

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

The Boards of Supervisors of the Bayside Improvement Community Development District and Bay Creek Community Development District held a Joint Budget Workshop on July 18, 2025 at 9:00 a.m., at the Pelican Landing Community Center, 24501 Walden Center Drive, Bonita Springs, Florida 34134. Members of the public were able to participate via Zoom, at <https://us02web.zoom.us/j/84137772934>, and via conference call at 1-929-205-6099, Meeting ID: 841 3777 2934 for both.

Present for Bayside Improvement CDD:

Walter McCarthy	Chair
Gail Gravenhorst	Assistant Secretary
Bernie Cramer	Assistant Secretary

Present for Bay Creek CDD:

James Janek (via phone/Zoom)	Chair
Robert Travers	Vice Chair
Gary Durney	Assistant Secretary
Jerry Addison	Assistant Secretary
Mary McVay	Assistant Secretary

Also present:

Chuck Adams	District Manager
Cleo Adams	District Manager
Shane Willis	Operations Manager
Greg Urbancic	District Engineer
Paul Kemp	Field Manager
Paula Rush	Resident/PLCA Treasurer and Board Liaison
Cheryl Hughes	Resident/Pelican Landing Landscape Committee Chair
Debbie McKenna (via phone/Zoom)	Resident/PLCA Board President
Anna Cramer (via phone/Zoom)	Resident

NO ACTIONS WILL BE TAKEN BY THE BOARD DURING THE WORKSHOP

FIRST ORDER OF BUSINESS

**Call to Order/Phone Silent Mode/Pledge of
Allegiance**

Mr. Adams called the workshop to order at 9:02 a.m.

SECOND ORDER OF BUSINESS

Roll Call

For Bayside Improvement CDD, Supervisors Cramer, Gravenhorst and McCarthy were present. Supervisor Montgomery was absent. One seat was vacant.

For Bay Creek CDD, Supervisors McVay, Durney, Travers and Addison were present. Supervisor Janek attended via telephone.

THIRD ORDER OF BUSINESS

Public Comments: Agenda Items

Mr. Adams stated that PLCA Representatives were invited to the Joint Budget Workshop to discuss items of joint interest and give input on items they foresee may impact the CDD budget. PLCA President Debbie McKenna thanked the CDD Boards for the invitation and had no comment other than wanting to learn about the budget process.

Ms. Gravenhorst voiced concerns that the PLCA Board assumes the CDDs can take on hurricane, landscape, and other projects that are not defined in the Agreement and does not understand the parameters that the CDDs need to work out. An example is the refurbishment and replanting projects at the new entrances are taking a lot more labor hours to accomplish; therefore, maintenance costs to the CDDs will increase and it is taking up time to maintain other landscape areas, stormwater maintenance, etc. outlined in the Agreement. The CDDs might not be able to do some of the things they were willing to pick up in the past because of the amount of time that is going to be devoted to actual maintenance. She suggests scheduling an orientation for new PLCA Board Members to explain what the scope of the Agreement with the CDD entails in relation to maintenance of landscaping, stormwater systems, lighting and streets, so both entities can plan better budgets. Ms. McKenna, Ms. Rush and Ms. Hughes are in favor of scheduling an orientation meeting as quickly as possible.

Discussion ensued regarding CDD Board and PLCA Board Members' comments on the need to define the PLCA and CDD project scope, giving direction to the CDDs about whether materials are being replaced or deemed a new style; improving communications between the entities; a suggestion to modify the PLCA /CDD Agreement project scope to align with the PLCA's ability to purchase plants directly, thus saving a substantial amount of money, and the difference between the PLCA's ability to assess homeowners for projects versus the CDDs obtaining a loan.

FOURTH ORDER OF BUSINESS

Discussion: Fiscal Year 2026 Proposed Budget

Mr. McCarthy stated that Mr. Adams will follow the same process as in prior years, of reviewing and discussing the proposed Fiscal Year 2026 budget line by line so the Board Members can comment about specific points of concern at the appropriate time.

Mr. Adams presented the proposed Fiscal Year 2026 budget, highlighting increases, decreases and adjustments, compared to the Fiscal Year 2025 budget, and explained the reasons for any changes.

Discussion ensued regarding the following:

General Fund 001/101 Combined Budget – Pelican Landing.

➤ Page 1, "Revenues-Interest" Proposed \$40,000: Mr. McCarthy asked Mr. Adams to seek investment options that result in a higher interest earning rate. Mr. Adams stated the current investment earnings rate is 3.66%. He will obtain information on engaging a financial investor. A suggestion was made to have a PLCA Financing Committee Member who was a CFO review the CDDs' investments.

➤ Page 1, "Water Management Services-Other contractual services: culverts/drains" Proposed \$80,000: Based on the proposed increase between the two CDDs, Mr. Durney voiced concerns about not coding expenses to the proper budget line item. Recalling a similar action taken for Bayside CDD about 10 years ago, Mr. McCarthy suggested doing an analysis of the expenses and revenues for Bay Creek CDD, as they might need to adjust the billing rate structure, which differs from the Bayside CDD.

In response to a question regarding rate structure, Mr. Adams stated that multi-family rates are based on the number of doors. Ms. Rush asked for a copy of the culvert cleaning Agreement.

➤ Page 2, “Street lighting-Contractual services”: Due to expenses exceeding the Fiscal Year 2026 budget, Mr. Adams stated he will review the year-to-date General Ledger to determine the cause; he does not expect a repeat for Fiscal Year 2026.

➤ Page 2, “Landscape services budget line items: Mr. Kemp distributed and presented his proposed 2025/2026 Budget Consideration Sheet, highlighting increases, decreases and adjustments, compared to the Fiscal Year 2025 budget. He noted the following:

- Personnel services: He proposed a 5% merit increase equaling \$21,000, spread between six employees. Mr. McCarthy believes the 5% increase is too high and not all employees merit receiving the same amount.

- Proposed increasing the Annual Cost of Living (COL) Adjustment from 2.5% to 5%. Mr. McCarthy thinks the COL rate should be the same as the national rate, which is 2.7%. He is comfortable with the 3% increase that is reflected in the budget. The consensus was to increase COL to 4%.

Discussion ensued regarding a suggestion to spread the merit increase to each employee as warranted; concerns of whether the proposed budget is sufficient; personnel being paid appropriately to avoid being poached by other employers and due to the ongoing immigration matters and potential tariff impacts; ensuring personnel wear easily identifiable uniforms; making sure lighting fixtures are installed on all golf carts; and increasing the 3% COL increase to 4%.

➤ Page 2, “Landscape services-Horticulture dumpster” Proposed \$80,000: Discussion ensued regarding reducing costs, a decision to rent a chipper, directing crews to trim landscape down to a size that is easy to remove and Board Members contacting Mr. Kemp to schedule a walk-through of the CDDs. The consensus was to decrease the line item from \$80,000 to \$70,000.

➤ Page 29 “Landscape services-Mulch Program”: The PLCA Foundation and The Colony Foundation gave approval to transition away from pine straw to brown mulch and using in house crews starting October 1, 2025. He reviewed the process, benefits and equipment being used to

accomplish this. The application will occur once a year and take three months to complete. The consensus was to increase the line item from \$38,000 to \$47,000.

The workshop recessed at 10:45 a.m., and reconvened at 10:55 a.m.

- Flower Program: Ms. Gravenhorst recalled that the PLCA changed the frequency to three times per year. Mr. Adams will increase the line item from \$120,000 to \$130,000.
- Plant replacement Program Proposed \$45,000: Mr. Durney stated the PLCA plans to purchase materials from the wholesaler. Discussion ensued regarding the PLCA paying tax and the CDD being tax exempt, deferring a change until Mr. Kemp confirms the \$45,000 is adequate. Ms. McVay suggested increasing the budget by \$5,000 to replace dead bushes and missing plants along Pelican Nest Drive.
- Mulch program: Mr. Adams stated he will implement the same changes discussed earlier.
- Page 15, "Refurbishment: Proposed \$115,000: Bayside CDD Expense: Mr. McCarthy recalled a conversation with the Village of Estero regarding considering taking ownership of the CDD-owned portion of Walden Center Drive, which would require assigning funds to repave the road. This would be the time to start discussions, since the parcel on Coconut Grove and US 41 is being developed and impacts community traffic. Before proceeding with the project, written confirmation from Mr. Willems to accept conveyance of the road is required.

General Fund 002 Budget – The Colony

- Page 14, "Street lighting-Contractual services-lightpoles": Mr. Adams stated the project will start in August and take a few weeks to complete. The poles will be painted in September.
- Page 14, Landscape services, Mulch program: The Colony Board Foundation verbally approved Mr. Adams duplicating the PLCA's program and changing the budget amount to \$22,720.
- Page 14, Landscape services, Plant replacement program, Proposed \$40,000: Ms. McVay suggested increasing the budget.
- Page 15, "Fountain services" Proposed \$150,000: Mr. Kemp suggested increasing the budget another \$5,000.

➤ Page 15, “Fountain services-Refurbishment” Proposed \$115,000: Mr. Adams reviewed the project scope and stated he added funding to cover unforeseen costs, once the project starts. Fountains typically need resurfacing every ten years, when maintained properly.

Enterprise Fund 401/451 Combined Budget

➤ Page 17, “Irrigation services-Reclaimed water – Bay Creek”: Mr. Durney distributed and presented the bill that reflected a rate increase on July 1, 2025; another increase from Bonita Springs Utilities on January 1, 2026 is expected. He suggests reducing the proposed amount to \$115,000.

Discussion ensued regarding varied interpretations of the contract outlining water usage and what specifically is the CDD’s obligation.

Mr. Urbancic was asked to review the contract and provide an update at the regular meeting.

➤ Page 17, “Irrigation services-Electricity”: Mr. Durney asked how the invoice is split between the two Enterprise Funds. Mr. Adams stated it is based on the number of doors. Mr. Durney noted the significant difference between bills versus doors and asked Mr. Adams to review the accounts for each CDD and determine the percentages.

Mr. Durney stated that the proposed 2025 Projected Irrigation Revenue of \$221,163 differs from his calculation of \$170,000. Mr. Adams stated he will review the irrigation rates and present recommendations to cover costs.

Based on the items discussed, Mr. Adams stated that Bayside CDD assessments will increase 4% and The Colony 1%. Due to an error in the formula on Page 25, Mr. Adams will email the updates to the Boards this afternoon.

“Discussion: Estimated Costs/Benefits of Merger” will be included on the next agenda.

FIFTH ORDER OF BUSINESS

UPCOMING MEETINGS

- **July 28, 2025 at 2:00 PM [Joint Regular Meeting]**
- **August 25, 2025 at 2:00 PM [Joint Public Hearing and Regular Meeting to Adopt Fiscal Year 2026 Budget]**
 - **QUORUM CHECK: BAYSIDE IMPROVEMENT CDD**

- **QUORUM CHECK: BAY CREEK CDD**

SIXTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

SEVENTH ORDER OF BUSINESS

Public Comments: Non-Agenda Items

Resident Anne Cramer believes the issue of financial fairness would be resolved by merging the CDDs. She suggested the Boards think about it before the next meeting.

Ms. Rush deemed the workshop comprehensive and educational.

EIGHTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the workshop adjourned at 12:02 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

**BAYSIDE IMPROVEMENT
& BAY CREEK CDDS**

July 18, 2025

FOR BAYSIDE IMPROVEMENT:


Secretary/Assistant Secretary


Chair/Vice Chair

FOR BAY CREEK:


Secretary/Assistant Secretary


Chair/Vice Chair