate in meetings because they are two separate and distinct governmental entities. He advised that Bay Creek may entertain the same motion at the next meeting. Mr. Adams was in favor of the motion, as it clarifies who is delegated and who has the authority to delegate.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Hancock, with all in favor, authorizing the Chair to attend all meetings and, if not available, to designate another representative, through Staff, to attend in his place, was approved.

Mr. McCarthy stated that one of the goals he set for himself as Chair is to do a better job of reaching out to the community. During the election campaign, a number of residents suggested that the CDD establish more of an identity. He recommended appointing CDD Board Members as liaisons to attend different committee meetings and bring the information back to the Boards. Mr. McCarthy stated that the UOC, PLCA, The Colony Foundation, The Colony Golf Club, Pelican's Nest and the DRC are the types of meetings that the CDD wants to be involved in. He suggested assigning one Board Member to attend a meeting to avoid duplicate representation. The reports would be agenda items.

Mr. Hancock volunteered to attend The Colony meetings. Mr. Cramer will attend the UOC meetings, Mr. Patterson will attend Pelican's Nest meetings and Mr. McCarthy will attend the PLCA Board Meetings.

Mr. Cramer distributed a handout and indicated that it is a preamble to the report compiled by Mr. Adams and Mr. Barraco. He felt that it was necessary because he was asked by the residents of Palm Colony to assist them and he attended their meetings.

Mr. Hancock asked Staff to compile a list of the responsibilities of each of the Supervisors.

Mr. McCarthy discussed the possibility of holding CDD meetings at other locations in the community. Ms. Crismond noted the requirement to advertise the meeting location.

For the record, Mr. McCarthy provided a copy of a letter he wrote to the Editor of the Naples Daily News, thanking his constituency.

Mr. Crew disclosed that he is a Commodore of the Sailing Center. In response to a question from Mr. Hancock, Mr. Crew indicated that he was not involved in the acquisition of the Marina; however, the Sailing Center was supportive of it.

TWENTIETH ORDER OF BUSINESS

Adjournment


There being no further business, the Bayside Improvement meeting adjourned at 5:05 p.m.


ACTION/AGENDA ITEMS:

1. **ACTION ITEM:** Mr. McCarthy to look in county files to see if there is a plan that corresponds to what Mr. Barraco has
2. **ACTION ITEM:** Mr. Barraco to follow up with WCI regarding status of WCI looking into the records to help determine why the two (2) control structures do not match plans in SFWMD's files
3. **ACTION ITEM:** Mr. Kurth to follow up on grass carp permitting
4. **ACTION ITEM:** Mr. Barraco to continue to provide the status of certifications.
5. **ACTION ITEM:** District Counsel to draft an agreement between the Districts and the PLCA for the operation and maintenance of the catch basins for the common roads and present to the Board for review. Mr. Cox and Mr. Hart to look into the CDDs taking ownership of the fixture and not the ownership of the real property. Mr. Cox to amend agreement with the PLCA to state that the CDDs will maintain the culverts
6. **AGENDA ITEM:** Lake Maintenance Activities Report – Bill Kurth
7. **ACTION/AGENDA ITEM:** Mr. Kucera – Replace screens on fence and reduce height of ficus hedge between Bay Cedar and Spring Creek Park
8. **ACTION ITEM:** Bill Reagan, FMS Bonds, to prepare spreadsheet outlining details of bond refinancing, breakdown of neighborhoods and comparison between refinancing and keeping the current bonds and using the reserves and revenues to pay down the bonds; prepare paperwork for Bay Creek review – present at December meeting
9. **ACTION ITEM:** Staff to contact LakeMasters re: reduction of chemical treatments and cost break/credit
10. **ACTION ITEM:** Mr. Lienesch to receive plaque at next meeting
11. **ACTION ITEM:** Mr. Adams to provide estimated cost to complete next phase of Spring Creek
12. **ACTION ITEM:** Mr. Adams to provide estimated cost of landscape buffer project
13. **ACTION ITEM:** Mr. Adams to provide estimated cost of Bay Cedar and Spring Creek Village project
14. **ACTION ITEMS:** Mr. Adams to provide year-end unaudited financial statements to both Boards
15. **ACTION ITEMS:** Mr. Adams to look into why rentals and leases are 224% of budget

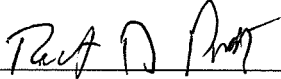
16. **AGENDA ITEM:** Notice of Meetings
17. **AGENDA ITEM:** Continued Discussion: Upgrades to Bay Cedar/Goldcrest/Springs Creek Village Landscape Buffer

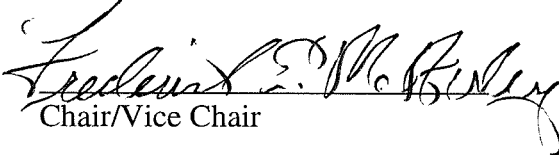
FOR BAYSIDE:


Secretary/Assistant Secretary


Chair/Vice Chair

FOR BAY CREEK:


Secretary/Assistant Secretary


Chair/Vice Chair