

**MINUTES OF MEETING
GATEWAY SERVICES
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Gateway Services Community Development District was held on Monday, April 12, 2004 at 5:00 p.m. at the District Offices, 13240 Griffin Drive, Fort Myers, Florida.

Present and constituting a quorum were:

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| Lee Menzies | Chairman |
| Robin Martin | Vice Chairman |
| Daniel J. Warner | Assistant Secretary |
| Peter Doragh | Supervisor |

Also present were:

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| James DeCocq | Assistant Manager |
| Sam Kissinger | Staff |
| Chuck Adams | Staff |
| Anthony Pires | Attorney |
| Steve Morrison | Engineer |
| Sean Lewis | Berger, Toombs, Elam & Frank |

FIRST ORDER OF BUSINESS

Roll Call

Mr. DeCocq called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the March 8, 2004 Meeting

Mr. DeCocq stated that each Board member had received a copy of the minutes of the March 8, 2004 meeting and requested any additions, corrections or deletions.

Mr. Menzies stated I would like to add *Mr. Caldwell advised the Board that Phase III of Pelican Preserve was being phased out; the fly-over was being eliminated; and a new entrance to Pelican Preserve would be constructed on Gateway Boulevard* to the first paragraph on page 8.

It was a surprise to me. It seems that we went from Pelican Preserve being totally isolated from Gateway with virtually no access to a community that is totally integrated with good access. I like the idea, but it does throw back into play the things we discussed in the last four months.

Mr. Doragh joined the meeting at this time.

Mr. Warner stated I do not recall that it was a new entrance.

Mr. Menzies stated a fly-over and an entrance are mutually exclusive.

Mr. Warner stated I agree. I recall Mr. Caldwell saying the entrance was always there.

Mr. Menzies stated I talked to Mr. Ward, and he told me that the fly-over and an entrance are mutually exclusive. The reason for the fly-over was to isolate that project from Gateway.

Ms. Martin asked are they going to connect now?

Mr. Menzies responded yes.

On MOTION by Mr. Warner seconded by Mr. Doragh with all in favor the minutes of the March 8, 2004 meeting were approved as amended.

THIRD ORDER OF BUSINESS

Acceptance of the Audit for Fiscal Year Ended September 30, 2003

Mr. Menzies asked is there anything in the audit that should be red-flagged? Last year, we had a financial emergency situation.

Mr. Lewis responded it was because you had a loss to your fund balance. You are still showing a negative fund balance, but you made a significant improvement in the balance this year.

Mr. Menzies stated what is *golf course, building and equipment* listed on page 15?

Mr. Adams responded that is the classification of the landscape equipment.

Mr. Doragh asked were you satisfied that you had sufficient cooperation from the District staff to complete the audit?

Mr. Lewis responded Severn Trent gives us full access to their files.

Mr. Doragh stated I am used to a management letter that includes suggestions for improvement.

Mr. Lewis responded we include a management letter any time we find problems, but we found no problems.

On MOTION by Mr. Doragh seconded by Ms. Martin with all in favor the audit for fiscal year ended September 30, 2003 prepared by Berger, Tombs, Elam & Frank was accepted.

FOURTH ORDER OF BUSINESS

Considerations of Resolutions

- A. **Resolution 2004-5 Amending the Debt Service Fund Budget for Fiscal Year 2003**

Mr. DeCocq stated Resolution 2004-5 by title is, "A resolution of the Gateway Services Community Development District amending its street lighting debt service funds budget for the fiscal year 2003 which began on October 1, 2002 and ended on September 30, 2003".

It is a requirement to make sure that your budgets are amended to match the audit so it becomes proper. The budget is a best guess but in the end, things must be rectified to match what we have actually expended.

Mr. Adams stated sometimes you will end up with the unknown in a debt service fund, which is payments against the debt and receipts of those during the course of the year. When it comes to the debt service, you have to amend to show actual at the end of the year. I generally see this on the debt service side. I seldom see it on the operating side.

Mr. Lewis stated it is required any time you exceed the expenditures that you budgeted for.

On MOTION by Mr. Doragh seconded by Mr. Warner with all in favor Resolution 2004-5 amending the street lighting debt service funds budget for fiscal year 2003 was adopted.

B. Resolution 2004-6 Calling for the Election of Three Board Members

Mr. DeCocq stated Resolution 2004-6 by title is a, "Resolution of the Board of Supervisors of the Gateway Services Community Development District", which calls for the election of three Board members.

Mr. Doragh holds seat 1, Ms. Martin holds seat 2 and Mr. Menzies holds seat 3, all of which expire in November.

Mr. Warner asked what does Section 2 mean?

Mr. DeCocq responded that is the period in which the interested person opens his/her campaign account and submits the appropriate paperwork.

On MOTION by Mr. Menzies seconded by Mr. Warner with all in favor Resolution 2004-6 calling for the election of three Board members was adopted.

FIFTH ORDER OF BUSINESS

**Consideration of Acceptance of
Landscape Easement - Parcel 1 at
Gateway**

On MOTION by Mr. Doragh seconded by Ms. Martin with all in favor this item was deferred until May 10, 2004.

SIXTH ORDER OF BUSINESS

Consideration of Change Order No. 1 with O.A.K. Co. for Concession Facility Expansion for a Net Increase of \$2,697.50

Mr. Adams reviewed the change order.

Mr. Menzies asked how is the overall budget situation?

Mr. Adams responded it is in decent shape. We recognized some savings.

Mr. Menzies asked will there be any funds left over on the capital side for the fill?

Mr. Adams responded that was indicated as a project that will qualify through the county. I have some proposals, but they are not as good as I would like. Out of our own funds, we are looking at redoing the surfaces of the older fields. We are still under budget.

Ms. Martin stated I am not sold on item number 1. The purchase of mats will be significantly less. In addition, vinyl does not last as long as tiles. I am thinking of future maintenance costs.

Ms. Martin moved to accept items 2 and 3 described in Change Order No. 1 with Owen-Ames-Kimball and Mr. Warner seconded the motion.

After a brief discussion,

On VOICE Vote with all in favor Change Order No. 1 excluding item number one was accepted for the net increase of \$1,353.50.

SEVENTH ORDER OF BUSINESS

Continuing Discussion on Pelican Preserve Annexation of Additional Lands

Mr. DeCocq stated due to illness, Mr. Caldwell is not here as we anticipated.

After a brief discussion to determine whether or not to continue with this item since the full Board was not present, Mr. DeCocq stated there was a request from Chairman Menzies, which was supported by the Board, to have WCI give a detailed description of everything they have on their plate today for future

planning purposes, future development purposes, etc. The intent was to have a discussion so that the Board would be fully enlightened.

Mr. Doragh stated there is nothing for us to do or continue with regard to the annexation. We should ask the District manager and counsel to monitor the progress of the annexation agreement through the process so that the city council and we can be alerted prior to the entry of the agreement.

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| On MOTION by Mr. Doragh seconded by Mr. Warner with all in favor the District manager and counsel was authorized to monitor the progress of the annexation agreement. |
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EIGHTH ORDER OF BUSINESS

Continuing Discussion on Assessment Methodology

Mr. DeCocq stated I spoke to each Supervisor individually and explained this item is on today's agenda because of last month's discussion about the annexation.

Mr. Warner stated I am concerned about delaying things; however, there seemed to be a strong feeling at the last meeting that all Board members be present. I am also concerned that we do not have all the facts from WCI.

Mr. Menzies stated with regard to our discussions over the last few months regarding the assessment methodology, I was under the impression that there was a definite distance between Pelican Preserve and Gateway. The two projects were separated with no access on their part. I was surprised when Mr. Caldwell said that the fly-overs were going to go away and there would be an entrance. This changes a lot, and we need to get to the bottom of this.

Mr. Warner stated I agree, but we are not there.

Mr. Morrison identified the yellow parcels on a map as Phases II and III and further identified the two entrances into the gated portion of Sun City and stated there was an estimate for an overpass in the engineer's report, but I do not know if there was ever an emergency type connection to Gateway Boulevard, but the main entrance was off of Commerce Lakes and Tree Line Boulevard. At the last meeting, Mr. Caldwell not only volunteered information on the annexation, he also mentioned that they were disengaging a parcel from Sun City. They are designing this as a stand-alone community. This is the community we are coordinating running the irrigation line through.

Ms. Martin stated I initially was not in favor of excluding what was then Sun City from any type of participation for the things in Gateway such as the pool

and park. Through discussions and understanding that it is separated, the people in Pelican Preserve have their own pool area and have no desire to come to our pool area or park. If you join these communities and have access from one to the other, all bets are off and the whole discussion has to be had again.

Mr. Menzies stated I agree. I was not aware of this entrance.

Mr. Warner stated I do not think the entrance has changed much from the original.

Mr. Doragh stated I think it has changed dramatically. The whole point was the only connection into Gateway proper was essentially at Griffin and State Road 82. There was the tiniest patch of road people would access. Dumping traffic onto Gateway Boulevard is a different story. We are still stuck in the same position we were in several months ago. Unless we have a standard that we can apply to explain how we are making these decisions, then I do not know how to say when something has changed enough so that a prior decision should be redone. The only standard I know about last time was that I was on the losing side of the vote, and there were a number of rationales enunciated by various people with various logics. Our discussion incorporated the assumption that we were flying over Gateway Boulevard and not connecting to it. We need to have a rationale or an explanation.

Ms. Martin stated I thought we had that.

Mr. Doragh stated we asked for it to be written down, and it has either never happened or it has never come back to us.

Mr. Warner stated it was more than asked for. It is clear in the minutes that we would create a rationale. We did not vote, but we probably should have. My concern is that we do not know the facts. We are making assumptions.

Mr. Doragh stated I am not sure that we know the facts any less than we knew them before. We did not have a formal submission that said there was going to be a fly-over. We just knew the current state of the plan. WCI changes their plans all the time. It is the nature of their business.

Mr. Warner stated I agree that we should have a rationale. Is there a way to come up with a rationale every time plans change, or do we want to pursue the avenue we were pursuing; to get all the facts on this and make a decision based on that?

Mr. DeCocq responded the plans have changed, but the actual construction has not changed yet. These plans could change again tomorrow. What is anticipated to connect today may not connect three months from now. It may

never happen. You have to plan for today and allow yourselves to be malleable to how the District is going to change and develop.

Mr. Warner asked what do you mean?

Mr. DeCocq responded you all went through a process that I thought was very good. My feelings as a manager is if you are in a District, there are some basic services everyone should pay for if they are available and part of the District no matter how difficult it is to get to. If you choose to have a higher standard, you can vote yourselves into those taxes. The easiest way to do it would have been to make everyone pay for everything, but it went in a way that I think made sense. The separation made a lot of sense. It is not easily accessible and chances are no one is going to drive such a distance to utilize it, and the age restriction and the impact fee argument was mostly geared toward the park. We said if the county approved these things, then we would take it at face value and not put any more liability on the District or create any new standards. If they met the two standards by the county, we would accept it. I do not think anything has changed at this point because there is not a road that connects it. In the future when it does connect, then it will change things. It will allow immediate accessibility especially since I believe this will come out right near the pool. However, it has not happened yet. Therefore, how does this change the methodology? If you believed in this a month ago, wouldn't it still hold true until the point when it actually connects?

Mr. Doragh responded the problem is we do not have the methodology, so it is difficult for me to say how to apply it.

Ms. Martin stated we had a methodology in our minds when we voted on our budget. We all knew why we did what we did.

Mr. Doragh stated what we talked about is not embedded in any budget. All it ever was was a philosophical decision about how to approach things. If we do not capture it, then with all due respect, something that it depends on our memories is not a standard. It is just a temporary decision.

Mr. DeCocq stated we agree with that. We want to get you something in writing, which is not a problem. I thought I just capsulated what we will write. The only thing I outlined was that we decided all of the general administration and consultation fees would be done on an ERU basis because they were not done that way before. This is the only change from how you charged in the previous fiscal year.

Mr. Doragh stated I do not know that the timing issue is necessarily dependant on whether or not a road has been put in yet. If someone is ultimately responsible to pay for a facility and the facility exists and they have the ability to go to it, whether or not we think physical access is reasonable has not been a criteria we have typically used. It should be written down. I wanted the methodology in the first place because I have always believed that the decision path we were on was not going to stand up to an objective methodology and once we started to encapsulate this, people would start to see things. In addition, I have always believed WCI would change the plans because they always do. Nothing about Gateway looks like what it was thought to be. It is market-driven, and a new plan is constantly coming down the pike.

Mr. Warner stated I agree with you on the methodology, but I have no idea how to get to it -- nobody does. The last methodology we came up with was based on the way we voted, and we tried to come up with a way to justify it.

Mr. Doragh stated the bulk of the expense we excluded has to do with Gateway Boulevard.

Ms. Martin stated I do not recall in the last ten months any discussion about a fly-over. I still continue to believe that if you are part of Gateway, you should pay for everything, but I am willing to agree to the age-restriction exclusion.

Mr. Menzies stated you were assuming the one entrance on Colonial. If they get connected with Gateway Boulevard, then the landscaping issue is to be considered.

Mr. Doragh stated we need to get the methodology on paper so we can talk about the real standards we are going to apply.

Mr. Warner asked do you have a suggestion for how to do that?

Mr. Doragh responded the norm is for everyone to pay for everything. The idea that people are going to be excluded from basic District services is abnormal. I am not suggesting that it cannot be written, but it is unusual in this environment.

Mr. Warner stated I agree.

Mr. Pires stated it seems more like a budget philosophy and a budget principal as opposed to an assessment methodology. Distance, activity and age are factors to be utilized in making a determination.

Mr. Warner stated I think it is time we start charging for the undeveloped area.

Mr. Doragh stated we should have an administrative code type rule.

Mr. Pires stated you can follow the Chapter 120 Procedure Act for rule implementation and adoption.

Mr. Warner stated part of creating rules is creating ways to make exception to those rules.

Mr. Doragh stated I am sure the rule will involve a subjective analysis of the objective criteria.

Mr. Pires stated that is the only way.

Mr. Doragh stated if there are standards, the Board must decide how the standards will apply under specific circumstances.

Mr. DeCocq stated we will try to encapsulate it for next month even if it is in draft form. The Board has decided on a boilerplate to determine where you want to go with this new information.

Mr. Menzies stated recognize that new information will come to us all of the time.

Mr. Pires stated part of the drafting is to ensure that it is a budget philosophy or principal so regardless of future factors, you can look at this as a guideline and apply the facts as they exist.

Mr. DeCocq stated it is not appropriate to use the term *methodology*.

Mr. Doragh stated that is not what we are talking about. This is just a rule for our administrative use in preparing our proposed budgets, and it sets out the standards we would intend to utilize in doing so that people can look to that.

Mr. Warner stated we will look at the entirety of it.

Mr. DeCocq stated we will attempt a draft. What line item does the Board want on the agenda to bring this back up? I ask because I do not want to misnomer what the discussion is going to be.

Mr. Doragh asked consideration of a draft rule. It is something less than a statute, but it is a formal act of an administrative body in Florida acting in a quasi-legislative capacity.

Mr. Doragh moved to bring back the consideration of a draft administrative rule for budget preparation on the next agenda and Mr. Warner seconded the motion.

Mr. Adams stated the draft budget will be distributed next month, too.

Mr. DeCocq stated the draft budget will reflect everything the Board agreed to to date, which is only to go by ERU reallocation for all the general administrative and contractual services.

Mr. Doragh stated chances are, the kinds of things we are going to do will have little or no impact on this year's budget unless we radically change our approach.

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| On VOICE Vote with all in favor the motion was approved. |
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Mr. Warner stated I would like to hear from WCI. Can we contact them and tell them we would like a full Board discussion?

Mr. DeCocq asked is the Board expecting a presentation on everything to date; where they are with development and what the future plans are?

The Board unanimously confirmed.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Pires stated if you recall, Worthington was going to delete the hotel section of Treeline Drive. That petition is ready to be filed again. I sent a copy to the engineers for them to double check the legal description. I think this might be on next month's agenda for the Board to formally adopt a resolution approving that particular application.

B. Engineer

Mr. Morrison stated at the last meeting, Mr. Warner mentioned that stakes were put up in Sun City for Treeline Boulevard. After the meeting, I looked at it and concur with what he observed. I notified Mr. Adams and WCI of my observation, and WCI has checked the situation. They do have a berm and landscaping within the future Treeline right-of-way, and they are correcting that.

Mr. Warner stated I am now concerned that they may damage or change the nature of that lake, and I wonder if it will affect our water system.

Mr. Morrison stated it will affect the look of it, but I do not know if it affects the function. However, I do not think it will. This work was not included in any requisitions the Board approved on Sun City.

Mr. Menzies asked do you know how they test the number of ERUs for the Charter School that is being developed?

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Mr. Menzies asked do you know how they test the number of ERUs for the Charter School that is being developed?

Mr. Morrison responded I do not know, but I believe they have already paid their fees because they submitted plans to the District.

Mr. Pires stated we received correspondence from the attorneys for the Charter School with regard to the transportation service charges. They paid their fees to get the necessary permit, but they believe they are not subject to them under a state statutory scheme. We have not finalized our review.

C. Field Manager

Mr. Adams stated several months ago, the Board approved a plaque dedicating the soccer fields to the Sherman Soccer Complex. I received a request from the same group to change the name on the front sign in front of the main road. Was this the Board's intention?

Ms. Martin responded no.

Mr. Adams stated the request has been made: *are we going to change the text on the main sign off the main road?* I just wanted to get some clarification because I think there was some confusion.

Mr. DeCocq stated the Board did not change the name of the park; only the name of the soccer complex. It is now called the Sherman Soccer Complex at Gateway Park.

D. Manager – Financial Statements

Mr. DeCocq stated because we meet early in the month, we are sometimes unable to provide the previous month's financials so we agreed that we will always be a full month behind. Enclosed in the agenda package is the February financial statements and the summary sheets.

On MOTION by Mr. Doragh seconded by Ms. Martin with all in favor the financial statements were accepted.

TENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. DeCocq stated I want to reiterate that I have on for the next agenda a development update with WCI.

Ms. Martin asked what is the process under our agreement with CSA for scheduling the fields?

Mr. Adams responded you have a Sports Franchise Agreement with the CSA. They take on certain responsibilities, and we provide certain benefits to

them. They get to be the initial exclusive user of the facility and are given first rights to scheduling their activities.

Ms. Martin asked is this for always?

Mr. Adams responded yes. Item two of the agreement indicates that they will have the exclusive use of the athletic fields and facilities for their respective league practices and games in accordance with their schedule. The use of such fields and facilities by CSA shall not, however, be to the exclusion of other users that G.S.C.D.D. deems beneficial to the residents. Essentially, they get to schedule the facilities in accordance with their schedule first.

Ms. Martin stated my concern is that we do not know who the other groups are. We are not apprised of that. We do not know that they have asked. I just found out about a particular group that wanted to use one of the backfields for their practices, but they were told no. I do not understand because the timing is not prime soccer season. How are we supposed to know when someone asks for things when there is no reporting mechanism? Perhaps the CSA can give their schedule to Amy Hofschneider and let her schedule the park.

Mr. Adams responded we can do that, but it undermines the intent of the agreement, which was to offload some of the administrative duty.

Mr. Doragh stated I do not think we should redo the agreement. We specifically set it up this way after several discussions. If specific questions come up, we should send them an inquiry and ask them to explain to us the request they received and how they dealt with it.

Ms. Martin stated I think that is a good idea. I would like to see them do that with us every quarter.

Mr. Doragh stated let's see what the response is and determine if we have a problem before we construct a mechanism to fix it.

The Board continued to discuss ideas and ways to address Ms. Martin's concern.

Ms. Martin stated it is my intent at this time not to keep my seat.


Mr. Menzies stated let us know when you finalize your decision.

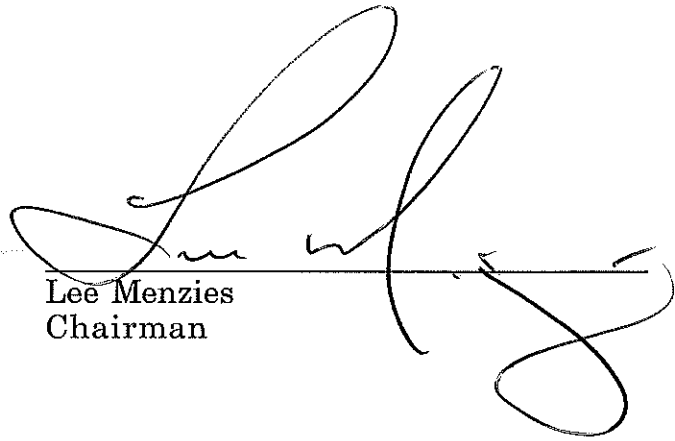
April 12, 2004

Gateway Services C.D.D.

There being nothing further,

On MOTION by Mr. Warner seconded by Mr. Doragh
with all in favor the meeting was adjourned at 6:55 p.m.


Daniel Warner
Assistant Secretary


Lee Menzies
Chairman

Agenda
Gateway Services Community Development District

Monday
April 12, 2004
5:00 P.M.

District Offices
13240 Griffin Dr.
Fort Myers, Florida

1. Roll Call
2. Approval of the Minutes of the March 8, 2004 Meeting
3. Acceptance of the Audit for Fiscal Year Ended September 30, 2003
4. Consideration of Resolutions
 - A. Resolution 2004-5 Amending the Debt Service Fund Budget for Fiscal Year 2003
 - B. Resolution 2004-6 Calling for the Election of Three Board Members
5. Consideration of Acceptance of Landscape Easement - Parcel 1 at Gateway
6. Consideration of Change Order No. 1 with O.A.K. Co. for Concession Facility Expansion for a Net Increase of \$2,697.50
7. Continuing Discussion on Pelican Preserve Annexation of Additional Lands
8. Continuing Discussion on Assessment Methodology
9. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Field Manager
 - D. Manager – Financial Statements
10. Supervisor's Requests and Audience Comments
11. Adjournment