

**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, May 20, 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 (via telephone)	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	Assistant Secretary
Robert Pritt	Assistant Secretary
Mary McVay	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Dan Cox	District Counsel
Carl Barraco, Jr.	District Engineer
Bill Kurth	LakeMasters
Dr. Serge Thomas	Florida Gulf Coast University
Mark Minor	Q. Grady Minor & Associates, P.A.
Daniel Flynn	Q. Grady Minor & Associates, P.A.
Howard Lowe	UOC Liaison
Bill Ribble	Resident
Jet Tipton	PLCA Liaison

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

Mr. Hancock 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. Hancock asked the Supervisors to call their names. For Bayside Improvement Community Development District, Supervisors Cramer, Patterson, Crew and Hancock were present, in person. Supervisor McCarthy was not present at roll call. For Bay Creek Community Development District, Supervisors McAuley, Glueck, Janek and Pritt were present, in person. Supervisor McVay was not present at roll call.

THIRD ORDER OF BUSINESS

Public Forum

Mr. Hancock asked if any members of the public wished to address an item on the agenda. No members of the public spoke and the next item followed.

JOINT MEETING ITEMS

FOURTH ORDER OF BUSINESS

Update: PLCA Tennis Court Illicit Discharge Remediation Efforts

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

Mr. Jet Tipton, PLCA Liaison, introduced Mr. Mark Minor and Mr. Daniel Flynn, of Q. Grady Minor & Associates, P.A., who were asked to submit designs for remediation of the tennis court discharge. Mr. Tipton indicated that other bids are being sought, as well.

Mr. Hancock pointed out that the Boards were seeking an understanding of what is being done; there will be no judgment or approval.

Mr. Minor advised that his firm was retained by the PLCA to evaluate existing drainage at the tennis complex, especially runoff of synthetic clay discharging off site into the surface water. Two engineering inspections were performed and existing public records were reviewed, including the South Florida Water Management District (SFWMD) Environmental Resource permit for the tennis complex. Survey crews completed a topographic survey to measure the existing drainage conditions, viewed the immediate discharge points from the tennis club, took

into account the surrounding uses and compared the existing conditions to the approved drainage plans contained within the Environmental Resource permit.

Mr. Minor explained that, as a result of construction of adjacent properties, some of the barriers along the edges of the property, are no longer in place, including the berm that retains the water that runs off of the surface of the tennis facility into the local tennis facility drainage and conveyance network and discharges directly into the lake. He noted that the plans include a berm around the perimeter of the facility, along with a shallow swale with catch basins along the corners and half-way points, to collect water.

Mr. Minor stated that the system was functioning and appears to provide adequate drainage for the site. The engineers investigated the reasons for the off-site discharge synthetic clay runoff and noted that, in three or four locations, the tennis court runoff ran across a sidewalk or sidewalk and pavement, directly into a catch basin connected directly to the lake. There were no intermittent facilities to remove the clay. The synthetic clay was researched, as well as the practice of maintaining the courts, and information was obtained regarding how much material was used to maintain the courts over a one-year period.

Mr. Minor advised that traditional methods of treating the system to remove particulates from the discharged water were investigated and underground exfiltration trenches were designed. Catch basins will be added and the perimeter berm will be rebuilt to contain all of the water that runs off the tennis complex. The runoff water will be forced into the grassy swales to help remove particulates and flow into the catch basins that are connected with a perforated polyethylene pipe. The pipe will be encased in 3' by 3' rock trenches to allow the water to run out of the pipe and the particulate matter to percolate into the rock trenches, or into the soil, before being discharged. Mr. Minor feels that this is the best management practice, along with better maintenance methods to keep the right amount of clay on the courts, such as sweeping the clay that spills onto the sidewalks and disposing of it properly.

Mr. Minor stated that the plans were presented to the PLCA and provided to the CDD Boards, along with the estimated cost to construct the facilities and submit permit applications to SFWMD and the City of Bonita Springs, prior to construction.

Mr. Glueck noted that there will be exterior trenching on the other side of the fence, facing the road and the barrier to the golf course. He pointed out that 50 or more 20' trees must be removed, the roots extracted and the stumps ground, before trenching begins. Mr. Glueck

asked if the barrier trees will be replaced. Mr. Minor stated that the landscaping is the responsibility of the association. Mr. Glueck stressed that there are more than 50 trees, including seven or eight palm trees, which must be relocated and voiced his opinion that the proposal does not appear to be workable.

Mr. McAuley asked if the Design Review Committee (DRC) agreed with removing the trees and shrubbery. Mr. Tipton replied no. He explained that, when the PLCA received the proposal and saw what was required to install the drainage system, they discussed the possibility of installing the drains inside the court, to minimize the amount of landscaping that has to be removed. Mr. Tipton indicated that the PLCA has the same concerns regarding removal of the trees.

*****Mr. McCarthy joined the meeting, telephonically, at 2:09 p.m.*****

Mr. McCarthy stated that he heard Mr. Minor's presentation and Mr. Glueck's comment and he feels that Mr. Glueck's concerns are valid.

Mr. Cramer stated that the documents that were provided are difficult to read. He asked if Mr. Adams had a computer file that could be enlarged to show the perimeter being discussed. Mr. Cramer stressed the importance of the audience and the Supervisors understanding of what is being proposed. He also recommended obtaining the District Engineer's opinion of the program.

Mr. Cramer pointed out that the mechanical drawings show the work being proposed and appear to satisfy the drainage issues; however, he saw no document indicating that Phase 1 will be removal of trees and shrubbery.

Mr. McAuley indicated that the tennis center drainage improvements were a PLCA issue and not a CDD issue.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Glueck, with Mr. McAuley, Mr. Glueck and Mr. Janek in favor and Mr. Pritt opposed, ceasing discussion of the PLCA tennis court illicit discharge remediation issue, was approved. (Motion passed 3-1)

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Crew, with all in favor, ceasing discussion of the PLCA tennis court illicit discharge remediation issue, was approved.

******Ms. McVay joined the meeting at 2:14 p.m.******

FIFTH ORDER OF BUSINESS

Staff Report: District Engineer

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

Mr. Carl Barraco, Jr., advised that he was attending the meeting in place of Mr. Carl Barraco, Sr., who suffered an injury over the weekend.

Regarding the Pelican's Nest permit transfer from the construction phase to the operation and maintenance (O&M) phase, Mr. Barraco distributed a handout with the Pelican's Nest schedule and SFWMD's formal O&M Transfer Schedule. He clarified that the Pelican's Nest schedule is based on the work that was completed, to date; the permit transfer schedule begins today and the anticipated completion date is July 31, 2013. The remaining work includes obtaining all outstanding easements, updating the ownership easement worksheet map and submitting a formal O&M transfer request to SFWMD. Mr. Barraco explained that SFWMD is aware of how the transfer is being handled and expressed no concerns with moving forward.

Mr. Patterson asked if Mr. Barraco knows who the easements must be obtained from. Mr. Cox indicated that, since the last meeting, he found all of the grants of easements made to the Bayside Improvement CDD, which appear to be related to the property that is subject to the Pelican's Nest permit transfer. The grants of easements were provided to Mr. Barraco, who had his staff plat them out; however, some are still missing. Mr. Cox stated that the locations of the required easements should be identified in a week to ten days. Once he has the information, Mr. Cox will be able to determine who they should be obtained from. Currently, it appears that the District will be working with the PLCA, the Capri Association and one other association. Mr. Cox feels that the Districts will not have to work with individual property owners.

Mr. Patterson assumed that ownership of the lakes, where easements are required, rests with three groups; Pelican's Nest Golf Course, the PLCA and several homeowners associations. He stressed that Mr. Cox must clearly identify from whom each easement must be obtained. Mr. Cox explained that the engineers are indicating where easements are needed and he will determine who to obtain the appropriate conveyance documents from. Mr. Cox reiterated that he anticipates having all documents by July 14. Mr. Patterson pointed out that it will require some involvement by other attorneys and monthly meetings of boards to approve the conveyances;

quite a bit of work remains to be completed. Mr. Cox indicated that his goal is to have the documents into the property owners’ hands no later than June 10.

In response to a question from Mr. McCarthy, Mr. Cox advised that he will provide an update at next month’s meeting.

SIXTH ORDER OF BUSINESS

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

****This item, previously the Fifth Order of Business, was discussed during the Fifth Order of Business.****

SEVENTH ORDER OF BUSINESS

Lake Maintenance Activities Report - LakeMasters/Management

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

A. Phoslock Proposals

Mr. Kurth reported that, prior to last month, LakeMasters had begun their springtime sonar applications for the control of submersed vegetation. In April, sonar was reapplied to the majority of the lakes to ensure that the concentration is kept at the proper level. Mr. Kurth voiced his opinion that the results are exceptional and noted that, typically, better results are obtained from spring treatments than from fall treatments.

Mr. Kurth stated that some of the lakes look less pleasing because the submersed vegetation is dying; some of it is floating up and all of it is releasing nutrients. Algae blooms have appeared in some of the lakes where treatments were applied. Mr. Kurth noted that Lake F-16 was perfect for about six months; now, dying Slender Spike Rush is floating on the top and it is dying very well.

Mr. Kurth explained that LakeMasters began using a different formulation, which is an emulsifiable concentrate that penetrates the plants faster. The product was not used everywhere because of LakeMasters’ lack of experience with it but, thus far, it is producing quicker results.

Mr. Kurth stated that because Lake B-4, which is the main community irrigation lake, is so low, Lake B-6, which is on the east side of Lake B-4, is not getting any water. It is currently

about 2' deep so it had bladderwort and Slender Spike Rush and looked terrible after the initial application. Within one month, nothing is on the surface of the lake and what is left is dying.

Mr. Kurth indicated that the 37 lakes receiving sonar treatments are A-1, A-3, A-4, A-5, A-9, A-10, A-12, A-13, A-18, B-1, B-2, B-3, B-4, B-5, B-6, B-8, C-3, D-3A, D-7, D-8, D-10, D-12, D-13, D-15, E-2, E-3, E-5, E-9, E-11, E-16, F-1, F-2, F-3, F-4, F-5, F-6, F-7 and F-16.

Mr. Kurth stated that sonar genesis will help to deal with future low situations because sonar must be kept in the water column, typically for one month.

Mr. Kurth reported that the grass carp permit was received today for a minimal number of lakes but the permit includes several of the outfall and irrigation lakes that do not receive sonar treatments. The District is now permitted for an additional 320 grass carp.

Regarding Phoslock, Mr. Kurth recalled that the original proposal was \$8,000 for a one-time application; however, he was able to obtain product to perform a one-time test for free to determine the benefits. Mr. Kurth advised that will work in concert with Dr. Thomas.

Mr. Kurth recalled originally discussing testing Lake E-5, as it is a constant algae lake; however, E-5 is already fairly low in phosphorous. Mr. Kurth speculated that by eliminating the remaining phosphorous, it may stop the algae but he is not certain. Dr. Thomas will assist with determining which lake to use. Mr. Kurth noted that he has enough Phoslock for 1½ acres of coverage. He prefers to wait until June, after the first fertilization is completed and after the first major rainfall, to give the system an opportunity to balance out. Using a lake that Dr. Thomas studied will provide baseline data to enable them to quantify how Phoslock improves the water quality of the system. If good results are obtained, the product may be used in isolated situations to reset the few lakes that are not responding.

Mr. Patterson pointed out that he saw no expenses, thus far, for the wetland areas in Bayside Improvement and indicated that it appears no work has been done. Ms. Crismond advised that EarthBalance treated in April so an expense will come through shortly. Mr. Patterson will provide Ms. Crismond with a list of work to be completed.

Mr. Hancock recalled that Lake E-1 was approved, last month, for sonar treatment for Slender Spike Rush and requested an update. Mr. Kurth stated that there was a delay in getting a price to Ms. Crismond due to a miscommunication; however, it was approved and the application will be performed tomorrow.

When the grass carp are installed, Mr. Hancock asked if signage will be provided advising the public to throw the grass carp back into the lake gently if they are caught. Mr. Kurth indicated that signage is not typically provided; however, it may be a good idea. He pointed out that grass carp are not easy to catch.

Mr. McAuley recommended placing the grass carp permit on the June agenda. He also requested that the Lake Maintenance Activities Report be provided to the Boards prior to the meeting, for review.

Dr. Serge Thomas, of Florida Gulf Coast University (FGCU), reported that, thus far, four of twelve events were monitored. Water samples are monitored monthly. Dr. Thomas stated that he performed water profiles for temperature, oxygen, conductivity, pH and oxidation reduction potential. Sediment samples were obtained, as well.

Dr. Thomas explained that he is delaying the presentation of the first report because he is waiting for the results of the water tests. Once they are received, the report will be provided.

Referring to a slide presentation, Dr. Thomas discussed the monthly monitoring schedule. He noted that bathymetry is nearly completed. Due to a problem with Lake A-8, bathymetry will be repeated on that lake. Dr. Thomas noted that he is waiting for the first flush, which is an important event because it brings the most nutrients into the lake. The last event is at the end of the rainy season when all of the water in the lake has been turned several times.

Dr. Thomas discussed the installation of staff gauges. He explained that he was reluctant to install them because of aesthetic issues. Dr. Thomas feels that the gauges are highly valuable tools; with the bathymetry and the staff gauges, he will be able to calculate the volume of the surface area of the lake.

Mr. McAuley asked for Mr. Adams' opinion as to whether the staff gauges will help or become a problem. Mr. Adams stated that, for the short term, they will be beneficial. Mr. McAuley asked about the cost. Dr. Thomas advised it is covered in the agreement. He indicated that if the Boards do not like them after a year, they will be removed.

Mr. Crew asked if the gauges can be strategically placed. Dr. Thomas replied affirmatively. Mr. Crew recommended informing the residents of the purpose of the gauges.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Janek, with all in favor, installation of staff gauges, in the lakes, was approved.

On MOTION for Bayside Improvement by Mr. Cramer and seconded by Mr. Patterson, with all in favor, installation of staff gauges, in the lakes, was approved.

Dr. Thomas explained that calculating the water volume will help to gauge how much chemical must be added to the water.

Referring to a slide, Dr. Thomas discussed the health status of a lake. He explained that “TI” stands for tropic status index, which is a composite number that takes into account water clarity, the amount of nutrient in the lake, nitrogen, phosphorous and the amount of algae. He noted that hypertrophic lakes generally have a lot of algae, especially during the summer. Eventually, the lake bottom will lack oxygen. When the oxygen is low, odors may be emitted from the lake. Dr. Thomas indicated that a sample was taken from Lake E-5 and there was an odor coming from the sediment, meaning there is no oxygen in the sediment. Dr. Thomas suggested installing aerators in Lake E-5 to prevent potential odors.

Dr. Thomas discussed a slide showing the monthly profile of a lake. He noted that, in moving from February to March, the temperature rose. He pointed out the depth and temperature data, oxygen level, pH, oxidation reduction potential (ORP), turbidity and conductivity.

Dr. Thomas showed a slide depicting how sediment is collected from the lakes into pipes. He noted the accumulation of muck on the bottom of the Lake E-5 and stated that the sediment likely contains a lot of nutrients. The soil is black and very organic so it probably has a lot of nutrient and the oxygen is being sucked up.

Mr. Pritt recalled discussion with regard to removing the muck from the bottom of the lakes. He indicated that they are reaching the point where a program is needed for removal or possible treatment. Dr. Thomas stated that, once he has the core samples and he knows how much is there, he will be able to determine what needs to be done. He advised that it will be difficult to manage the lakes without using a product that kills the algae, as it will return due to the amount of nutrient in the sediment. Dr. Thomas stated that there is definitely organic material in the bottom of the lakes and no oxygen.

Mr. Pritt inquired about treating the worst lakes as a starter program and asked if rapid improvement would be seen. Dr. Thomas reiterated that he must assess the amount of muck and how much nutrient is tied to the bottom. Stage 2 is to commence dredging and analyze the

sediment to ensure that it is not toxic. Dr. Thomas pointed out that if there is too much copper or arsenic, which is used in pesticides, the treatment of the muck will cost as much as the dredging.

Mr. Janek asked about the effect of oxygen on the muck. Dr. Thomas stated that aerators may extend the longevity of the pond because the organic material will be broken down by the bacteria.

Mr. McAuley asked the Boards not to include muck removal or treatment in the discussion for this budget year. He felt that research should be conducted and the costs should be identified so that a program may be initiated in a year or two. Dr. Thomas pointed out that he will need a full year to draw conclusions. Mr. Pritt felt that the conversation should take place today, during the budget discussions. Mr. McAuley agreed with Mr. Pritt's comments but reiterated that the Boards have no idea of the cost. Mr. McAuley advised that the muck removal/treatment cannot be added to the present budget until a report is received, the research is completed and the cost is determined.

Dr. Thomas pointed out that, as part of his contract, he will assist the Districts with ways to manage the lakes, as well as cost solutions.

EIGHTH ORDER OF BUSINESS

Discussion: Lakes E-1 and E-2 Water Samples

****This item, previously the Seventh Order of Business, was not discussed.****

NINTH ORDER OF BUSINESS

Consideration of Resolutions Approving the Districts' Proposed Budgets for Fiscal Year 2013/2014 and Setting a Public Hearing Thereon Pursuant to Florida Law

- **Resolution 2013-5, Bayside Improvement Community Development District**
- **Resolution 2013-5, Bay Creek Community Development District**

Mr. McAuley voiced his understanding that the budget will not be discussed today. He stated that this meeting is to indicate that Management provided both Boards with a budget and set the Public Hearing for August 26, 2013. Mr. McAuley clarified that, today, the Boards are fulfilling the legal requirements; next month, the budget discussion process will begin.

Mr. McAuley noted that, in the past, the Boards reviewed the budget and forwarded their questions to Mr. Adams to enable him to make the appropriate adjustments or conduct the research required, if changes are to be made.

Mr. Adams stated that this is a draft budget, which is being presented to commence the budget process. He asked the Boards to review the budget and advise him, in separate communications, of any questions, concerns or suggestions for changes. At the June meeting, a refined draft will be presented for discussion and a budget workshop will be held in July.

Mr. Pritt asked if the Boards are expected to approve the resolution today. Mr. Cox replied affirmatively. Mr. Pritt asked if the Boards have the ability to increase the budgeted amounts being proposed. Mr. Adams stated that the Boards have the ability to change the expenditure and service levels between now and the public hearing. Increases to the assessment levels must occur 30 days before the deadline for transmittal of the budget to the county, for placement on the property tax bill. A public hearing must be advertised and separate mailed notices must be sent to the property owners advising of an assessment increase.

Mr. Pritt felt it was important for the Boards to be careful not to set the upper limit of the budget today. Mr. Adams clarified that the Boards cannot increase assessments over last year's assessment level by simply adopting the resolution. Increases are required to be noticed and Lee County does not allow the use of the TRIM notice process; a separate mailed notice is required.

Mr. Cox pointed out that the Boards must have an approved budget prior to the next meeting.

Mr. McCarthy made a motion to adopt Resolution 2013-5 for Bayside Improvement CDD. Mr. McAuley made a motion to adopt Resolution 2013-5 for Bay Creek CDD. Mr. Glueck seconded the motion for Bay Creek. Mr. Crew seconded the motion for Bayside Improvement.

In response to a question from Mr. Patterson, Mr. Adams explained that approving the resolutions, with a proposed budget and an assessment level attached, at this time, does not bypass the need for a separate mailed notice if the assessments are increased, later on. He advised that the Boards need only consider the fact that there will be an assessment increase in enough time, which is generally 30 days prior to the adoption of the budget, to properly advertise an increase and to send the separate mailed notices to all of the constituents so that they may participate in the process of an assessment increase.

Noting the substantial increase for legal notices and communications, Mr. Patterson indicated that the CDDs do not have a file with email addresses of the property owners and the Boards were told by the PLCA that the Districts cannot use their distribution system. He pointed out that it will be very expensive to gather a file if communications are to be sent.

Mr. Adams explained that the data can be pulled from the lien roll maintained for the Districts by Ms. Carlson, which is updated around June 15 of each year. The notices will be mailed to the official addresses on the lien roll. Mr. Patterson stated that the lien roll does not include email addresses. Mr. Adams agreed and added that email communication of the information would not legally suffice, as it is required to be mailed first class U. S. Mail. Mr. Patterson clarified that he was referring to the newsletter. Mr. Adams indicated that the Districts will be moving forward with a geographical mailing program. The properties within the boundaries of Pelican Landing will receive a mailbox stuffer addressed to "Resident" at a cost of \$0.16 per unit.

Mr. Patterson asked if there is enough money in the line item to affect the distributions. Mr. Adams replied no; however, an adjustment can be made at the budget workshop.

Mr. Patterson stated that there is a substantial increase for capital outlay and asked for an explanation. Mr. Adams advised that it is for the purchase of additional mowers and mules and a chemical containment system. He explained that, through the Best Management Practices adopted in Lee County and in the industry, the Districts are now required, as a chemical conveyor, to have a chemical containment and wash down center. The cost is approximately \$15,000 for a standalone system.

Referring to Page 5, "Other contractual services", Mr. Hancock noted the sentence indicating that the Districts have accepted the responsibility for operating and maintaining the community's culverts and drains that are part of the primary roadway systems and amenity parking lot. Mr. Adams indicated that the sentence must be edited.

Mr. Pritt requested adding \$25,000 to the budget for a program to remove muck from the lakes. He pointed out that Dr. Thomas' year will be finished in January, 2014, which leaves time for the Boards to research the cost of dredging.

Mr. McAuley pointed out that there are two motions on the floor that were called and he requested a vote.

Mr. Pritt voiced his opinion that Mr. McAuley is going to be using the power of the Chair to sign off today on budget matters. He stressed that the Boards should be discussing budget matters. Mr. McAuley explained that this is not the time for discussion; requests are to be submitted to Mr. Adams.

Mr. McAuley called for a vote. Mr. Patterson pointed out that, if the Board wishes to continue the discussion, the motions must be defeated.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. Glueck, with all in favor, Resolution 2013-5, Approving the Proposed Budgets for Fiscal Year 2013/2014 and Setting a Public Hearing for August 26, 2013, was adopted.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Crew, with Mr. McCarthy and Mr. Crew in favor and Mr. Hancock, Mr. Patterson and Mr. Cramer opposed, Resolution 2013-5, Approving the Proposed Budgets for Fiscal Year 2013/2014 and Setting a Public Hearing for August 26, 2013, was not adopted. (Motion failed 2-3)

Mr. Hancock asked for further discussion with regard to the motion for Bayside Improvement.

Mr. Patterson asked for discussion regarding the issue of money for muck raking. Mr. Hancock indicated that he was in favor of budgeting an initial \$25,000 for the program. He stated that it is important to address the issue now.

Mr. Adams noted that Mr. Pritt requested to have \$25,000 earmarked for muck removal; however, the budget currently reflects \$30,000 related to culvert cleaning. Mr. Adams explained that, assuming the Districts do not move forward with that program, the Boards may authorize \$25,000, or the full \$30,000 that is already in the budget, for the muck removal program. He suggested maintaining the \$30,000 but with a different title.

With regard to culvert cleaning, Mr. Hancock noted that the Districts have two open offers with the PLCA that may come back at any time. He recommended writing a letter revoking the offers and indicating that the offers will not be funded unless the PLCA responds to the Districts within two days of the next meeting date.

Mr. McAuley indicated that the Boards cannot vote on an offer that they do not have. He suggested waiting until the offers are received from the PLCA before voting. Mr. McAuley noted that, typically, an item must be on the agenda to be considered.

Mr. Hancock clarified that the offers he was referring to are those sent by the Chairs to the PLCA earlier in the year. He stressed that the Boards do not want the offers to come back to the Districts without having adequate funding.

Mr. Adams felt it would be beneficial to hear from Mr. Cox regarding his recent discussions with Mr. Hart, after finding a document in his files, and Mr. Hart's reaction to the document.

Mr. Cox reported that, about six weeks ago, Mr. Hart sent a public records request asking for information related to the Districts' maintenance of the landscaping and roadways. This included any transactional documents where the Districts were granted easements or rights-of-way. Mr. Cox indicated that Mr. Hart keeps asking for the agreement for the Districts to handle the landscaping. Over the last few months, Mr. Cox and Mr. Adams have looked through their files in an effort to locate the landscaping agreement. While looking for the easements, Mr. Cox found a document for the Pelican's Nest turnover, which is a road maintenance agreement but it is the agreement by which the Districts are responsible for the landscaping. A copy was provided to Mr. Hart.

Mr. Cox explained to Mr. Hart that the files that were received by the management company after the transition were not indexed and they are in no particular order. He asked Mr. Hart what he was looking for, in particular. Mr. Hart stated that he was trying to find if there was anything indicating that the Districts had accepted responsibility for the cleanout of the catch basins. Mr. Cox indicated that the agreement he found definitively stated that, while the CDDs were performing the street sweeping and landscaping maintenance and everything else involved with the roadways, it was the responsibility of the PLCA. Mr. Cox pointed out that he does not have signed copies. Mr. Cox asked Mr. Hart to look through PLCA records for an executed copy.

Mr. Cox advised that the PLCA is still very interested in the Districts taking over the catch basins and he had expected someone to attend today's meeting to begin that conversation. Mr. Cox felt it would begin at the next meeting.

Mr. Hancock asked if the letter offers sent to the PLCA are sufficient for the Districts to take over the catch basins. Mr. Cox replied affirmatively. Mr. Hancock confirmed that, once the PLCA signs the offers, the Districts will have a deal. He pointed out that the Districts want to be responsible for the catch basins.

Mr. Cox noted that the offer was a terminable license agreement and the PLCA is seeking a permanent situation. Mr. Cox stated that, if the Districts take on the long-term maintenance, there must be a schedule. There are many infrastructure age groups in the community so it is difficult to determine future issues. Mr. Cox advised that he and Mr. Adams discussed having someone inspect the catch basins and pipes. The \$30,000 that is earmarked for catch basins is in the range needed to complete that type of project.

For the record, Mr. Pritt confirmed that the discussion was about maintenance only; not about taking over the responsibility for failing catch basins. Mr. Cox replied affirmatively. Mr. Pritt stated that the PLCA has been of the opinion that the Districts are supposed to be responsible for everything with regard to the catch basins and the Districts do not have the ability to collect enough money, long term, to repair and replace failing catch basins. Mr. Cox verified that the agreement was specific to cleaning only. Mr. Glueck recalled that the word “maintenance” was replaced with “cleaning”, to make it more definitive.

Mr. Hancock stated that the letters have an exit clause but there is no termination date.

Mr. Patterson noted that the Bayside Board initially defeated Resolution 2013-5 and they are free to offer new proposals.

Prior to upcoming motion, Mr. McCarthy was not in attendance.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Cramer, with all in favor, adding \$25,000 to the budget for dredging was approved.

Mr. McAuley explained that the budget cannot be increased with the approval of only one Board.

Mr. Pritt requested that the Bay Creek Board revisit the motion and moved to reconsider their action, in light of the motion made by the Bayside Improvement Board. He stated that, if the motion passes, the Board will reopen the discussion. Mr. McAuley confirmed that Mr. Pritt

was asking to rescind the motion to adopt Resolution 2013-5. Mr. Pritt replied affirmatively. The motion was seconded by Mr. Glueck. Mr. McAuley voiced his opposition.

Mr. Hancock stated that Mr. Pritt moved to reconsider the vote on the prior matter and Mr. Glueck seconded the motion. Discussion was opened.

Mr. Pritt advised that he would like to have the action of Bay Creek CDD conform to the action taken by Bayside Improvement CDD. He indicated that, based upon the explanation by Mr. Cox, the \$30,000, currently earmarked for culverts, may be spoken for. With that clarification, Mr. Pritt recommended adding \$25,000 to the budget for dredging.

Mr. Janek voices his agreement with the motion but as a solution to the lake problem, rather than specifically earmarking for dredging, because the solution may not be dredging. Mr. Pritt agreed and amended the motion accordingly.

Mr. McAuley affirmed that the Bay Creek Board is attempting to add \$25,000 to next year's budget and asked if the motion could be made by both Boards and approved. He pointed out that the Bay Creek Board already voted on the resolution.

Mr. Pritt advised that Mr. Janek's request to modify the motion was appropriate and consistent with what was approved by Bayside Improvement.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. Glueck, with all in favor, rescinding the motion adopting Resolution 2013-5, was approved.

Mr. Pritt made a motion to add \$25,000 to the budget to be earmarked for lake management issues. Mr. Hancock asked if the addition was within Resolution 2013-5. Mr. Pritt replied affirmatively.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. Glueck, with all in favor, Resolution 2013-5, Approving the Districts' Proposed Budgets for Fiscal Year 2013/2014, as amended, to add \$25,000 for lake management issues, and Setting a Public Hearing for August 26, 2013, was adopted.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Cramer, with all in favor, Resolution 2013-5, Approving the Districts' Proposed Budgets for Fiscal Year 2013/2014, as amended, and Setting a Public Hearing for August 26, 2013, was adopted.

TENTH ORDER OF BUSINESS

**Discussion/Consideration:
Image Enhancement**

Image

Mr. Hancock reported that favorable comments were received after the purchase of safety vests with "CDD" on the back.

Mr. Hancock referred to the proposal for image enhancement, and recommended that CDD vehicles have decals, both mules have smaller decals and pickup trucks have larger decals. He noted that suggestions were welcome for other logos or decals. Mr. Hancock also proposed transitioning to white work shirts, caps with the logo and that female employees receive female uniforms.

Mr. McAuley asked if there was a cost attached to the proposal that should be included in the upcoming budget. Mr. Hancock stated that the estimate for the decals is no more than \$1,000.

Mr. McCarthy rejoined the meeting.

Mr. Adams pointed out that the decals are relatively inexpensive; the unknown is the cost to reissue new uniforms. He explained that there is an initial, up-front cost to take back the old uniforms and reissue new ones. There is also a cost for ongoing rental. Mr. Adams will ask Mr. Kucera for an estimate and provide the information at the next meeting.

Mr. Janek noted that baseball caps will not be sufficient because the employees need protection for their ears. They will need a hat with a brim.

Mr. Crew stated that he preferred to obtain employee feedback regarding the uniforms and hats. Ms. Crismond agreed and indicated that she will ask Mr. Kucera to get input from his crew.

Mr. Hancock suggested that the uniforms and the equipment be a consistent color.

In response to a question from Mr. McAuley, Mr. Adams indicated that the costs are not in the current budget.

Mr. Adams stated that Staff will obtain feedback from the employees and provide suggestions and pricing for the uniforms and logo at the next meeting.

ELEVENTH ORDER OF BUSINESS

Approval of April 22, 2013 Joint Regular Meeting Minutes

Mr. Hancock presented the April 22, 2013 Joint Regular Meeting minutes and asked for and additions, deletions or corrections.

The following changes were made:

Line 35 and throughout: Change “Ham” to “Hamm”

Mr. Glueck asked if Line 61 became an action item. Ms. Crismond referred to the Monthly Status Report and advised that painting of the light posts in Bay Creek, to match the mailboxes, is scheduled for the week of May 27.

Ms. McVay noted that the PLCA Design Review Committee turned down having the sign posts painted to match the mailboxes.

Line 97: Delete “Village”

*****Mr. Hancock left the meeting.*****

Line 474: Change “exfiltration” to “exfiltration”

Line 540: Insert “lease payment” in the blank space

*****Mr. Hancock joined the meeting.*****

Line 611: Delete “and”

Line 612: Delete comma after “note”

▪ **Action Items**

*****This item, previously Item 13.A, was presented out of order.*****

With regard to Item 8, Ms. Crismond reported that Mr. Kucera collected water samples from Lakes E-1 and E-2. Mr. Adams explained that the lab results were not available for today’s meeting. Once received, they will be presented to the Boards for discussion.

Item 22 was changed from “LakeMasters” to “Mr. Adams”

Item 24 was changed from Lake E-1 to Lake E-11 & Lake E-1

Items 1, 3, 4, 5, 6, 7, 8, 9, 11, 15, 19, 20, 21, 22, 23 and 24 were continued.

Items 2, 10, 12, 13, 14, 16, 17 and 18 were deleted.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Janek, with all in favor, the April 22, 2013 Joint Regular Meeting Minutes, as amended, were approved.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Cramer, with all in favor, the April 22, 2013 Joint Regular Meeting Minutes, as amended, were approved.

TWELFTH ORDER OF BUSINESS

Old Business

Mr. Crew recalled that the Boards requested the PLCA to publish information regarding fertilizer restrictions and they refused to do so. He noted that, on the PLCA home page, there is a section for local news; however, the information comes to PLCA from a news clipping entity. Mr. Crew suggested that the CDDs issue a press release in the Bonita Banner, which could feed into the PLCA home page.

Mr. Cramer asked Mr. Tipton to provide an explanation. Mr. Tipton indicated that the board voted unanimously against publishing fertilizer restrictions. He explained that the reason he voted “no” is that 80% of the residents live in parcel communities and do not control fertilization; the management company must be contacted directly. The remaining 20% will receive a notice when it is sent to the property managers. Mr. Tipton noted that information can be added to the back of the invoice and sent directly to those homeowners.

Mr. Patterson advised that he requested that the PLCA President review the request, at the next board meeting, and asked if it was discussed. Mr. Tipton stated that the President was out of town. Mr. Patterson clarified that the point he made to Mr. McPhearson is that the CDDs have a close working relationship with PLCA; closer than the three golf courses and the Hyatt. Mr. Patterson was informed that Ms. Martel feels that the weekly letters are too long and should be reduced. Mr. Patterson stated that there is more opportunity to reduce the weekly inclusion from the three golf courses and the Hyatt before cutting out an infrequent request from the CDDs. Mr. Tipton confirmed that the PLCA is trying to reduce the size because complaints are being received from the residents that the weekly letters are coming in as “junk” mail or spam.

Mr. Patterson voiced his opinion that this is a biased situation and hoped that the decision to exclude the Districts’ information was not made out of revenge, as the requests are few and far between and, yet, the PLCA has no trouble with requests from the other groups.

Mr. Crew stressed the importance of the information being disseminated to residents. He felt it prudent to continue dialog with PLCA through other channels and recommended a press release from the CDDs to the local press so that residents can read it in The Bonita Banner. Mr. Crew commented that the news clipping entity may pick up the article and it may be placed on the PLCA website anyway.

Mr. Hancock stated that he has never been so disappointed in a board in his life. He stressed that lakes are terribly important to everyone in the community. Mr. Hancock stated that the Board of Directors need to know, not just the management company, and the people who live there want to know. What the Boards proposed was pure law; they did not change one comma. They only quoted the pure law.

Mr. Hancock indicated that when he was told that the PLCA declined, he sent the same information to the UOC chairs and received very positive feedback and nice “thank yous” from The Colony and others. He noted that, while many reside in buildings in The Colony, the residents appreciated the information.

Mr. Hancock advised that the PLCA deleted the information regarding the CDDs from their website. He was unsure whether they coordinated with the Districts; however, detailed contact information was placed on the CDD website. Mr. Hancock emphasized that residents need to know who to contact and the information that was on the PLCA was deleted. He asked Mr. Adams if notice was received, in this regard. Mr. Adams stated that he suggested that the PLCA website contain a link to the CDD website, as CDD materials will be updated on a monthly basis and under District control, affording better communication with the community.

Ms. McVay asked if the PLCA can provide the CDDs with the contact information for the HOAs and management companies. Mr. Adams stated that, when the notice was sent regarding the entry flowers, Ms. Martel provided him with a contact list; however, contacts change. He suggested that Ms. McVay request the information from Ms. Martel.

THIRTEENTH ORDER OF BUSINESS

Other Business

A. Action Items

These items were discussed during the Eleventh Order of Business.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Cox reported on recent legislative changes. In response to a Supreme Court case, legislation was passed indicating that the public has the right to speak at public meetings regarding items that the Boards will make decisions on. The statute specifically states that participation does not have to be at the meetings where the decision is made; rather, somewhere within the decision making time frame, the public must be granted the opportunity to be heard. Mr. Cox indicated that there is a provision whereby, if the District is sued and loses, the person suing is entitled to recover attorney fees. He explained that if the Districts adopt Rules of Procedure consistent with what the statute requires and the rules are followed, they are deemed to have complied with the statute. Mr. Cox recommended that the Districts go through the rule making process and formally adopt a policy regarding public participation at the meetings. He will forward the email to the Boards.

Mr. Cox reported that another statute changed that deals with public officials, conflicts of interest, ethics and financial disclosures. The disclosure of conflicts of interest states that public officials are encouraged to report any expected conflicts of interest they may have regarding a vote prior to the meeting at which the vote will be taken. If, in the exercise of good faith, it is not realized or the notice cannot be provided prior to the meeting, there is a 15-day deadline following the conclusion of the meeting to have a written memorandum of the conflict filed with the secretary who maintains the meeting minutes.

Mr. Cox advised that financial reporting forms only need to be filed once per year. If a candidate qualifies for office and the form is filed in June, if the candidate is elected, he or she does not have to refile; it flows with the person. Also, the legislature directed the Commission on Ethics to devise a plan for e-filing this year. Mr. Cox noted that, if there is an error on a financial reporting form and an amended form is filed by September 1, the Ethics Commission will treat the amended form as the original filing. If a complaint is filed against an official alleging that information was omitted, the official has 30 days from the notice of the complaint to file an amended form to correct the deficiency and it will be deemed as the original filing.

Mr. Cox stated that the complaint process provides additional time for a public officer to respond to the complaint. The legislature recognized that the Ethics Commission had no authority to collect any fines levied in the past so there is now a mechanism for fining an

individual in the event he or she is found guilty of a violation. It is a non-criminal infraction and the file may be up to \$5,000. The Commission can record the order in the public record and it has the effect of a judgment; wages may be garnished and they may execute against properties.

With regard to public comment, Mr. Hancock asked if Mr. Cox was asking the Boards for authority to draft a policy on their behalf. Mr. Cox stated that the existing policy will be amended. The process involves advertising in the newspaper and a public hearing to consider input regarding the adoption of the rule. Once the rule is adopted and it is consistent with the statute, it affords the Board Members the presumption of validity of their actions if they follow the rule.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. Janek, with all in favor, authorizing Staff to proceed with the rule making policy, was approved.

On MOTION for Bayside by Mr. Patterson and seconded by Mr. Crew, with all in favor, authorizing Staff to proceed with the rule making policy, was approved.

Mr. Cramer recalled that, at the last meeting, Mr. Hancock asked and the Boards requested that Mr. Cox obtain a follow up, in writing, from the PLCA regarding the letter offers that were sent to them by the CDDs. Today, during Mr. Cox’s briefing, it appeared that Mr. Cox and Mr. Hart discussed the matter and Mr. Hart was going to send something to Mr. Cox. Mr. Cox stated that he had expected the PLCA to attend today’s meeting.

Mr. Cramer indicated that the reason for his question was that five Board Members attended the PLCA board meeting and one of the directors provided an answer to this question. Mr. Cramer asked that Mr. Cox or Mr. Hart ensure that it is consistent with what they are putting together. He indicated that what the PLCA discussed did not appear to be consistent with what Mr. Cox discussed.

Mr. Hancock asked if a response was received from Ritzman Tennis to the letter that was sent by Mr. Cox regarding the illicit discharge. Mr. Cox indicated that no reply was received.

B. Manager

i. Approval of Unaudited Financial Statements as of April 30, 2013

Mr. Adams presented the Unaudited Financial Statements as of April 30, 2013. He noted that assessment collections were at 94%, which is an indication that tax certificate sales will be taking place on certain properties, as the percentage should be closer to 100%.

On Page 2, Mr. Adams advised that he will obtain the detail related to “Miscellaneous bank fees” to ascertain why the line item is over budget. He noted that the insurance is a one-time expense; adjustments for this item will be made in next year’s budget. On Page 4, Mr. Adams indicated that expenses, in total, were under, prorated year-to-date, at 53%.

Regarding irrigation, Mr. Adams noted that the percentage was the same as that of the assessment levy. Cumulatively, irrigation revenue was at 46%, year-to-date. Mr. Adams pointed out that the receipts for April have not been received.

Mr. McAuley suggested moving up the Penalty Usage Summary on the agenda. He stressed that the same residents appear on the list month after month and a solution must be found. Mr. Adams indicated that the item will be moved up, after the Engineer and LakeMasters reports, for discussion of possible solutions.

Mr. Patterson asked if the irrigation system is still shutting down three nights per week. Mr. Adams replied affirmatively.

Mr. Cramer felt it would be in the best interest of the community to add an additional day, Sunday, to conserve water. He stated that this should be part of an email blast to the residents.

Ms. McVay reported that she took it upon herself to email the Pinewater Place, Bay Creek Drive and Ascot Homeowners Associations and they were very appreciative to know that they were in the penalty zone. These associations plan to have someone look at their water to see if an adjustment is needed. Once she receives the list of landscapers and management firms, Ms. McVay suggested including the penalty information with the fertilizer restrictions.

Mr. Glueck noted that FineMark Bank is paying a higher interest rate and asked why they are not being used more. Mr. Adams indicated that he directed Staff to move the other balances into the Insured Cash Sweep (ICS) and to close the account with Community Bank of Broward.

ii. Savings & Money Market Account/Investment Snapshot as of 05/13/13

This item was provided for informational purposes.

iii. Irrigation High User Report

- **Bayside Improvement CDD**

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

Mr. Hancock suggested tabling these discussions for the next meeting. The Board agreed.

iv. Number of Registered Voters as of April 15, 2013

- **Bayside Improvement CDD: 2,401**
- **Bay Creek CDD: 770**

Mr. Adams stated that this information was provided for informational purposes; no discussion was required.

v. NEXT MEETING DATE: June 24, 2013 at 2:00 P.M.

The next meeting will be held on June 24, 2013 at 2:00 p.m.

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

Ms. Crismond indicated that the report was provided previously and that many of the items were discussed at today's meeting.

FIFTEENTH ORDER OF BUSINESS

Audience Comments

Mr. Hancock asked for audience comments.

Mr. Bill Ribble, a resident, complimented Mr. Hancock for his active role in the fertilizer issue in The Colony. He indicated that the residents are taking it seriously and moving forward. Mr. Ribble requested the information regarding the irrigation high users in Tuscany Isle and offered to follow up at the UOC meeting.

Mr. Ribble recalled discussion, at the last meeting, regarding the placement of signs throughout the community when spraying occurs. He stated that spraying took place this week and there were two small signs in place coming out of Sorrento; however, coming out of Florencia and other buildings, there were no signs and he feels it will become an issue.

Mr. Hancock advised that he designed a sign; however, Mr. Kucera indicated that smaller signs were available. Mr. Hancock requested to proceed with a low cost, more visible sign. Mr. Adams clarified that the small signs are provided at no cost by the chemical suppliers and they meet the statutory requirements. He felt that the issue was the frequency of placement and Staff will address this with Mr. Kucera.

Mr. Hancock cautioned about unnecessary complaints. Mr. Adams pointed out that it does not matter what the sign looks like if there are not enough of them for the residents to recognize that the turf has been sprayed. Mr. Ribble agreed that the issue is the frequency of placement.

SIXTEENTH ORDER OF BUSINESS

Supervisors' Request

Mr. Hancock asked for Supervisors' requests.

Mr. Pritt indicated that, during the budget process, he intends to propose fewer Board Meetings. He noted that some CDDs have half the number of meetings and still get their work done. Mr. Pritt stated that he will suggest reducing the number of meetings to eight and asked the Boards to think about whether they would still be able to get their work done.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

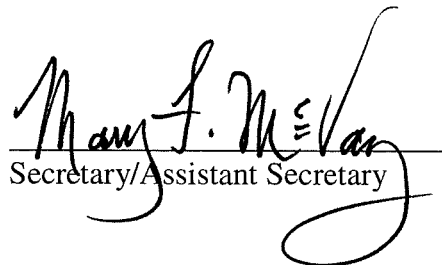
There being no further business, the meeting adjourned at 4:35 p.m.

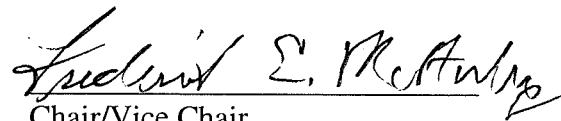
FOR BAYSIDE IMPROVEMENT:


Secretary/Assistant Secretary


Chair/Vice Chair

FOR BAY CREEK:


Secretary/Assistant Secretary


Chair/Vice Chair

ACTION/AGENDA ITEMS:

1. **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
2. **ACTION ITEM:** Assess cul de sacs throughout the community for maintenance and landscaping issues
3. **ACTION ITEM:** Mr. Barraco to continue to provide the status of certifications.
4. **AGENDA ITEM:** Lake Maintenance Activities Report – Bill Kurth & Phoslock proposals
5. **AGENDA ITEMS:** Continued Discussion: SFWMD Final Notice of Noncompliance Permit Conversion and Transfer to Operating Entity – Pelican's Nest Permit
6. **ACTION ITEM:** Mr. Kucera to obtain quotes to paint the Bay Creek CDD light posts to match the mailboxes
7. **ACTION ITEM:** Mr. Adams to work with Mr. Barraco to update asset map
8. **ACTION ITEM:** Mr. Barraco to have survey crew survey selected areas of the lake to determine the elevation of the water and the slope
9. **ACTION ITEM:** Ms. Crismond and Mr. Adams to review lakes for areas to thin out spike rush during lake audit and report findings to Board
10. **ACTION ITEM:** LakeMasters to treat Lake E-1 with sonar applications for slender spike rush, as recommended by Mr. Kurth
11. **ACTION ITEM:** Mr. Patterson to provide Ms. Crismond with a list of work to be completed in Bayside wetland areas
12. **ACTION ITEM:** Mr. Kurth to provide Lake Maintenance Activities Report to the Boards prior to the meeting, for review
13. **ACTION/AGENDA ITEM:** Discussion: installation of aerators in Lake E-5
14. **ACTION ITEM:** Mr. Kucera to obtain pricing for employee uniforms and logo and request feedback from crew with regard to uniform preferences
15. **ACTION ITEM:** Mr. Cox to forward email to Boards with regard to new legislation on public input at public meetings
16. **ACTION/AGENDA ITEM:** Mr. Cox to proceed with amendment to Rule Making Policies for adoption by the Boards

17. **ACTION ITEM:** Mr. Adams to obtain the detail related to “Miscellaneous bank fees” to ascertain why the line item is over budget.