Minutes of the Regular Meeting

Chairman Neubauer called the Regular Meeting of the Board of Supervisors of the Gateway Services Community Development District to order on Thursday, November 07, 2013 at 3:00 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
Pete Doragh Vice Chairman (Arrived at 3:58 PM)
Margaret Fineberg Supervisor
William Guy Supervisor
Pamela Gill Supervisor

Staff Members Present:
Brian Lamb District Manager, Meritus Districts
Anthony Pires, Jr. District Counsel, Woodward, Pires & Lombardo, P.A.
Danny Nelson District Engineer, Tetra Tech
Scott Connell District Operations Manager, Gateway Services CDD

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE
   A. Overview of Meeting Procedures and Decorum

2. AUDIENCE/PUBLIC COMMENTS
   A. Regarding Agenda Items
   Mr. Ed Tinkle, of the Gateway Greens HOA, addressed the Board first. He discussed an aesthetics and security problem at the far north end of the Gateway Greens master associations. He stated that drainage work had been completed by WCI where 60 pipes had been installed. He stated that residents were complaining that it was now easy for people to access the lake in the back and fish there. Mr. Tinkle wanted to know if the CDD would recommend to WCI to add better landscaping that would make the area harder to access. He added that the plants would not need to be expensive but simply something that would grow quickly and make accessing that area difficult. Mr. Lamb stated that the District had fishing policies in place that needed to be reviewed and enforced. Mr. Lamb suggested letting staff look at the area and prepare a recommendation.

Mr. Gene Allison spoke on behalf of two other residents present who also lived in the area where people could now access the area behind their homes. He wanted to state his support with them and wanted to bring the problem forward as well.

Mr. John Grega, of the Pelican Preserve Advisory Committee, addressed the Board next. He asked for the Board to approve the nomination of Christina Cascio to the committee. He stated that this would allow them to have a full Board at the following meeting. Next, he asked for the Board to discuss ratifying the changes made to the agreement relating to irrigation and electric. Thirdly, he asked the Board to approve the recommendation to precede with the installation of a 3 way stop sign at 2 different intersections Pelican Preserve Boulevard.
MOTION TO: Approve the Nomination of Christina Cascio as the New Pelican Preserve Advisory Committee Member.

MADE BY: Chairman Neubauer
SECONDED BY: Supervisor Fineberg
DISCUSSION: None Further
RESULT: Called to Vote: motion PASSED
4/0, motion passed unanimously

The Board continued by discussing the 3 way stop sign mentioned by Mr. Grega. Chairman Neubauer stated that an engineer report about adding the stop signs had been received. He stated that a traffic study was done that was in support of the 3 way stop sign in those locations.

Mr. Lamb stated that Mr. Rod Senior had requested to speak after the discussion regarding the water meter replacement project. He recommended the Board allowed him to do this. The Board agreed with Mr. Lamb.

Mr. Lamb moved Update on Meter Replacement Program forward in the agenda.

3. BOARD PRIORITIES
C. Utilities

i. Update on Meter Replacement Program

Mr. Lamb stated that Mr. Burton would present first and conferenced called in Mr. Dave Lapides.

Mr. Lamb summarized where they currently stood in the process of the water meter replacement project. He stated that the meters needed to be replaced because of their age and existing issues sooner rather than later. He stated that Johnson Controls reported at the last meeting and their proposal was there for review. He stated that he had advised staff to do an “apples to apples” comparison between doing the project in house or by an outside party.

Mr. Lamb stated that Mr. Nelson had provided a memo to direct staff to go out for proposals for the meter replacement project. He stated that management recommended the Board move forward with the program over a 2-3 year phased approach. He stated that at the top level it would cost an estimated $3.3 million to use Johnson Controls for the project and around $2.3 million to do the job internally.

Mr. Nelson, of Tetra Tech, went over his comparison. He stated that he had taken the information received from the vendors to do the comparison. He stated that the cost of materials was very comparable across the board. He stated that if they used Johnson Controls for the project there would be an overhead costs but if the project was done in-house there would not be any. Mr. Nelson stated that Johnson Controls had about $268,270 in overhead as a profit margin and that if the project was done in house there would be no profit margin. Mr. Nelson stated that Johnson Controls bid also included $90,000 in engineering services which he was not certain what that entailed other than a bid package. Mr. Nelson added that warranty, management, and software were all $30,000 across the board.

Supervisor Fineberg asked if the installation would be done by the current in-house staff. Mr. Nelson stated that by doing it in house they would bid out the materials and installation. Supervisor Fineberg
asked if this would make the installation $500,000 less. Mr. Nelson stated that it would make it about 
$650,000 less since Johnson Controls came in at about $102 per meter and they had received bids for 
$31-$35 per meter.

Mr. Lamb stated that there were 3 components to the water meter replacement project installation. 
These 3 components were labor, management, and supervision of the project. He stated that 
management recommended doing it over a 3 year span just in case additional time was needed for any 
unexpected costs.

The Board discussed the different financing options available to them. Mr. Burton, of Burton and 
Associates, discussed the proposed 5 year rate plan for debt service and the different interest rates they 
could obtain with refinancing. He stated that the amount of years of financing they were aiming for was 
10 years.

Supervisor Guy asked about the additional revenue generated by the meter replacement project. Mr. 
Burton stated that the estimated 7% for revenue was a conservative number and that it would likely be 
higher than that.

Mr. Lapides, of Squire Sanders, went over resolution 2014-05 with the Board. He stated that the 
resolution would direct staff to start preparing the documents to reach out to outside companies to do 
the refinancing, refunding, or combination of both. He stated that the blank in section one would be 
filled out with the dollar amount for the financing. He stated that it would be best to put a higher 
amount such as 4 or 5 million in the blank.

Supervisor Guy expressed his concern that the resolution did not state anything about authorizing staff 
to notify the holders that they would be calling the bonds. Mr. Lapides stated that it would be 
premature to send out the notice right away. He stated that a 30-40 day notice would be sent after the 
closing of the deal.

*Supervisor Doraghi arrived at 3:58 PM.*

Mr. Lamb went over what had been discussed so far at the meeting to Supervisor Doraghi. He stated that 
they were looking to get public bids from 3rd parties for the meter replacement project.

Mr. Lamb stated again that they suggested staggering the replacement project over 3 years. Chairman 
Neubauer asked about the advantage of staggering the project over 3 years. Mr. Nelson stated that 
there was no advantage to staggering it but that it would allow them to make sure everything was done 
correctly.

A representative of Johnson Controls addressed the Board. He stated that the proposal they had 
presented for $2.9 million was a system that had expandability and could perform with an AIM system. 
He stated that this would allow staff to remotely read the meters from the office. He stated that this 
system was what made their bid $600,000. He stated that it was his understanding that this was the 
type of system the District wanted. He stated that they did have a proposal for meters with AMR which 
would cost about $2.5 million and make it comparable to the numbers Gateway staff had found. He 
added that Johnson Controls was very qualified to do the job since this was what they were in business 
for.
Paul stated that the project had 4 parts and not 3 like Mr. Lamb had suggested. He stated that the fourth part was the software. He stated that a part of the projects were the software used to read the meters. He stated that Johnsons Controls project was turn-key and that the proposed price was all inclusive and that there would be no change orders made if additional costs were incurred.

Mr. Nelson stated that the extra documents described by the Johnson Controls representative were not provided to him and that staff analysis was made based on the power point presentation and pie charts provided to them.

Supervisor Guy wanted to ensure that the right amount of money was financed and wanted to make sure the process was done correctly. Mr. Nelson stated that there would be unknowns to any project but that it would be in the best interest of the District to go out for bids and look for a qualified competent bidder. Mr. Lamb stated that market research had been done to get an overall idea of the final number for the project and to ensure the proper amount of funding needed for the project was acquired.

Chairman Neubauer felt that more information was needed which could come from more proposals. Mr. Lamb suggested the Board add a not to exceed amount to the resolution.

Chairman Neubauer asked why they wouldn’t go ahead and make the extra $600,000 investment now to get the AMI over AMR system if it was supposed to be better. Mr. Lamb stated that it would be $2.5 million for the AMI system and $2 million for the AMR but that either one could be used.

MOTION TO: Approve Resolution 2014-05 putting $5 Million in Section One as the Cap Amount. (01:48:12) Motion Amended to $5.5 Million in Section One as the Cap Amount.

MADE BY: Supervisor Guy
SECONDED BY: Supervisor Fineberg
DISCUSSION: The Board allowed public discussion before the final vote was made. The discussion is included below.
RESULT: Called to Vote: motion PASSED
5/0, motion passed unanimously

Mr. Lapides, bond counsel, asked the Board to include in their motion filling in the blank on the top of page 1 with $5 million and the other blank on page 5 with the issuance of the bond. He stated that for now the second blank would remain blank until there was an issuance date.

Mr. Rod Senior, a resident, addressed the Board about the meter replacement project. He stated that he was not aware if many residents knew the project was being discussed. He asked why the Board had decided to go with smart meters over regular ones. He asked what was driving the urgency to move quickly with the project. He suggested the Board replace a few amount of the meters then see how that went before moving on with replacing them all. He also asked why money currently in reserves would not be used for financing the project.
Vice Chairman Doragh asked about the difference of $2.9 million and $2.5 million in Johnson Controls bid. Johnson Controls stated this was because the $2.9 million included the AMI system and the $2.5 million one did not. Vice Chairman Doragh wanted to make sure there was enough funding available for all the meters regardless of the type they picked. He recommended the motion be amended to include $5.5 million as the cap instead of $5 million.

Supervisor Guy amended his resolution to $5.5 million (01:48:12) and Supervisor Fineberg seconded his amendment.

Johnson Controls stated that they did not recommended staggering the meter replacement like Mr. Senior suggested because the District was losing close to $400,000 a year in revenues. He stated that by doing the project faster they would ensure they were collecting what they were billing for.

3. BOARD PRIORITIES

ii. Status of Permit Criteria Manual and Surface Water Management System Rule Revisions

Mr. Lamb stated that this memo was provided from counsel and that it had been forwarded to the utilities director and that he was now requesting a meeting.

The Board reviewed the manual and rules revisions. The Board stated that some of the wording needed to be changed to remove any confusion. Mr. Lamb stated that this item was provided for review and that comments were welcome for potential changes. He stated that it was not the final copy.

(02:13:58)

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<td>MADE BY:</td>
<td>Vice Chairman Doragh</td>
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<td>SECONDED BY:</td>
<td>Supervisor Guy</td>
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<td>DISCUSSION:</td>
<td>None Further</td>
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<td>RESULT:</td>
<td>Called to Vote: motion PASSED</td>
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<td>5/0, motion passed unanimously</td>
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5. BUSINESS ITEMS

A. Consideration of Resolution 2014-03: Protocol and Meeting Procedures

Mr. Lamb stated that this resolution was provided from counsel. Mr. Pires stated that changes had been made based on the Board’s prior comments.

Vice Chairman Doragh stated that the resolution was more than necessary and that the Board was already in compliance with the statute. He stated that the only thing he felt needed to be added was to allow public comment before a final vote was taken on a motion if the item had never been included in a meeting agenda. He stated that the Board allowed ample time for public comment on agenda and non-agenda items before the meeting and allowed residents to speak at the end of meetings as well if they desired.

He stated that allowing each member of the public 3 minutes to speak on consent agenda items and 5 minutes on regular agenda items was too much especially if everyone at the meeting had wanted to use
their 8 minute allotted time. He stated that the Board never prevented the public from speaking and that this part did not need to be added to the resolution.

Mr. Lamb stated that they could amend the resolution to include that the Chairman had the ability to extend the amount of time a member of the public could speak if it was needed. Vice Chairman Doragh stated that the Board routinely let people go past their time limit.

The Board wanted Mr. Pires to bring the resolution back with the proper wording stating that public comment would be allowed before a motion is made on a non-agenda item.

Supervisor Fineberg asked about the ice machine and if a motion was necessary. Chairman Neubauer felt that the ice machine was too large and asked if the Board felt there was a good return on investment on these types of projects. Vice Chairman Doragh stated that something like the ice machine was good for the facility and for the programs being run at the fields.

(02:37:47)

MOTION TO: Direct Staff to Purchase the 600 pound ice machine for $6,792.63.
MADE BY: Supervisor Fineberg
SECONDED BY: Supervisor Gill
DISCUSSION: Chairman Neubauer asked if such a large ice machine was necessary and how often the ice was used. Mr. Connell responded that the ice was used daily for soccer and flag football practices and all day Saturdays when games were held. Mr. Lamb added that the ice went quickly when filling up coolers.
RESULT: Called to Vote: motion PASSED
5/0, motion passed unanimously

3. BOARD PRIORITIES
A. Lakes & Wetlands
   i. Lake and Wetland Inspection Report
   ii. Status of Permit Criteria Manual and Surface Water Management System Rule Revisions
B. Gateway Roads
   i. Update on Road Turnover
D. Parks & Recreations
   i. Soccer Field Operations
F. Communications
   i. IT Update
   ii. Emergency Operations Manual

The Board reviewed the emergency broadcasting memo. Vice Chairman Doragh stated that this item was removed from the budget a few years prior but stated that it was necessary to have some program in place for easy communication to the community. He stated that the website could be used for emergency broadcasting. He stated that when the water main had broken it would have been the perfect time to use the website to communicate with the residents what was going on.
B. Consideration of RFQ for Management Services

Mr. Lamb stated that item 5B went over the legal notice for RFP for management services.

(02:37:47)

MOTION TO: Approve the Legal Notice for RFP for Management as
Presented by Counsel.
MADE BY: Supervisor Guy
SECONDED BY: Vice Chairman Doragh
DISCUSSION: The Board discussed allowing a 30 day timeline for
companies to submit their proposals.
RESULT: Called to Vote: motion PASSED
5/0, motion passed unanimously

D. District operations

Mr. Connell went over his memo regarding Supervisor Gill’s request to add lighting on Griffin Drive
where it was very dark and unsafe for children walking home to and from school. Supervisor Gill
stated that there were also bus stops on this street.

(02:53:45)

MOTION TO: Authorize Staff to move forward with the Lighting Project
along Griffin Drive.
MADE BY: Vice Chairman Doragh
SECONDED BY: Supervisor Guy
DISCUSSION: The Board discussed where the money for the lighting
project would come from. The Board directed staff to
move along with the project but to bring back where the
money was found in the budget for the project.
Supervisor Gill stated that it was important the lights be
installed for the community.
RESULT: Called to Vote: motion PASSED
5/0, motion passed unanimously

C. District Manager

i. Utility Rate Advertisement and Hearing for December 5th

Mr. Lamb stated that the public hearing date for the utility rate increase was set for December 5th.

ii. Update on Sale of Impact Fee Credits for Pelican Preserve

Mr. Lamb read over the memo prepared by Mr. Jimmy Paleveda of Meritus Districts. He stated that the
$1.5 million dollars credited by Fort Myers in 2011 had been extended an additional ten years until 2025.

Mr. Lamb gave the Board the good news that all items for the fiscal year 2013 audit had been submitted
to the auditor in a very timely fashion. He stated the official audit would be coming in shortly and
hopefully by January.
Supervisor Fineberg stated that the Stoneybrook committee was having trouble having a quorum present at every meeting. She asked what could be done to have members taken off the Board who had missed extensive amounts of meetings since currently there was no way to remove them. Mr. Pires stated that they could have the chairman of the committee report to the Board about it and bring forward the names of those who they wanted to remove. He stated that they could include the names in a letter stating how many meetings they had missed.

iii. Status on Bond Refinancing’s
iv. Status on Capital Asset Reserve Study

6. STAFF REPORTS
A. District Counsel
   i. Outstanding Tasks
B. District Engineer
   i. Outstanding Tasks Authorizations
   ii. Hampton Park Sidewalk

7. SUPERVISOR COMMENTS

8. ADJOURNMENT
(03:08:50)

MOTION TO: Adjourn the Regular Meeting of the Board of Supervisors of the Gateway Services Community Development District.

MADE BY: Supervisor Guy
SECONDED BY: Supervisor Fineberg
DISCUSSION: None further.
RESULT: Called to Vote: motion PASSED
5/0, motion passed unanimously
*ALL minutes were done in summary format.

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

Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed meeting held on 11-1-14.

Signature
Gary Neubauer
Printed Name

Signature
Brian Lamb
Printed Name

Title:
Chairman

Title:
Secretary

Recorded by Records Administrator
Angie Rice
Signature
2-11-14
Date