

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

A Joint Public Hearing and Regular Meeting of the Boards of Supervisors of the Bayside Improvement Community Development District and Bay Creek Community Development District was held on **Monday, August 26, 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 (<i>via telephone</i>)	Assistant Secretary
Bernie Cramer (<i>via telephone</i>)	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
Bill Kurth	LakeMasters
Dr. Serge Thomas	Florida Gulf Coast University
Charlotte McCarthy	Resident
Mr. Howard Lowe	Resident

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

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

SECOND ORDER OF BUSINESS

Roll Call

Mr. McCarthy asked the Supervisors to state their names. For Bay Creek Community Development District, Supervisors Pritt, McVay, Glueck and McAuley were present, in person. Supervisor Janek was attending via telephone. For Bayside Improvement Community Development District, Supervisors McCarthy, Patterson and Hancock were present, in person. Supervisors Crew and Cramer were attending via telephone.

THIRD ORDER OF BUSINESS

Public Forum

Mr. McCarthy 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.

FOURTH ORDER OF BUSINESS

Staff Report: Engineer (Both)

Mr. Carl Barraco, Jr., provided an update on the Pelican Landing permit. He reported that the District Engineer has the majority of the certifications for the water management system. Once the water tables drop below the control elevation, during the dry season, minor modifications will be made to several of the control structures within the system. Upon completion, the District Engineer will submit an application to the South Florida Water Management District (SFWMD) to have the water management system certified. In the meantime, the District Engineer is verifying that all easements are in place, which should be completed prior to the certification of the water management system. Once the certification and the easements are in place, paperwork will be submitted to SFWMD to turn the system over to the operation and maintenance (O&M) phase. Mr. Barraco noted that the Boards were provided with the transfer schedule, which was reviewed and approved by SFWMD.

With regard to the Pelican's Nest permit, Mr. Barraco stated that all of the certifications are in place. The District Engineer is working with Mr. Cox to ensure that all of the easements are in place. The District Engineer will then submit documentation to SFWMD to have the system transferred over to the O&M phase.

Mr. Barraco advised that, once both systems are turned over to the O&M phase, each District will be provided with an updated map showing all of the easements for each system.

Mr. Patterson asked which easements must be acquired. Mr. Cox indicated that four or five of the plats, that were recorded prior to the establishment of the CDDs, had dedications to other entities. All easements are in place and recorded, except for one, which was approved by

the PLCA, at its July meeting. Mr. Cox has not received the executed easement and will send a follow-up email to Ms. Martel, tomorrow.

In response to a question from Mr. Patterson, Mr. Barraco verified that, once water levels drop, the exits from the lakes to the control structures will be modified. Mr. Patterson asked if the modifications will lower or raise the control structures. Mr. Barraco was not sure whether the inverts of the control structures will be raised or lowered. He will provide the information, via email, to Mr. Adams, for dissemination to the Board.

FIFTH ORDER OF BUSINESS**Lake Maintenance Activities Report
(Both): *LakeMasters***

Mr. Kurth reported that, in the last month, standard maintenance was performed and grasses were sprayed. He noted issues with some of the lakes because of submersed vegetation. Sonar applications were performed, beginning in April, with good results, with the exception of a few lakes where re-growth occurred. Mr. Kurth advised that, over the next month, changes will be made to the lake maintenance because sonar herbicide cannot be used, due to the amount of flow.

Mr. Kurth recalled advising the Boards that the Seabrook Corporation (Seabrook) was going to donate Phoslock to improve the water quality of Lake E-5; however, it takes a lot more Phoslock to impact the muck. Mr. Kurth stated that Lake E-5 has algae almost all the time and LakeMasters has struggled to gain control. Every week, the lake is sprayed or raked. Mr. Kurth remarked that there are not enough nutrients in the water to justify the amount of algae that is seen. The inflow of Lake E-5 comes off of Lake C-4, which is typically low in nutrients and does not have a lot of growth. The outflow from Lake E-5 goes to Lakes E-4 and E-3, to Lake E-1, and back into Lake C-4, so there should not be a lot of flow and there is no reason for high nutrient loading, except for fertilizer in the surrounding turf.

Mr. Kurth noted that the muck results show that it is very high for phosphorous. Although the phosphorous is not mixing up in the water column, Mr. Kurth assumed that the entire lake bottom was growing algae on the muck surface and, eventually, it floats up, which is the perfect situation for Phoslock treatment. He advised that Lake E-5 is an impacted lake that LakeMasters cannot do much with. Phoslock may enable the District to postpone dredging for many more years.

Mr. Kurth explained that Phoslock is a reset solution that seals in the nutrients that are in the muck and keeps them there, making the water more pristine; however, more Phoslock is needed, based on the fact that it is being sealed up. Dr. Thomas' data shows how high the phosphorous levels are; the data was sent to Seabrook, for review. Now, Seabrook wants to add more Phoslock than what was originally discussed because there is so much muck. Seabrook's new quote is \$10,000, which is \$2,000 more than the original quote. Mr. Kurth contacted the head of the aquatics division and convinced him to reduce the price to \$5,000, which is Mr. Kurth's cost for the product. He feels that Lake E-5 is a valid test of how treat some of the lakes, in the future.

Mr. Kurth indicated that, if the Boards wish to proceed, Seabrook will send staff to conduct before and after readings and Dr. Thomas will monitor the results. LakeMasters will provide the labor and Seabrook will bring their equipment to assist with the application.

While touring the lakes, Mr. Kurth noticed that there is tall grass around all of the lakes on the golf course, which is a good idea for reducing nutrients. Many of the grass clippings are kept out of the lakes, except for the areas where major course work was performed during the summer. Mr. Kurth indicated that the barrier of tall grass will keep some of the clippings out of the lakes.

Mr. Pritt questioned whether Dr. Thomas agreed with adding additional Phoslock and complimented Mr. Kurth for negotiating a lower price for the product.

Mr. Kurth stressed that Seabrook wants him to see the Phoslock work. Mr. Kurth advised that he will not sell a product until he sees that it works.

Mr. Janek stated that he was not opposed to using Phoslock; however, he suggested installing bubblers in another lake, as a test, to see if there is a reduction in the amount of muck on the bottom of the lake, which may help to eliminate the need for future dredging.

Mr. McCarthy noted that additional aeration will be installed in Lake E-5 and asked if there is any competition between the two or if one enhances the other. Mr. Kurth did not know. Mr. Kurth advised that Seabrook is aware that the lake has aeration. The lake has two heads and two or three fountains; therefore, it has a lot of water movement. Mr. Kurth voiced his belief that the CDD will be enhancing the aeration in Lake E-5 to ensure that it is adequate.

Mr. Kurth pointed out that it is difficult to compare one lake to another because every lake is different. Lake E-6, which is across the street from Lake E-5, never has algae. Mr. Kurth noted that there is a lot of muck in a lake that already has a lot of water movement. The reason

for adding aeration is to obtain high oxygen levels on the bottom so that the bacteria can digest the muck. Between the fountains and the aeration, Mr. Kurth concluded that Lake E-5 should not be producing more muck than a lake that has no aeration.

Mr. Glueck pointed out that, if the amount of Phoslock is increased and the aeration is enhanced, it will be difficult to determine which one worked unless the two tests are staggered. Mr. Kurth agreed.

Mr. Hancock asked for an estimate of the cost to dredge Lake E-5. Mr. Adams stated that Mr. Barraco will provide the information; however, the cost will be well in excess of the Phoslock.

Mr. Crew asked that the estimate for dredging include an estimate for disposal of the dredged material.

Mr. Pritt agreed with obtaining an estimate for dredging. Mr. Pritt advised that Gulf Harbor has been dredging and suggested checking with them. Mr. Adams stated that he will rely on the District Engineer for a cost opinion.

Mr. McCarthy recalled that, about six years ago, Lake A-2 was probably the worst lake for algae in Pelican Landing and now it looks very good. He asked Mr. Kurth what the improvement can be attributed to, as the nutrient content has remained the same.

Mr. Kurth advised that Lake A-2 is flushed all the time. In the past, there was a high amount of submersed vegetation in the lake. As the vegetation was attacked, it was releasing nutrients, which floated to the surface, creating a platform for algae to grow on. Mr. Kurth noted that LakeMasters became better at controlling the submersed weeds in Lake A-2 as a result of a new herbicide that they have been using for the past two years.

Dr. Thomas noted that a lot of rain was received this year, which, in terms of flushing some of the nutrients, is a good use of the lakes, as long as the fresh water does not capture a lot of nutrients as they flow into the lake and are exported. In terms of a buffer, Dr. Thomas stated that, normally, lakes should have a 10' buffer around them, which helps to capture the nutrients and suspended solids.

With regard to aeration, Dr. Thomas indicated that Phoslock is supposed to lock the phosphorous in the sediment, as well as capture the phosphorous in the water and sequester it to the bottom of the lake. Dr. Thomas stated that he read conflicting reports regarding locking down the phosphorous in the sediment and having a lot of water mixing, which eventually could drain some of the nutrients from the sediment to the water column.

Since Phoslock is a fairly new product, Dr. Thomas was unsure whether the suspension or the mixing made by the bubblers would eventually have a negative effect on the Phoslock. He pointed out that adding more bubblers to a lake will reduce the muck layer. Data supports that, over time, the bacteria will get more oxygen and will reduce the organic core of the muck. Dr. Thomas explained that, when aerators are installed, they digest the muck with the bacteria but the bacteria will also release nutrients, resulting in a nutrient spike, so the lake may become worse, at first.

Dr. Thomas stated that dredging should normally be done every ten to 15 years, depending on the nutrient loading. He confirmed that aerators help postpone dredging. Dr. Thomas indicated that the cost of dredging depends on the company and accessibility. He noted that dredging is as traumatic for the homeowner as it is for the lake and it takes time to see results. When a lake is dredged, it is reset. Dr. Thomas was unsure whether the lake is classified as residential or commercial, which makes a big difference in terms of the threshold limits for disposal of the muck. He advised that there is a very high threshold for copper, lead, arsenic, mercury, etc., for commercial lakes; for residential lakes, the threshold is about ten times less. Once the limit is met, the cost of dredging doubles because the muck must be taken to a special facility. The alternative to dredging and hauling the muck is to pump the material into a geotube, add water to it and plant grass on top of it; however, when the copper level is too high, nothing grows on it, so a large, black geotube will be seen around the lake.

Mr. McAuley asked if the \$5,000 for Phoslock can be absorbed in this year's budget. Mr. Adams replied affirmatively. In response to a question from Mr. McAuley, Mr. Adams voiced his opinion that it is worth the exercise.

Mr. Janek asked if the bubblers work to get rid of the muck. Dr. Thomas replied affirmatively and noted that, by adding bubblers, muck is reduced, over time. The material is mostly organic, which is food for the bacteria.

Dr. Thomas indicated that, for about \$300 or \$400, he can assess how much of the nutrients are absorbed from the muck without Phoslock; once the treatment is done, he can conduct another assessment, for comparison.

Ms. McVay asked for clarification regarding the timing. Dr. Thomas recommended isolating a small portion of the lake and testing at a small level, with and without Phoslock. Ms. Crismond pointed out that the aeration was approved last month and may already be installed.

Mr. Kurth explained that, when aeration is first installed, because of the digestion and release of nutrients, the lake becomes worse before it gets better. If both Phoslock and aeration are added and the lake improves in the first month, the Phoslock worked.

Mr. Pritt indicated that he is encouraged that there is a greater understanding of the lakes and that progress has been made. He complimented members of the Board and everyone who has been working on this problem. Mr. Pritt discussed developing a program to attack the lakes, using Phoslock and aeration but, also, thinking about the ultimate solution, which is dredging, to see if greater progress can be made.

Mr. McCarthy advised that he knows of no other community within the area that dredged their lakes. One lake in Fort Myers was dredged to create the material to stabilize the embankments. Mr. McCarthy voiced his opinion that dredging is a last resort. He explained that the majority of the lakes in Pelican Landing are landlocked; they are only accessible by a lake maintenance easement and most of the easements have not been maintained with full access.

Mr. McCarthy asked Mr. Pritt not to make dredging such a high priority. He felt that there is not enough money in the world to do it and not enough people in Pelican Landing would put up with the Boards if they tried to dredge the lakes.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Glueck, with all in favor, authorizing the purchase of Phoslock with Fiscal Year 2013 funds, not-to-exceed \$5,000, was approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Patterson, with all in favor, authorizing the purchase of Phoslock with Fiscal Year 2013 funds, not-to-exceed \$5,000, was approved.

Mr. Patterson asked how the large amount of rainfall will affect the aquifers, in terms of the salt penetration, if at all, or if there will be less salt, over time. Mr. Kurth stated that, during periods of drought, there is more salt water intrusion. When the aquifer is being recharged, there is less chance of salt water intrusion. With regard to the lakes, Mr. Kurth indicated that the rainfall is flushing them out. He explained that if the rainfall is carrying a lot of fertilizer or grass clippings into the lakes, there may be nutrient loading. The hardness level, during the last few rainy seasons, went from the 800s and 900s down to the 300s or 400s; this year, it may be

even lower so the treatment should be working better. Mr. Kurth noted that there are many benefits to having a heavy rainfall, as far as the water quality.

With regard to dredging, Mr. Kurth remarked that, in an ideal world, dredging is a good idea. He pointed out that he has been to almost every community in Southwest Florida and he has never seen one that dredged the lakes, other than for geotube. Mr. Kurth noted that, although the community in Gulf Harbor is completing a \$7 million shoreline restoration, only two lakes were dredged and those had large littoral shelves that were not successful, so a portion of the lakes were deepened.

Mr. Pritt clarified that he was discussing reserving funds in case the worst lakes had to be dredged. He voiced his concern regarding whether one of the state agencies would require dredging. Mr. Pritt inquired about the history of Lake Trafford.

Dr. Thomas stated that, with money being tight, state agencies cannot enforce dredging. He explained that, as a lake fills up, it becomes more difficult to manage because it becomes shallower; more algae can grow on the bottom and rise to the surface. Dr. Thomas indicated that, technically, all lakes are supposed to become a wetland. As they nitrify, become enriched and fill up with sediment, the last stage of succession is the wetland. The use of herbicides to prevent plant growth basically fights against this. By killing the plants, the lakes fill up even faster.

In response to a question from Mr. Pritt, Mr. Kurth advised that Lake Trafford is an old lake that became very shallow, with very high nutrients, and it eventually filled up with Hydrilla. The state performed a sonar application and the Hydrilla was wiped out; however, the Hydrilla released nutrients into the lake and resulted in plankton and algae blooms. The state indicated that nothing could be done about the algae and let the plankton get to the point where it caused a massive fish kill. Mr. Kurth feels that the state could have tried remediation to control the plankton; however, one treatment was performed with no follow up, so it was not a good plan.

Dr. Thomas reported that five events remain on the lakes. Once the nutrient data is received from the lab, a report will be provided.

Dr. Thomas indicated that he created an abstract, using the results for 11 lakes in Pelican Landing, for the Charlotte Natural History Bi-Annual Conference. He asked for Board approval to present the results at the conference.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. McAuley, with all in favor, authorizing Dr. Thomas to release the data on the Districts' ponds, was approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Patterson, with all in favor, authorizing Dr. Thomas to release the data on the Districts' ponds, was approved.

SIXTH ORDER OF BUSINESS

Affidavit of Publication

Mr. McCarthy presented the affidavit of publication for today's Joint Public Hearings and Regular Meeting.

SEVENTH ORDER OF BUSINESS

Public Hearing to Consider Resolutions Adopting the Final Budget(s) for Fiscal Year 2013/2014, Pursuant to Florida Law (Both)

Mr. Adams recalled that a workshop was held to discuss the proposed budget. He stated that, generally speaking, the Fiscal Year 2014 budgets are consistent with the prior year's budgets, in terms of services and service levels.

Mr. Adams reviewed the combined "General Fund 001 and 101" budgets, by department. He noted that the primary adjustment was for an increase in insurance, which provides general liability and Directors and Officers coverage for both Boards. Mr. Adams advised that the increase for "Legal Notices and Communications" is related to the newsletter program that was implemented last year. The budget for "Water management services" is primarily the same, except for an addition for "Capital outlay", in the amount of \$15,000, to be spread between the Districts, in the two general funds and two enterprise funds.

Mr. Adams explained that the adjustment for "Street lighting" includes a reduction in the line item for "Electricity", to true up electrical costs with the year-to-date figures and projected through the end of Fiscal Year 2013. There was 13% adjustment under "Landscape services" to true up the "Supervisor" costs. Under "Personnel services", Mr. Adams noted that a true up to actual projected costs would have resulted in an 8% reduction. He recalled asking the Boards to authorize the reduction, including a 2.5% increase for the employees, which resulted in a net difference of 5%.

Mr. Adams indicated that the primary adjustment in the budget is related to "Capital outlay". He explained that Staff is proposing to purchase certain equipment outright, versus leasing. Under "Roadway services", "Repairs and maintenance – parts" was bumped up, from \$1,500 to \$5,000, primarily to address deterioration to the hopper. There was a slight reduction in "Operating supplies", under "Parks and recreation", based upon actuals projected through the end of the year.

Mr. Adams advised that, for "General Funds 001 and 101", there was a reduction in assessment levels, year over year, from \$421.10 to \$420.99. He pointed out that the version of the budget that was provided did not include the split in actual costs for three of the line items in the "Professional fees" section. In the final version, an adjustment was made for "Supervisors Fees", "Audit" and "Insurance", which are 50/50 split costs and are cost specific to each District.

Mr. Adams reviewed the "Enterprise Fund" budget and indicated that the "Professional fees" are a derivative of what was discussed for the general fund, which is the proportionate share of the "Enterprise Fund's". "Water management services" reflects the portion of the shared expenses related to water quality. "Irrigation services" are the expenses that are specific to the "Enterprise Fund". Mr. Adams noted a slight adjustment to "Personnel" costs for the supervisory adjustment previously discussed. He pointed out that there was a slight increase to depreciation, to true up the line item to the actual depreciation schedule. There was a slight reduction in insurance and meter costs remain the same. As a result, the assessment remains essentially the same, year over year, with a slight reduction of \$0.11.

Under "Revenues", Mr. Adams stated that there will be an adjustment to the user irrigation revenue, as the rates are reviewed and adjusted as part of the rate study.

Mr. Adams discussed the "General Fund 002" budget for "The Colony". He stated that the increase for "Rentals and leases" is for the purchase of equipment related to the improved turf program. The significant reduction in the "Plant replacement program" resulted from the completion of the third phase of the turf replacement, which will be followed by several years of an aggressive approach to replacing the vertical plants. Mr. Adams noted that a \$20,000 use of fund balance will bring assessments down from \$484.07 to \$479.07.

With regard to the debt service funds, Mr. Adams explained that the assessments remain the same, year after year, and are collected to pay down principal and interest, based upon the amortization schedule. He noted that five years remain for Bay Creek and six years remain for Bayside.

*****Mr. McCarthy opened the Public Hearing.*****

Mrs. Charlotte McCarthy, a resident, expressed her appreciation to the Boards for the work they have done to keep costs down, while rewarding the hard work of the men and women who perform the maintenance on the plants and lakes. She also thanked Management for their continued diligence. Mrs. McCarthy indicated that Management has done a great job and voiced her appreciation for not increasing their fees.

*****Mr. McCarthy closed the Public Hearing.*****

Mr. Pritt indicated that he wants to ensure that money remains in the budget for potential dredging and anything that may be needed to enhance the efforts to clean up the lakes. He voiced his opinion, that if the Boards do not begin to put together a “war chest”, the Districts will not have anything set aside for it. Mr. Pritt expressed his hope that the Boards will begin to think long-term, as well as short-term.

With regard to a “war chest”, Mr. Patterson pointed out that the Districts have a substantial amount of money available in the “Enterprise Fund” that may be used for certain activities, as well as an uninsured asset fund. He feels that the Boards do not have to be concerned, at this time, with building more funds for particular problems.

Mr. McCarthy agreed that funds are available and the Districts are not hurting. He confirmed that the amounts that were discussed at the workshop are included in the budget.

- **Resolution 2013-6, Bayside Improvement Community Development District**

Mr. McCarthy presented Resolution 2013-6 for the Board’s consideration.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Hancock, with all in favor, Resolution 2013-6, Adopting the Final Budget of the Bayside Improvement Community Development District for Fiscal Year 2013/2014, was adopted.

- **Resolution 2013-6, Bay Creek Community Development District**

Mr. McCarthy presented Resolution 2013-6 for the Board’s consideration.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. Glueck, with all in favor, Resolution 2013-6, Adopting the Final Budget of the Bay Creek Community Development District for Fiscal Year 2013/2014, was adopted.

EIGHTH ORDER OF BUSINESS

Public Hearing to Consider Resolutions Imposing Special Assessments to Fund the Districts' Proposed Budget(s) for Fiscal Year 2013/2014; Certifying an Assessment Roll; Providing for the Collection and Enforcement of Special Assessments; Providing for Amendment of the Assessment Roll; Providing A Severability Clause; and Providing an Effective Date (Both)

- **Resolution 2013-7, *Bayside Improvement Community Development District***
Mr. McCarthy presented Resolution 2013-7 for the Board's consideration.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Hancock, with all in favor, Resolution 2013-7, Imposing Special Assessments and Certifying an Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

- **Resolution 2013-7, *Bay Creek Community Development District***
Mr. McCarthy presented Resolution 2013-7 for the Board's consideration.

On MOTION for Bay Creek by Mr. Glueck and seconded by Ms. McVay, with all in favor, Resolution 2013-7, Imposing Special Assessments and Certifying an Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

NINTH ORDER OF BUSINESS

Review/Discussion: Irrigation Rate Analysis (Both)

Mr. Adams asked the Boards to defer this item to the September meeting.

On MOTION for Bay Creek by Mr. Pritt and seconded by Mr. McAuley, with all in favor, tabling the review/discussion of the Irrigation Rate Analysis to the September meeting, was approved.

Mr. McCarthy made a motion to table the review/discussion of the irrigation rate analysis to the September meeting. Mr. Cramer seconded the motion.

Mr. Patterson asked to discuss the provided analysis, as it appeared to be straightforward. Mr. Adams explained that, because Bay Creek manages their water so well, adjusting the base rate by 40% does not appear to alleviate the need for a reliable revenue source through the user fee program and Bay Creek will be relying more on the conservation rates to make up their revenue needs, which has not been occurring, historically. Mr. Adams stated that he needs to revisit the rates to formulate one rate for both Districts, while meeting Bay Creek's need for a reliable user fee.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Crew, with Mr. McCarthy, Mr. Cramer and Mr. Crew in favor and Mr. Patterson and Mr. Hancock opposed, tabling the review/discussion of the Irrigation Rate Analysis to the September meeting, was approved. (Motion passed 3-2)

TENTH ORDER OF BUSINESS

Irrigation High User Report

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

Mr. McAuley voiced his surprise that, with all of the rain, so many people are watering more than they should be. Mr. Adams stated that one of the reasons is that the residents rely on their rain sensors to automatically shut off; if the sensor is not replaced every few years, the membrane will dry out and deteriorate and no longer does its job. Mr. Adams feels that this is a great topic for the next newsletter.

Mr. Glueck noted that many of the sensors are set automatically and the residents travel up north and do not reset them.

Mr. Pritt advised that the Ascot landscapers are in charge of watering and they are the ones who are wasting the water.

Mr. Hancock asked if the Districts can create a program where the homeowners could contact the Districts regarding their sprinkler system. Mr. Adams advised that if a homeowner is having difficulty with high usage, Mr. Kemp, Mr. Kucera or a supervisor will meet with the

landscaper and the resident to check the clock and look for reasons for the overuse and to offer some suggestions regarding how to set up their system.

Mr. McCarthy referred to the last page, behind Tab C, and pointed out that the total flow for the month was 25,500,000 gallons; 1.5 million, or 6%, went into the penalty stage.

ELEVENTH ORDER OF BUSINESS

Discussion: Public Participation Policy/Amendment to Rules of Procedures (Both) (to be provided under separate cover)

Mr. Cox recalled requesting comments and suggestions, at the last meeting, regarding the public participation policy; however, none were received. Mr. Cox asked the Board Members to forward their comments to Mr. Adams and indicated that the amendment will be prepared for discussion at the next meeting.

Mr. Adams set a deadline of September 15 so that Mr. Cox has time to make the adjustments and provide a final draft version for the September agenda package.

TWELFTH ORDER OF BUSINESS

Discussion/Consideration: Quotes for Additional Lighting to Central Fountain (Both)

Mr. Glueck indicated that the first quote was \$10,800 and the second was \$6,800. The original bid from Southwest Florida Electric was \$4,300; however, after meeting with the contractor to review the scope, the bid was reduced to \$3,900.

Mr. Glueck stated that the lights are landscape design lights, which enhance landscaping. He explained that the LED lights show off more of the fountain, the pergola and the rocks in the front. Mr. Glueck pointed out that only 28% of the fountain landscape maintenance budget has been used and the bid is for \$3,900.

Mr. Cramer stated that, since the area is in his neighborhood, he had the opportunity to speak to several residents who like the idea of saving money, especially since the FPL costs have increased. One resident voiced a concern regarding the wires that are hanging from some of the low voltage lighting. Mr. Cramer stated that he would like to see what the contractor is going to do; he feels there will be a problem if the antiquated lighting is not replaced.

Mr. Glueck confirmed that some of the existing wiring will be replaced. Mr. Cramer asked to see the architectural drawings. Mr. McCarthy advised that there are no drawings; there is a written scope of work. Mr. Cramer did not feel that was adequate.

Mr. Janek asked if Mr. Glueck will be supervising the work. Mr. Glueck indicated that he would, if the Boards want him to, since he installed and designed the original lighting.

Mr. Hancock explained that the low voltage lighting is located between the sidewalk under the pergola and the fountain and goes through the flower bed area and the dirt. Mr. Hancock voiced his opinion that the lighting is safe and asked Mr. Cramer to give the resident his contact information.

Mr. McAuley suggested asking the resident to also contact Mr. Glueck. Mr. Cramer explained that the resident and Mr. Glueck have spoken on a number of occasions and the resident is happy with the discussions regarding the work to be done.

On MOTION for Bay Creek by Mr. Glueck and seconded by Mr. McAuley, with all in favor, awarding the contract to Southwest Florida Electric for additional lighting to the Central Fountain, in the amount of \$3,900, to be funded by the Fiscal Year 2013 budget, was approved.

Mr. Pritt stated that it is not clear to him whether one, two or three Supervisors will be supervising this work. Mr. Pritt indicated that is not what Supervisors do and asked if that is part of the motion.

Mr. McCarthy clarified that the motion is to appropriate the money to award the contract.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Patterson, with Mr. Hancock, Mr. Patterson, Mr. McCarthy and Mr. Crew in favor and Mr. Cramer opposed, awarding the contract to Southwest Florida Electric, for additional lighting to the Central Fountain, in the amount of \$3,900, to be funded by the Fiscal Year 2013 budget, was approved. (Motion passed 4-1)

Mr. Pritt voiced a concern with regard to Supervisors supervising the actual work. He pointed out that Board Members do not have insurance to step out of the Supervisor role; that is what Staff is for. Mr. Pritt expressed his hope that the Board Members do not get in the habit of

personally supervising a project. Mr. Pritt stated that he does not have a problem with Mr. Glueck looking at the work and providing comments. Mr. Glueck indicated that he does not have a problem with Mr. Kucera supervising the job.

Mr. Hancock clarified that he is not supervising any work and he had no idea where the idea that three Supervisors would be supervising the project came from.

THIRTEENTH ORDER OF BUSINESS

Approval of Minutes (Both)

- **July 19, 2013 Joint Budget Workshop**

Mr. McCarthy presented the July 19, 2013 Joint Budget Workshop Minutes and asked for any additions, deletions or corrections.

The following changes were made:

Line 30: Delete "Mr. Cox"

Line 94: Change "waterside" to "Waterside"

Lines 132, 134 & 135: Change "Bermwood" to "Bernwood"

Line 137: Change "development associates" to "Development Associates"

Line 431: Change "\$20,000 for _____, rather than \$30,000" to "\$20,000 rather than \$30,000, for the use of fund balance to reduce assessments"

Line 445: Change \$20,000 for _____" to "\$20,000 for the use of fund balance to reduce assessments"

Line 491: Change "quantity" to "quality"

On MOTION for Bay Creek by Mr. McAuley and seconded by Ms. McVay, with all in favor, the July 19, 2013 Joint Budget Workshop Minutes, as amended, were approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Patterson, with all in favor, the July 19, 2013 Joint Budget Workshop Minutes, as amended, were approved.

- **July 22, 2013 Joint Regular Meeting**

Mr. McCarthy presented the July 22, 2013 Joint Regular Meeting Minutes and asked for any additions, deletions or corrections.

The following change was made:

Line 112: Change comma after “occur” to “and”

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

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

FOURTEENTH ORDER OF BUSINESS

Other Business (Both)

- **Action Items**

With regard to Item 11, Mr. Adams explained that the idea of aquatic plantings in Lake F-16 was presented to The Colony.

Mr. Adams clarified that the meeting was more of a general overview of the status of certain projects that were discussed during his last visit and he received a very positive reaction from the group. Mr. Adams will schedule an on-site meeting with the residents who will be affected by the changes to Lake F-16; however, it was agreed to wait until the fall, since most of the residents are currently out of town.

Items 1, 2, 3, 4, 5, 6, 8, 9, 10 and 13 were continued.

Items 7, 11 and 12 were deleted.

Mr. Adams reported that he forwarded an email that he received from Mr. Cramer in which Mr. Cramer indicated that he had received an electronic newsletter from the PLCA regarding household hazardous waste products and a community program allowing residents to deposit their items into a dumpster. Mr. Cramer thought it might be a good opportunity for the Districts to provide an outreach and, perhaps, pick up the materials curbside on a scheduled day and time.

Mr. Cramer stated that, as he read the newsletter, he felt it would be a great opportunity for the Districts to reach out. Mr. Cramer asked the Boards to consider proceeding with a draft letter, to be sent by Mr. McCarthy and Mr. McAuley, to the PLCA Board of Directors, indicating the Districts' intentions. Mr. Cramer also suggested appointing four participants, one from each Board, a District Staff member and a PLCA staff member, to formulate a draft plan to present to the Boards for review and comments.

Mr. Patterson felt it was premature to move forward until additional research was done. He pointed out that there could be problems with District Staff handling hazardous materials. Additionally, there may be insurance implications with keeping the materials on site. Mr. Patterson questioned how the materials would be moved to the storage area in Fort Myers.

Mr. McCarthy explained that the county collects these items at a central location. He advised that county consent is necessary, as this must be a county sponsored activity. Mr. McCarthy stated that he sent an email to the Lee County Division of Solid Waste and it was acknowledged, this morning, that the county is considering whether to assist the Districts with a solid waste central collection location. Mr. McCarthy concurred that the Districts cannot collect or distribute hazardous waste material.

Mr. McAuley suggested that Mr. Adams meet with Ms. Martel to determine the best way to handle the project and not get the Board Members involved. He would like a clear idea of what the PLCA would do.

Mr. Adams agreed that the Districts may be able to provide some assistance and acknowledged the Boards' concerns regarding liability. He suggested providing the location where the dumpster would be stored and people to assist with unloading the materials into the dumpsters.

Mr. McCarthy explained that Lee County provides the equipment and it would have to be done at a central location. He suggested using the District maintenance facility or the PLCA beach parking lot.

Mr. Cox pointed out that, before the Districts could engage in this activity, the special powers ordinance granting the Board Members the authority for parks and recreation security must be amended.

Mr. Pritt advised that, on the first Saturday of every month, hazardous waste can be taken to Topaz Court. The county has people there to assist and to inventory what is being disposed of. Mr. Pritt pointed out that the District Staff is not trained to handle hazardous materials and there would be a cost to train them.

Mr. Crew had many concerns about District Staff handling household hazardous waste. He indicated that he would be in favor of having the county come to the PLCA Community Center, the beach parking lot or the District's facility, twice per year, for a satellite collection.

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

SIXTEENTH ORDER OF BUSINESS

Staff Reports (Both)

A. Attorney

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

B. Engineer

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

C. Manager

i. Approval of Unaudited Financial Statements as of July 31, 2013

Mr. Adams presented the Unaudited Financial Statements as of July 31, 2013. He noted that the revenue collections for “General Funds 001 and 101” were at 100%. Year-to-date expenditures were under the prorated budget, at 72%, versus prorated at 83%. On Page 6, under “Operating Revenues”, meter fees of \$66,240 were received in July.

Mr. Adams reported that planting on the Bay Cedar buffer is almost completed. Mr. Kucera’s crew is in the process of planting the Pennyroyal berm.

Mr. Adams noted that the savings, realized while planting Spring Creek Road, are anticipated to be used for the planting of the wetland area. He indicated that a proposal for landscape architect services, for the South Entry, will be presented at the next meeting.

Mr. Pritt reported that two of the roadway drains, on Pinewater Place, appear to be clogged. Mr. Adams confirmed that the roadway drains are the PLCA’s responsibility.

Ms. Crismond reminded the Boards that the wetland contract will be approved at the next meeting.

Mr. Hancock stated that there is not much change in Lake D-7, in Costa del Sol and indicated that there are dead materials in the lake and there are ropes going out to the middle. Ms. Crismond advised that the association was asked to remove the ropes and pointed out that aeration will be added to Lake D-7.

Mr. Hancock noted that the trash in the lake has algae. Ms. Crismond confirmed that the area cannot be raked.

Mr. McAuley stated that he will talk to the association about the ropes.

ii. Savings & Money Market Account/Investment Snapshot as of 08/20/13

This item was provided for informational purposes.

iii. Fiscal Year 2014 Proposed Joint Meeting Schedule

Mr. McCarthy presented the Fiscal Year 2014 Proposed Joint Meeting Schedule for the Boards' consideration. He suggested changing the December 16, 2013 meeting date to either December 2 or December 9.

Mr. Pritt recalled that the Boards were to discuss reducing the number of CDD meetings. He pointed out that it would save the Districts some money and that one or two Board Meetings may not be essential.

On MOTION for Bay Creek by Mr. McAuley and seconded by Mr. Glueck, with all in favor, the Fiscal Year 2014 Joint Meeting Schedule, as amended to hold the December meeting on December 9, 2013, and directing staff to advertise, accordingly, was approved.

On MOTION for Bayside Improvement by Mr. Hancock and seconded by Mr. Patterson, with all in favor, the Fiscal Year 2014 Joint Meeting Schedule, as amended to hold the December meeting on December 9, 2013, and directing staff to advertise, accordingly, was approved.

iv. NEXT MEETING DATE: September 23, 2013 at 2:00 P.M.

The next meeting is scheduled for September 23, 2013 at 2:00 p.m.

SEVENTEENTH ORDER OF BUSINESS

Audience Comments (Both)

Mrs. McCarthy asked if the Bay Cedar ficus hedge will receive a second cutting. Mr. Adams indicated that it will be in early September.

Mrs. McCarthy advised that several residents inquired about the hedge and think that the new plantings are gorgeous.

Mr. Lowe stated that he was attending, as the Districts' liaison to the UOC, and he will be reporting at their next meeting. He expressed his appreciation for everyone's work on the UOC's behalf.

EIGHTEENTH ORDER OF BUSINESS

Supervisors' Requests (Both)

Mr. McCarthy offered his personal thanks to Management for not increasing their fees for Fiscal Year 2014. He noted that there has been no increase in fees for five or six years, which has made it easier to balance the budget and keep things under control.

NINETEENTH ORDER OF BUSINESS

Adjournment

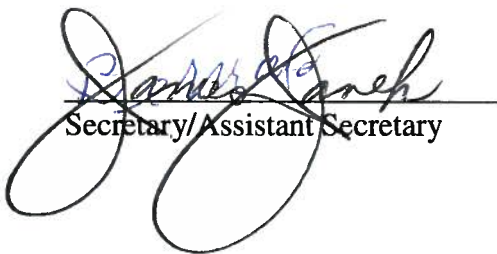
There being no further business to discuss, the meeting adjourned at approximately 4:10 p.m.

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:** Mr. Adams to secure proposal for landscaping enhancement for consideration at next meeting
8. **AGENDA ITEM:** Mr. Cox to present Rule regarding public participation at meetings
9. **ACTION ITEM:** Mr. Barraco to add easements to easement worksheet and forward to Boards once easements are in place
10. **ACTION/AGENDA ITEM:** Mr. Adams to provide irrigation rate analysis
11. **ACTION ITEM:** Mr. Kucera to repair wires hanging from low voltage lighting at Central Fountain
12. **ACTION ITEM:** Mr. Barraco to obtain cost estimates to dredge Lake E-5 and for disposal of dredged material
13. **AGENDA ITEM:** Proposal for landscape architect services at South Entry
14. **ACTION ITEM:** Mr. McAuley to talk to association about fountain ropes in Lake D-7
15. **AGENDA ITEM:** Consideration of wetland contract