

**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, June 22, 2015 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
John Crew	Vice Chair
James Patterson	Assistant Secretary
Bernie Cramer	Assistant Secretary
John Kaiser (<i>via telephone</i>)	Assistant Secretary

For Bay Creek CDD:

Fred McAuley	Chair
Nelson Glueck	Vice Chair
James Janek (<i>via telephone</i>)	Assistant Secretary
Jesse W. Lawrence (<i>via telephone</i>)	Assistant Secretary
Mary McVay	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Dan Cox	District Counsel
Carl Barraco (<i>via telephone</i>)	Barraco and Associates
Dr. Bret Bultemeier	Clarke Aquatic Services
Andrew Gentes	Regional Operations Manager, Clarke Aquatic Services
Clyde Knowles	PLCA Liaison
Jack Lienesch	Resident
Gail Gravenhorst	UOC Representative – Pelican Landing
Charlotte McCarthy	Resident

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

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

SECOND ORDER OF BUSINESS

Roll Call

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

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Crew, with all in favor, authorizing Mr. Kaiser’s attendance and full participation, via telephone, due to exceptional circumstances, was approved.

On MOTION for Bay Creek by Mr. Glueck and seconded by Ms. McVay, with all in favor, authorizing Mr. Janek’s and Mr. Lawrence’s attendance and full participation, via telephone, due to exceptional circumstances, was approved.

THIRD ORDER OF BUSINESS

Public Comments: Agenda Items

There being no public comments regarding agenda items, the next item followed.

BAYSIDE IMPROVEMENT ITEMS

FOURTH ORDER OF BUSINESS

Consideration of Irrigation Variance Request: 24301 Woodsage Drive

Mr. McCarthy presented an irrigation variance request for 24301 Woodsage Drive, to increase from 48,000 to an unspecified number of gallons per month. Mr. Adams provided an Irrigation Variance Request Form, indicating that the applicant qualified for a variance based on the lot size and recommended a monthly increase to 58,000 gallons.

Mr. McCarthy noted that, last month, the owner used over 100,000 gallons of water; therefore, an increase to 58,000 gallons would reduce the monthly bill from \$330 to about \$295. Mr. McCarthy and Mr. Kemp will meet with the homeowner regarding irrigation consumption.

Mr. Adams pointed out that this is a new house; once the landscaping is established, usage should fall within the guidelines.

On MOTION for Bayside Improvement by Mr. Patterson and seconded by Mr. Cramer, with all in favor, the irrigation variance for 24301 Woodsage Drive, to 58,000 gallons per month, was approved.

JOINT MEETING ITEMS

FIFTH ORDER OF BUSINESS

Staff Report: Engineer (Both)

Mr. Barraco referred to WCI’s letter to the District and advised that, late last week, Mr. McCarthy, Mr. Adams and himself attended a meeting with WCI and WCI’s engineer to discuss the reasons for the drainage system modification review and proposed improvements. WCI was receptive and was considering what type of assistance could be provided.

Mr. McCarthy stated that he was encouraged by WCI’s response to Mr. Cox’s letter regarding WCI’s concern over the legal issue of “old” versus “new” and noted WCI’s willingness to enter into discussions with the Districts. WCI’s engineer wanted to understand the true nature of the issue and why the particular alternative was chosen. Mr. Caldwell and the engineer understood that the Boards and Staff were willing to consider different options and agreed that the basic methodology was most appropriate. Mr. Caldwell will convey the information to WCI management and provide a response.

Mr. McAuley inquired about the status of the permit turnover. Mr. Adams explained that the permit overlying this part of the system was not transferred when the others were previously transferred. In response to a question from Mr. McAuley, Mr. Barraco stated that he had information regarding who initially designed the system, who redesigned it and who certified the system to the county.

Ms. McVay visited 3701 Bay Creek Drive and observed the creek, which is about 12 yards wide, and noted that the area from the water level to the top of the berm was only 4’. She asked how water would flow through the area without destroying property and creating flooding issues, if a water transfer took place, from the north to the south. Mr. Barraco will review the area.

Mr. Barraco discussed an email regarding a concern about lake bank movement on Messina Court. He recalled that, in 2011, the owners expressed the same concern; lot lines and the top of the bank were surveyed and the results were documented. If the concern continued, Mr. Barraco suggested reviewing the same lines to determine whether there was bank movement.

Mr. McCarthy pointed out that the areas being discussed were private property; therefore, restoration of the lake bank was the homeowners' responsibility. There was no need to examine the issue further.

Mr. Barraco stated that the survey reflected a 20' lake maintenance easement. The CDD has rights to maintain the lake bank within the easement; however, the underlying land is owned by each lot owner. He confirmed that the banks were constructed under the 4:1 slope rule.

Mr. Barraco will review the conveyance behind the home at 3701 Bay Creek Drive and provide a report at the next meeting.

SIXTH ORDER OF BUSINESS

Update: Drainage System Performance Review/Modifications Status Update (Both)

This item was discussed during the Fifth Order of Business.

SEVENTH ORDER OF BUSINESS

Lake Maintenance Activities Report (Both)

Mr. McAuley stated that the lakes in Bay Creek looked "terrific", with the exception of Lake D-7, where algae increase when it is windy. He directed Ms. Crismond to have LakeMasters inspect the lake.

Mr. McAuley observed the landscaper dumping grass clippings into the lake, at The Cottages. Ms. Crismond will follow up.

Dr. Bret Bultemeier, of Clarke Aquatic Services (Clarke), referred to a handout of nutrient levels and noted that numbers highlighted in red reflected a high amount of phosphorus. The ponds that were sampled were those where high phosphorus levels were anticipated. The ponds with lower levels were treated with Phosclear, to reduce algae, and a definite decrease was observed.

Dr. Bultemeier indicated that, today, a second Phosclear treatment was performed on Lake F-16, which was raked last week and a treatment performed, to kill remaining algae. Dr. Bultemeier advised that Phosclear will bring Lake F-16 in line with the "E chain" ponds and water sample results will show that phosphorus levels in Lake F-16 dropped considerably. He explained that high calcium levels were not surprising because Florida has hard water. Previous

soil testing revealed high calcium levels in the soil; therefore, high calcium levels in the water made sense.

Mr. Crew referred to the lakes with the highest phosphorus levels and questioned where it was coming from. Dr. Bultemeier felt that phosphorus in Lake F-16 naturally occurred in the sediment. He explained that Phosclear traps phosphorus in sediment, once it settles to the bottom; however, the lake is shallow and flowing water and heavy rain can stir up sediment, causing phosphorus to be re-suspended. Continued testing will ensure that the levels remain low.

Mr. McCarthy pointed out that the results reflected that two of the lakes were hypereutrophic and the remainder was eutrophic, which was previously confirmed by Dr. Thomas; therefore, none of the information was new. Dr. Bultemeier explained that the results of the second treatment will confirm decreased phosphorus levels. Testing could help identify the level at which algae blooms begin and when phosphorus must be reduced.

Ms. Crismond voiced frustration that, every month, issues persisted and residents continued to complain about algae while Clarke repeatedly used the same treatment and chemicals, with no improvement. Mr. McCarthy echoed Ms. Crismond's concerns and stressed that better results were necessary.

Mr. Andrew Gentes, Clarke's Regional Operations Manager, recalled that, in April and May, the E and F chains were reviewed for algae and algae blooms. Buffered alum was added and a decline was observed; however, Lake F-16 was being treated weekly. Last week, chemical applications were added, for algae, and Phosclear was applied today. Clarke was fairly confident that buffered alum would provide the same results observed in the E chain.

With regard to shoreline growth, Mr. Gentes advised that Clarke was proactively attacking grasses, cattails and bulrush. Last week, a crew aggressively treated all shoreline grasses. The grasses were treated earlier in the year but grew back; Mr. Gentes apologized for Clarke's slow response. He advised that another crew was handling submersed plants.

Ms. Crismond requested a list of onsite crew members. She stressed the importance of clean lake beds and weed and torpedo grass treatments, which were neglected for months. Ms. Crismond stated that Clarke must manually remove dead material to prevent aquatic plant destruction.

Mr. McCarthy noted that Clarke's focus was on the E and F chain but most of the A lakes are on the golf course, where a lot of work was performed. These were problem lakes, in the past, and he encouraged Clarke to address them.

Mr. Patterson reported dollar weed in Lakes A-4 and A-6. Ms. Crismond clarified that there was dollar weed on the lake banks and pennywort in the lakes. Mr. Patterson pointed out that growth was increasing.

Mr. Gentes confirmed that shoreline treatments included pennywort and crews were removing dead plants. Ms. Crismond reiterated that dead plants must be removed, manually, per the contract.

Mr. Crew received comments from Cassia Court residents regarding spike rush closing in at the end of Lake C-3. He asked Clarke to evaluate the bank to determine if plants should be trimmed.

Mr. Cramer reported dumping in a vacant lot at the corner of Coconut Road. Mr. Gentes explained that the lot was a staging area and material was being removed.

EIGHTH ORDER OF BUSINESS

Discussion: Staff Recommendations of Lakes to be Included in Water Quality Testing Program

Mr. Adams distributed a map and explained that lakes around the perimeter, or at the beginning of a basin and drainage system, were ideal for continued testing, as well as outfall lakes, such as those along Spring Creek Drive and in The Colony. Testing results would show the quality of the water entering and exiting the system and the report would become part of the NPDES program.

Mr. Adams discussed testing parameters, such as dissolved oxygen, temperature, pH and annual muck testing. The following lakes were identified for water quality testing: E-14, the WCI lake, B-6, T-1, A-6, A-17, E-1, F-6, A-16, A-1, A-2, F-12, F-14, A-25 and A-28.

Mr. McCarthy directed Staff to assemble a program of tests for the lakes, within budget.

NINTH ORDER OF BUSINESS

Discussion: Landscape Program

Mr. Crew felt it prudent to evaluate a representative sampling of the landscaping; however, due to lack of interest at prior meetings, he found no need to proceed.

Mr. McAuley asked who applied for the position on the Design Review Committee (DRC) Board. Mr. McCarthy indicated that Mr. Crew was appointed.

Mr. Cramer reported attending a zoning board meeting for a proposed senior living facility and observed that the proposed building could exceed 90', parallel to Walden Center

Drive. He suggested working closely with the zoning board and the DRC, with regard to oak tree pruning and removal, in the Pennyroyal area, to inhibit the view from the facility into adjacent yards.

Ms. Gail Gravenhorst, Pelican Landing UOC Representative, was strongly in favor of a Landscape Committee and Mr. Crew’s suggestion for a landscape architect to evaluate the community and offer suggestions. She recommended ensuring that the architect was aware that this is a mature community and requires a different format than newer communities.

Ms. Gravenhorst suggested spending more on ground cover and less on mulch.

Mr. Jack Lienesch, a resident, provided the names of the six Landscape Committee members, which included himself and Mr. Crew, and advised that Mr. Crew was named Chairman. Mr. Lienesch did not know when the first meeting would be held.

TENTH ORDER OF BUSINESS

Discussion: Early Payoff of Bonds

Mr. Adams referred to an analysis of the Bay Creek Series 1996 bonds and the Bayside Improvement Series 1998 bonds. He indicated that Bay Creek could easily pay off the Series 1996 bonds, to save the final year’s interest; therefore, the payoff will occur this year. The amount assessed to cover expenses would be about \$147,000. Mr. Adams noted that the current year assessment was \$191,000; the bonds would be paid off early with a reduced assessment.

With regard to Bayside, Mr. Adams advised that \$75,109 was required to make the final payment on May 1, 2018. If the bonds were paid off one year earlier, the amount needed would be \$57,469. Mr. Adams explained that there may be an opportunity to raise debt service assessments in Fiscal Year 2016 by a small incremental amount, which would eliminate \$34,000 in interest and \$27,000 in administrative expenses; to accomplish this, about \$30,000 would be added to assessments.

This item will be reviewed in the budget workshop.

ELEVENTH ORDER OF BUSINESS

Irrigation Reports (Both)

A. High User

- i. Bayside Improvement CDD**
- ii. Bay Creek CDD**

These reports were provided for informational purposes.

B. Penalty Usage Summary: *Bayside Improvement CDD*

This report was provided for informational purposes.

C. Zero Consumption

i. Bayside Improvement CDD

ii. Bay Creek CDD

These reports were provided for informational purposes.

TWELFTH ORDER OF BUSINESS

Approval of May 18, 2015 Joint Regular Meeting Minutes (Both)

Mr. McAuley presented the May 18, 2015 Joint Regular Meeting Minutes and indicated that additions, deletions and corrections were provided to Ms. Crismond.

The following changes were submitted to Ms. Crismond:

Line 193: Change “Mt.” to “Mr.”

Lines 308 and 309: Change “Mr. Janek” to “Ms. Crismond”

Line 324: Insert “bondholders” in the blank space

Line 441: Change “lake” to “light”

Line 442: Change “_____ and pipe” to “tiering and height”

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Cramer, with all in favor, the May 18, 2015 Joint Regular Meeting Minutes, as amended, were approved.

On MOTION for Bay Creek by Mr. Glueck and seconded by Ms. McVay, with all in favor, the May 18, 2015 Joint Regular Meeting Minutes, as amended, were approved.

THIRTEENTH ORDER OF BUSINESS

Other Business (Both)

• Action Items

Mr. McAuley reviewed the action items.

Mr. Adams reported that Item 4 was completed. The proposal will include adding the logo on 1,000 medallions, which will be numbered sequentially.

Referring to Item 7, Ms. Crismond will obtain quotes for tree trimming from Davey Tree Service (Davey) for the Fiscal Year 2016 budget. Mr. Crew asked to accompany the Davey surveyor during the review.

Items 4, 9, 10, 11, 12, 13, 14, 15, 16 and 17 were completed.

Item 1, 2, 3, 5, 6, 7, and 8 were continued.

FOURTEENTH ORDER OF BUSINESS Old Business (Both)

Mr. McCarthy reminded the Board Members to submit suggestions for budget modifications to Mr. Adams, for the budget workshop.

FIFTEENTH ORDER OF BUSINESS Staff Reports (Both)

A. Attorney

Mr. McCarthy thanked Mr. Cox for the letter he sent to the PLCA with regard to WCI's non-participation in the drainage system modifications. He advised that Mr. Tom Hart, PLCA Attorney, was very supportive, based on Mr. Cox's letter.

B. Manager

i. Approval of Unaudited Financial Statements as of May 31, 2015

Mr. Adams presented the Unaudited Financial Statements as of May 31, 2015.

Mr. Patterson noted that "Culverts and drains" was at 79% and inquired about the work performed on the culverts. Mr. Adams recalled that MRI Underwater Specialists (MRI) performed "hot spot" cleaning for issues such as the backup to the parkway, from Publix. Ms. Crismond stated that numerous activities took place since the new budget went into effect and offered to provide information regarding MRI's activities. She indicated that the yearly curb inlet inspection was in progress.

Mr. Adams reported that, recently, the District was subject to a file audit inspection, as part of the annual NPDES reporting cycle. He and Mr. Kayne met with Mr. Ken Kuhl, of the Florida Department of Environmental Protection (FDEP), who was very pleased with the report and the Districts' proactivity. Mr. Kuhl made several suggestions, such as reporting on the maintenance facility.

ii. Savings & Money Market Account/Investment Snapshot as of 6/15/15

This item was presented for informational purposes.

iii. Monthly Status Report: Field Operations

Ms. Crismond indicated that EarthBalance’s contract would expire on September 30, 2015, and asked if the Boards wanted to renew the contract for another two years, at the current price. She confirmed that the Districts were satisfied with EarthBalance’s performance.

Mr. Patterson reported vines growing in the wetlands abutting the golf course.

On MOTION for Bayside Improvement by Mr. McCarthy and seconded by Mr. Cramer, renewal of the EarthBalance Wetland Maintenance contract for two years, at \$32,234.62 per year, was approved.

On MOTION for Bay Creek by Mr. Glueck and seconded by Ms. McVay, with all in favor, renewal of the EarthBalance Wetland Maintenance contract for two years, at \$32,234.62 per year, was approved.

Ms. Crismond noted issues with Clarke that must be addressed. She indicated that the same chemical treatments used every month were not working. She and Mr. Adams reviewed the lakes and observed 2’ weeds, in addition to plants on the littoral shelves that were littered with weeds.

Ms. Crismond was informed that Clarke was inspecting each pond, every week, which she felt was not possible, based on her observations.

Mr. McCarthy and Mr. McAuley will accompany Staff on the July lake audit.

iv. NEXT MEETING DATES

- **July 24, 2015 at 9:00 A.M. [Budget Workshop]**
- **July 27, 2015 at 2:00 P.M.**

The budget workshop will be held on July 24, 2015 at 9:00 a.m., and the next meeting will be held on July 27, 2015 at 2:00 p.m.

SIXTEENTH ORDER OF BUSINESS

Supervisors’ Requests (Both)

Mr. Crew reported that he will meet with Mr. Joe Hammerman, DRC Chair, and Ms. Nancy Paige, DRC staff member, for an initial meeting regarding the PLCA Landscape

Committee. He asked if the Board Members would be willing to have the CDDs' landscape program evaluated.

In response to Mr. Crew's statements, Mr. Cox suggested that the PLCA provide recommendations to the Districts.

Mr. Cramer recalled that, at the last PLCA Board of Directors meeting, Mr. McPherson directed Mr. Hammerman to meet with Ms. Paige, establish a DRC subgroup to develop a business plan outlining what should be done and make recommendations.

Mr. Patterson pointed out that the PLCA owns the common properties; therefore, the PLCA must determine how it wants those properties to look. He advised that the CDDs provide free maintenance but any major changes must be funded by the property owner.

SEVENTEENTH ORDER OF BUSINESS Public Comments: *Non-agenda Items*

Mrs. Charlotte McCarthy, a resident, noted a column in the PLCA newsletter regarding what is taking place in the community and suggested that the CDDs provide an article conveying community information.

Discussion ensued regarding the CDD newsletter. Mr. Cramer and Ms. McVay met to discuss the newsletter and Mr. Cramer felt that communication with the PLCA improved and that most of the Districts' messages were disseminated to the community.

Mr. McCarthy asked Mr. Knowles to discuss including a CDD column in the PLCA newsletter, at the next PLCA meeting. Mr. Knowles agreed.

EIGHTEENTH ORDER OF BUSINESS Adjournment

There being no further business to discuss, the meeting adjourned at 3:30 p.m.

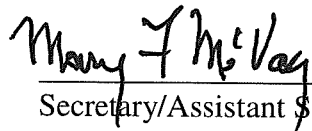
[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

FOR BAYSIDE IMPROVEMENT:


Secretary/Assistant Secretary


Chair/Vice Chair

FOR BAY CREEK:


Secretary/Assistant Secretary


Chair/Vice Chair