



FL Certificate of Authorization No. 7538
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June 21, 2019

Mr. Neil Kalin
District Manager
Bluewaters Community Development District
Special District Services, Inc.
The Oaks Center
2501A Burns Road
Palm Beach Gardens, FL 33410

Re: Year 2019 Bluewaters Community Development District Report

Dear Mr. Kalin:

The intent of this report is fourfold: 1) To inform as to the status of ownership of the infrastructure that was financed or constructed by Bluewaters Community Development District ("CDD" or "District"); 2) To describe the state, working order and condition of the infrastructure still owned by the District; 3) To give recommendations as to the funds estimated necessary for the proper maintenance, repair and operation of the District's infrastructure and; 4) To report on the insurance being carried by the District.

The District is located in Section 19, Township 56S, Range 41E, in Miami-Dade County, Florida. It is bounded by SW 112 Avenue on the west, State Road 821 (Homestead Extension of Florida's Turnpike) on the east, Villas del Campo Subdivision on the south and SW 240 Street on the north. Refer to Exhibit 1.

1. Infrastructure Ownership

a. Roads

- i. The platted ingress and egress tracts, where the CDD roads are located (Tracts G, K, S and Z), were granted to the District by the Developer by Special Warranty Deed recorded in Miami-Dade County ORB 26659, PG 2353 on November 21, 2008. These tracts constitute Miami-Dade County Folio Number 30-6019-011-4800. Refer to Exhibit 1 for the location of CDD-owned road right of ways.
- ii. Except for the CDD roads described above, all other avenues, paths, courts, places, streets, terraces and lanes within the District were dedicated to Miami-Dade County for the perpetual use of the public by the recording of the following plat:
 1. "Bluewaters Subdivision". Recorded on February 22, 2005 in Miami-Dade County PB 162, PG 99.

b. Stormwater Management System

- i. The road drainage system within the County right-of-ways has been dedicated to Miami-Dade County for the perpetual use of the public by the recording of the plat described above.
- ii. The road drainage system within ingress and egress tracts G, K, S and Z belongs to the District. The Townhomes of Bluewaters Property Owner's Association, Inc. (the "Association") is responsible for its maintenance. These tracts constitute Folio Number 30-6019-011-4800. Refer to Exhibit 2 for their location.
- iii. Lake tracts I and V were granted to the District by the Developer by Special Warranty Deed recorded at ORB 26659, PG 2353 on November 21, 2008. The tracts constitute Miami-Dade County Folio Number 30-6019-011-4810.
- iv. The following tracts were granted to the District by the Developer by Special Warranty Deed recorded at ORB 26659, PG 2353 on November 21, 2008:
 1. Landscape tracts are A, D, AF, AG, AH and AJ. These tracts constitute Miami-Dade County Folio Number 30-6019-011-4770.
 2. Entrance features tracts are B and C. These tracts constitute Miami-Dade County Folio Number 30-6019-011-4780.
 3. Dry stormwater management tracts are AD and AI. These tracts constitute Miami-Dade County Folio Number 30-6019-011-4820.
 4. Common area tracts E, F, H, J, L, M, N, O, P, Q, R, T, U, W, X, Y, AA, AB, AC and AE. These tracts constitute Miami-Dade County Folio Number 30-6019-011-4790. The common areas within the townhomes are to be maintained and operated by the Association.

See Exhibits 2 and 3 for the location of the tracts mentioned above.

c. Water and Sewer Systems

The water and sewer systems were conveyed to Miami-Dade County Water and Sewer Department (WASD) for ownership and maintenance. Issues may be reported to the County at either of the following numbers: 305-274-9272 (Emergencies) or 305-665-7477 (Customer Service).

2. State, Working Order and Condition of the Infrastructure Owned by the District

a. Roads

The CDD and County roads are in good working order and condition. Issues with the County roads may be reported online to the Miami-Dade County Department of Public Works and Waste Management by following the following link:

<http://www.miamidade.gov/publicworks/report-problems.asp>

Flood and drainage complaints within the County road right of ways may be reported online to the Miami-Dade County Department of Public Works and Waste Management by filing the following form:

<http://www.miamidade.gov/environment/library/forms/stormwater.pdf>



b. Stormwater Management System

- i. The CDD road drainage, the lake tracts and other dry retention, landscape, common area and entrance feature tracts are in good condition.



3. **Estimated Maintenance Costs for District Owned Infrastructure**

a. General

- i. The Association was established on February 15, 2005 in accordance with the declaration of Protective Covenant and Restrictions for Bluewaters (the "Declaration"), recorded in Miami-Dade O.R. Book 23117 Pages 2255 through 2283. An amendment was recorded in Miami-Dade O.R. Book 23894 Pages 4496 through 4522, due to a scrivener's error misnaming the Association. The Declaration states that the Association, at its own expense,

will provide maintenance and repair of the CDD common areas, roads and drainage system within the townhomes portion.

- ii. The CDD 2018-2019 Fiscal Year budget has the following amounts for maintenance expenditures:

2018-2019 Budget for Maintenance	
Aquatic Maintenance	\$6,000
White Fly Pest Control	\$2,500
Lawn & Landscape Maintenance	\$47,200
Irrigation System Maintenance	\$11,400
Electricity for Irrigation System & Signage	\$3,000
Community Sign Upkeep/Decorations	\$3,900
Towing Expenses	\$7,500
Miscellaneous Services	\$10,800
Field Operations	\$2,100
Engineering/Inspections/ Other	\$1,000
Maintenance Contingency	\$12,000
Total	\$107,600

For more detailed information on the 2019 Fiscal Year Budget please visit the District's website at the following link:

<http://bluewaterscdd.org/financials/>

Alvarez Engineers finds the District's final maintenance budget for Fiscal Year 2018/2019 adequate, but recommends considering the following suggestions for future budgets:

b. Roads

- i. The County maintains the County-owned roads within the District and therefore no maintenance cost estimates are given for such purpose in this report.
- ii. For the CDD roads in Tracts G, K, S and Z, funds will be needed to replace the wearing roadway asphalt layer in about 15 years, when the asphalt has reached its estimated 30-year service life. The District Board of Supervisors may decide whether to create a sinking fund to finance the future capital expense over the next 15 years or to pay a lump sum amount at the end of the asphalt service life. The table below provides the estimated future replacement cost and the estimated annual contributions over the remaining service life to fund the expense. The calculations below assume an annual interest rate of 0.25%.

Pavement Service Life (30 Years Estimated)		Present Year	Remaining Service Life (Yrs)	Present Year Cost (PC) of Pavement Replacement (Mill and Resurface 3/4" Thick)			Future Replacement Cost @ End of Service Life*	Annual Interest Rate	Annuity to Finance (FC) in (n) Years given (i)
From	To		(n)	Quantity (SY)	Unit Cost (\$/SY)	(PC)	(FC)	(i)	$FCi/((1+i)^n-1)$
2004	2034	2019	15	10,800	\$5.75	\$62,100	\$96,566	0.25%	\$6,326
* Using Florida Department of Transportation Inflation Factors									

c. Stormwater Management System

- i. The following is a suggested 5-year cyclical program for servicing the CDD-owned inlets, manholes, pipes and French drains of the drainage system in Tracts G, K, S and Z. The program consists of servicing 20% of the system every year so that at the end of the fifth year, 100% of the system will have been serviced. The table below shows the estimated amount that would need to be budgeted yearly to service the 26 drainage structures and 755 Linear Feet of pipes for which the District is responsible.

Total No. Structures in CDD	Total LF Pipes	No. Structures with Pipes Serviced per Year					Cost/EA Structure	Cost/LF Pipe	Total Budget Amount Per Year
		Year 1	Year 2	Year 3	Year 4	Year 5			
26	755	6					\$150.00	\$5.00	\$1,700
			6				\$150.00	\$5.00	\$1,700
				6			\$150.00	\$5.00	\$1,700
					6		\$150.00	\$5.00	\$1,700
						6	\$150.00	\$5.00	\$1,700

- ii. No maintenance costs are estimated for the drainage system in the County roads.

d. Water and Sewer Systems

- i. The water and sewer systems are maintained, operated and funded by WASD, which may be contacted at 305-274-9272 (for emergencies) or at 305-665-7477 (for customer service).

4. Insurance

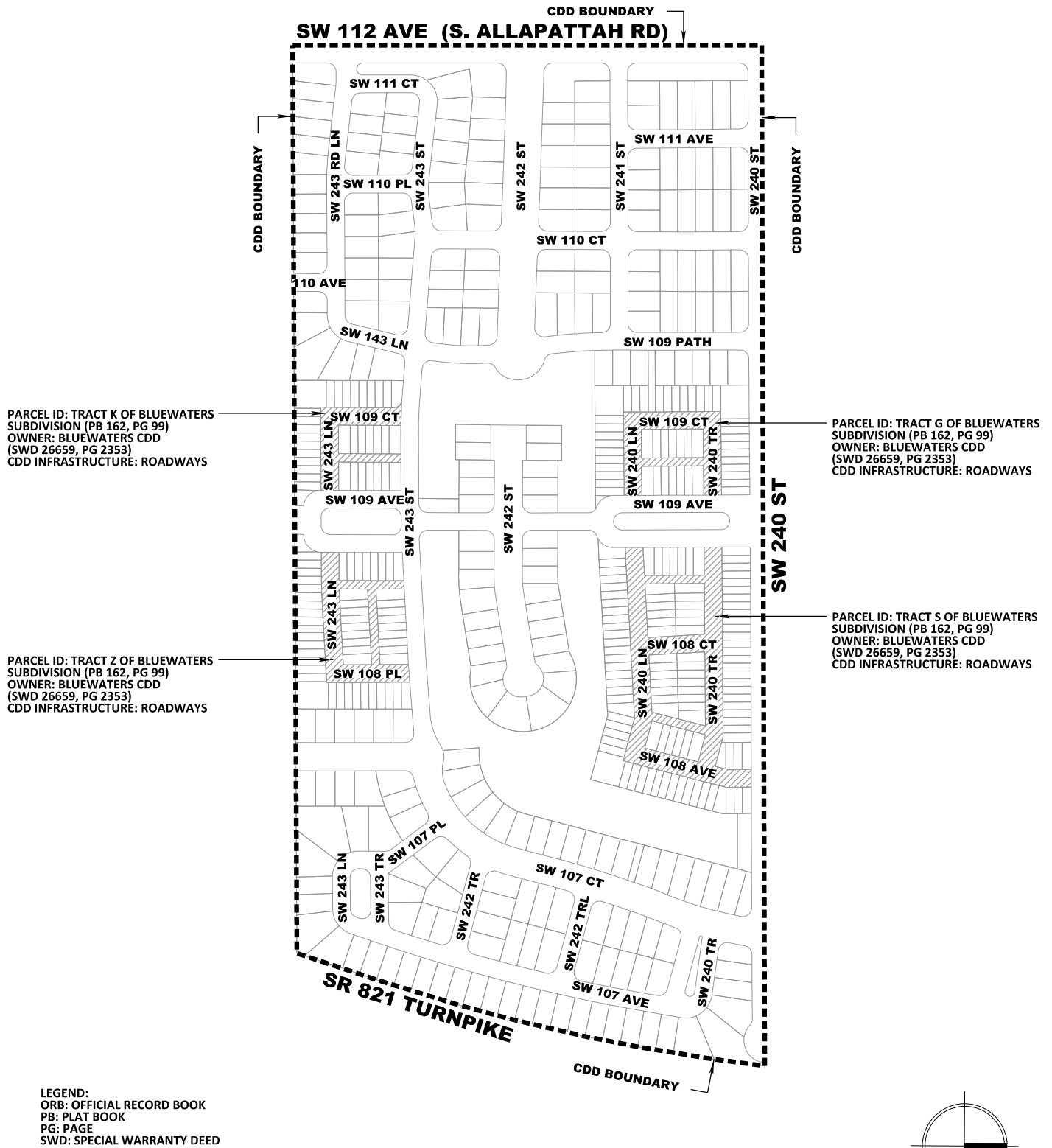
Alvarez Engineers has reviewed the District's general liability, hired non-owned auto, employment practices liability and public officials liability insurance policy provided by Florida Insurance Alliance under Agreement No. 100118021 for the period between October 1, 2018 and October 1, 2019. The District has budgeted enough funds between insurance and miscellaneous categories to cover the \$5,750 insurance premium.

This report was prepared to the best of my knowledge and belief and is based on field observations conducted by Alvarez Engineers' personnel, the District Engineer's Report and public documents available.

If you have any questions, please do not hesitate to contact me at 305-640-1345 or at Juan.Alvarez@Alvarezeng.com.

Sincerely
Alvarez Engineers, Inc.

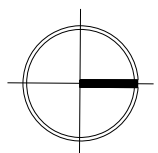
Juan R. Alvarez, PE
District Engineer
Florida Engineer License No. 38522
Date: June 21, 2019



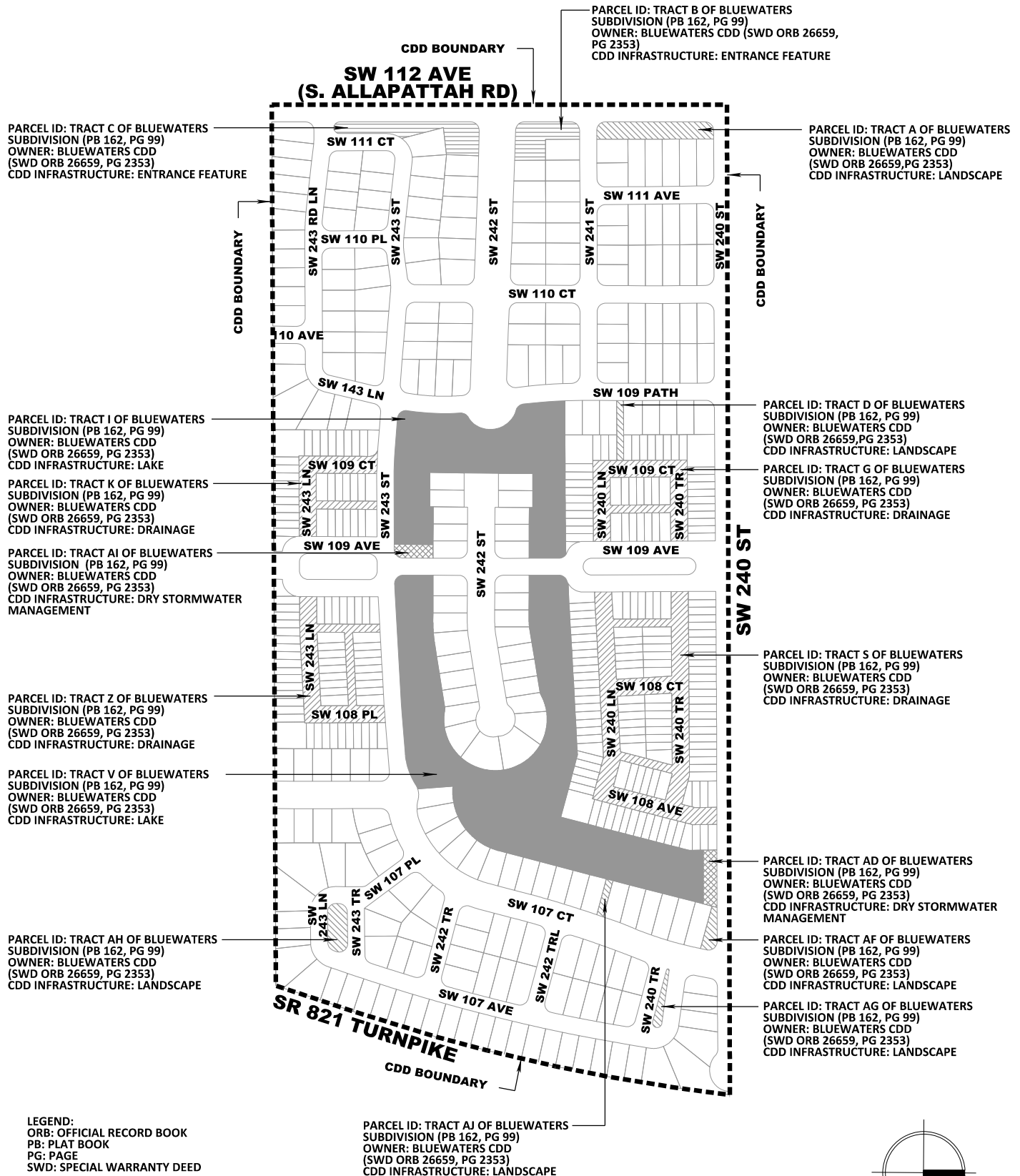
ALVAREZ ENGINEERS, INC.

BLUEWATERS C.D.D.
INFRASTRUCTURE: ROADWAYS OWNERSHIP

EXHIBIT 1



0 50' 200' 400'

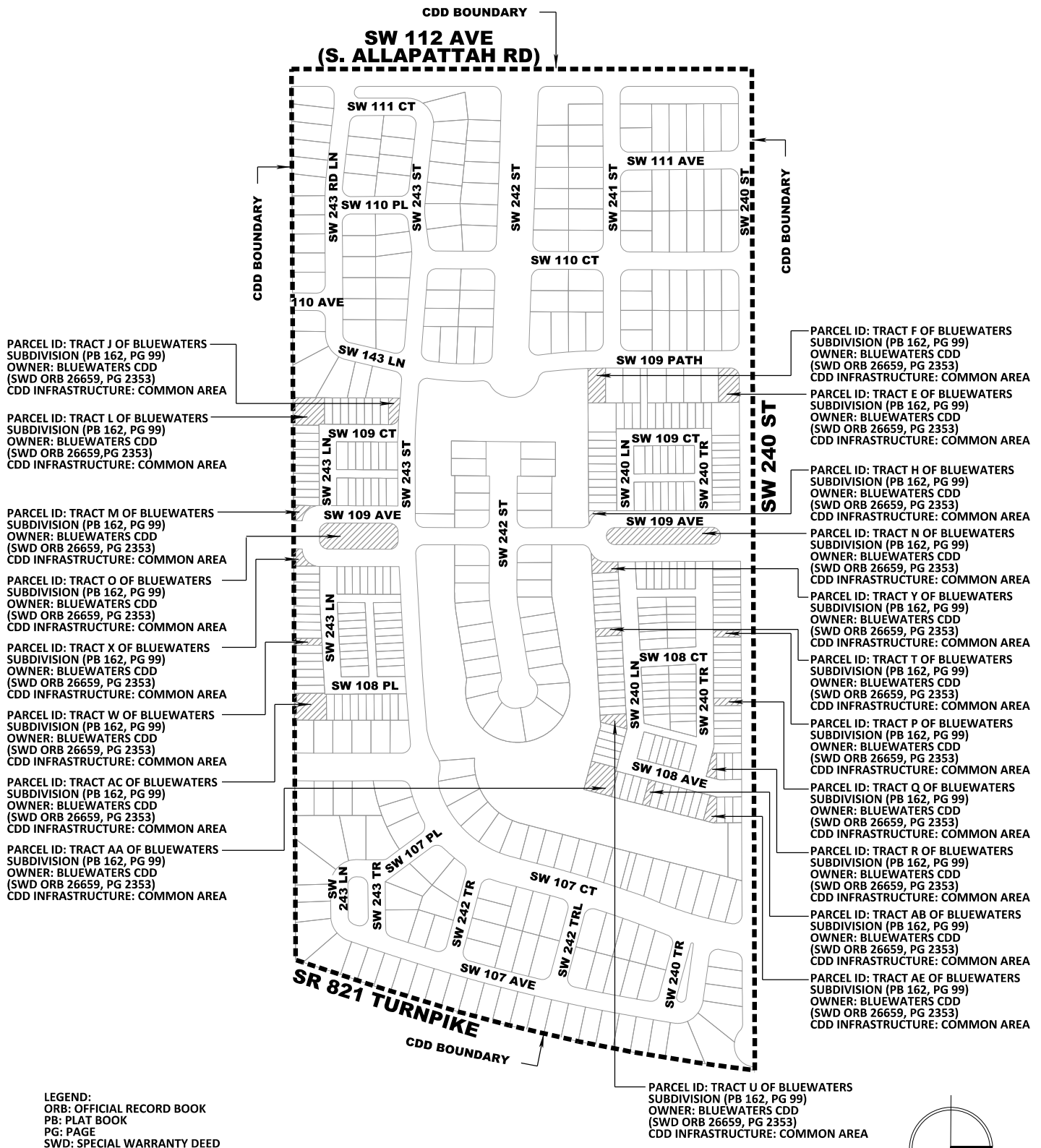


ALVAREZ ENGINEERS, INC.

BLUEWATERS C.D.D.

INFRASTRUCTURE: STORMWATER AND LANDSCAPE OWNERSHIP

EXHIBIT 2



ALVAREZ ENGINEERS, INC.

**BLUEWATERS C.D.D.
 INFRASTRUCTURE: COMMON AREAS OWNERSHIP**

EXHIBIT 3