

**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, January 28, 2013 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 (via telephone)	Assistant Secretary
Bernie Cramer	Assistant Secretary

For Bay Creek CDD:

Frederick McAuley	Chair
Nelson Glueck	Vice Chair
James Janek	Assistant Secretary
Robert Pritt	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Dan Cox	District Counsel
Carl Barraco	District Engineer
Bill Reagan	FMS Bonds
Doug Kucera	CDD Field Manager
Bill Kurth	LakeMasters
Paul Kemp	CDD Irrigation Manager
Jim Murphy	PLCA
Mary McVay	Supervisor Candidate
Jerry Addison	Supervisor Candidate
Dennis Anderson	Palm Colony
Peter Kane	Resident
William Ribble	Resident
Florence Poggi	Long Lake UOC Representative
Howard Lowe	Long Lake Village

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

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

SECOND ORDER OF BUSINESS

Roll Call

In consideration of the large audience, Mr. McCarthy identified himself and asked the Supervisors to call their names. For Bay Creek Community Development District, Supervisors McAuley, Glueck, Janek and Pritt were present, in person. One (1) seat remains vacant. For Bayside Improvement Community Development District, Supervisors McCarthy, Hancock, Cramer and Patterson were present, in person. Supervisor Crew was attending via telephone.

Mr. McCarthy requested postponing Item 18, Presentation of Service Award to Mr. Jack Lienesch, until the next meeting.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Cramer, with all in favor, postponing Item #18 until the next meeting, was approved.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Glueck, with all in favor, postponing Item #18 until the next meeting, was approved.

Mr. McCarthy asked to move Item #22, Audience Comments/Supervisors' Requests, after Item #19, as Bayside Improvement will adjourn in order for Bay Creek to conduct their business.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Glueck, with all in favor, moving Item #22 after Item #19, was approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Cramer, with all in favor, moving Item #22 after Item #19, was approved.

THIRD ORDER OF BUSINESS

Public Forum

Mr. McCarthy asked if any members of the public wished to address an item on the agenda.

Mr. Peter Kane, a resident, stated that he owns a property on the border of Bay Cedar and the Spring Creek community. He asked to address the Bay Cedar landscape buffer upgrades.

Mr. Kane requested that the CDD Supervisors develop a specific plan for the border. He advised that, over the years, the border was not consistently maintained and, now, they can see through the landscape material along the entire border.

Mr. Kane discussed the six (6)-foot high chain link fence along the buffer. He stated that most of the fence has a double covering to reduce visibility; however, the part of the fence that is most visible, along Bay Cedar Drive, has a single covering, allowing visibility through the fence. Mr. Kane advised that the main part of the buffer, which is the ficus hedge, was recently trimmed near his home and is now 14½ feet high; that is the lowest part of the buffer. The majority of the hedge is 16 to 18 feet high. The buildings that are visible through the hedge are about 10 feet high. Mr. Kane noted that, if the hedge height were reduced to 10 feet, the only thing visible on the upper portion of the hedge would be blue sky.

Mr. Kane indicated that he was advised by Mr. Adams, and others, that a major cut will be performed in April. He hoped that the Board would specifically determine the height and thickness of the hedge so that the maintenance crews have some direction, for the future. When the first cut is performed in April, Mr. Kane requested that the crew bring extra fill-in material to reduce visibility through the hedge.

Mr. Dennis Anderson, a resident of Palm Colony, recalled addressing the Board, in the past, with regard to contamination in Lakes E-1, E-2 and E-3. Mr. Anderson voiced his understanding that letters were sent to the three potential contaminators and, to his knowledge, no answers were provided by any of the recipients.

Mr. Anderson noted that, in her last presentation to the UOC, Ms. Martel indicated that, after Sewer Viewer viewed the sewers, they were convinced that contamination had never gone into the lakes. Mr. Anderson recalled previously stating that he personally witnessed this occurring.

Mr. Anderson stated that, on January 7, 2013, at 8:00 a.m., he was awakened by rain, walked across the street to the tennis courts and watched the tennis court contamination running

off the court into the lakes; he witnessed major amounts of the material running from the corner, down approximately 10 feet and into the sewer. Mr. Anderson indicated that he placed a canister at the sewer grate and it filled with tennis court material. He then went across the street to the lake and, within three minutes, he witnessed the green material pumping into the lake. Within five minutes, it went from the shoreline to where the first fountain is located.

Mr. Anderson advised that he took a five-gallon bucket into the lake and, without going down to the bottom, scooped water from the lake and got a container full of green water. Mr. Anderson asked his neighbors to accompany him to witness what he was seeing and what he was doing. Going forward, if necessary, Mr. Anderson stated that he has witnesses who will testify as to what occurred that day.

Mr. Anderson stated that, after sewer viewer and after removal of construction debris, Ms. Martel guaranteed that the water never reached the lakes. Mr. Anderson stressed that the contamination is occurring and has occurred over a long period of time.

Ms. Florence Poggi, UOC representative from Long Lake, thanked Mr. McCarthy, Ms. Crismond and Mr. Adams for visiting Long Lake, on the east side of Wood Sage Drive. Ms. Poggi distributed photographs depicting the condition of the lake. She advised that Mr. Adams, Ms. Crismond and Mr. McCarthy indicated that they would have the algae around the lake sprayed and have plantings installed around the edges but the growth in the lake would not be removed.

Ms. Poggi emailed residents of Long Lake and received several responses. Ms. Poggi read comments regarding the poor condition of the lake. One resident felt that the lake should be dredged, as WCI dug the lake too shallow, causing the extension of grass and reeds. Another resident indicated that the CDD should obtain permission from residents prior to installing additional plantings. The resident voiced the opinion that the problem with the lake is due to poor initial design and construction and that the aerator does not appear to be working as it did in the past, possibly contributing to the algae problem.

Ms. Poggi noted an inquiry received from a resident living on the opposite side of the road asking why he did not have someone look at his lake, as well. The resident advised that his side of the lake is divided; there are two separate bodies of water separated by a small island. When rainfall is low and water levels decrease, the small connecting area dries up. The resident lives on the southwest part of the lake.

Ms. Poggi explained that a resident approached her advising that she would not have purchased her home in Long Lake if she had known how poor the condition of the lake would become. The resident advised Ms. Poggi that she complained to the CDD management company and the person was “snippity” and discounted what she had to say.

Ms. Poggi voiced her opinion that the only thing that will make residents happy is to get rid of all of the weeds, which will eventually spread to the middle of the lake, once the dry season becomes worse.

Mr. Howard Lowe, a resident of Long Lake Village, commended the CDD for the study of the lakes being conducted in Pelican Landing. He requested that Lakes C-1 and C-2 be included in the study, as they have the lowest water levels of all the lakes in the community.

JOINT MEETING ITEMS

FOURTH ORDER OF BUSINESS

Continued Discussion: Potential Bond Refinancing

Mr. Bill Reagan, FMS Bonds, recalled previously addressing the Boards with regard to the outstanding CDD bonds. Since that time, the IRS was asked to issue an opinion concerning Districts nationwide. Mr. Reagan advised that most bond counsels in the state, and throughout the country, are issuing opinions and have no problem with refunding the bonds or issuing new debt.

Mr. Reagan noted that the yields are still very attractive. FMS is proposing to use the debt service reserve fund, up front, retain a minor debt service reserve fund of about \$20,000, and market the bonds. They will try to sell to a bank, as a private placement will cut the costs drastically. This will provide a savings of approximately \$50 to \$75 annually, per resident.

Mr. Reagan suggested that if the Board wanted to borrow additional money for some other project, in the future, it may make more sense than simply refunding the bonds.

Mr. Reagan indicated that, at this point, the District will pay \$200,000 in principal, on May 1, taking the bonds down to \$1.2 million. There will be at least \$100,000 in costs to refund the bonds, the debt service reserve fund will be reduced from \$250,000 to \$20,000, the bonds will be prepaid and the interest rate will be lowered to approximately 3% to 3.5%.

Mr. McAuley advised that Bay Creek is fully developed and the Board is interested in discussing refinancing the bonds. Mr. Reagan will provide a breakdown and noted that the costs are minor.

Mr. Pritt noted that refunding is currently very popular and the banks are offering good rates. He pointed out that the upfront costs will be significant. Mr. Pritt voiced his opinion that they may wish to hold off on refunding the bonds for awhile to see if there are other projects that additional money can be used for.

Mr. Patterson pointed out that the forecasted debt service reserve balance, at the end of this year, is \$570,000. If the District continues to bill the residents as they have been, for only three more years, there will be enough money in the reserve fund to pay off the bondholders. He saw no reason to refinance the bonds. Mr. Adams noted that the \$570,000 is a combination of the reserve and revenue accounts. He indicated that a payment was made. As of last week, there was \$248,837 remaining. Mr. Reagan clarified that \$240,000 of revenue was already used to make payments and \$249,000 is the debt service reserve fund.

▪ **Landscaping and Irrigation Reports**

****This item was an addition to the agenda****

Mr. Doug Kucera, Field Manager, reported that, since the last meeting, the back side of the ficus hedge along the Bay Cedar berm, facing Spring Creek Village, was trimmed to promote growth and to help fill in thinning areas. The top of the hedge will be trimmed in mid-February and the front will be trimmed in May. Mr. Kucera indicated that fertilizing will take place in February. Palm tree trimming is 90% complete, with the exception of the Greenview berm and several areas in The Colony. Green Buttonwood is being added along Coconut Road and Spring Creek Road to help fill in small gaps where the fence is noticeable. Safety vests were ordered for staff. They are lime green with reflectors and have the letters "CDD" on the back. The vests should arrive in several weeks.

In response to a question from Mr. Hancock regarding the hedge height, Mr. Kucera advised it is up for discussion. He and Mr. Adams discussed trimming the hedge a few feet to avoid shocking it and then trimming the back and the front in May.

Mr. Patterson inquired about the standard for the fence along Coconut Road. Mr. Adams recalled previous approval by the Boards, several years ago, to maintain the height of the shrub material to the height of the fence, as it is easier and less expensive for maintenance.

Mr. McCarthy commended Staff on the flowers, indicating that it is the best that he can recall.

Mr. Paul Kemp, Irrigation Manager, reported that it is the height of the dry season; therefore, the pumps are being shut off two nights per week, in order to preserve water. In response to a question, Mr. Kemp indicated that the pumps are shut off on Monday and Thursday nights and noted that, if conditions do not change, Sunday nights may be added.

Mr. Pritt asked if irrigation takes place at set times or does it vary for the various pumps. Mr. Kemp indicated that they attempt to complete all irrigation between 10:00 p.m., and 4:00 a.m. Mr. Pritt asked if it is a sign that there is a problem with a timer, if irrigation occurs outside of those hours. Mr. Kemp advised that there are periodic malfunctions.

Mr. Hancock asked the number of sprinkler zones and whether those run on a cycle. He asked about a permit or waiver from SFWMD to water outside of the given hours.

Mr. Kemp indicated that there are over 750 zones between the two Districts. He stated that each zone is watered no more than twice per week, except for some Bermuda grass. Additionally, zones that do not contain turf are watered only once per week.

FIFTH ORDER OF BUSINESS

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

Mr. McCarthy asked Mr. Kurth to address Ms. Poggi’s question about Long Lake.

Mr. Kurth indicated that the two lakes in Long Lake Village fluctuate more, as a result of their original design. Mr. Adams noted the proximity of those lakes to the well field, which draws down the water table in that area, bringing the lakes down drastically. Mr. Kurth stated that the CDDs have tried to install littoral plants to make the lakes look better; however, littoral plants do not take well to water fluctuations.

Regarding Long Lake, Mr. Kurth explained that Lee County requires littorals around lakes; plants have been successful, in Long Lake. He stated that the algae were treated immediately, upon request. He visited the lake two days later and did not observe much algae. He acknowledged that the plants might not look the way residents want them to; however, they are designed to make the lake healthier. Mr. Kurth indicated that plants in Long Lake were removed, upon request, which caused the lake conditions to become more problematic, requiring a lot more chemicals. Removal of those plants caused major algae blooms, which took several

months to combat. He recalled that Lee County was thrilled with the amount of plants in the lakes and considered Long Lake to be the model for what lakes should look like. Mr. Kurth voiced his understanding of the residents' concerns but stressed that the goal is to keep as many plants in the lakes, unless otherwise directed.

Mr. Hancock noted that Pelican Landing contains two types of lakes; the older lakes, at which the bank goes straight down, and the new lakes, which have littoral shelves, as required by Lee County. He discussed the purpose of the littoral shelves.

Mr. Kurth indicated that there is a nationwide push to reduce nutrients in water bodies. He discussed a delay in treating Long Lake due to the water levels. Mr. Kurth concluded that, in Long Lake, the more plants there are, the healthier the lake will be.

Mr. McCarthy asked Mr. Adams to summarize his conclusions following the meeting with Ms. Poggi.

Mr. Adams noted that everyone has an opinion regarding how the lakes should look. He stated that Long Lake has a large spike rush population around the perimeter; it is devoid of plant diversity and he would like to see other types of plants utilized, which may improve the appearance. Mr. Adams acknowledged that spike rush can resemble an unmaintained grassy edge.

Mr. McCarthy asked if the installation of other types of plants can be accomplished this fiscal year. Ms. Crismond confirmed that funds are budgeted to do this. Mr. McCarthy noted that the county controls the depth of lakes; the Districts' lakes conform to the county's regulations, at the time the lakes were dug.

Mr. Janek asked if spike rush creates shade, which prevents algae from forming. Mr. Kurth stated that spike rush creates shade and reduces sunlight penetration, which reduces algae growth.

Mr. Kurth recalled that Mr. Adams asked him to obtain proposals for Phoslock, a material that minimizes phosphorus levels, which are the main fuel for algae. Proposals will be presented at the next meeting. Later this week Mr. Kurth plans to conduct a boat harvester demo, most likely Lake E-4. Mr. Hancock asked to participate.

Mr. Kurth noted past questions regarding grass carp. He referred to pictures and noted eight or nine visible grass carp in Lake A2. Based on their size, he felt that the fish are effective.

Mr. Pritt asked Mr. Kurth to respond to conclusions that there is a need to dredge the lakes. Mr. Kurth stated that he hears this concept a lot; however, he has only seen it done once or twice. Mr. Kurth discussed that the permitting process, costs and heavy equipment impact the decision. Mr. Kurth advised that most communities are expanding their aeration programs because it slows aging and buildup.

In response to Mr. Glueck's question, Mr. Kurth confirmed that it does no good to continue installing fountains, without aeration. Mr. Kurth explained that the goal is to circulate water in the lake and get oxygenated water to the bottom where healthy bacteria can digest the bad products in the muck at the bottom. Mr. Kurth stated that aeration has worked very well in certain lakes.

Stating that he sees more growth on the south side of a lake, Mr. Pritt asked if the algae locations are predictable. Mr. Kurth felt that algae growth on the southeast side is likely related to the prevailing winds.

SIXTH ORDER OF BUSINESS**Update: Water Meeting at Pelican's Nest**

Mr. Barraco distributed notes from the Pelican's Nest Irrigation Water Meeting. He stated that there were three presenters. Mr. Dennis "Duke" Vasey, of the Collier Soil and Water Conservation District, discussed the limited supply of water, which is expected to continue. Ms. Jan Bel Jan, a former Tom Fazio course designer, reviewed implementations to reduce irrigation areas to only those necessary. Mr. Fred Partin, Executive Director of Bonita Springs Utilities, gave a history of the reuse plant. Reuse water is produced. Mr. Barraco concluded that demand far exceeds supply; therefore, not much is available to the community.

Mr. Patterson stated that Resource Conservation Systems (RCS) made it clear that no effluent water is available and they will not accept down payments for future availability. He felt that Mr. Partin waffled and avoided directly stating that no water would be available, beyond RCS's contracted amount.

Discussion ensued regarding Bonita Bay's control over the water and saltwater intrusion in certain areas.

A Board Member asked Mr. Barraco to comment on recent events in desalinization and whether it is applicable in this situation. Mr. Barraco stated that groundwater that is saltier than one would like is generally mixed with surface water from lakes; he feels that desalinization is a

matter of economics. As situations change, the numbers change. Mr. Barraco stated that it might not yet be viable but should be, in the future, as technology improves and the cost comes down.

Mr. Crew discussed water meetings that he attended. He felt that the best, easiest and cheapest thing for the Districts to do is utilize conservation techniques. He spoke of educating property owners about their irrigation practices, especially the high users. Regarding desalinization, he agreed that it is currently a cost prohibitive method.

Mr. Janek described a display at the Florida Botanical Gardens which contained only Florida native plants that required no irrigation.

Mr. McCarthy agreed that the Districts should consider Xeriscape plants in future landscaping plans, starting in test areas. He acknowledged the possibility that residents will not like Xeriscape plants.

Ms. Crismond reminded the Boards that Xeriscape landscaping was started about three years ago around the Community Center. It was noted that many plants died.

Mr. McCarthy stated that he would like the Districts to assess the cul de sacs throughout the community. He asked that this be included as an action item.

SEVENTH ORDER OF BUSINESS

Continued Discussion: SFWMD Final Notice of Noncompliance Permit Conversion and Transfer to Operating Entity – Pelican’s Nest Permit

Mr. Adams reported that Mr. Barraco provided him with a proposal which he is in the process of submitting to Mr. Dave Caldwell to determine if there is interest in funding the conversion. Mr. Adams will follow up with Mr. Caldwell later this week.

Mr. Barraco indicated that SFWMD sent a notice to Management threatening penalties, as the permit is so old. In response, he prepared a response letting SFWMD know that the Boards recently decided to pursue operation and maintenance. Mr. Barraco received a telephone call from SFWMD indicating that they want a time frame. He stressed that this is an easy process if ownership is in the correct names and every conveyance has the proper easement; however, if things are not in order, it will take longer. Mr. Barraco suggested notifying SFWMD of a 30-day time frame, if all goes well but that it will be longer, if the Districts must pursue ownership or easements.

Mr. McCarthy advised against setting a 30-day time frame. He noted that it is WCI's permit; therefore, SFWMD's threats should be made to WCI, not the CDDs. Mr. Adams pointed out that the CDDs are the operators but do not hold the permit, which is SFWMD's angle. Mr. Barraco felt that SFWMD is simply looking for a response. Mr. Adams suggested a two-part process of transferring those with no issues immediately and those with problems at a later time. Mr. McCarthy stated that he wants to know the financial impact and asked Mr. Adams to provide the Boards with copies of the proposals. Mr. Adams recalled that the proposal was approximately \$10,000. Mr. McCarthy voiced his feeling that the costs belong to WCI. Mr. Adams felt that WCI would not balk at the responsibility or costs.

Mr. Barraco asked for direction from the Boards regarding a response to SFWMD. Mr. McCarthy felt that it could take 60 days, under the best circumstances, or longer, if there are unforeseen issues.

EIGHTH ORDER OF BUSINESS

Continued Discussion/Update: Remedial Actions Taken by PLCA Regarding Clay Runoff at Tennis Facility

A Board Member recalled that this matter was discussed, in detail, at the December meeting.

Mr. Jim Murphy, PLCA liaison, reported that he is obtaining testimony from experts, who cleaned the catch basins and culverts and stated that runoff was not going as far as the street. Regarding the algae bloom, Mr. Murphy indicated that it is something that Sewer Viewer discovered.

Mr. Murphy presented clay samples from the tennis court. He noted that the clay is a heavy material and, when it washes through, the color is gray, not bright green. Mr. Murphy stated that the PLCA has worked with experts and civil engineers to develop ways to catch the finer material. He explained that some product is still flowing into the sewers but the sewers are designed to catch the runoff; he established a program to periodically investigate the rate of buildup in the catch basins and clean, as necessary.

Mr. McCarthy asked for Mr. Barraco's comments.

Mr. Barraco stated that his greatest concern with the tennis facility is with suspended solids. He noted that the fine matter stays suspended in the water and takes a long time to settle.

Regarding earlier comments, Mr. Barraco indicated that if this is the green Mr. Anderson spoke about, he did not observe it. Mr. Barraco stated that he gave the PLCA several options, including floc logs and Stormceptor. He felt that it is important to ensure that suspended solids do not make it into the system; the suspended solids cause the major issues.

Mr. McAuley discussed the tennis center's impact on Lake E-1 and asked about The Colony tennis area and if it was cleaned. Mr. Murphy stated that they do not enter The Colony; however, there is a catch basin between the tennis courts. Mr. McAuley asked about the maintenance centers on either side. Mr. Murphy could not speak for those. Mr. Patterson indicated that the work started; they were reviewing two retention areas and an area between several concrete holding areas for mulch, sand, etc. Mr. Patterson stated that work is progressing but construction must be completed in order to clear the area because it flows into the same creek area. Mr. Patterson explained that, once the work is finished, the retention areas will be lowered to the proper levels; both maintenance supervisors are working together.

Mr. Hancock presented pictures of The Colony dry retention area. Regarding the water in the glass, he stated that it does not sync with the substantial green staining seen at the tennis courts. Mr. Hancock recalled that, at the Boards' request, District Counsel sent letters to five (5) parties, advising them of illicit discharges. As Mr. Cox did not recall receiving any written replies, Mr. Hancock recommended following up.

Mr. Cramer asked Mr. Barraco if he was hired by the PLCA, or any individuals that received citations from Mr. Cox, to evaluate and perform services. Mr. Barraco stated that he was not; all of his work has been for these Districts. Mr. Cramer felt that, as all areas fall under the PLCA, they might wish to hire someone to evaluate and reply to the Districts, so that the community is not penalized or fined by SFWMD. Mr. Cramer concurred with following up with the various individuals and setting a deadline for a response.

Mr. Glueck discussed the history of the tennis courts, noting that nothing has really changed, with regard to the surfaces. He was puzzled that these issues arose now, as nothing changed over the last ten years, and there were no previous problems. Mr. Glueck noted that, if it was such a severe problem, one would think that clay would need to be added to the courts continuously, which is not the case; clay is added once per year, twice, at the most. He further wondered why the depth of the lake has not changed, if so much is entering the lake. Mr. Glueck felt that the facts do not support the severity of the reported problem.

Mr. McCarthy asked if the material found in the catch basin is an illicit discharge. Mr. Barraco stated that, as a suspended solid, it is an illicit discharge. As it is an illicit discharge, Mr. McCarthy stated that the problem must be addressed. Regarding the material that is being discharged, Mr. McCarthy asked if it is true that the manufacturer recommends collection of the material prior to it entering the perimeter of the courts. Mr. Glueck confirmed that the manufacturer recommends a perimeter trench system. Mr. Glueck felt that, initially, there was a lip; however, the lip has filled, which is why issues are now being seen. Mr. McCarthy questioned why the problem is not being stopped, immediately. Mr. Murphy stated that multiple engineers have been consulted and the PLCA is currently establishing a program to address it. Mr. Murphy indicated that it is impossible to stop the suspended solids from entering the runoff. Mr. Murphy pointed out that, even with a drain or moat, the suspended solids will enter the runoff, if the area floods.

Mr. McCarthy voiced his opinion that the PLCA must do something; the Districts want plans implemented now.

A Board Member asked if trenching now is the simplest solution. Mr. Barraco discussed the trenches and catch basins.

Discussion ensued regarding what might be causing the green staining observed by Mr. Anderson.

It was noted that this is an action item primarily for Bayside Improvement.

Mr. Hancock wondered if the matter must be reported to the proper authorities, should responses not be received. Mr. Adams indicated that the annual report will note the illicit discharge and discuss remediation efforts.

Mr. McCarthy asked that this matter be carried as an agenda item.

NINTH ORDER OF BUSINESS

Discussion: Draft Newsletter

Mr. Crew voiced his opinion that the section discussing the stormwater system was too technical and not interesting. He suggested a conversational approach, geared towards residents.

Mr. Adams agreed with Mr. Crew, to a point, but noted that the goal is to build a foundation explaining how the system is designed, what it was designed to take and discuss how the system should react and respond to various events. He stated that this information was well received in other districts.

Mr. McAuley indicated that some Board Member names need to be changed, etc. Mr. Adams stated that the necessary changes will be made.

Discussion ensued regarding additional changes, for clarification purposes.

Mr. Cramer indicated that he asked a new resident to review the newsletter. The resident found it informative and helpful.

In response to a question, Mr. Adams indicated that the newsletter will be transmitted via email. He noted that not all residents are signed up to receive information via email, meaning that some residents will not receive the newsletter. Mr. Adams stated that another district elected to mail newsletters once per year, at a cost of approximately \$3,000. He suggested that the Districts could choose to mail newsletters.

Mr. Pritt advised that he wants to approve the newsletter but will vote against it if the motion includes mailing hardcopies, as he finds mailing it a waste of money.

Mr. Hancock discussed a mass mailing option offered by the postal service where mail is sent to all homes in a specific area but does not contain the street addresses. He indicated that the mailing cost, using this approach, would be approximately \$440, which is significantly less than regular postage.

Mr. Adams noted that there will be printing costs, as well as labor costs for folding, etc.

Mr. Cramer recalled that Mr. Murphy agreed to provide emails and asked that the Districts work with the PLCA. Mr. Murphy indicated that all residents are being asked for their phone numbers and email addresses and permission to print them in a directory. Mr. Adams clarified that the Districts would not want the email addresses due to public records law; the newsletter would be provided to the PLCA for email distribution.

Mr. McCarthy asked that the July workshop be added to the meeting information section. He asked that the order in which the Districts are listed be consistent throughout the newsletter. Noting that it is listed as Bayside, in several locations, Mr. McCarthy asked that the CDD be correctly identified as “Bayside Improvement Community Development District” and/or “Bayside Improvement CDD”, rather than “Bayside ID”. Mr. Adams and Ms. Crismond indicated that the issue is a matter of space. Mr. McCarthy asked that the name extend to two lines, if necessary, due to the limited space. Mr. Adams suggested using the name “Bayside CDD”. Mr. McCarthy was agreeable.

Regarding the article about the stormwater system, Mr. McCarthy suggested adding information about the elevation of homes in the community. He recommended adding Pelican Landing at the top of the section regarding the Fiscal Year 2013 budget. Mr. McCarthy felt that a reminder about the catch basins should be added. Mr. McCarthy will forward further comments to Mr. Adams.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Glueck, with all in favor, authorizing Management to proceed with creation and distribution of the newsletter, via U.S. Mail, at a not-to-exceed cost of \$2,000, but encouraging Management to utilize the less expensive method of distribution, via U.S. Mail, as discussed, was approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Cramer, with all in favor, authorizing Management to proceed with creation and distribution of the newsletter, via U.S. Mail, at a not-to-exceed cost of \$2,000, but encouraging Management to utilize the less expensive method of distribution, via U.S. Mail, as discussed, was approved.

TENTH ORDER OF BUSINESS

Consideration of Quotations from The Strange Zone, Inc.

- A. Website Creation**
- B. Website Maintenance and Hosting**

Mr. Adams presented and reviewed the proposals for website creation, maintenance and hosting. He explained that the website would contain general information about the CDDs, as well as the agendas, minutes, newsletters, budgets, etc. It would be a place for residents to access information.

Mr. Pritt asked if the CDDs are required to have a website, in order to post its audit. Mr. Adams advised that the audit can be provided to Lee County for posting, at no cost. In response, Mr. Pritt questioned why the Districts would incur the expense of a website. Mr. Adams stated that the purpose of the website would be to go beyond simply meeting the obligation to post the audit.

Mr. Adams answered questions regarding capacity of the website, links, etc.

Mr. Pritt recalled that the Boards just approved mailing newsletters to residents and questioned why they would incur the expense of mailing them, if it will be posted on the website. Mr. Adams indicated that the newsletter will contain the website information. Board Members pointed out that many residents do not have internet or email.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Cramer, with all in favor, The Strange Zone proposal for website creation, not-to-exceed \$675, and the proposal for website maintenance and hosting, not-to-exceed \$600, were approved.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Janek, with all in favor, The Strange Zone proposal for website creation, not-to-exceed \$675, and the proposal for website maintenance and hosting, not-to-exceed \$600,, were approved.

ELEVENTH ORDER OF BUSINESS

Document Review - Ponds

Mr. Hancock presented the draft document. He indicated that the purpose is to explain the littoral shelf to residents. Mr. Hancock’s goal is to include the document on the website, for informational purposes. He distributed and discussed Martin County’s brochure on littoral zones. Mr. Hancock indicated that the document is still being revised.

Mr. McCarthy asked that recommendations be emailed to Mr. Adams and that this item be included on the next agenda.

TWELFTH ORDER OF BUSINESS

Presentation/Discussion Regarding Landscape Buffering in Wetlands #10 & #11

Ms. Crismond indicated that she worked with Geza Wass de Czege, a wetlands expert, who works closely with SFWMD. She asked Mr. Wass de Czege to develop a plan to provide a buffer system which would be allowed by SFWMD. Based on the plan, Ms. Crismond requested proposals which will be presented at the next meeting, should the Boards choose to proceed with this project.

Mr. Pritt asked how native the recommended plants are. Ms. Crismond stated that the plants are very native and are what SFWMD allows.

Mr. McAuley discussed the location map and the areas under consideration. He recalled discussions about the preserve area. Ms. Crismond noted that certain areas are very dense; therefore, the focus was primarily on less dense areas where trespassers might be able to gain access.

Mr. Patterson voiced his feeling that the premise was to provide impenetrable protection; however, the plans do not seem to do that. Mr. Patterson noted that the plans call for ten-foot trees, which would not block anyone. Mr. Adams clarified that the purpose of the project is to create a buffer to limit line of sight and noise. Mr. Adams acknowledged that there would have been many hurdles to installing a fence. Mr. Adams noted that only certain native plants are allowed. In response to Mr. Adams' explanation, Mr. Patterson stated that he sees no need to complete the project, since it is not needed for security purposes. Ms. Crismond felt that, eventually, the plants would restrict access. Mr. Adams concurred.

Mr. Hancock recalled that the Lakemont community asked the City of Bonita Springs what they could do. The city indicated that a fence could be installed if every property owner gave an easement for it to be on their private property. He stated that the Lakemont community is currently speaking with owners regarding possible easements. Mr. Hancock suggested involving the Lakemont community.

Mr. McAuley felt that, if a fence is installed, the Districts will be asked to install plants to hide it. He agreed that the Districts should wait until Lakemont decides what they want.

Mr. Adams noted that a planting project would not commence until June or July; therefore, the Boards have time.

Mr. Patterson reiterated his concern about completing this project for sight and sound purposes. He questioned if the Districts should be involved in this, as it is not related to security.

Mr. Pritt shared some of Mr. Patterson's concern but wants to know the cost first. He noted that a permit from the City of Bonita Springs will be necessary, as this would be considered an improvement to land.

Discussion ensued regarding whether this is a matter for the CDDs.

Mr. Crew discussed a section which is unfenced. He noted that the Boards made a judgment that, if the fence comes down, the security is no longer needed. He stressed the need to have consistency with regard to security fencing, throughout the CDDs.

Mr. Adams stated that the area is a wetland preserve. Mr. Crew pointed out that, if the CDDs are allowing gaps in perimeter security, residents should be made aware. It was noted that many areas have gaps.

This item was carried to the agenda.

THIRTEENTH ORDER OF BUSINESS

Continued Discussion: Bay Cedar Landscape Buffer Upgrades

Mr. Adams recalled previous discussion regarding hard-cutting the front face of the ficus hedge. He indicated that the hedge is currently recovering from top and back face cuts. Trimming will take place after the in season.

Mr. Adams noted that several cedar trees are beyond their usefulness, in terms of their original intent. Those trees no longer provide a benefit. Mr. Adams obtained a proposal of \$2,250 to remove all cedar trees along the buffer area and grind the stumps. He indicated that supplemental plants, including calusa, green arborcola, jasmine and 20 sabal palms, are estimated to cost \$13,000. The total project is estimated to cost \$15,250.

Mr. Pritt asked if the Districts have a landscape architect provides advice regarding trees and plants. Mr. Adams indicated that the landscape architect was not contacted regarding the matter because it would cost approximately \$5,000 to engage him to develop a plan. Mr. Adams stated that this plan was developed at the Staff level.

Mr. McAuley indicated that sabal palms have disease and are being removed quickly in Pelican Landing, due to the spread of disease, and questioned if sabal palms are appropriate, in this case. Mr. Adams stated that nearly all plants and trees are subject to disease; however, the only tree he cautions against planting, at the present time, is ficus, due to the white fly situation. Mr. Adams pointed out that the Districts have approximately 10,000 sabal palms.

Mr. McAuley recommended tabling this matter until the next meeting, when Mr. Adams provides a cost estimate for all areas. Mr. Adams reiterated that he does not recommend installing any new plants until the rainy season.

Mr. McCarthy noted that this matter involves a buffer, which was stipulated as part of the Bay Cedar zoning, which calls for certain opacity and maintenance of the vegetation, in perpetuity. He felt that the Districts should attempt to salvage the ficus; otherwise, it will be a more expensive project. Mr. McCarthy recommended applying for a landscape vegetation permit from the City of Bonita Springs. He noted that he is searching for the landscape plan but it is not with the Bay Cedar development order plans.

▪ **Irrigation High User Report**

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

Mr. Adams discussed a water consumption report and spreadsheet. He explained the charges per 1,000 gallons, in each tier and that allocations vary by neighborhood. Mr. Adams stated that Tier 1 is the base rate of \$0.16 per 1,000 gallons up to the monthly allocation, Tier 2 is \$3.57 per 1,000 gallons up to 6,000 gallons over the allotted amount, Tier 3 is \$4.34 per 1,000 gallons for 6,000 to 12,000 gallons over the monthly allocation, Tier 4 is \$5.10 per 1,000 gallons for 12,000 to 18,000 gallons over and Tier 5 is \$5.86 per 1,000 gallons in excess of 18,000 gallons over the monthly allocation.

Mr. Adams explained the spreadsheet and the number of customers in each rate category, usage and consumption in the penalty ranges. He noted the revenue collected on base rates, along with revenue collected on those in the penalty phases. Mr. Adams concluded that the total penalty revenue for December was \$14,432.26 and non-penalty revenue was \$3,755.01, for total revenue of \$18,187.27.

FOURTEENTH ORDER OF BUSINESS

**Approval of December 17, 2012 Joint
Regular Meeting Minutes**

Mr. McCarthy presented the December 17, 2012 Joint Regular Meeting Minutes and asked for any additions, deletions or corrections. The following changes were made:

Line 48: Insert “, he had an excused absence” after “present”

Line 107: Change “two” to “three”

Line 194: Delete “Village”

Line 229: Change “Base” to “Basin”

Lines 230 and 231: Change “they have not come up with an action plan” to “there is no need for an action plan”

Line 289: Change “McAuley” to “McCarthy”

Line 373: Change “capacity” to “opacity”

Line 388: Insert “Road” after “Creek”

Although no changes were made, Mr. Patterson pointed out, for the record, that while Lines 413 through 417 are what was said, it is not an accurate representation of what can be done.

Line 456: Change “and were all discussing” to “during discussions of”

Line 463: Insert “in response to questions from the UOC” after “spoke”

▪ **Action Items**

******This item, previously 16A, was presented out of order.******

Regarding Item 1, Mr. McCarthy stated that he is collecting plats and plans from the county and suggested a future agenda item to address the \$5 per sheet copying cost charged by the county. In response to Ms. Crismond’s question, Mr. McCarthy stated that it does not need to appear on the next agenda. Ms. Crismond stated that it will remain an action item.

Regarding Items 2 and 3, Mr. McCarthy indicated that Mr. Barraco and Mr. Kurth are following through, respectively. Mr. Barraco is moving forward on Item 4.

Item 5 should be changed from an agenda item to an action item. It will remain listed on the Action/Agenda Items pages but will no longer appear as a monthly agenda item.

Item 6 will continue.

Item 7 can be deleted as an action item, as it is now an agenda item.

Items 8, 9, 11, 13, 14, 15, 16, 19, 20 and 25 will remain.

Items 10, 12, 17, 18, 21, 22, 23 and 24 were deleted.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Janek, with all in favor, the December 17, 2012 Joint Regular Meeting Minutes, as amended, were approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Cramer, with all in favor, the December 17, 2012 Joint Regular Meeting Minutes, as amended, were approved.

FIFTEENTH ORDER OF BUSINESS

Old Business

There being no old business, the next item followed.

SIXTEENTH ORDER OF BUSINESS

Other Business

A. Action Items

This item was discussed during the Fourteenth Order of Business.

SEVENTEENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Cox distributed and discussed his January 28, 2013 opinion letter regarding Supervisors attending non-CDD community meetings. He summarized that Supervisors can attend meetings but cautioned them against engaging in discussion of matters that could come before the Boards. He stated that it is permissible for multiple Supervisors to be present and to comment, as long as they do not enter into discussions. He noted possible issues if a Supervisor begins a dialogue with someone at the meeting and another Supervisor joins in dialogue with the same person, as it then appears that the common person is the intermediary to circumvent the Sunshine Law restrictions. Mr. Cox strongly advised the Board Members to remain quiet on any topics that could come before the Boards.

Mr. McCarthy felt that, due to the Sunshine Law, dialogue stops when more than one Supervisor from a District attends a community meeting. He recommended that only one Supervisor from each District attend these types of meetings, so that dialogue can take place.

Mr. Pritt argued that the Boards cannot tell him that he cannot attend a community meeting. Mr. McCarthy stated that multiple Supervisors can attend; however, if more than one Supervisor from a District is present, he recommended that they refrain from participating in the dialogue. Mr. Cox concurred with Mr. McCarthy's recommendation.

Mr. McAuley asked that this item be included as an agenda item, at the next meeting.

Mr. Hancock referred to the water meeting, where people asked what the CDDs do. He reported that Supervisors declined to answer, as it could be a violation of the Sunshine Law.

Mr. Cox stated that discussion of things that could reasonably come before the Board, for action, is prohibited.

Mr. Pritt reiterated his objection if he is told he cannot attend a community meeting. Mr. McAuley stated that he never told Mr. Pritt that he could not attend a meeting.

B. Manager

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

Mr. McCarthy presented the Unaudited Financial Statements as of December 31, 2012. The Supervisors agreed to forward any questions to Management.

ii. Savings & Money Market Account/Investment Snapshot as of 01/16/13

This item was provided for informational purposes.

iii. Irrigation High User Report

- o **Bayside Improvement CDD**
- o **Bay Creek CDD**
- o **Penalty Usage Summary: *Bayside Improvement CDD***

These items were discussed during the Thirteenth Order of Business.

iv. NEXT MEETING DATE: February 25, 2013 at 2:00 P.M.

The next meeting will be held on February 25, 2013 at 2:00 p.m.

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

This item was provided for informational purposes. The Supervisors agreed to forward any questions to Ms. Crismond.

BAYSIDE IMPROVEMENT CDD

EIGHTEENTH ORDER OF BUSINESS

Presentation of Service Award to Mr. Jack Lienesch

This item was postponed to the next meeting.

NINETEENTH ORDER OF BUSINESS

Discussion: Areas of BOS Responsibility

This item was provided for informational purposes.

TWENTIETH ORDER OF BUSINESS

Audience Request

Comments/Supervisors'

****This item, previously the Twenty-Second Order of Business, was presented out of order.****

Mr. Ribble commented that, at the recent UOC meeting, the Supervisors did a good job of explaining what the CDDs will try to accomplish.

Mr. Murphy recalled Mr. Hancock’s comment about Lake E-2 containing green mud and fill. He noted that the same conditions are occurring in lakes throughout the community, including those that are nowhere near the tennis courts. He offered to provide the Boards with pictures.

Mr. Ribble reported that a meeting was held at The Colony, at The Colony’s request. He will provide documents for the record. An important element was landscaping along the perimeter fence. The Colony will conduct a walk through next Monday to view the progress of the landscaping and repair of the perimeter landscaping.

Mr. Hancock indicated that Dr. Thomas provided an update on his work. Dr. Thomas will install a weather station. Mr. Hancock recommended installation atop the CDD building, should there be no objections.

▪ **ADJOURNMENT – BAYSIDE IMPROVEMENT**

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

The Bayside Improvement CDD adjourned at 5:29 p.m.

BAY CREEK CDD

TWENTY-FIRST ORDER OF BUSINESS

**Authorize Chair to Attend All Meetings;
If Unable to Do So, Designate Another
Representative Through Staff to Attend**

****This item, previously the Twentieth Order of Business, was presented out of order.****

This item was discussed during the Seventeenth Order of Business.

TWENTY-SECOND ORDER OF BUSINESS

**Consideration of Appointing a Qualified
Elector to Fill Vacancy in Seat 4; Term
Expires 11/2014**

****This item, previously the Twenty-First Order of Business, was presented out of order.****

A. Interview of Candidate(s)

▪ **Jerry Addison**

****This candidate was an addition to the agenda.****

Mr. Jerry Addison, a resident, introduced himself and stated his desire to become involved in the community. He discussed the ponds and offered his services to the District, even if he is not appointed to serve.

i. Mary F. McVay, 3720 Bay Creek Drive

Ms. Mary McVay, a resident, introduced herself and gave a brief history of her involvement in the community. She noted that she is a CPA. She discussed her accomplishments on the Unit Owner and Finance Committees and the PLCA Board. Ms. McVay voiced her desire to bring her community experience to the Board.

Mr. McAuley noted that July and August are the District's busiest months and asked Ms. McVay if she would be available for multiple meetings during those months. Both Ms. McVay and Mr. Addison replied affirmatively.

Mr. Pritt asked the candidates if they are qualified electors. Both replied affirmatively.

Mr. Janek asked the candidates to comment on whether the Bayside Improvement and Bay Creek CDDs should be merged into one. Ms. McVay felt that the current system works well and more residents are involved with two CDDs. Ms. McVay believed that having more people involved is better. Mr. Addison concurred.

Mr. Pritt felt that consideration should be given to the third candidate. Ms. Crismond stated that she does not know who that is, as no resume was received. Mr. McAuley confirmed that a resume was sent to the Board.

Mr. Glueck stated that the individual chose not to attend today's meeting, as he no longer wishes to be considered.

Mr. Glueck nominated Ms. McVay to fill Seat 4.

Mr. Janek nominated Mr. Addison to fill Seat 4.

Mr. Glueck and Mr. McAuley voted for Ms. McVay.

Mr. Pritt and Mr. Janek voted for Mr. Addison.

Mr. McAuley called for another vote. Mr. Pritt, Mr. McAuley and Mr. Glueck voted for Ms. McVay. Mr. Janek voted for Mr. Addison. Ms. McVay was appointed to fill Seat 4, by a vote of 3 to 1.

Mr. McAuley thanked Mr. Addison for his interest. Mr. Addison reiterated his willingness to assist the Board in any way he can.

B. Administration of Oath of Office to Newly Appointed Supervisor

Ms. Crismond, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Ms. McVay. Ms. Crismond provided and briefly explained the following items:

- Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
- Membership, Obligations and Responsibilities
- 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

Ms. McVay elected to receive compensation for her services on the Board.

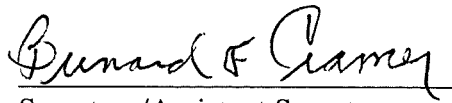
C. Consideration of Resolution 2013-3, Electing Officers of the District

This item was not addressed.

TWENTY-THIRD ORDER OF BUSINESS Adjournment

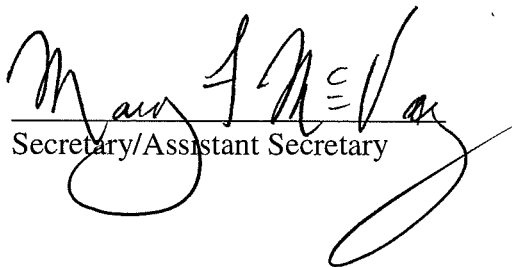
There being no further business, the Bay Creek CDD adjourned at 5:47 p.m.

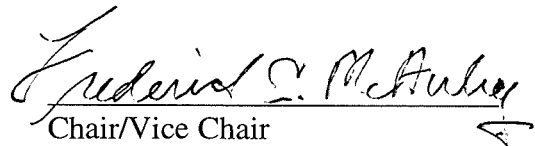
FOR BAYSIDE:


Secretary/Assistant Secretary


Chair/Vice Chair

FOR BAY CREEK:


Secretary/Assistant Secretary


Chair/Vice Chair

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:** Assess cul de sacs throughout the community for maintenance and landscaping issues
5. **ACTION ITEM:** Consider Xeriscape landscaping in the future
6. **ACTION ITEM:** Mr. Barraco to continue to provide the status of certifications.
7. **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
8. **ACTION ITEM:** District Counsel to send reminder letters to Ritzman, Har-Tru, etc. regarding illicit discharges
9. **AGENDA ITEM:** Lake Maintenance Activities Report – Bill Kurth & Phoslock proposals
10. **ACTION/AGENDA ITEM:** Mr. Kucera – Replace screens on fence and reduce height of ficus hedge between Bay Cedar and Spring Creek Park
11. **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
12. **ACTION ITEM:** Staff to contact LakeMasters re: reduction of chemical treatments and cost break/credit
13. **ACTION ITEM:** Mr. Lienesch to receive plaque at next meeting
14. **ACTION ITEM:** Mr. Adams to provide estimated cost to complete next phase of Spring Creek
15. **ACTION ITEM:** Mr. Adams to provide estimated cost of landscape buffer project

16. **ACTION ITEM:** Mr. Adams to provide estimated cost of Bay Cedar and Spring Creek Village project
17. **ACTION ITEMS:** Mr. Adams to provide year-end unaudited financial statements to both Boards
18. **ACTION ITEMS:** Mr. Adams to look into why rentals and leases are 224% of budget
19. **ACTION ITEM:** Bay Cedar landscape buffer – Mr. Adams to provide proposals and spreadsheet of three additional areas and wetlands
20. **AGENDA ITEM:** Continued Discussion: Upgrades to Bay Cedar/Goldcrest/Springs Creek Village Landscape Buffer
21. **AGENDA ITEM:** Presentation/Discussion Regarding Landscape Buffering in Wetlands #10 & #11
22. **AGENDA ITEM:** Continued Discussion: SFWMD Final Notice of Noncompliance Permit Conversion and Transfer to Operating Entity – Pelican’s Nest Permit
23. **AGENDA ITEM:** Continued Discussion/Update: Remedial Actions Taken by PLCA Regarding Clay Runoff at Tennis Facility
24. **AGENDA ITEM:** Document Review – Ponds