

**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, July 22, 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	Assistant Secretary
Bernie Cramer	Assistant Secretary

For Bay Creek CDD:

Frederick McAuley	Chair
Nelson Glueck	Vice Chair
James Janek (<i>via telephone</i>)	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
Kenny Killeen	LakeMasters
Dr. Serge Thomas	Florida Gulf Coast University
Audrey Vance	City Attorney, City of Bonita Springs
Bill Ribble	Resident
Jack Lienesch	Resident
Rick Parker	Resident
Charlotte McCarthy	Resident

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

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

SECOND ORDER OF BUSINESS

Roll Call

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

THIRD ORDER OF BUSINESS

Public Forum

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

Ms. Audrey Vance, City Attorney for the City of Bonita Springs, recalled that Mr. Carl Schwing, City Manager, discussed several issues at the last meeting.

Ms. Vance noted that a consent document was provided to the members of the Bayside Board, which is not legally necessary; however, the City would like to have it executed to show that the District supports annexation. Ms. Vance pointed out that the property owned by entities that are not registered voters is identified in orange and any area that is not marked is land that is owned by registered voters or by property owners.

Mr. Adams noted that several questions arose from the original presentation by Mr. Schwing. Mr. Schwing confirmed that the actual boundary line is the south boundary of the Coconut Road right-of-way and that the District's maintenance parcel and the PLCA's parking lot could come in, after the fact, through a voluntary annexation. Ms. Vance clarified that the statement is true if the referendum passes. She indicated that, at this point, the city is allowing voters to look at the annexation.

Ms. Vance stated that Mr. Schwing's notes contained a reference to the NPDES permits. She acknowledged that there is a joint boundary interlocal agreement between Bayside and Bay Creek CDDs, the City and Lee County. Actual boundaries are not contemplated in the interlocal agreement so she feels that the agreement will not change.

Mr. Bill Ribble, a resident, stated that most residents were out of town when the topic of annexation arose, which was concerning because it suddenly became a major.

Mr. Ribble and his wife accessed the City website and listened to the City Council meeting while they were in Atlanta. He stated that there were two sessions, one several months

ago, that only 11 people attended and another that he hosted in Sorrento because he wanted to hear what his peer residents had to say; however, only about eight residents attended. Mr. Ribble noted that there are not a lot of residents in The Colony, who live in the Estero section, that are trying to get into Bonita Springs. He voiced his opinion that not many residents will vote favorably.

Mr. Ribble indicated that Mr. Hancock asked what the Colony Residents Council (CRC) was doing about the issue. Mr. Ribble conveyed that the CRC is only allowing residents on the CRC, who live in that part of The Colony, to weigh in on the matter.

Mr. Ribble expressed that he was shocked to see this issue on the CDD agenda because so many good things have been done by the Districts and he was surprised that time was being allotted to an issue that will affect so few.

Mr. Jack Lienesch, a resident, stated that WCI was present at the meeting at The Colony, along with Mr. Schwing, and the residents heard all about the voluntary annexation. Mr. Lienesch indicated that he listened to the arguments and, as a Pelican Landing resident, he understands why WCI and Pelican Landing are in favor.

With regard to the involuntary annexation, Mr. Lienesch advised that the City must have a referendum for all of the residents of the property, including the north part of Pelican Landing, most of The Colony and The Tides. Mr. Lienesch asked why the CDD was involved and the reason was that all corporations that are not residences, such as businesses, must be informed if there is a voluntary annexation; thus, it is more of a formality that it is being presented to the CDD.

Mr. Lienesch explained that this action by the City of Bonita Springs started a firestorm for incorporation in Estero. Mr. Lienesch indicated that there has been a lot of effort to find out what is required for Estero to become a municipality. Mr. Lienesch noted that incorporation will require a referendum; however, the timing is off. The mail ballot for Bonita Springs will be sent to residents around February, 2014. Ms. Vance clarified that residents will receive a letter from the Supervisor of Elections; two letters are required by the mail ballot statute. Mr. Lienesch stated that a letter will be sent, residents will vote and return the letters to the Supervisor of Elections, and the votes will be tallied. It takes 50% plus one vote to become part of the City of Bonita Springs. Mr. Lienesch felt sure that information will be sent by the City encouraging the residents to vote for incorporation.

Mr. Lienesch stated that the interest sparked by Estero has a longer time frame and there is no guarantee that it will occur. He anticipates that there will be meetings of the legislative delegation and issues will be brought before the legislature, during the March, 2014 session, to request approval for Estero to become a municipality. Should that occur and the issue go to Tallahassee and be approved, the earliest it may appear on the ballot is November, 2014. Mr. Lienesch stated that residents who reside in the affected area have the choice to become part of the City of Bonita Springs or wait to see if the Estero incorporation is successful. If the residents vote against the first annexation, they will remain part of unincorporated Lee County. Should the issue be placed on the ballot residents can review the Charter for Estero before making a decision. At that point, if residents do not vote in favor, they are still part of unincorporated Lee County. Mr. Lienesch voiced his opinion that, if residents advise the City that they wish to wait another year, the City will be happy to wait.

Mr. Rick Parker, a resident, asked why the consent for annexation is on the agenda, what happens if it is not approved and what happens if it is approved. Mr. Parker explained that he is attending the meeting out of curiosity because there appears to be no reason for the Board to consider this.

Mr. Hancock made a motion to postpone the issue indefinitely. He voiced his opinion that there is no reason for the CDD to be involved. The Consent to Annexation states that “land that is publicly owned and maintained is not to be used in the calculation” so Mr. Hancock sees no benefit to the City for the Board to give its consent and sees no reason why a CDD needs to be involved. Mr. Cramer seconded the motion.

Mr. McCarthy recalled Mr. Schwing stating that the regulations pertaining to Estero would be carried over into the annexed area. Mr. McCarthy asked Mr. Schwing about the Comprehensive Plan issues that relate to the Estero community plan and about Land Development Code (LDC) regulations, particularly the architectural standards. Mr. McCarthy voiced his concern, in this regard, as a resident of Pelican Landing, because the City is proposing a boundary line on US 41; Estero will be across the street from the City of Bonita Springs. Mr. McCarthy asked what regulations would carry over.

Ms. Vance advised that state law requires the City to use the Lee County Comprehensive Plan until such time as a Comprehensive Plan amendment is adopted. At that point, it would be called the City of Bonita Springs Comprehensive Plan, with the City’s ordinances.

Ms. Vance concurred that there is vacant land in the referendum area that may fall under Lee County's Land Development Code or the City's chapter and design standards; however, no matter what happens with the vote, Ms. Vance feels that the City can work with residents to seek compromise.

Ms. Vance explained that the City has experienced changing from one LDC to another and, in gated communities, the transition is easy; however, outside of the boundaries, such as US 41 and Old 41, when it tries to go more into an urban development form base, the City may view things differently than Lee County.

Ms. Vance pointed out that the City hired Waldrop Engineering to complete form based codes for the new US 41 area because the City recognizes that the new US 41 will have a large amount of right-of-way. In front of areas such as Pelican Landing and Bonita Bay, there is beautiful landscaping; however, other areas need extra "care".

Mr. McCarthy concluded that, after annexation, Ms. Vance anticipates that the City of Bonita Springs land development regulations will be adopted and, fundamentally, the same situation will occur as with the storage facility at Bonita Bubbles.

Ms. Vance pointed out that the City's design standards are changing. She encouraged the residents to come to the City Council meetings because, if they have concepts and ideas after reviewing the codes, City Council will listen, in an effort to approve the best codes possible.

Mr. McCarthy recalled asking Mr. Schwing what prompted this action and Mr. Schwing indicated that the goal was to unite Pelican Landing; it was not desirable to have Pelican Landing divided, with a portion in the incorporated area and a portion in the unincorporated area.

Ms. Vance stated that is not the entire reason. She noted that residents come into the City's Parks and Recreation area requesting residential rates; however, their property strap number does not contain a "B", for "Bonita Springs". When residents question why they cannot get the resident rate when they live in Bonita Springs, they are told that they have a Bonita Springs address but do not live in the City of Bonita Springs. Mr. McCarthy questioned whether all of those residents were from Pelican Landing. Mr. Vance agreed that some were not.

Presuming that unifying Pelican Landing is a goal, Mr. McCarthy asked if Ms. Vance would be willing to recommend to the City Council that the rest of Pelican Landing have an opportunity, by referendum, to vote for deannexation, if the vote is negative. Ms. Vance indicated that Florida Statute Chapter 171 has procedures for contracting map boundaries;

however, she was unsure how the City Council would react to such a petition. Mr. McCarthy recalled that the first step is the consent of the municipality. Ms. Vance replied affirmatively.

Mr. Crew pointed out that the residents will decide, as it should be. He voiced his opinion that, from an efficiency standpoint and a uniform standpoint, it would be beneficial to be under one legislative entity, the City of Bonita Springs.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Cramer, with Mr. Hancock, Mr. Cramer, Mr. McCarthy and Mr. Patterson in favor and Mr. Crew dissenting, postponing action on the request to consent to a referendum on the City of Bonita Springs proposed annexation, indefinitely, was approved. (Motion passed 4-1)

JOINT MEETING ITEMS

FOURTH ORDER OF BUSINESS

Discussion: Consideration of Consent Vote for City of Bonita Springs Annexation

This item was discussed during the Third Order of Business.

FIFTH ORDER OF BUSINESS

Staff Report: District Engineer

With regard to the Pelican Landing water management permit transfer to the CDD, Mr. Barraco reported that everything is ready, with the exception of two easements, which are needed to complete the transfer process. Mr. Barraco requested an update from Mr. Cox.

Mr. Cox advised that the easements were received in the mail and will be recorded.

Mr. Barraco recalled that he was asked to add the easements to the easement worksheet and provide the worksheet to the Boards. Once the easements are in place, an updated easement exhibit will be provided. Mr. Barraco indicated that, when the Boards approve the worksheet, the proper documentation will be forwarded to the South Florida Water Management District (SFWMD).

Mr. Barraco recalled that less than 100 certifications had to be obtained when the permit process began. After the inspections were completed, certifications were obtained from SFWMD, with the exception of 25 to 30 control structures that did not meet the SFWMD's

tolerance levels. Mr. Barraco stated that prices were obtained from a contractor and there have been discussions with WCI regarding how they will assist with the costs.

Mr. Barraco advised that the water levels are up. As soon as the water tables are down and everything is in place, the contractor will make the changes, the certifications will be completed and the operation and maintenance procedures will be followed, as with Pelican's Nest. In the meantime, the easements are being inspected in that system, as well.

Mr. Cox voiced his opinion that there would be no issues with easements, going forward. He explained that there were four or five plats that were recorded prior to the establishment of the CDD so there was no one to dedicate them to, except the homeowners associations. Once the CDDs were established, all of the plats, from that point forward, had dedications to the CDD over all of the drainage facilities.

SIXTH ORDER OF BUSINESS

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

This item was discussed during the Fifth Order of Business.

SEVENTH ORDER OF BUSINESS

Lake Health Assessment Report: *Dr. Serge Thomas*

Dr. Thomas stated that great progress has been made and they are about halfway through the program. Referring to a PowerPoint presentation, Dr. Thomas reported that data was collected on the ponds and bathymetry was performed on all but one. He indicated that the items highlighted in green depict what was accomplished. Monthly monitoring was conducted for water quality and clarity, as well as a visual assessment of the ponds. Sediment samples were collected from the bottom of Lake E-5. The sediment was collected using a core, which is basically a PVC pipe that was placed in the pond bed to retrieve the sediment and bring it to the surface. Three corings were performed. Now that the ponds are full, additional corings will be taken.

Dr. Thomas referred to photos of the cores and noted that there is a significant amount of muck on the bottom of Lake E-5. He indicated that the muck is good and it is what was present at the inception of the pond. Covering the muck is an accumulation of sedimentation. Dr. Thomas will estimate the sedimentation rate to determine when the pond will have to be dredged.

Dr. Thomas stated that he also looked at the amount of nutrients and organic material present in the black layer because, although the layers may look alike, they are not all the same; some have more nutrients, some have more organics and some have more minerals. Dr. Thomas noted the total amount of phosphorous, per gram of dry material, in Lake E-5 and compared it to Lake Apopka, which is one of the worst lakes in Florida. He stated that Lake Apopka is three feet deep and contains over a meter-and-a-half of muck. Dr. Thomas indicated that the total phosphorous in both lakes is very similar; in Lake E-5, it is pretty high, which can eventually cause algae problems. Phoslock was recommended to lock in the phosphate because, if the phosphorous gets back into the water column, it may generate algae blooms.

Comparing the two lakes, Dr. Thomas noted that total carbon and nitrogen are much less than in Lake Apopka, which means that the pond is not that limited but it has a lot of phosphorous. If there are small amounts of nitrogen in the pond, it will quickly turn green. At no cost to the Districts, another survey will be performed on Lake E-5, following the Phoslock treatment, to determine whether there are any changes. Dr. Thomas anticipates that more phosphate will be locked in the sediment than before.

Dr. Thomas stated that water samples were collected and the temperature, oxygen, carbonation, alkalinity and conductivity were measured. He distributed a map showing the data collection stations. Dr. Thomas noted that the clarity of the lakes will be assessed. Chlorophyll is used to assess algae. He will look at nutrients, total nitrogen and total phosphorous in the water to assess the trophic status index, or how nutrient rich the pond is.

Dr. Thomas indicated that there are two large lakes which are very high on the spectrum with regard to eutrophication, meaning they are nutrient rich. In a hypertrophic lake, algae blooms are expected and, eventually, toxic bacteria, which creates nasty odors. Dr. Thomas advised that there are four eutrophic lakes, Lakes A-8, D-4, E-1 and E-7, which are lower on the spectrum. Most of the remaining lakes are mesotrophic, which are easier to maintain; however, some are oligotrophic, meaning they are low in nutrients and rich in oxygen. Dr. Thomas explained that when there are low nutrient levels in the water, a lot of algae develops on the bottom and eventually rises to the surface.

Dr. Thomas advised that he will continue to monitor the lakes over the next six months to provide a better assessment of each pond.

Dr. Thomas referred to a graph showing the nutrient balance, or the phosphorous and nitrogen concentration, to assess how the lake will eventually respond to phosphorous or to

nitrogen. The trend is that the lakes are phosphorous limited. If there is phosphorous in the water, algae blooms will rise.

Dr. Thomas discussed a slide showing an example of the profile that is completed for the lakes each time samples are taken, measuring temperature, dissolved oxygen, pH, oxidation reduction potential (ORP) and conductivity. The pH and dissolved oxygen show the water hardness, which is useful when applying chemicals to the lake. Dr. Thomas noted that, when pH is high, calcium carbonate algae proliferates on the bottom. When the ORP is negative, it means that reduction may occur in the lake, including the one that leads to a rotten egg odor.

Dr. Thomas reported that, in several lakes, near the sediment, there is very low ORP negative, which could lead to high oxygen demand from the bacteria on the bottom, which he will continue to monitor.

Mr. Cramer asked how Lake E-5 is irrigated. Mr. Hancock indicated that Lake E-5 receives its water from Lake C-4. Dr. Thomas indicated that Lake C-4 is mesotrophic and some points are oligotrophic because it is such a long lake and there is time to filter the water.

EIGHTH ORDER OF BUSINESS**Lake Maintenance Activities Report -
*LakeMasters***

Mr. Ken Killeen, of LakeMasters, stated that he was attending the meeting for Mr. Kurth.

Mr. McAuley noted that Mr. Kurth's report was distributed by Ms. Crismond and asked if there were any questions.

Mr. Killeen stated that a discussion took place regarding damage that was reported to have occurred to the plants in Lake E-1. He confirmed that LakeMasters has not sprayed chemicals or herbicide on those plants; one application of chelated copper was injected into the lake.

Mr. Killeen explained that the plants that were reported to be damaged are seeding; when they are seeding, they brown out. They are still green underneath. He advised that this is a natural occurrence and takes place every year. Mr. Killeen reported a midge problem on Lake E-1. He advised that the holes in the plants are not chemical related; they were caused by midges or spider mites.

Mr. Hancock inquired about the browning of the spike rush. Mr. Killeen stated that it could be the result of water fluctuation but he was unsure. Mr. Hancock pointed out that it looks

good where it is too steep for the tractor to go. Mr. Killeen reiterated that what was sprayed cannot kill or damage the plants; it is chelated copper.

Mr. Hancock commented that there was a moratorium on Lake E-1 for a long time. The board of directors of that community gave permission to work on the slender spike rush but no permission was granted for any other work in that lake. Mr. Hancock noted that LakeMasters worked on slender spike rush, as well as another spray.

Mr. Adams recalled discussion took place regarding the need to reintroduce a regular maintenance program and Mr. Sontag recognized that it was necessary; however, Mr. Sontag requested that extreme care be used when treating. Mr. Adams stated that the community is hypersensitive to the browning, which was indicated to be a natural browning. He confirmed that water fluctuation discolors slender spike rush so that may be the cause.

Mr. Adams confirmed that only two treatments were performed. He noted that LakeMasters will reinstate grass treatments.

Ms. Crismond requested an update regarding Lakes E-4 and E-5. Mr. Killeen reported that those lakes will be raked tomorrow.

Mr. McAuley asked if Lake D-7 was or will be raked. Ms. Crismond indicated that it was not requested. Mr. McAuley asked if anything was done for Mrs. Chevelet. Mr. Adams explained that, if the lake is treated, the very edge can be raked, as was done in the past; however, pulling the material over the top is detrimental to the plants. He stated that the lake is treated by boat and it can be raked between the grass and the actual plants. Mr. McAuley pointed out that Lake D-7 is in need of an aerator or two.

Mr. McCarthy asked about Lakes F-1 and F-16. Mr. Killeen advised that Lake F-16 was treated very heavily, last week, with great results. Many compliments were received from homeowners. Another treatment will be performed tomorrow, by boat. Mr. Killeen noted that the flow coming through the natural areas will cause an algae bloom; it happens every year.

Mr. McCarthy asked about Lake F-1. Ms. Crismond advised that it will be treated tomorrow, as well. Mr. McCarthy noted that the lake looks awful and asked how long it will take to see a change. Mr. Killeen stated that, with the amount of rain they are receiving, it will be a struggle. LakeMasters will be treating Lake F-1 every week. Mr. McCarthy asked if the material can be removed. Mr. Killeen confirmed that the algae can be raked out. Mr. McCarthy requested that they do so.

Mr. Hancock asked for suggestions for treating Lake F-16. Mr. Killeen stated that not much can be done.

Mr. Adams noted that F-16 is actually a filter marsh and, at some point, they should consider completely filling it with aquatic plants. He pointed out that the homeowners have become accustomed to it looking and feeling like a lake and staff must convey the benefits of an aggressive planting program.

Mr. Cramer asked about treating Lake E-5 with Phoslock. Mr. Killeen indicated that LakeMasters has Phoslock in their warehouse. Mr. Adams noted that Mr. Kurth and Dr. Thomas are working together, in this regard, and have agreed to the treatment. Another analysis will be performed to determine whether the phosphorous was sealed off in the soil to improve the water quality.

Mr. Hancock indicated that Mr. Ribble brought Lake F-16 to the Boards' attention this morning and asked him to speak. Mr. Ribble asked Mr. Adams or Mr. Hancock to attend the next meeting to present the idea of aquatic plantings in Lake F-16. He noted that the lake has come a long way in the last five days. Mr. Killeen advised that better coverage is obtained by using a boat.

NINTH ORDER OF BUSINESS**Installation of Aerators in Lake E-5**

Dr. Thomas stated that, until now, he found no signs of oxygen depletion in Lake E-5. He explained that oxidation will reduce the muck layer, over time, because the bacteria will have sufficient oxygen to break it down faster. Dr. Thomas stressed that aeration will never hurt the lake and recommended adding one aerator. Ms. Crismond pointed out that there is a two head aeration system in Lake E-5 and asked if more should be added. Dr. Thomas stated that, if there is warm water on the top of the lake and cool water on the bottom, it means that the lake is not mixing well. In May, there was slight stratification, which suggests that another aerator could be added. Mixing the water, by aeration, prevents algae from growing. Ms. Crismond confirmed that an additional head will be added in Lake E-5.

Mr. Adams asked if the addition of Phoslock to the lake will limit the ability of the aeration to reduce the organic layer, over time. Dr. Thomas indicated that he does not know; however, Phoslock will lock in the phosphorous for a long time.

TENTH ORDER OF BUSINESS

Presentation of Annual Quality Assurance Audit: Lake Maintenance

Ms. Crismond referred to Page 11 of the Quality Assurance Audit and advised that all lakes that need to be addressed were identified.

Ms. Crismond reported that all areas where planting will occur were noted, to include Lake F-16. Once the information is compiled, it will be brought before the Boards. Planting will take place in the next few weeks. Ms. Crismond asked to be notified of any additional areas that the Boards wish to be considered.

Mr. McCarthy noted that there was no mention of the specifics for Lakes C-3 and C-4 with regard to removal of spike rush. Ms. Crismond advised that it was discussed on Page 11 of the report. Mr. McCarthy confirmed that more diversification will be added.

Mr. Hancock indicated that the Lee County ordinance calls for diversification. He noted that Lakes C-3 and C-4 are almost 100% spike rush so they are not in compliance. Mr. Adams clarified that they are in compliance in terms of quantity and population but the diversity is not there and he feels it will help with the look and feel of those lakes and will satisfy the residents because color will be added. Ms. Crismond noted that there is plenty of room on the upper banks for additional plantings. Mr. McCarthy indicated, for the record, that he inquired because he did not see additional plantings for Lakes C-3 and C-4 in the report and he would like it to be added. Ms. Crismond concurred.

Mr. McCarthy reiterated that Staff's recommendation is to not remove the littorals and the Boards concurred.

Mr. Cramer expressed his thanks to Ms. Crismond and Mr. Adams for the way the audit report was put together. He indicated that it is a great tool to refer to when answering questions and discussing with residents. Mr. Cramer voiced his opinion that the quality assurance audit was very well done. Mr. McAuley and Mr. McCarthy agreed.

With regard to Lake B-6, Mr. Crew noted the removal of bulrush on the resident side asked if bulrush is the only littoral because what is there is nice. Ms. Crismond clarified that the bulrush is very tall and they only like to see it in areas that are not near residences and golf courses. Mr. Crew asked if residents can volunteer to plant littorals. Ms. Crismond replied no. Mr. Adams advised that financial contributions can be made to the District to be used specifically for Lake B-6.

Discussion ensued with regard to the LakeMasters contract located at the end of the report. Mr. Adams noted that, this year, the contract will go out to bid. Sealed bids will be solicited in August, to be considered at the August or September meeting. The contract has an October 1 start date. Mr. Pritt recommended a Request for Proposals, rather than sealed bids. Mr. Adams explained that the value of the contract for services is over the \$190,000 threshold; therefore, sealed bids are required.

Mr. Hancock recalled previous discussions about requesting input from the bidders with regard to non-chemical solutions and asked if the bid document was amended to obtain that information. Mr. Adams confirmed that a provision will be added directing bidders to look at a chemical reduction and alternative approaches and to price the contract accordingly. Mr. Adams indicated that chemicals cannot be completely eliminated.

Mr. Cox explained that asking bidders about their use of non-chemical alternatives gets into the RFP process and price is not discussed. He suggested asking LakeMasters to extend their contract for another year, until Dr. Thomas completes the project, which may afford the opportunity to modify the specs and a way to incorporate the project findings.

Mr. McCarthy asked that a concerted effort be made by Staff to encourage contractors to bid on this work. He noted that, when the contract was last bid, he found five or six other individuals who were not aware that bids were being requested. Mr. McCarthy clarified that he has no quarrel with LakeMasters but would like Staff to encourage greater interest in the contract.

Mr. Cramer voiced his concern about dovetailing Dr. Thomas' work and the importance of ensuring that the opportunity is available to cut back on chemicals, based on the scientific approach, when the contract is put out for bid. Mr. Cramer commented that good money is being spent to have people do a better job.

Mr. Pritt indicated that someone needs to verify that the Boards have the authority to extend the contract for another year. Mr. Cox advised that he will review the contract and, if the option exists, he would recommend extending it. Mr. Adams agreed that it may make sense, rather than changing contractors halfway through Dr. Thomas' study. He noted that Dr. Thomas and LakeMasters are working well together and it may be detrimental to the process. Once the report is completed and Dr. Thomas' recommendations are received, the bidding process can begin, with some revised specifications.

Mr. Crew made a motion to extend the LakeMasters contract for one year, if a legal determination is made that it is appropriate to do so, due to ongoing studies.

Mr. Adams pointed out that there is a termination provision in the contract; if the Board Members are comfortable that there is a better method, the contract may be terminated.

Mr. McCarthy advised that he wanted to add to the motion that approval was subject to verification of the terms and conditions of the extension. Mr. Cox stated that, per statute, a contract may be extended, for practical purposes, for a period not-to-exceed six months.

Mr. McCarthy voiced his opinion that, in the interest of transparency, he prefers to bid the contract; however, if the consensus is to extend it, he will not stand in the way.

Mr. Crew clarified that the rationale for providing the six-month extension is to not interfere with the scientific studies of the lakes.

On MOTION for Bay Creek by Glueck and seconded by Mr. Pritt, with all in favor, extending the LakeMasters contract for one year or to the maximum amount of time permitted by law, subject to legal approval, due to ongoing studies, was approved.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Patterson, with all in favor, extending the LakeMasters contract for one year or for the maximum amount of time permitted by law, subject to legal approval, due to ongoing studies, was approved.

ELEVENTH ORDER OF BUSINESS

Consideration of Changes to Fiscal Year 2014 Budget (as a result of 7/19 workshop)

Mr. Adams reviewed the budget changes that resulted from the budget workshop held on Friday, August 19. He advised that “Other contractual services – culverts/drains” was reduced from \$35,000 to \$20,000; “Landscape services, Personnel services” was reduced by 5%, or approximately \$37,000; fund balance, in the amount of \$21,500, will be rolled into the revenue stream to bring the assessment in, for the common and District areas, to \$239.67 and for the full assessment area, \$420.99, both of which are below last year’s assessment levels and the last separately noticed levels, eliminating the requirement for a separate mailed notice for the two funds, General Fund 001 and 101. For General Fund 002, which is The Colony, “Rentals and

leases” were identified as increasing, year over year, due to the purchase of two new mowers and a top dresser machine. Mr. Adams noted that plant replacement was reduced, year over year, as 2013 was the last year of a three phase turf replacement program in The Colony. This line item will be reduced significantly while remaining “healthy”, in order to address some of the vertical growing plant material. With regard to “Revenues”, Mr. Adams advised that \$20,000 was rolled out of fund balance to reduce the assessment level below the prior year, by \$5.00.

Mr. Adams noted that the changes made in the general fund flow through to the enterprise fund, where fund balance was rolled up, to \$34,500, to reduce the assessment below last year’s amount, at \$53.19. Mr. Adams indicated that it was recognized that there is a user irrigation item that must be addressed in the base rate. A new rate analysis will be provided at the August meeting, for approval, for the purposes of establishing the public hearing, to be held at the September meeting. A higher user revenue fee will be collected, which will drop down some additional revenues that will replenish the rollup being used to reduce the assessment levels. Mr. Adams stated that the recovery of the \$34,500 will be built into the rate study.

In response to a question from Mr. Pritt regarding the assessment amounts, Mr. Adams referred to the assessment table and confirmed that there are no increases to the residents, which will be highlighted in the newsletter following the budget adoption.

Mr. Patterson asked about the changes in the enterprise fund. Mr. Adams reiterated that the changes in the general fund flow through to the enterprise fund and noted that a portion of fund balance was rolled forward to reduce the prior year assessments.

Discussion ensued regarding irrigation revenue. Mr. Adams pointed out that the weather has a major effect on irrigation revenue and that water and sewer are much easier to predict.

Mr. Patterson asked if there will be a timing problem if the rate is increased. He pointed out that the HOAs budget on an annual basis and the rate changes will not be included in their budgets for October, November and December. Mr. Adams explained that the HOA budgets are adopted to begin January 1, which is good timing, from the District’s perspective. Mr. Adams acknowledged that there will be three months of a slightly higher rate than what was budgeted but it will be nominal. The information will be provided well in advance of when the HOAs consider their new budgets for 2014.

Mr. McCarthy indicated that he was opposed to increasing the rates when they are inconsistent with the condominium and homeowner association budget years. Mr. McCarthy voiced his opinion that the increase will be substantial. Mr. Adams explained that, if the rate

increase is in the base rate, it will be somewhat nominal. From a timing perspective, Mr. Adams advised that the increase can be matched up with the HOA budget year; however, the revenue recovery period will be compressed, from twelve months to nine months and the rate will be a little higher. Mr. McCarthy stated that that is his preference. Mr. Adams will complete the analysis for closer evaluation.

Mr. McCarthy voiced his preference to have the Boards consider the rate changes, at least twice, prior to adoption. He feels that the increase should be effective on January 1, to be consistent with the HOA and condominium association budgets and suggested moving the public hearing back at least one month.

Mr. Patterson noted that the bulk of the revenue comes from penalties, rather than the base rate. Mr. Adams indicated that is part of the problem, which is why the focus must be on the base rate. As the residents become better about using within their allocation, there is less overuse and less penalty revenue.

Mr. Hancock stated that he has been the treasurer of a condo association for several years and did not feel there would be a problem with absorbing an increase in irrigation water rates.

Mr. Crew voiced his opinion that it is a self-funded operation based on usage and getting closer to actual usage and eliminating the penalties is the direction the Districts should move in.

Ms. McVay inquired about the amount of the increase. Mr. Adams replied that the increase is \$30,000, over the current year budget. Another \$34,500 will be added, in the first year, totaling about \$60,000. Ms. McVay asked the number of units. Mr. Adams indicated that there are 4,000 units but actual accounts are in the 900 range. Ms. McVay noted that the increase will be nominal.

TWELFTH ORDER OF BUSINESS

**Discussion: Public Participation
Policy/Amendment to Rules of Procedure**

Mr. Cox recalled previous discussion with regard to public participation, during a legislative update. In response to an appellate court case, which held that the public does not have the right to participate in public meetings, the legislature decided to make changes and gave a cause of action to sue if that right is violated. Mr. Cox advised that, if these Rules of Procedure are in place and they are followed, they provide protection against that type of litigation.

Mr. Cox indicated that he saw this as an opportunity to also address parliamentary questions that arise at board meetings and how the meetings will be conducted. He explained

that, if the Boards wish to be specific with regard to the conduct of their meetings, the presentation of motions and when they may be heard, they would not adopt Robert's Rules of Order; the Boards' specific provisions could be included in the Rules of Procedure. Mr. Hancock suggested following Robert's Rules of Order, for consistency, as they are followed in other forums in the community.

Mr. Cox asked the Boards to review the policy/amendment and forward their comments and questions, which will be incorporated into an updated version. Public input will be received at the public hearing to be held in September.

Mr. Pritt pointed out that the Boards cannot strictly adhere to Robert's Rules and allow each Supervisor to have the same rights that every other Supervisor has, under Florida law. He indicated that there are some instances where they do not apply to a Florida governmental entity. Mr. Cox suggested identifying the parts of Robert's Rules that they do not wish to include or that cannot be applied and incorporate them, minus those particular provisions.

Mr. Patterson stated that there is a section in the modified version of Robert's Rules dealing with small boards; this section enables the Chairman to make a motion, which is not generally in the rules.

Mr. Cox clarified that the goal is to recognize the public's right to participate and also to make sure that there is a mechanism in place for efficient and effective public meetings. Mr. Patterson asked Mr. Cox to take the section related to small boards into consideration when revising the document. Mr. Cox indicated that a final version will be presented at the August meeting, for Board approval.

THIRTEENTH ORDER OF BUSINESS**Consideration of New Uniforms/Logos**

Mr. Adams stated that Staff compiled the information based upon the artwork provided by Mr. Hancock.

Mr. Adams discussed the logo and referred to the page with suggested color combinations. He advised that he would like to refrain from using too many colors because it is more costly.

With regard to the layout of the logos, Mr. McCarthy noted that the examples are difficult to read. He discussed the importance of "CDD" and suggested using large letters. With regard to color, Mr. McCarthy pointed out that the background color should determine the color of the logo.

Mr. Adams felt that the information in the example may be more valuable on a vehicle than on a shirt. Mr. McCarthy suggested placing it on the outside of the logo. Mr. McCauley suggested using green or blue. Mr. Hancock indicated that Pelican Landing uses a standard color, which is pantone 350 green, and he suggested using the same color.

Mr. McCauley inquired about the cost. Mr. Adams referred to the proposal from Lykins Signtek for logos on the vehicles and stated that the 18” x 18” is the desired size for a full-size truck. He noted that green will be a problem because the ATVs are green. The suggestion was made to reverse the colors, using white with green.

With regard to uniforms, Mr. Adams noted the price of \$5 per shirt, for a 2-color logo. He confirmed that the inside of the circle will indicate “CDD”, in large, bold letters and the outer circle will indicate “Bay Creek & Bayside Community Development Districts”, with the telephone number on the bottom portion of the outer circle. The logo will be green.

Mr. McCauley referred to the current plan and uniform advantage and estimated the cost to be about \$1,500. Mr. Adams advised that he favored the uniform advantage plan and removing names from the shirts so that they can be recycled, which will provide a significant cost reduction. He confirmed that the cost is included in the new budget.

With regard to the logo, Mr. Cramer recommended only “CDD” for the shirts, with the additional information on the vehicles. Mr. Adams noted that the logo is not seen when the safety vests are worn. A shoulder logo was recommended.

Mr. Pritt inquired about employee uniform preferences. Mr. Adams indicated that the employees prefer light blue shirts with dark blue bottoms.

On MOTION for Bay Creek by Mr. Pritt and seconded by Ms. McVay, with all in favor, the uniform advantage program, with light blue shirts and dark blue bottoms, was approved.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Cramer, with all in favor, the uniform advantage program, with light blue shirts and dark blue bottoms, was approved.

FOURTEENTH ORDER OF BUSINESS

Irrigation High User Report

- A. **Bayside Improvement CDD**
- B. **Bay Creek CDD**
- C. **Penalty Usage Summary: *Bayside Improvement CDD***

Mr. Adams indicated that this report was provided for informational purposes.

FIFTEENTH ORDER OF BUSINESS

Discussion/Consideration: Quotes for Additional Lighting to Central Fountain

This item was tabled to the next meeting.

SIXTEENTH ORDER OF BUSINESS

Approval of June 24, 2013 Joint Regular Meeting Minutes

Mr. McAuley presented the June 24, 2013 Joint Regular Meeting Minutes and asked for and additions, deletions or corrections.

The following changes were made:

Line 87: Change “7%” to “70%”

Line 149: Insert “if they wish to change the current approvals” after “property”

Line 160: Change “zoning” to “land development”

Mr. McCarthy stated that the information between Lines 204 and 212 was incorrect. Mr. Cox advised that he was told afterwards that, with the Hyatt not coming in, it does no good to bring the two parcels in. Mr. McCarthy stated that the parcels are not in the DRI and the Hyatt and Raptor Bay are in the DRI. Mr. Cox noted that they are in the DRI now because they were brought into the DRI when approval was given for the maintenance facility. No changes were indicated.

Line 479: Change “here” to “there”

▪ **Action Items**

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

With regard to Item 17, Mr. Adams stated that additional items were coded to the financial statements related to the newsletter; Staff was asked to recode about \$1,600 of expenses, booked to “Miscellaneous”, over to “Legal notices and communications”, where it should be. The fees were related to the first newsletter.

Items 1, 2, 3, 5, 7, 8, 22 and 28 were continued.

Items 4, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26 and 27 were deleted.

On MOTION for Bay Creek by Ms. McVay and seconded by Mr. Glueck, with all in favor, the June 24, 2013 Joint Regular Meeting Minutes, as amended, were approved.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Cramer, with all in favor, the June 24, 2013 Joint Regular Meeting Minutes, as amended, were approved.

SEVENTEENTH ORDER OF BUSINESS Other Business

A. Action Items

This item was discussed during the Sixteenth Order of Business.

EIGHTEENTH ORDER OF BUSINESS Old Business

There being no old business to discuss, the next item followed.

NINETEENTH ORDER OF BUSINESS Staff Reports

A. Attorney

There being nothing additional to report, the next item followed.

B. Manager

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

Mr. Adams presented the Unaudited Financial Statements as of June 30, 2013. He noted that assessment levy revenue was at 100%, year-to-date, for General Funds 001 and 101. With regard to “Miscellaneous revenue”, Mr. Adams advised this item was over budget because \$12,000 was received from WCI towards the permit transfer. Under “Administrative”, “Miscellaneous (bank fees)”, \$1,607 was removed and will be rebooked; it was related to paying some of the AboveWater newsletter costs. Total expenditures were at 65% and, prorated, would be 75%.

Mr. Adams discussed the major replanting projects, noting that Mr. Kucera and staff are diligently working to complete Spring Creek Road. Mr. Hancock advised that he received a nice email from The Colony. Mr. Adams indicated that the next project is to implement the Bay Cedar planting program. A face cut was completed on the front of the ficus, which temporarily opened up the view to Spring Creek Village. The next step is to finish the topping.

Mr. McCarthy stated that the opaque mesh on the fence is no longer opaque and is quite visible. Mr. McCarthy noted that this is the only complaint that he received. Mr. Adams explained that plants will be installed in front of the fence. Mr. McCarthy recalled that the zoning required opaque mesh on fences in that location.

Referring to Page 6, Mr. Adams advised that meter fees received, year-to-date, were 434% more than budget. WCI recently paid the meter connection fee for Cileo so \$60,000 plus will be added to the Bayside coffers. On Page 7, meter costs, year-to-date, were \$9,377 and will increase.

Mr. McCarthy pointed out that, for the fifth year in a row, the District Manager has kept the same fees. He stated that this is an exceptional thing and the Supervisors should specifically recognize that they appreciate the way their management company treats them. Mr. McCarthy expressed his personal thanks.

ii. Savings & Money Market Account/Investment Snapshot as of 07/15/13

This item was provided for informational purposes.

iii. NEXT MEETING DATE: August 26, 2013 at 2:00 P.M.

The next meeting is scheduled for August 26, 2013 at 2:00 p.m.

iv. Operations Report

Ms. Crismond stated that, as a result of last month's meeting, which was attended by Ms. Chevelet, as well as Dr. Thomas' recommendation to add aeration to Lake D-7, two quotes were obtained. The first quote was \$2,429. A second quote was received from the contractor to move the actual cabinet to the opposite side of the lake, abutting the roadway, which increased the cost to approximately \$3,300. Ms. Crismond noted that the quotes are for a two aeration head system.

Mr. McAuley confirmed that the cost can be covered in the present budget.

On MOTION for Bay Creek by Mr. Glueck and seconded by Mr. Janek, with all in favor, installing a two aeration head system in Lake D-7 and moving the cabinet to the opposite side of the lake, abutting the roadway, not-to-exceed \$3,317.51, was approved.

On MOTION for Bayside Improvement by Mr. Cramer and seconded by Mr. Patterson, with all in favor, installing a two aeration head system in Lake D-7 and moving the cabinet to the opposite side of the lake, abutting the roadway, not-to-exceed \$3,317.51, was approved.

BAY CREEK CDD

TWENTIETH ORDER OF BUSINESS

Consideration of Irrigation Variance Request 3652 Bay Creek Drive; Vanderholly

Mr. Adams presented the irrigation variance request for 3652 Bay Creek Drive, Vanderholly, for the Board’s consideration. He explained that this address encompasses two of the largest lots in Bay Creek, which is a disadvantage, in terms of watering the property based on the allotment for that neighborhood. Mr. Adams indicated that he reviewed the questions that are part of the variance procedure and performed the specific rule test and determined that the resident will receive the same and no additional benefit by the consideration to increase the allotment. The recommendation is to double the allotment, from 60,000 to 120,000 gallons per month. Mr. Adams reviewed the billing history and there were very few times that the allotment would have been exceeded had the double allotment been in place. He clarified that the increase is not retroactive and will be effective with the next billing period.

With regard to setting a precedent, Mr. Pritt asked if there are other lots like this and indicated that he wants to ensure that they receive the same treatment. Mr. Cox did not feel that the problem was large enough to go through a rule amendment. Mr. Cox advised that this is the third request received in the last five years and less than ten were received since 1998.

On MOTION for Bay Creek by Ms. McVay and seconded by Mr. Glueck, with all in favor, the irrigation variance request for 3652 Bay Creek Drive; Vanderholly, from 60,000 to 120,000 gallons per month, was approved.

TWENTY-FIRST ORDER OF BUSINESS Audience Comments

There being no audience comments, the next item followed.

TWENTY-SECOND ORDER OF BUSINESS Supervisors' Requests

There being no Supervisors' requests, the next item followed.

TWENTY-THIRD ORDER OF BUSINESS Adjournment Bay Creek

There being no further business to discuss, the Bay Creek CDD meeting adjourned at 4:31 p.m.

BAYSIDE IMPROVEMENT CDD

TWENTY-FOURTH ORDER OF BUSINESS Consideration of Irrigation Variance Request 23841 Tuscany Way; Taylor

Mr. Adams presented an irrigation variance request for 23841 Tuscany Way, Taylor. He indicated that three lots were turned into two, with the homeowners on either side taking half of the lot in between. This neighborhood has a monthly allocation of 48,000 gallons per month, for properties greater than 20,000 gross square feet. The recommendation is to increase the owners to the rate category allocating 72,000 gallons per month, which is 1½ times the current rate category for the average lot in the neighborhood. Mr. Adams stated that the test was met on every level and the owners will receive the same treatment as any others in the neighborhood; no additional benefit will be received by the approval of this request.

Mr. Patterson asked if the request is for both properties. Mr. Adams clarified that the request is only for the owner who requested the variance. He explained that it is incumbent upon the customer.

Mr. McCarthy inquired about overage on the water bills. Mr. Adams did not have the information.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Cramer, with all in favor, the irrigation variance request for 23841 Tuscany Way; Taylor, from 48,000 gallons per month to 72,000 gallons per month, was approved.

TWENTY-FIFTH ORDER OF BUSINESS Supervisors' Requests

Mr. Patterson inquired about the report received from Sanders Laboratories. Mr. McCarthy explained that it was for the lake sample that was taken at Palm Colony, at the request of their board.

Mr. Patterson asked if Clusia is being planted around Terzetto. Mr. Adams advised that Clusia is being planted outside of the fence, along Spring Creek Road. Mr. Patterson asked why there was no request for a berm, when there is a problem with the development on the north side, with the same types of buildings. Mr. Adams explained that those units are set back from the lot line and there is a conservation or preserve area there that will remain. Mr. Cox noted that, as the units sell, the association needs to make sure that, when it comes time for turnover, the right buffer is in and that WCI installs it, rather than coming to the CDDs, after the fact.

In response to an earlier inquiry by Mr. McCarthy, Mr. Hancock reported that the May water bill, for the Taylors, was \$143.58 and the June bill was \$165.

Mr. McCarthy stated that, when he was originally appointed to the Bayside CDD Board, one of his supporters was Mr. George Gilliland, who passed away in July, 2011. Mr. McCarthy wanted to recognize Mr. Gilliland, as he put in so much effort to make the CDD what it is.

Mr. McCarthy recalled bringing up the idea of separate meetings, during the budget workshop, and asked the Board Members to continue to consider the idea. Mr. McCarthy voiced his opinion that it is necessary to separate the actions required for Bayside from those required for Bay Creek. He stated that they are two separate Boards elected by different constituencies and the only thing they share is a common budget. Mr. McCarthy indicated that the policy making decisions within the Bayside Improvement CDD should be deliberated by the Bayside Board.

With regard to agenda items, Mr. McCarthy suggested that Staff indicate whether it is a Bayside item or a Bay Creek item so that the focus is on the CDD that is responsible for it.

Mr. Patterson noted that the primary reason for combining the Districts was to level the costs throughout the community. He stated that the more the Boards separate, the more independent actions will be taken, which will impact the level of costs in each area. Mr. Patterson indicated that the accounting system currently levels the costs. Mr. McCarthy advised that the revenue stream that comes into the District comes from its constituency, through its assessments; the income for Bay Creek comes from Bay Creek. The two are then combined to make a budget that levels it; however, they are still independent.

Mr. McCarthy felt that it is not proper that, if a certain element is being discussed, within Bayside, that the impetus for that motion comes from Bay Creek. He stressed that the Bayside Board should be setting the policy, recognizing that it is the way that the Bayside Supervisors want to handle it. Conversely, the same should be true for Bay Creek. Mr. McCarthy used the example of the South Entry, which is an asset that is part of Bay Creek. The minutes reflect that, for things occurring in Bayside, 75% of the discussion is from Bay Creek and the motion comes from Bay Creek; this is where he wants to draw the line.

Mr. McCarthy pointed out that the Bayside Board does not represent Pelican Landing; it represents the Bayside Improvement CDD, which includes 600 units that are outside of Pelican Landing. He conveyed that he was not elected to make decisions for Bay Creek.

Mr. Patterson recalled a recommendation, several months ago, through Mr. Jack Lienesch, to make changes to the North Gate. The Bay Creek Board indicated that it had been done shortly before and that enough money has been spent on the North Gate so there was no reason to do the work. Mr. Patterson asked if there should be shared costs if one CDD believes that other is spending disproportionately too much money on one activity. Mr. McCarthy stated that they have every right not to vote negative; it puts the ball back in Bayside's court, to decide whether to fund it themselves. Using that scenario, the Bayside Board should have decided what they wanted to recommend and, if Bay Creek chose to disagree, they may voice their opinions and a decision is made. Mr. McCarthy agreed that Bay Creek smothered Mr. Lienesch's idea and he does not feel that is the way it should be done.

Mr. Patterson noted that there is no opportunity for cross discussion if there are separate meetings. Mr. McCarthy advised that the fact that there are separate meetings does not mean that they cannot have a joint meeting. He clarified that he was asking for the identification of agenda items as either Bayside items or Bay Creek items. He discussed the irrigation variance request on Tuscany Way, which he indicated should have been handled by Bayside rather than by Ms. McVay. Mr. McCarthy stated that each Board should be devoting their energy to their own constituencies. The pertinent Board should be taking the lead on agenda items.

Mr. Hancock advised, for the record, that he is not in favor of separate Board meetings. He likes it as it is, although it is not perfect. He suggested that, at this meeting, or the next meeting, Mr. McCarthy ask the other members so that the issue does not continue if there is no support for it. Mr. McCarthy reiterated that his request is for agenda items to be identified by the District they relate to.

Mr. Hancock asked if Mr. McCarthy was proposing separate meetings. Mr. McCarthy replied no; he stated if there is an item on the agenda that is a Bayside item, it should be identified as such. He reiterated that he is not proposing separate meetings. Mr. Cramer commented that it is only for identification purposes.

Mr. Hancock recalled receiving a letter from an architect and calling a meeting at the South Gate, where the issue was discussed. Mr. Hancock stated that it did not even occur to him that he was breaching protocol because there are Bay Creek Board Members who are involved with the tennis court and with the central fountain and he feels that is a good system. He noted that the resident received an answer to his letter.

Mr. Crew acknowledged that there are separate agendas for the Districts. He stated that there could be designations for each CDD and one that is influential to both communities but it may get cumbersome. Mr. McCarthy commented that it is not that hard.

Referring to the agenda, Mr. Adams indicated that reports apply to both districts; however, Item 4 was clearly a Bayside item and that is who predominantly had the discussion and who voted to defer, in perpetuity. Regarding the Pelican's Nest permit, some of those facilities are in both Districts. The Lake Health Assessment Report and the Lake Maintenance Activities Report apply to both Districts. With regard to the installation of the aerators in Lake E-5, Bayside takes the lead; however, anything that requires funding relates to both Districts so it is a joint item. Mr. McCarthy clarified that it is a Bayside item that requires a joint vote. The focus, initially, should be with Bayside.

Mr. Cox stated that the discussion was going way too far. They understand what Mr. McCarthy is saying but when discussing how something will be done, from a policy perspective, going forward, if it happens to be in Bay Creek, they know, from a policy perspective, how to approach it. With regard to policy, there is no distinction. Mr. Cox stressed that open discussion is necessary. He noted that, when discussing the parameters of Lake E-5's profile to determine whether to add another aerator, those are the same parameters that will be used for lakes in both Districts. Mr. McCarthy clarified that no one said that there would not be open discussion; he said that the lead would be taken by the cognizant Board.

Mr. Adams pointed out that the goal is to try to minimize discussion in order to move the meetings along quicker. He stated that, as each item is discussed on an agenda, it is clear who should have a greater position of having discussion because there is greater impact due to its

physical presence in one District or the other; however, when it comes to funding, there must be joint discussion and interaction.

With regard to efficiency, Mr. Adams suggested considering placing time limits per agenda item. Mr. McCarthy clarified that his goal is to make them more efficient and to have the voice of the constituency that they represent be heard properly and there have been situations where it was not.

Mr. Adams speculated that the issue may be the way the agenda is implemented and the amount of time given to many items. He recommended that they begin to streamline some of the discussion items and time limits will help to do so.

Referring to Mr. Cox's write-up, Mr. McCarthy stated that he agreed with having a consent agenda.

Mr. Cramer indicated that the lake issue regarding Lake E-5 was one where the constituency in Sandpiper Isle, i.e., two Board Members, sent him a notification and he advised them that, as a representative of their District, he would follow up, which is why he asked a number of questions. He suggested that having a point of contact to take the lead would be beneficial.

Mr. Crew stated that he likes the interaction and openness and he views the CDDs as an overall community and he would not want their methods to interfere with that. Mr. McCarthy indicated that expediency must be part of the balance.

Mrs. McCarthy advised that the residents are very happy with the transparency of the Bay Cedar hedge. She indicated that it was such an individual approach and the residents appreciate it. Mrs. McCarthy asked for clarification on the uniform colors. The colors were confirmed. She voiced her opinion that an American flag on the shoulder of the shirt would be an excellent symbol and asked the Boards to reconsider the idea.

TWENTY-SIXTH ORDER OF BUSINESS Adjournment

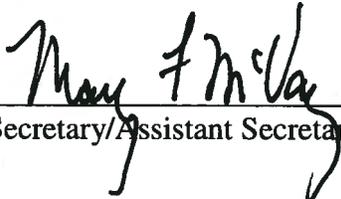
There being no further business to discuss, the meeting adjourned at approximately 5:06 p.m.

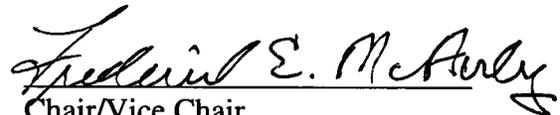
FOR BAYSIDE IMPROVEMENT:


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 ITEMS:** Continued Discussion: SFWMD Final Notice of Noncompliance Permit Conversion and Transfer to Operating Entity – Pelican's Nest Permit
5. **ACTION ITEM:** Mr. Adams to work with Mr. Barraco to update asset map
6. **ACTION ITEM:** Mr. Barraco to have survey crew survey selected areas of the lake to determine the elevation of the water and the slope
7. **ACTION/AGENDA ITEM:** Quotes for additional lighting to Central Fountain
8. **ACTION/AGENDA ITEM:** Mr. Adams to secure proposal for landscaping enhancement for consideration at next meeting
9. **AGENDA ITEM:** Mr. Cox to present Rule regarding public participation at meetings
10. **ACTION ITEM:** Mr. Barraco to add easements to easement worksheet and forward to Boards once easements are in place
11. **ACTION ITEM:** Mr. Adams or Mr. Hancock to attend the next HOA meeting to present the idea of aquatic plantings in Lake F-16
12. **ACTION ITEM:** Add Lakes C-3 and C-4 for planting – add count in report
13. **ACTION ITEM:** Mr. Adams to provide analysis on user rates