

GATEWAY SERVICES COMMUNITY DEVELOPMENT DISTRICT

December 1, 2011 Minutes of Meeting

Board of Supervisors Closed Door Meeting and Minutes of the Regular Meeting

1. CALL TO ORDER

Chairman Neubauer called the meeting to order at 2:30 p.m. for the purpose of announcing and convening a Closed Door Session addressing litigation pending with US Homes Corporation and Lennar Homes, LLC, Lee County Case Number 11-CA-000857, pending in the Circuit Court of the 20th Judicial Circuit of Lee County, Florida. He noted the session would be recorded by a certified court reporter and upon conclusion of the litigation a transcript of the session would be made part of the public record.

In attendance at the Closed Session were:

Brian Lamb	Chief Administrative Officer, DMS
Anthony Pires, Jr.,	District Counsel
Pete Doragh	Supervisor
Ed Sichel	Supervisor
William Guy	Supervisor
Gary Neubauer	Supervisor

Pursuant to the Sunshine Law, notices were given of the time and date of the session as well as the names of the participants as evidenced by the noticed published on November 24, 2011 in the Ft. Myers News Press.

2. RECESS TO CLOSED DOOR SESSION/ADJOURN THE CLOSED DOOR SESSION

The Meeting was recessed to the Closed Door Session. The Closed Door Session adjourned at 3:00 p.m.

Minutes of the Regular Meeting

1. CALL REGULAR SESSION TO ORDER/ PLEDGE OF ALLEGIANCE

Chairman Neubauer called the Regular Meeting of the Board of Supervisors of the Gateway Services Community Development District to order on **Thursday, December 1, 2011 at 3:02 p.m.** at the Gateway Services CDD Offices meeting room, located at 13240 Griffin Drive, Ft. Myers, FL 33913.

Board Members Present and Constituting a Quorum:

Gary Neubauer	Chairman
Ed Sichel	Vice Chairman
Margaret Fineberg	Supervisor
William Guy	Supervisor
Pete Doragh	Supervisor

Staff Members Present:

Peter Altman	District Manager, District Management Services, LLC
Brian Lamb	District Manager, District Management Services, LLC
Anthony Pires, Jr	District Counsel, Woodward, Pires & Lombardo, P.A.
Al Abdo, Jr.	District Operations Manager

Also Present:

Rod Senior	Resident
Dolores Linscott	Resident

Guest:

Ted Brownings	Brownings Nursery & Landscape Inc.
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55 Peter Altman requested a correction on the agenda regarding the change of the name for the Vice
56 Chairman. The Vice Chairman is William Guy and Ed Sichel is now listed as Supervisor. Chairman
57 Neubauer accepted the change.
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59 **2. AUDIENCE/PUBLIC COMMENTS**

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61 **A. Regarding Agenda Items**

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63 **B. Regarding Non-Agenda Items**

64 Delores Linscott requested for the people of Gateway who benefit from the improvement to pay
65 to get Griffin Drive fixed.
66

67 Rod Senior requested to speak about three topics.

- 68 • Rod Senior stated the minutes are now posted but only up to May 17th and that is progress
69 but where are the remaining minutes.
- 70 • Rod Senior suggested that the Operations Manger needs to know the following essential
71 four matrix to do his job: (a) How many gallons are sold regarding irrigation, potable
72 water, and sewer (b) What is the price per gallon regarding water rates (c) Connection
73 Fee -- does it cover replacement cost (d) Price of Connection Fee
- 74 • He further spoke regarding improvement of landscaping on Griffin Drive which involves
75 planting 126 palms at the cost of \$134 per tree. He suggested there is a big difference
76 between investments versus maintenance. He said that the District did not develop the
77 area and therefore should not do the initial planting but only maintain and replace when
78 necessary. He stated that the developer should be responsible for the cost of the trees and
79 initially planting. If that would not occur, then he felt that an assessment should be done
80 for the communities who will benefit from the improvement to pay the costs or all of
81 Gateway should pay.
82

83 Chairman Neubauer suggested this Connection Fee be discussed at another time and
84 suggested to move it to the Supervisor's Comments. Supervisor Sichel agreed to discuss the
85 Connection Fee topic under Supervisor's Comments.
86

87 **3. BOARD PRIORITIES**

88 Supervisor Fineberg suggested we move to Tab 3 because we have people waiting in the audience
89 regarding this topic. Peter Altman requested to move to Tab 3 on the agenda and will return to
90 Tab 1 later in the meeting.

91 **A. Brownings Nursery Landscape Proposal**

92 Griffin Drive to Bristol Parc Entrance: Supervisor Doragh asked how this was placed on the
93 agenda. Peter Altman stated Chairman Neubauer recommended it be placed on the agenda.
94 Al Abdo commented the proposal from Brownings Nursery & Landscaping Inc. represented a
95 good start which could be expanded in the future. Peter Altman commented that the
96 easement issue had been looked at along with the irrigation issue.
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(0:34:43)

MOTION TO:	Approve the proposal from Brownings Nursery excluding the sales tax.
MADE BY:	Supervisor Doragh
SECONDED BY:	Supervisor Fineberg
DISCUSSION:	Further discussion
RESULT:	Called to Vote: motion PASSED 4/1 Supervisor Sichel opposed

There was further discussion regarding the irrigation and the possibility of proceeding with the project in phases.

Chairman Neubauer suggested that the Board should allow Mr. Browning to present his proposal to the Board.

(0:34:49)

MOTION TO:	Accept the bid for \$14,159.49 from Mainscape, Inc. for irrigation regarding Griffin Drive.
MADE BY:	Supervisor Fineberg
SECONDED BY:	Supervisor Guy
DISCUSSION:	Supervisor Fineberg amended to switch to landscaping enhancement line item for the appropriate funding.
RESULT:	Called to Vote: motion PASSED 4/1 Supervisor Sichel opposed

Peter Altman commented on the height of trees and that they would look more natural. Mr. Browning stated a one year warranty on all trees regarding the proposal. Supervisor Fineberg stated that all of the community will benefit from this improvement. Supervisor Doragh commented the cost should be taken from the Operating Budget. Supervisor Guy believes this should come from the Capital Project because many people will benefit from this. Chairman Neubauer stated that if there was an assessment regarding the 410 homes involved would calculate to \$100 per home owner regarding the cost of this project. Chairman Neubauer stated the communities included in this number are Bristol Parc, Magnolia Lakes and Cypress Cay and does not include Silver Lakes.

(0:0:46:10)

MOTION TO:	To use the Capital Improvement Budget and not to include special assessments.
MADE BY:	Supervisor Fineberg
SECONDED BY:	Supervisor Guy
DISCUSSION:	Further Discussion
RESULT:	Called to Vote: motion PASSED 4/1 Supervisor Sichel opposed

148 Supervisor Doragh stated he would like this under the Operating Budget for the line item
149 regarding enhancement line item. Supervisor Fineberg agreed to amend the motion.
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151 (0:0:46:28)

152	MOTION TO:	Amend the motion to use the landscaping enhancement
153		line item.
154	MADE BY:	Supervisor Fineberg
155	SECONDED BY:	Supervisor Guy
156	DISCUSSION:	Further Discussion
157	RESULT:	Called to Vote: motion PASSED
158		5/0 – motion passed unanimously

159
160 **B. Landscaping (Tab 2)**
161

162 Peter Altman presented an overview of the open bids. He reported that the Board could
163 decide now or wait until a future meeting. The District Engineer distributed his
164 recommendation

165 (0:47:38)

166	MOTION TO:	Accept Mainscape, Inc. as the lowest responsive and
167		responsible bidder.
168	MADE BY:	Supervisor Doragh
169	SECONDED BY:	Supervisor Fineberg
170	DISCUSSION:	Further Discussion
171	RESULT:	Called to Vote: motion PASSED
172		5/0 – motion passed unanimously

173
174 There was further discussion regarding the financial penalty if the vendor does not
175 comply with the contract. Supervisor Doragh suggested that the District needs some
176 provision in the contract to penalize rather than just to terminate the vendor. Supervisor
177 Doragh suggested this is a better remedy.
178

179 Supervisor Doragh recommended a third party vendor to supervise the process and make
180 sure the contractor is complying with the contract. Peter Altman commented that a
181 retainage could be included in the bid until the work is acceptable and completed. The
182 contract could conform to the Board's expectations and identify amounts to withhold.
183 Mr. Pires stated the Board can modify the terms of the contract.
184

185 Supervisor Sichel commented on the seasonal planting and installment. The budget
186 stated plant replacement costing \$60,000. He asked where it has been enhanced. Mr.
187 Abdo stated the number of the cuttings has been increased regarding the bahai grass.
188 Supervisor Sichel stated the new plantings are separate from this. Peter Altman stated the
189 plants are installed four times a year. Supervisor Sichel commented on the difference in

190 the bids. Supervisor Sichel wonders how Mainscape can bid ten percent less than last
191 year's contract.

192

193 **C. Recreation – No discussion**

194 Peter Altman suggested the Board go back to Tab 1 regarding the Wetlands.

195 **D. Lakes and Wet Lands**

196 **i. Pelican Preserve Drainage**

197 Peter Altman stated at the last Board meeting there was discussion regarding holding
198 WCI potentially liable for costs incurred due to repairs. Peter Altman reported that in his
199 discussion with Mr. Pires regarding the use of Bond Funds and the Board's concerns that
200 it protect the right to seek reimbursement from the Developer, the source of the District's
201 funding should not affect the Board's position. The Board was informed that the District
202 was moving forward as requested and intended to use Construction Funds to pay for
203 Pelican Preserve Drainage expenses.

204

205 Peter Altman stated the discussion with the resident group after the last meeting centered
206 on how to proceed with the repairs. Considerable discussion about the unknown costs
207 continued and it was agreed that the plan to move forward from priority to priority and
208 keep the Board up to date on results was underway.

209

210 Danny Nelson stated the Task Authorization needs revising and when that was completed
211 he would then move forward regarding preparation of the bid document.

212

213 Peter Altman stated the concern of the cost regarding WCI. Mr. Pires stated WCI is on
214 notice and the documentation will be completed tomorrow. Supervisor Guy had concerns
215 whether or not WCI would pay for all the costs incurred by the District. He commented
216 that WCI volunteered to pay for some of the costs. He suggested the District not give any
217 rights that we have in pursuing WCI to pay for this. Mr. Pires stated there are no
218 guarantees.

219

220 Peter Altman discussed the liability issue and that WCI is only responsible to pay half of
221 the cost because the other half was paid through debt service. The half owed by WCI is
222 regarding the assessments the residents incurred.

223 **E. Enterprise Fund – no discussion**

224

225 **F. Communication**

226 Peter Altman commented that the District reached out to Pelican Preserve and some of
227 the residents in Pelican Preserve stated they have their own newsletter. Supervisor
228 Doragh suggested emailing the newsletter to those residents who want to receive it.
229 Chairman Neubauer suggested it could be distributed to the Fitness Center, Towne
230 Center, and the Coffee Shop. Supervisor Doragh also requested to keep the same grid
231 and layout and include the standard items each time.

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(1:23:12)

MOTION TO:	Handle Gateway not entering Pelican Preserve regarding the newsletter and only send it to the residents who request the newsletter and place at appropriate locations within Pelican Preserve such as the Fitness Center, Towne Center, and the Coffee Shop.
MADE BY:	Supervisor Doragh
SECONDED BY:	Supervisor Guy
DISCUSSION:	None further
RESULT:	Called to Vote: motion PASSED 5/0, motion passed unanimously

Jesse Yandle presented a sample of the newsletter to the Board. Supervisor Guy asked to make sure it is edited. Supervisor Doragh suggested it be a standard item for the second meeting of the month. Supervisor Guy suggested the Board should not get involved in writing items for this publication. Peter Altman would like an approval from the Board to release the first publication in January after it has been reviewed by Supervisor Doragh.

4. BUSINESS ITEMS

A. Continuation of Reserve Process

Chairman Neubauer suggested the spreadsheet needs to be revised or the language changed. Peter Altman stated they are not current values but values for replacement values. Peter Altman stated this document is a work in progress and moving forward to plan for the 2013 Budget. Chairman Neubauer asked when the budget would be completed. Peter Altman responded as soon as a bid is accepted. Supervisor Sichel asked if the roads will be inserted in this budget. Peter Altman responded that the roads would be in this budget.

B. Review of Future Meeting Schedule

Nothing added to the Future Meeting Schedule for the December 15, 2011 meeting.

C. General Matters of the District

5. STAFF REPORTS

A. District Counsel

De-Annexation: This topic will be discussed on December 15, 2011. Supervisor Doragh stated he did attend the Public Hearing as a resident not as a Board member. Supervisor Doragh commented he was very glad he went because what was only suppose to be a change in the boundary actually ended up with changes regarding the roads within the District. Chairman Neubauer asked Mr. Pires for his recommendation. Mr. Pires stated the change of language was submitted and each of the Board members received a copy for their review prior to the County Commissioner's Meeting for the Lee County Hearing.

Rules of Procedure (1991): Many things have changes regarding the statutes, and processes. Chairman Neubauer suggested this discussion regarding this topic should be

280 placed on the agenda for December 15, 2011 meeting. Supervisor Doragh suggested the
281 Board solicit information from the District Engineer and the District Counsel to find out
282 cost for this revision regarding the Rules of Procedure.

283 **B. District Engineer - Outstanding Task Authorizations**

284 Danny Nelson did an overview of an update on his Task Authorization regarding the
285 Lake and Wetland Certification. Most of Pelican Preserve areas have not been certified
286 for construction or certificates were rejected by the SFWMD for varying reasons. As a
287 result very few lakes researched have transferred officially from the construction to
288 operating phase. It is anticipated that another 30-45 days is required to finalize Tasks 2
289 & 3 (Research and Map Development). This timing is approximately 45-60 days ahead
290 of schedule.

291
292 Danny Nelson does not recommend we do the final lift on Pelican Preserve roads because
293 of the damage incurred from WCI. Danny Nelson stated WCI agreed to do repairs if any
294 damage done. Mr. Pires advised to have this agreement in writing because in the long
295 run it will be a time saver.

296
297 Danny Nelson presented a Task Authorization for a pilot area regarding the lakes and met
298 and discussed with Weston and Sampson (a local Engineering Firm). Together a plan
299 was devised using an iPad for data collection. The data collected will be photos showing
300 conditions of the lakes, identifying the lakes, field conditions, conditions of the lakes and
301 when last maintained. A full year is planned with doing quarterly reviews.

302
303 Chairman Neubauer asked what percentage is the pilot of the entire District. Danny
304 Nelson stated 25-30 percent of entire area. The annual cost would be approximately
305 \$148,000 and each lake inspected four times per year.

306
307 Supervisor Guy suggested this project be handed over to Mr. Altman. Chairman
308 Neubauer and Supervisor Doragh agreed. Supervisor Doragh requested clarification
309 what the objective is and it should be done for the entire community not just a
310 percentage.

311
312 **C. District Operations**

313 **D. District Manager**

314 Peter Altman stated at the last meeting there was discussion from residents, Supervisor
315 Sichel and the Board in general regarding the \$400,000 connection fee credit release and
316 the effect that would have on the District's De-Annexation position. Peter Altman stated
317 WCI is not jumping up and down to revise the numbers. Peter Altman stated that he
318 would move forward if that is the direction the Board would like him to proceed in. Peter
319 Altman agreed to present the agreement on the 15th.

320
321 Peter Altman commented on the value of the Pension Plan. Since the end of September
322 until the liquidation the value increased by 12 percent. The fund has increased from

323 \$181,000 to \$204,000. The package has been delivered to the employees. A motion is
324 required at this time to pay the final payment.

325 (1:51:32)

326	MOTION TO:	Approve the final payment regarding the Pension Plan.
327	MADE BY:	Supervisor Fineberg
328	SECONDED BY:	Supervisor Doragh
329	DISCUSSION:	None further
330	RESULT:	Called to Vote: motion PASSED
331		5/0, motion passed unanimously

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333 **6. SUPERVISOR COMMENTS**

334 Supervisor Guy commented that the Audit Report for FY 2010 should have been released by
335 now. He also asked if there was any progress on selling the impact fees credits from the
336 City of Fort Myers. Mr. Altman stated he had not made any progress.

337
338 Supervisor Fineberg concerned with all the construction in Pelican Preserve and the damage
339 that will occur to the roadway on Gateway Blvd. WCI should be responsible for the
340 damages incurred to Gateway Blvd.

341 **7. ADJOURNMENT**

342 Meeting was adjourned at 5:23 p.m.

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344 (2:13:24)

345	MOTION TO:	Adjourn the meeting.
346	MADE BY:	Supervisor Guy
347	SECONDED BY:	Supervisor Sichel
348	DISCUSSION:	None further.
349	RESULT:	Called to Vote: motion PASSED
350		5/0, motion passed unanimously

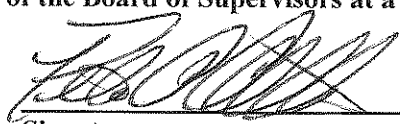
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353 **ALL minutes were done in summary format.*

354 **Each person who decides to appeal any decision made by the Board with respect to any matter*
355 *considered at the meeting is advised that person may need to ensure that a verbatim record of the*
356 *proceedings is made, including the testimony and evidence upon which such appeal is to be based.*

357 Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed
358 meeting held on 3-15-12.

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361 _____
362 Signature

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364 _____
365 Printed Name



Signature

Peter A. Altman

Printed Name

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Title:

- Chairman
- Vice Chairman

Title:

- Secretary
- Assistant Secretary



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Signature

Date

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 3/21/12
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