

**Lee County Board of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20021160

1. REQUESTED MOTION:

ACTION REQUESTED: 1. Conduct a public hearing pursuant to Section 125.3401, F.S., to consider the adoption of a Resolution of Authorization for the County's proposed purchase of the Gateway Services Community Development District's ("GSD") wastewater facilities and associated lands located within the Gateway Development, Lee County, Florida. 2. Approve and authorize the Chairman to execute a Purchase and Sale agreement with GSD for the County's purchase of its wastewater infrastructure lying within the Gateway Development. 3. Consider for approval and authorize the Chairman's execution of an Agreement with GSD for the County's sale of wastewater treatment services to GSD for the GSD Sewer System, once acquired. 4. Authorize the Chairman or the Vice-Chairman and County staff and consultants to perform all authorized, necessary actions, and develop and execute all required additional documents consistent with the Board's directions for the purchase of the GSD wastewater infrastructure and associated lands within the Gateway Development.

WHY ACTION IS NECESSARY: Board of County Commissioners' approvals are required for the County's purchase of a portion of a unit of local government's wastewater utility system.

WHAT ACTION ACCOMPLISHES: Provides necessary, required approvals and authorizations for the County to continue with the process for the closing on the purchase of the wastewater treatment infrastructure and associated lands owned by GSD within the Gateway Development.

2. DEPARTMENTAL CATEGORY:
COMMISSION DISTRICT #

5:00 #7

3. MEETING DATE:

11-12-2002

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:**
30 minutes

5. REQUIREMENT/PURPOSE:
(Specify)

- STATUTE 125.3401
- ORDINANCE
- ADMIN. CODE
- OTHER

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER**
- B. DEPARTMENT** County Attorney
- C. DIVISION** General Services
- BY:** David M. Owen, Chief
Assistant County Attorney

7. BACKGROUND:

(BACKGROUND - NEXT PAGE)

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
<i>[Signature]</i>	N/A	N/A	N/A	<i>[Signature]</i>	OA	GM	RISK	GC	<i>[Signature]</i>
					10/23/02	10/23/02	10/23/02	10/23/02	10-22-02

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

RECEIVED BY
COUNTY ADMIN. *RK*
10/20 10:30
COUNTY ADMIN.
FORWARDED TO:
10/24

CO. ATTY. *[Signature]*
FORWARDED
TO CO. ADMIN.
9:35 AM

BACKGROUND:

- August, 1998** - As the result of becoming aware of the City of Fort Myers' intent to acquire the GSD Wastewater Treatment System, the County transmitted a Letter of Interest to GSD and obtained Board approval to begin negotiations with GSD for such potential acquisition.
- September, 1998**
to
- October, 1999** - GSD conducted an RFP for the sale of its wastewater treatment facilities with the City of Fort Myers and the County responding as Proposers.
- November, 1999** - The City of Fort Myers and the County combined their efforts with respect to the acquisition, and submitted a joint City / County Proposal for the proposed purchase, which was accepted by GSD.
- January, 2000** -
to
- February, 2002** Negotiations are conducted among the Parties and documents are drafted for the proposed purchase and sale of the GSD Wastewater Treatment System.
- March, 2002** - The GSD Board approves the "deal points" with respect to the County's acquisition of the GSD Wastewater Treatment System (the City of Fort Myers and GSD resolved other service territorial issues and no longer needed to be a part of the acquisition, but will purchase certain treatment capacity (up to 1 m. gpd) for its annexed areas of the Gateway Development).
- April, 2002** -
to
- October, 2002** Documents for the purchase and sale of the Wastewater Treatment System and Sale of Wholesale Potable Water and Wastewater Treatment Services to GSD by the County are finalized and prepared for public hearings to be conducted by both GSD and Lee County pursuant to Chapter 180, F.S. and Chapter 125, F.S., respectively prior to the closing on the sale.

The appraised purchase price for the GSD Wastewater Treatment Facilities is \$4,886,973.00, consisting of \$1,760,500.00 for the land, and \$3,126,473.00 for the infrastructure, equipment and materials.

The Service Agreements provide for the County's Wholesale Sale of Potable Water and Wastewater Treatment Services to GSD at initial negotiated rates with a "ramp up" provision in each to the County's then-established wholesale water and sewer rates (now currently Lee County Resolution No. 02-07-44).

The "wrap around" Agreement provides for the County and GSD to interact on a rolling five-year basis in order to plan for and develop the necessary plant capacity in order to service GSD customers as they are added.

Additionally, the acquired GSD facilities will serve all County wastewater customers east of I-75, north and south of Daniels Parkway, to include the new Airport and associated businesses and developments in the vicinity.

Request the Board approve all documents for execution by the Chairman or Vice Chairman prior to closing as appropriate, which is anticipated to be in mid- to late December, 2002, and authorize staff to conduct all activities necessary to close on the purchase / sale.

All applicable responses to the requirements of Section 125.3401, F.S., are addressed in Composite Exhibit B to the Resolution.

Funds are available in: 20700048730.506540.

LEE COUNTY RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, RELATING TO THE COUNTY'S PURCHASE OF THE GATEWAY SERVICES COMMUNITY DEVELOPMENT DISTRICT'S ("GSD") WASTEWATER TREATMENT FACILITIES INFRASTRUCTURE AND ASSOCIATED REAL PROPERTY LYING WITHIN THE GATEWAY DEVELOPMENT, FROM GSD; PROVIDING FOR CERTAIN FINDINGS BY THE BOARD OF COUNTY COMMISSIONERS CONSISTENT WITH THE REQUIREMENTS OF SECTION 125.3401, FLORIDA STATUTES; PROVIDING FOR ADDING THE GSD WASTEWATER TREATMENT FACILITIES AND ASSOCIATED LANDS LYING WITHIN THE GATEWAY DEVELOPMENT INTO THE LEE COUNTY UTILITIES SYSTEM UPON THE CLOSING OF SUCH SALE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners is the governing body in and for Lee County, a political subdivision and charter county of the State of Florida; and,

WHEREAS, the Board of County Commissioners is authorized by Florida law to acquire or sell utilities pursuant to Section 125.01 and Section 125.3401, Florida Statutes; and,

WHEREAS, the Gateway Services Community Development District's ("GSD") Wastewater Treatment infrastructure, associated real property and facilities lying within the Gateway Development may be considered or interpreted as a "utility" as contemplated by Section 125.01 and Section 125.3401, F.S.; and,

WHEREAS, the Board of County Commissioners now desires to purchase, and GSD now desires to sell, GSD's wastewater treatment infrastructure, associated real

property and facilities lying within the Gateway Development, Lee County, Florida (“The Property”) from GSD, for its subsequent incorporation into the Lee County Utilities System pursuant to the County’s authority under Sections 125.01 and 125.3401, F.S.; and,

WHEREAS, the Board of County Commissioners has made certain findings as outlined by the requirements of Section 125.3401, F.S., for the County’s purchase of The Property; and,

WHEREAS, the Board of County Commissioners hereby finds that the purchase of The Property, is: 1. consistent with the considerations as outlined in Section 125.3401, F.S., 2. authorized pursuant to Section 125.01, F.S., 3. serves a public purpose, 4. is in the public’s interest, 5. and is to the public’s benefit.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, that:

1. The above recitals are hereby adopted by the Board of County Commissioners and incorporated herein as if set out at length in this section.
2. The Board of County Commissioners hereby finds that, consistent with the requirements as set out in Section 125.3401, F.S. (Exhibit “A”, hereto) as presented and represented by the Lee County Public Works Department, Lee County Division of Utilities and consultants in a public hearing this date (filed briefing documents, Composite Exhibit “B” hereto), and the County’s powers under Chapter 125, F.S., the purchase of The Property serves a public purpose, is in the public’s interest, is to the public’s benefit, and accordingly, is hereby approved and authorized.

3. Upon the closing of the sale of The Property, said Property shall be incorporated into the Lee County Utilities (LCU) System, and become subject to the ownership and jurisdiction of the County, including the application of County rates, rules and regulations and operations from that date forward as they may be structured or implemented, and amended and/or revised by the County from time to time.
4. The Chairman is hereby authorized to execute any and all documents related to the County's purchase of The Property on behalf of the Board of County Commissioners, and Lee County staff is hereby authorized to perform any and all other lawful acts necessary and attendant to the closing of such sale.
5. This Resolution shall take effect immediately upon its adoption by the Board of County Commissioners.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and, being put to a vote, the vote was as follows:

DOUGLAS ST. CERNY _____
BOB JANES _____
RAY JUDAH _____
ANDREW COY _____
JOHN ALBION _____

DULY PASSED AND ADOPTED this ____ day of _____, 2002.

ATTEST: CHARLIE GREEN
CLERK OF COURTS

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: _____
Deputy Clerk

By: _____
Chairman

APPROVED AS TO FORM:

By: _____
Office of the County Attorney

EXHIBIT "A"

tions issued by such entity to any public agency as provided in s. 163.01(3)(b) whether or not such agency is a member of the entity. Such entity may have as members, in addition to counties, other public agencies as described in s. 163.01(3)(b) and may lend the proceeds of obligations to such public agencies for purposes of financing or refinancing capital projects or working capital if such agencies are otherwise authorized to incur debt.

History.—s. 3, ch. 96-216.

✓ **125.3401 Purchase, sale, or privatization of water, sewer, or wastewater reuse utility by county.**—No county may purchase or sell a water, sewer, or wastewater reuse utility that provides service to the public for compensation, or enter into a wastewater facility privatization contract for a wastewater facility, until the governing body of the county has held a public hearing on the purchase, sale, or wastewater facility privatization contract and made a determination that the purchase, sale, or wastewater facility privatization contract is in the public interest. In determining if the purchase, sale, or wastewater facility privatization contract is in the public interest, the county shall consider, at a minimum, the following:

(1) The most recent available income and expense statement for the utility;

(2) The most recent available balance sheet for the utility, listing assets and liabilities and clearly showing the amount of contributions-in-aid-of-construction and the accumulated depreciation thereon;

(3) A statement of the existing rate base of the utility for regulatory purposes;

(4) The physical condition of the utility facilities being purchased, sold, or subject to a wastewater facility privatization contract;

(5) The reasonableness of the purchase, sales, or wastewater facility privatization contract price and terms;

(6) The impacts of the purchase, sale, or wastewater facility privatization contract on utility customers, both positive and negative;

(7)(a) Any additional investment required and the ability and willingness of the purchaser, or the private firm under a wastewater facility privatization contract, to make that investment, whether the purchaser is the county or the entity purchasing the utility from the county;

(b) In the case of a wastewater facility privatization contract, the terms and conditions on which the private firm will provide capital investment and financing or a combination thereof for contemplated capital replacements, additions, expansions, and repairs. The county shall give significant weight to this criteria.

(8) The alternatives to the purchase, sale, or wastewater facility privatization contract, and the potential impact on utility customers if the purchase, sale, or wastewater facility privatization contract is not made; and

(9)(a) The ability of the purchaser or the private firm under a wastewater facility privatization contract to provide and maintain high-quality and cost-effective utility service, whether the purchaser is the county or the entity purchasing the utility from the county.

(b) In the case of a wastewater facility privatization contract, the county shall give significant weight to the technical expertise and experience of the private firm in carrying out the obligations specified in the wastewater facility privatization contract.

(10) All moneys paid by a private firm to a county pursuant to a wastewater facility privatization contract shall be used for the purpose of reducing or offsetting property taxes, wastewater service rates, or debt reduction or making infrastructure improvements or capital asset expenditures or other public purpose; provided, however, nothing herein shall preclude the county from using all or part of the moneys for the purpose of the county's qualification for relief from the repayment of federal grant awards associated with the wastewater system as may be required by federal law or regulation.

The county shall prepare a statement showing that the purchase, sale, or wastewater facility privatization contract is in the public interest, including a summary of the purchaser's or private firm's experience in water, sewer, and wastewater reuse utility operation and a showing of financial ability to provide the service, whether the purchaser or private firm is the county or the entity purchasing the utility from the county.

History.—s. 1, ch. 84-84; s. 1, ch. 93-51; s. 6, ch. 96-202.

125.35 County authorized to sell real and personal property and to lease real property.—

(1)(a) The board of county commissioners is expressly authorized to sell and convey any real or personal property, and to lease real property, belonging to the county, whenever the board determines that it is to the best interest of the county to do so, to the highest and best bidder for the particular use the board deems to be the highest and best, for such length of term and such conditions as the governing body may in its discretion determine.

(b) Notwithstanding the provisions of paragraph (a), the board of county commissioners is expressly authorized to:

1. Negotiate the lease of an airport or seaport facility;

2. Modify or extend an existing lease of real property for an additional term not to exceed 25 years, where the improved value of the lease has an appraised value in excess of \$20 million; or

3. Lease a professional sports franchise facility financed by revenues received pursuant to s. 125.0104 or s. 212.20;

under such terms and conditions as negotiated by the board.

(c) No sale of any real property shall be made unless notice thereof is published once a week for at least 2 weeks in some newspaper of general circulation published in the county, calling for bids for the purchase of the real estate so advertised to be sold. In the case of a sale, the bid of the highest bidder complying with the terms and conditions set forth in such notice shall be accepted, unless the board of county commissioners rejects all bids because they are too low. The board of county commissioners may require a deposit to be

COMPOSITE EXHIBIT "B"

LEE COUNTY
NOTICE OF INTENT TO ENACT A COUNTY RESOLUTION

TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN that on Tuesday, the 12th day of November, 2002 at 5:00 o'clock, p.m., in the County Commissioners' Meeting Room, Old Lee County Courthouse, 2120 Main Street, Fort Myers, Florida, the Board of County Commissioners of Lee County, Florida, will consider the enactment of a County Resolution pursuant to Chapter 125, Florida Statutes. The title of the proposed County Resolution is as follows:

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, RELATING TO THE COUNTY'S PURCHASE OF THE GATEWAY SERVICES COMMUNITY DEVELOPMENT DISTRICT'S ("GSD") WASTEWATER TREATMENT FACILITIES INFRASTRUCTURE AND ASSOCIATED REAL PROPERTY LYING WITHIN THE GATEWAY DEVELOPMENT, FROM GSD; PROVIDING FOR CERTAIN FINDINGS BY THE BOARD OF COUNTY COMMISSIONERS CONSISTENT WITH THE REQUIREMENTS OF SECTION 125.3401, FLORIDA STATUTES; PROVIDING FOR ADDING THE GSD WASTEWATER TREATMENT FACILITIES AND ASSOCIATED LANDS LYING WITHIN THE GATEWAY DEVELOPMENT INTO THE LEE COUNTY UTILITIES SYSTEM UPON THE CLOSING OF SUCH SALE; PROVIDING FOR AN EFFECTIVE DATE.

1. Copies of this Notice and the proposed Resolution are on file in the Minutes Office of the Clerk of Courts of Lee County. The public may inspect or copy the Resolution during regular business hours at the Office of Public Resources. The Minutes Office and Public Resources are located in the Courthouse Administration Building, 2115 Second Street, Fort Myers, Florida. Public Resources is located on the first floor and the Minutes Office is located on the second floor of the Courthouse Administration Building.

2. Interested parties may appear at the meeting in person or through counsel, and

be heard with respect to the adoption of the proposed Resolution.

3. Anyone wishing to appeal the decision(s) made by the Board with respect to any matter considered at this meeting, will need a record of the proceedings for such appeal, and may need a verbatim record, to include all testimony and evidence upon which the appeal is to be based.

4. The Resolution shall take effect immediately upon its adoption by the Board of County Commissioners at the public hearing.

5. If you have a disability that will require special assistance or accommodations for your attendance at the public hearing, please call the Lee County Division of Public Resources at 335-2269 for information.

PLEASE GOVERN YOURSELF ACCORDINGLY.

The text of this Notice is in conformance with Section 125.66, Florida Statutes (2001), and other relevant sections of Florida law.

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: _____
Charlie Green, Ex-Officio Clerk
to the Board of County Commissioners
of Lee County, Florida

APPROVED AS TO FORM:

By:  _____
Office of the County Attorney

Ad Size: 2 x 5

Publishing Dates: 10/22/02 & 11/5/02

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
 AGENDA ITEM SUMMARY

BLUE SHEET NO: 980755

1. REQUESTED MOTION:

ACTION REQUESTED:

Confirm "Letter of Interest" to Gateway Services District dated July 24, 1998, expressing interest in potential acquisition of the District's water, sewer and reclaimed water irrigation systems; and, authorize county staff to enter into negotiations with the Gateway Services District regarding the potential acquisition by Lee County of the District's water, sewer and reclaimed water irrigation systems.

WHY ACTION IS NECESSARY:

Acquisition of the Gateway Services District's utility systems would provide several significant regional benefits to the existing Lee County Utilities' water, sewer and reclaimed water systems. Staff recommends that this potential acquisition be evaluated and certain acquisition conditions be negotiated to make a final determination as to the feasibility of the acquisition. This potential acquisition is consistent with recent Board policy to expand Lee County Utilities on a regional basis within portions of the unincorporated county.

WHAT ACTION ACCOMPLISHES:

Allows staff to proceed with an evaluation of the costs versus benefits for obtaining the Gateway utility systems and develop final recommendations for future Board consideration.

2. DEPARTMENTAL CATEGORY: 10 - UTILITIES
COMMISSION DISTRICT #: 5

3. MEETING DATE: 8-4-98

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- TIME REQUIRED: _____

5. REQUIREMENT/PURPOSE:

- (Specify)
- STATUTE _____
 - ORDINANCE _____
 - ADMIN. CODE _____
 - OTHER Negot. Authorization

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER: _____
- B. DEPARTMENT: Lee County-Public Works
- C. DIVISION/SECTION: Environmental Services/Utilities
- BY: Glenn Greer, Deputy Director
- DATE: _____

7. BACKGROUND:

Environmental Services staff was recently made aware the Gateway Services District was interested in selling the water, sewer and reclaimed water systems within Gateway and in talking with Lee County regarding possible acquisition of these systems. County staff met with representatives of the District on July 20, 1998 to learn more about the systems and discuss potential benefits of an acquisition. The attached "Letter of Interest" dated July 24, 1998 was prepared at the request of the Chairman of the Gateway Services District and provides a brief summary of this meeting.

Funds for financial and engineering valuation of a potential acquisition will be made available from the approved budget in Account No.'s:

487-5220-536060-3490-000-0000-00
 Utilities Operating/Utilities/Sewer Admin/Other Contracted Services
 487-5220-536062-3490-000-0000-00
 Utilities Operating/Utilities/Water Admin/Other Contracted Services

8. MANAGEMENT RECOMMENDATIONS:

Approval of "Letter of Interest" and authorize negotiations.

9. RECOMMENDED APPROVAL

DEPARTMENT DIRECTOR	PURCHASING	HUMAN REL.	Office of Budget Services				OTHER	COUNTY ATTORNEY	COUNTY MANAGER
			OA	OM	Risk	GC			
<i>L.A. Johnson</i> L.A. JOHNSON DATE: 7/27/98	N/A	N/A	<i>Dec 7/27/98</i>		<i>7/27</i>	<i>RK 7/27</i>	<i>7/27/98</i>	<i>J.W. Smith</i> 7/27/98	

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

RECVD BY CO. ADMIN.
 7/27/98
 B. 4:48 PM

CO. ADMIN FORWARDED TO LEE CABES
 7/27/98
 14:30 PM

RECVD. BY CO. ATTY.
 7/27/98
 13:16

CO. ATTY. FORWARDED TO:
 Budget
 9/27/98

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

BLUE SHEET NO: 19991259-UTL

1. REQUESTED MOTION:

ACTION REQUESTED:

1) Approve the Final Combined City/County Proposal for Gateway Services District (GSD) Utility System; and, 2) authorize staff to develop necessary agreements with GSD and the City of Fort Myers which will be brought back to the Board for approval, for a purchase price of \$4,750,000.

WHY ACTION IS NECESSARY:

Board approval is required for agreements.

WHAT ACTION ACCOMPLISHES:

Approves the proposal and conceptual deal points for purchase of the wastewater treatment plant by the County, supplying bulk water and wastewater to the unincorporated portion of GSD by the County and supplying retail water and wastewater service to the incorporated portion of GSD by the City.

2. DEPARTMENTAL CATEGORY: 10 - UTILITIES
COMMISSION DISTRICT #:

3. MEETING DATE: 11-23-99

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- TIME REQUIRED: _____

5. REQUIREMENT/PURPOSE:

(Specify)

- STATUTE _____
- ORDINANCE _____
- ADMIN. CODE _____
- OTHER Proposal

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER: _____
- B. DEPARTMENT: Environmental Services
- C. DIVISION/SECTION: Utilities/Adm
- BY: Larry Johnson, Env. Svcs. Director

DATE: 11/10/99
L.A. Johnson

7. BACKGROUND:

On 2-23-99, the Board approved BS #990130 which approved a proposal for purchase of the Gateway Services District Utility System. Gateway has evaluated proposals from the County and the City of Fort Myers, and has requested several changes to the proposal.

On 10-29-99, the County and City of Fort Myers offered a combined proposal to GSD which incorporated elements of both proposals.

On 11-8-99, the GSD Board voted to conceptually approve the combined proposal, and directed their staff to work with the County and City to develop necessary documents.

(CONT'D.)

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL

DEPARTMENT DIRECTOR	PURCHASING	HUMAN RES.	County Administration				OTHER	COUNTY ATTORNEY	COUNTY MANAGER
			OA	OM	Risk	GC			
<i>L.A. Johnson</i> L.A. JOHNSON DATE: <u>11/10/99</u>	N/A	N/A					<i>[Signature]</i> 11/10/99	<i>[Signature]</i> 11/10/99	

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

REC'D. 11/10/99
By CO. ATTY.

11/10/99
CO. ATTY. 11/10/99
FORWARDED TO:
Budget
11/10/99

This proposal provides a win-win-win solution for all three parties. Gateway Services District will be able to reduce current costs, maintain control of their rates, and stabilize rates for the long term. The County will serve the unincorporated portion of GSD on a wholesale water and sewer basis. The County will also obtain the existing 1.0 MGD wastewater treatment plant and 41-acre site, which can be used for the Airport Regional wastewater treatment plant that is an approved CIP. Expansion of the existing plant will be much less expensive and less difficult than acquiring, permitting and constructing a new "green field" facility. The City will serve the expected new development within the incorporated portion of GSD.

The proposed purchase price of \$4,750,000 will be taken from existing Utility CIP projects in FY99-00 and may be reimbursed by Utility Revenue Bonds expected to be issued for several Utility CIP's in FY99-00.

A public hearing in accordance with F.S. 125.3401 will be conducted prior to the formal acquisition of the GSD utility facilities by Lee County.

◆◆◆



BOARD OF COUNTY COMMISSIONERS

Writer's Direct Dial Number: (941) 479-8181

John E. Manning
District One

Douglas R. St. Cerny
District Two

October 29, 1999

Ray Judah
District Three

Andrew W. Coy
District Four

John E. Albion
District Five

Donald D. Stilwell
County Manager

James G. Yaeger
County Attorney

Diana M. Parker
County Hearing Examiner

Jim Ward, District Manager
Gateway Services District
Moyer & Associates
210 North University Drive
Suite 301
Coral Springs, FL 33071

SUBJECT: FINAL COMBINED CITY/COUNTY PROPOSAL FOR GATEWAY SERVICE DISTRICT UTILITY SYSTEM

Dear Mr. Ward:

The City of Fort Myers and Lee County are pleased to present one combined final proposal for the purchase of the Gateway Services District Utility System. During the last GSD Board meeting, you suggested that portions of both the City's and County's proposals were advantageous to the District. This proposal combines the advantages of both previous proposals, and provides a Win-Win-Win method that serves the interests of the District, the City and the County. This combined proposal will also resolve any lingering legal issues between the parties in an amicable manner.


The combined proposal provides for purchase of the GSD (Gateway Services District) WWTP (Wastewater Treatment Plant) and site in 2000, bulk water and wastewater agreements for thirty (30) years with the County; and, an option for the County to purchase the GSD retail utility within the unincorporated area with a price based on an agreed formula.

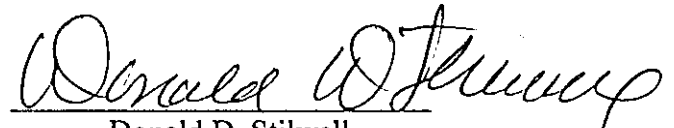
The County will serve the unincorporated portion of GSD, and the City will serve the incorporated portion of GSD as retail customers. The attached proposal provides details of this combined approach. Since this combined proposal incorporates many of the elements of previous proposals by both parties, all previous offers for purchase of the GSD Utility System by either the City or County are hereby withdrawn.


Jim Ward, District Manager
October 29, 1999
Page 2

The City and County staff, as well as our consultants, Burton & Associates and PRMG, Inc., are available to answer questions or discuss the proposal. We will also be available at the next GSD Board meeting. Please call Emmette Waite or Larry Johnson if you have additional questions concerning this matter. We look forward to a long, successful relationship for all the parties.

Sincerely,


Bruce Grady
Mayor, City of Fort Myers


Donald D. Stilwell
Lee County Manager

 LAJ:dht
Attachment

cc: J. W. French, Public Works
L. A. Johnson, Environmental Services
D. M. Owen, Assistant County Attorney
Rob Ori, PRMG

Emmette Waite, City of Fort Myers
Grant Alley, City Attorney
Mike Burton, Burton & Associates