

**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 23, 2018 at 2:00 p.m., at the Pelican Landing Community Center, 24501 Walden Center Drive, Bonita Springs, Florida 34134.

For Bayside Improvement CDD:

Bernie Cramer	Vice Chair
John Crew	Assistant Secretary
Jim Nicholson	Assistant Secretary
William J. Nicholson	Assistant Secretary

For Bay Creek CDD:

Mary McVay	Chair
James Janek (<i>via telephone</i>)	Assistant Secretary
Robert Travers	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Jason Olson	Assistant Regional Manager
Dan Cox	District Counsel
Doug Tarn	District Engineer
Gail Gravenhorst	Resident/Landscape Subcommittee
Cheryl McFarland	
Marvin Hancock	Resident

FIRST ORDER OF BUSINESS

Call to Order/Pledge of Allegiance

Mrs. Adams called the meeting to order at 2:00 p.m.

All present recited the Pledge of Allegiance.

SECOND ORDER OF BUSINESS

Roll Call

**BAYSIDE IMPROVEMENT
& BAY CREEK CDDS**

July 23, 2018

Mrs. Adams asked the Supervisors to state their names. For Bayside Improvement Community Development District, Supervisors Crew, Bill Nicholson, Jim Nicholson and Cramer, were present, in person. Supervisor McCarthy was not present. For Bay Creek Community Development District, Supervisors McVay and Travers were present, in person. Supervisor Janek was attending via telephone. Supervisors McBride and Glueck were not present. Mr. Cramer facilitated the meeting in Mr. McCarthy's absence.

THIRD ORDER OF BUSINESS

Public Comments: *Agenda Items*

There being no public comments, the next item followed.

JOINT BOARD ITEMS

FOURTH ORDER OF BUSINESS

Staff Report: District Engineer: *Barraco & Associates, Inc. (Both)*

Mr. Tarn stated he reviewed the updated drainage map from M.R.I. Underwater Specialists (MRI). Staff will identify and stake the interconnecting pipes and control structures MRI was not able to locate in the field.

FIFTH ORDER OF BUSINESS

Lake Maintenance Report: *SOLitude Lake Management (Both)*

Mr. Adams stated that the July 2018 Report indicated typical activity. The aerator at Hurricane Hole #2, Lake D10, was not functioning properly. Mr. Janek asked if the overabundance of tilapia in the lake could be relocated from Lake B3 to the Point. Mrs. Adams noted that the tilapia should eventually flow through the interconnected pipe system into that area.

SIXTH ORDER OF BUSINESS

Update: Hurricane Irma Recovery

Mr. Adams stated that, per the Federal Emergency Management Agency (FEMA) Grant Manager, the reimbursement request indicates no additional information requests were made, which was confirmed through the FEMA website.

Mr. Crew stated that, as of the last budget meeting, the CDDs' projected combined expenditures for Hurricane Irma, during 2017 and 2018, totaled \$575,000.

SEVENTH ORDER OF BUSINESS

**Continued Discussion: Har-Tru Runoff
Remediation Efforts from Tennis Courts to
E Lakes**

Mr. Cox stated the letter sent to Mr. Elmer will be forwarded to the Board. He provided an overview of the contents of the letter, which requested County Staff confirm, in writing, to the CDDs that the renovations to the property, for maintenance, were reviewed by the City or determined to be maintenance. A response was pending. The original letter was sent to the wrong person within the City and he was advised to send it to a specific person, who in turn, will forward it to the appropriate party. The District is seeking a statement from the City regarding whether the District needs to do something. Several letters were sent to WCI without any response, hence the reason in asking the City to comment on the modifications and whether protocol was followed. Subsequently other issues occurred at The Colony tennis courts, which resulted in stopping that work. Mr. Cramer asked the Board of Directors and those involved to provide any possible support to help resolve these issues. The Districts were asked to make other modifications in the planting area and do support that request; however, until the contractor and Boards fulfill the actual requirements of the Districts, that request is being delayed. Mr. Nicholson noted that the tennis group was notified and, prior to refurbishing the tennis court, defaulted on its requirements to provide the Districts with either a permit authorizing the change of surface water flow or some form of communication indicating that a permit is not required; this also applies to The Colony. Mr. Crew thought the Districts were addressing the issue with the wrong party and this should be discussed with a higher authority than with the committee. Mr. Cramer stated the Districts need to comply with the South Florida Water Management District (SFWMD) and the issue mostly lies between The Colony and the CDDs. Mr. Cox stated the issue is the Districts own the lakes but do not have the Regulatory authority to force somebody to take action. Mr. Cramer recalled Mr. McCarthy researching the 1993 platting of the tennis courts and, since then, the Districts are asking the County to determine whether The Colony is required to submit its modifications to them for

review before performing the work, especially since additional sidewalks were being added, and the need to follow the Districts' Rules of Procedures. Mr. Crew stated the CDDs manage the landscape at the tennis center and that this issue falls back to the CDDs for not maintaining it correctly; Mr. Cramer disagreed with Mr. Cox's statement. Mr. Crew stated the next step would be to contact Mr. Deluca in person. Mr. Cramer will provide the contact information.

EIGHTH ORDER OF BUSINESS

**Discussion: Fiscal Year 2019 Proposed
Budget Actions Resulting from July 20,
2018 Budget Workshop**

Mr. Adams presented the proposed Fiscal Year 2019 budget. He reviewed the line item increases and decreases, compared to the Fiscal Year 2018 Budget and noted the following changes to the Fiscal Year 2019 budget, as a result of the Budget Workshop:

- Page 1 and throughout: "Allowable discounts (3%)": Decrease 3% to 2½%
- Page 1, "Water Management Services": Increase by \$70,000

The increase was necessary to address all the culverts and drains affected by Hurricane Irma and to be in line with the Districts' new initiative. The increase was based on the proposals received.

- Page 2, "Capital Outlay": Increase to \$60,000

The increase was necessary for the purchase of four additional aeration systems and bacteria packs for the four ponds that are on the monitoring program.

- Page 2, "Landscape Services": Add "Horticulturist" line item for \$5,000
- Page 2, "Landscape Services": Add "Maintenance Tracking Software" for \$10,000

This would be a one-time fee.

- Page 2, "Roadway services": Increase "Fuel" line item from \$1,899 to \$2,000 and combine with "Fuel" under "Landscape services"
- Page 2, "Selective tree removal": Decrease from \$40,000 to \$20,000

Costs will be incurred in Fiscal Year 2018, next phase to occur mostly in the Village of Estero; pending permits and approval from the Village. Costs still remain below budget projections, since not all trees need to be flush cut; however, if there is a need to grind stumps

down, it would no longer be outsourced, since after Hurricane Irma, the District purchased a stump grinder.

Mr. Adams stated that the Fiscal Year 2018 "Hurricane cleanup" costs would be higher than reflected in the proposed Fiscal Year 2019 budget.

- Page 2, "Flower Program": Increase from \$75,000 to \$80,000

The number of rotations would change from three to two per annum

- Page 2, "Plant replacement program": Increase from \$51,550 to \$60,000

The increase was based on the financials, which were inconsistent from prior years. The General Ledger would be reviewed to determine when the change occurred and what caused it but it was most likely possible water loss or electrical issues, due to the hurricane.

Mr. Adams stated out of the \$577,000 related to Hurricane Irma expenditures during 2017 and 2018, \$391,000 qualified for Federal Emergency Management Agency (FEMA) reimbursement. Instead of residents being assessed for the \$186,000 difference, fund balance was utilized but was now depleted. As directed, Pelican Landing assessments will increase for units inside the gate, but not for commercial units outside the gate.

As a result of the changes discussed at the Budget Workshop and today, the General Fund assessments would increase as follows, as reflected on Page 3:

- Common & Administration Units: Increase from \$233.69 in Fiscal Year 2018 to \$277.45 in Fiscal Year 2019
- Full Assessment Units: Increase from \$451.28 in Fiscal Year 2018 to \$499.86 in Fiscal Year 2019

Regarding Hurricane Recovery to replenish funds, another \$49.33 was added.

As a result of the changes discussed at the Budget Workshop and today, overall assessments would change as follows:

- Common & Administration Full Assessments inside the gate: Increase from \$451.28 to \$549.19
- Full Assessments outside of the gate: Remain at \$499.86, with the exception of the Elks, which due to its location, receives limited service

As a result of the changes discussed at the Budget Workshop and today, the following changes were made to the Colony General Fund 002 budget:

- Page 14, "Landscape Services": Add "Horticulturist" line item for \$5,000
- Page 14, "Flower program": Increase from \$20,000 to \$45,000
This change is for three rotations per annum, plus poinsettia changeout at Bay Club.
- Page 14, "Plant replacement program": Decrease from \$60,000 to \$40,000

Mr. Adams stated that the fund balance minimum threshold was never to be lower than \$200,000; however, the fund balance budget is projected to be \$150,000 by the end of Fiscal Year 2018. The recommendation was to add \$65,000 into the fund balance by increasing assessments from \$478.73 to \$586.13, which would result in a projected fund balance of \$218,000 by the end of Fiscal Year 2019.

As a result of the discussions at the Budget Workshop and today, the following changes were made to the Enterprise Fund 401/451.

- Page 17, "Electricity": Increase from \$85,000 to \$100,000.

The Districts were originally reclassified incorrectly but was never charged back for the error. This increase reflects the correct cost, going forward. Instead of increasing assessments, fund balance was used to offset the difference.

Mr. Adams explained the Mailed Notice required, due to the assessment increase, and stated that they should be sent by the middle of next week; 20 days in advance of the public hearing. A narrative would be provided to Cheryl to include in an e-blast to the HOA's to e-blast to residents, informing them of the assessment increase and to expect the Mailed Notice.

NINTH ORDER OF BUSINESS

Updates: PLCA Landscape Committee

▪ **Continued Discussion: Colony Landscape Program**

******This items, previously the Tenth Order of Business, was presented out of order.******

Ms. Gail Gravenhorst, a resident and PLCA Landscape Subcommittee Member, stated the Committee, in unison with Club Care, is requesting that flowers be planted closer together to be more uniform. She asked for confirmation that premium plants were covered in the agreement. It was confirmed that premium plants were included and funds were built into the Fiscal Year 2019 budget, in case the first season was affected by frost. This was approved, in conjunction with the Landscaper redoing three areas; however, because tree removal permitting from the Village of Estero is pending, the order in which they begin in May has

changed to Pelican Nest Boulevard, followed by Pelican Colony Boulevard. Discussion ensued regarding the reason for the delay, which was obtaining the tree removal permit; the project is expected to occur in November, in time to replant if a frost occurs.

Ms. Gravenhorst provided an update to the Colony's Landscaping Report. A new committee, Colony Residents Committee (CRC), consisting of five members, was established. The CRC approved funding up to \$100,000 to hire a Landscape Architect, a maintenance program for new plantings, complete the Boardwalk Project and hire a Horticulturist. A Request for Proposals (RFP) for a new Landscape Architect was advertised, to replace the previous one. Four Landscape Architects toured the community; proposals are due at the end of July. Ms. Gravenhorst stated that, as a resident, her opinion was that the CRC and CDDs should hold joint meetings for residents to attend and discuss the responsibilities of the CDDs and the CRC. Mr. Adams recommended heavy mulching in October and February, and noted that mulching in the summer months would be a waste of funds.

Mr. Cramer stated the recent budget workshop was very informative and inviting CRC members to attend the next one was discussed. Discussion ensued regarding how a meeting between the CRC and CDDs could help in coordinating the schedule of the various plant phases throughout the community. Mr. Crew suggested reconciling the project plans identified to be performed in the common area within the next five years, against the landscaping map, and then identifying those areas that would not be rejuvenated, such as the cul-de-sac on Twig Berry, etc., so that the Districts can manage those plans. Ms. Gravenhorst agreed to be the point of contact and work with the Landscape Committee and CRC members interested in attending workshop that will be scheduled and held before the CDDs' budget workshop and suggested the CDDs attend the next CRC meeting, which is being held to go over the RFPs and future landscaping plans.

TENTH ORDER OF BUSINESS

Continued Discussion: Colony Landscape Program

This item was presented during with the Ninth Order of Business.

ELEVENTH ORDER OF BUSINESS

Irrigation Reports (Both)

A. High User

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

This item was included for informational purposes.

B. Penalty Usage Summary

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

This item was included for informational purposes.

C. Zero Consumption

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

Mr. Crew stated that it appeared that follow up on the zero consumption was still necessary, as all were still scheduled for audit. Ms. McVay noted that "Tier" remains misspelled. Mr. Adams notified them again today.

TWELFTH ORDER OF BUSINESS

**Acceptance of Unaudited Financial
Statements as of June 30, 2018**

Mr. Cramer presented the Unaudited Financial Statements as of June 30, 2018.

THIRTEENTH ORDER OF BUSINESS

**Approval of June 25, 2018 Joint Regular
Meeting Minutes (Both)**

Mr. Cramer presented the June 25, 2018 Joint Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION for Bayside Improvement by Mr. Crew and seconded by Mr. Bill Nicholson, with all in favor, the June 25, 2018 Joint Regular Meeting Minutes, as presented, or as amended to include any edits provided to District Management, were approved.

FOURTEENTH ORDER OF BUSINESS

Action Items (Both)

Items 9, 11, 12, 13, 15 and 16 were completed.

Items 1, 2, 3, 4, 5, 6, 7, 8, 10, 14, 17 and 18 remained ongoing.

FIFTEENTH ORDER OF BUSINESS

Old Business (Both)

There being no old business, the next item followed.

SIXTEENTH ORDER OF BUSINESS

Staff Reports (Both)

A. District Counsel: *Dan Cox, Esq.*

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

Ms. McVay asked for it to be noted that the reason Bay Creek did not have a quorum was because one Board Member was absent due to a medical matter, another was on his honeymoon and the third was in another state.

B. District Manager: *Wrathell, Hunt and Associates, LLC*

i. Consideration of ADA Site Compliance Proposal for Website Compliance Shield, Accessibility Policy and One (1) Annual Technological Audit

Mr. Adams recalled that, as a result of claims filed against various governmental entities, Management engaged ADA Site Compliance Incorporated (ADASC) and was taking steps to bring its CDD clients' websites into compliance with the Americans with Disabilities Act (ADA) website requirements for the visually impaired. Documents required to be on the CDD websites will be converted and remain on the websites for only the required duration. At the next meeting, the Boards will discuss possible removal or limiting the amount of documents and other information that is not required on the websites, as converting older items would be extremely costly.

Discussion ensued regarding the far reach of this type of litigation, mandated content for CDD websites, while there are no mandated information requirements for the PLCA website.

This item was deferred until both CDDs have a quorum present.

ii. Monthly Status Report: Field Operations

Mrs. Adams presented the July 23, 2018 Monthly Status Report.

Mr. Bill Nicholson noted that the Lakemont Drive medallions were still not installed. Mrs. Adams stated those were the last ones that must still be installed; they would hopefully be installed by the next meeting.

- **NEXT MEETING: August 27, 2018 at 2:00 P.M.**

A budget workshop will be held on July 20, 2018 at 9:00 a.m., and the next meeting will be held on July 23, 2018 at 2:00 p.m., at this location.

SEVENTEENTH ORDER OF BUSINESS

Supervisor Requests

A Board Member noted that the grass and weeds at US 41 and Coconut Road were 3' to 4' tall. Mr. Adams stated that issue was addressed today and would be mowed. The Board Member stated that the sucker branches on the oak trees makes the trees look bad and suggested that they be trimmed. Mr. Adams stated that issue was also addressed today.

Ms. McVay recalled bringing this up at the last meeting. She voiced her opinion that dead trees on the main Boulevard should be cut down or something done to them. Mrs. Adams agreed that the dead trees must be cut down.

A Board Member stated that the fence, with the trailer park behind, is falling down and suggested that the trailer park be notified.

EIGHTEENTH ORDER OF BUSINESS

Public Comments: *Non-Agenda Items*

There being no public comments, the next item followed.

NINETEENTH ORDER OF BUSINESS

Adjournment (Both)

There being no further business to discuss, the meeting adjourned at 3:40 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

**BAYSIDE IMPROVEMENT
& BAY CREEK CDDS**

July 23, 2018

FOR BAYSIDE IMPROVEMENT:


Secretary/Assistant Secretary


Chair/Vice Chair

FOR BAY CREEK:


Secretary/Assistant Secretary


Chair/Vice Chair