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THE COURT: Okay, who are we starting with today.

MR. MARIANI: Your Honor, we're starting with a witness named Craig Conners.

THE COURT: Okay, thanks. Do all those boxes need to be here.

MR. HUTCHISON: They're exhibits, sir. We'll line them up over here. We can do it on a break if you prefer.

THE COURT: I don't want to jury to faint when they see them, that's all.

(Whereupon a recess was taken.)

THE COURT: Okay welcome back everyone. Thank you very much and we again appreciate your service and sacrifice. Already, the next witness Mr. Mariani please.

MR. MARIANI: Thank you, Your Honor, we call Craig Conners to the stand, please.

THE COURT: Okay, deputy, Craig Conners.

THE BAILIFF: Yes, Judge.

THE CLERK: Good morning, sir.

THE WITNESS: Good morning.

09:09:34  
09:23:59  
09:24:31  
09:28:25  
09:28:37

1 Thereupon:

09:29:19

2 CRAIG CONNERS

3 was called as a witness and having been first duly  
4 sworn, was examined and testified as follows:

5 THE WITNESS: I do.

09:29:21

6 THE COURT: Welcome, sir if you'd kindly  
7 follow the deputy's directions when the witness  
8 is seated Mr. Mariani, you may proceed.

9 DIRECT EXAMINATION

10 BY MR. MARIANI:

09:29:35

11 Q. Good morning Mr. Corners?

12 A. Good morning.

13 Q. Please state your full name and residence  
14 address for the jury?

15 A. My name is Craig Connors. Live in Boynton  
16 Beach Florida, 2690 North Federal Highway.

09:29:47

17 Q. I'm going to go briefly into your  
18 background, but first I want to identify for the jury  
19 the dates that you worked on the Destiny project. Can  
20 you tell us the beginning date and the ending date to  
21 the best of your recollection when you worked on the  
22 project?

09:30:07

23 A. Started in May or March of 2008 and  
24 continued into the summer of 2009.

25 Q. Prior to that can you tell us briefly your

09:30:34

ROUGH DRAFT TRANSCRIPT

1 educational background and your work history after  
2 that, please.

09:30:36

3 A. My work history was out of high school I was  
4 recruited by the FBI in Washington. I attended night  
5 school at George Washington University. After that  
6 upon graduation, I went to work for the international  
7 firm of Price Waterhouse.

09:30:50

8 Q. What was your undergraduate degree?

9 A. My undergraduate degree was in accounting.

10 Q. Did you take any postgraduate studies?

09:31:08

11 A. No, I did not.

12 Q. How long did you work with Price Waterhouse?

13 A. Approximately four years.

14 Q. What did you do after that?

15 A. After that I went to work for one of their  
16 clients and took the company public.

09:31:21

17 Q. When did you move to Florida?

18 A. In October of '97.

19 Q. Briefly trace your work history from '97 91  
20 '08, when you worked on the Destiny project.

09:31:46

21 A. In '97 I came to Palm Beach, returned to  
22 Florida from where I was born and raised and worked  
23 for Prudential Securities in Palm Beach until 2002 I  
24 believe, and then from that point forward worked with  
25 my wife on various real estate projects and managed

09:32:13

1 various real estate transactions.

09:32:17

2 Q. Before coming to the Destiny project what  
3 experience did you have, if any, in business  
4 development?

5 A. Well, at Price Waterhouse that was one of  
6 our specialties that we did. I was part of a small  
7 business team. We took small businesses that we  
8 believed had a lot of potential and helped them  
9 realize their potential.

09:32:27

10 Q. How do outside consultants do that to build  
11 a business?

09:32:46

12 A. How do they?

13 Q. Yes?

14 A. Basically they'll sit down with the needs of  
15 the company and they'll figure out what needs to be  
16 done to grow that company, what the company's greatest  
17 assets are, people-wise, financially and what's their  
18 strengths, what's their weaknesses and they try to  
19 suggest ways they did develop those strengths and  
20 weaknesses.

09:32:54

09:33:13

21 Q. Describe the circumstances under which you  
22 joined the Destiny team.

23 A. Well, at that time there was a great need  
24 for business development. One of the main  
25 requirements of the Destiny project was to develop

09:33:27

1 jobs, to create jobs and interest, to ask spanned upon  
2 that. And that's what we set out to do, was to locate  
3 companies that had the same vision as we did and that  
4 were interested in relocating, clustering in Destiny.

09:33:32

5 Q. Who worked you with this terms of business  
6 development for Destiny?

09:33:52

7 A. It was primarily myself and Ros Gatewood.

8 Q. What was your understanding of the Destiny  
9 project?

10 A. Well, I understood that it was a project  
11 that was definitely a vision that was going to change  
12 Florida that, it was something that other areas of the  
13 world had, other areas of the world were moving along  
14 and doing these types of things, and that the United  
15 States hadn't had one, hadn't had the vision yet. The  
16 closest thing we probably came up with one years ago  
17 and it was more by accident was silicon valley in  
18 California, but it was once in a lifetime opportunity  
19 to really make an impact on the State of Florida and  
20 on the nation for something that would -- I would  
21 think would create a very leadership position in the  
22 world.

09:34:18

09:34:34

09:34:52

23 Q. So how did you go about attempting to  
24 develop business or bring companies to Destiny to  
25 create jobs?

09:35:07

1           A.     Well, we went out and we searched for  
2 companies.  As I said this was also going on in other  
3 places in the world.  We found companies that were  
4 already doing these things hand elsewhere.  We reached  
5 out to them and said we would like to share that  
6 vision in the United States and look at ways we can  
7 partner globally.

09:35:09

09:35:21

8           So we just started cold calling and knocking  
9 on doors and as things progressed the word started to  
10 get out and we started to gain momentum in that area.

09:35:37

11          Q.     Do you recall any of the specific groups you  
12 met with or showed interest in the Destiny project?

13          A.     One of -- I think one of the most positive  
14 groups we had was the Sea Change group from MIT  
15 Dr. Preston, Russell Reed were part of the group in  
16 Sea Change and that was one I think was pretty  
17 phenomenal.

09:36:04

18          Q.     When you say MIT, what are you referring to?

19          A.     I'm referring to the Massachusetts institute  
20 of technology.

09:36:25

21          Q.     And what is the Sea Change group?

22          A.     The Sea Change group, well, there's a  
23 department within MIT that is responsible for  
24 commercialization of new technologies and John Preston  
25 headed this group.

09:36:39

1           There were so many patents that come out of  
2 MIT that they all can't be commercialized in Boston  
3 and Cambridge, so they look to outside areas that they  
4 can develop these patents.

09:36:41

5           One of the big things they were interested  
6 in was the location in central Florida, that they  
7 could do a lot of their bio technology and a lot of  
8 their renewal able fuels.

09:36:54

9           During our first meeting a comment that  
10 Mr. Preston made to me, he goes." Do you realize.

09:37:11

11           MR. CHAPMAN: Objection, Your Honor,  
12 hearsay.

13           THE COURT: Sustained.

14           THE WITNESS: Do you realize.

15           THE COURT: Excuse me, sir. I sustained it.  
16 If you hadn't appeared before I apologize, but  
17 when I sustain an objection, kindly not answer  
18 the question if it's overruled you may proceed to  
19 answer.

09:37:22

20           THE WITNESS: Yes, Your Honor.

09:37:34

21           THE COURT: Not a problem. Thank you very  
22 much.

23           You may proceed Mr. Mariani. Try to avoid  
24 what other people have told you, if you can. sir.

25

1 BY MR. MARIANI:

09:37:49

2 Q. What was your understanding of MIT's  
3 interest in the Destiny project?

4 A. They were looking for an area that they  
5 could cluster the businesses in the technologies that  
6 they were developing.

09:38:01

7 Q. And do you know what types of technologies  
8 those were?

9 A. Mainly at the time they were solar  
10 technologies as well as biofuels.

09:38:11

11 Q. Did you actually meet with the leaders and  
12 professor at MIT on those issues we just discussed?

13 A. Yes it.

14 Q. Beside -- John Preston was he a professor at  
15 MIT?

09:38:34

16 A. Yes he was.

17 Q. And you said he was head of the group?

18 A. At MIT he was, yes. He was the director.

19 Q. Do you remember any other names of people in  
20 that group at MIT?

09:38:42

21 A. Russell Reed was part of it.

22 Q. Describe, what do you know of Russell Reed?

23 A. Russell Reed was the chief investment  
24 officer of cell percent and cell percent is the  
25 California pension fund, one of the largest pension

09:39:02

1 fund I believe in the world and he was in charge of  
2 making investments in alternative energy programs.

09:39:05

3 Q. So did they work hand in hand with the MIT  
4 people?

5 A. Yes.

09:39:17

6 Q. Do you know whether calipers was the MIT  
7 funding source for those activities?

8 A. That I do not.

9 Q. Besides MIT, do you recall other business  
10 development experiences that you had in terms of  
11 trying to develop Destiny?

09:39:37

12 A. We reached out to a group in south Korea to  
13 do a biomedical facility at Destiny and they flew from  
14 south Korea to meet with us and to hear about the  
15 project.

09:40:01

16 Q. Based on the meetings that you had with  
17 them, what's your understanding of their interest?

18 A. Well, their understanding is --

19 Q. No, your understanding of their interest in  
20 Destiny.

09:40:15

21 A. Well, they had a deep understanding or deep  
22 desire to move forward with Destiny. This evidence  
23 created their vision in south Korea currently.

24 Q. Did you develop business from any other  
25 sources that you recall today?

09:40:36

1           A.     There were a number of other smaller  
2 companies that were interested in coming to Destiny.  
3 One of the companies or I guess two larger companies  
4 were interested at the time, GE was interested. We  
5 had talks with Cisco at one point in time, and those  
6 weren't developed to their fullest potential.

09:40:39

09:40:57

7           Q.     When you refer to Cisco, do you mean the  
8 company Cisco systems?

9           A.     Yes, I do, Cisco systems.

10          Q.     Did you speak with any universities about  
11 Destiny?

09:41:21

12          A.     We spoke with Rice University in Houston  
13 Texas, who they were developing a number of  
14 technologies to do with energy. The former secretary  
15 of energy, Mr. Pena, was current at that time was  
16 president of Rice University and was interested in  
17 hearing about the progress that we were making.

09:41:41

18          Q.     What type of technology were they describing  
19 to you?

20          A.     It was boy fueling the same thing that MIT  
21 was interested in, mainly renewable energy.

09:42:00

22          Q.     Are you familiar with a phrase Clinton  
23 Climate Initiative?

24          A.     Yes, I am.

25          Q.     What's your understanding of that phrase?

09:42:19

1           A.     Well, the Clinton Climate Initiative at the  
2 time was grouping cities of similar type of mind to do  
3 sustainable cities of the future that we could get  
4 together and trade technology, trade interest, and  
5 because this was something that everybody -- there was  
6 no game plan written for this type of city in the  
7 past, it was all being crated around the world and I  
8 believed we all had an input into it and wanted to  
9 bring us together so we could all discuss it and move  
10 forward on our various projects around the world.

09:42:20

09:42:37

09:42:54

11           Q.     So what sort of involvement did the Destiny  
12 project have or within the Clinton Climate Initiative?

13           A.     Well, we made a submission to the Clinton  
14 Climate Initiative as far as what our project was  
15 about and how we were proceeding and they designated  
16 us as one of the future cities of the world, I believe  
17 at that year it was nine cities that they honored with  
18 that award and we received an award from President  
19 Clinton, Seoul South Korea in May, 2009 for the  
20 vision.

09:43:12

09:43:35

21           Q.     Did you personally meet with former  
22 President Clinton to receive the award?

23           A.     Yes, I did.

24           Q.     Met with him in Korea?

25           A.     Solo South Korea, yes, sir.

09:43:47

1 Q. Who else was invited to that meeting or  
2 function?

09:43:50

3 A. Ros Gatewood also.

4 Q. In terms of other groups besides Destiny, do  
5 you recall the names of any who were invited?

09:43:59

6 A. Well, the other cities around the world, one  
7 was Birmingham, England and one of the cities that was  
8 doing, undergoing a sustainable change. There was I  
9 believe it was Hamburger, Amsterdam. There was a city  
10 being built in Sao Paolo, Brazil, another one being  
11 done in Australia at the time.

09:44:22

12 Q. In addition to Destiny, were there any  
13 cities in the United States that were on that list at  
14 the award ceremony?

15 A. There was a project being done in San  
16 Francisco at the time, the renewing of the treasure  
17 island navel yard, but that was the only project in  
18 the United States.

09:44:38

19 Q. Other than Destiny?

20 A. Other than Destiny, correct.

09:44:53

21 Q. Did Osceola County respond to the award from  
22 the Clinton Climate Initiative to the Destiny project?

23 A. Yes.

24 Q. And how did they respond?

25 A. They made note that we received an award for

09:45:19

1 the project.

09:45:21

2 Q. And how did they make note of it?

3 A. I believe that they published it in their  
4 news letter and their Osceola County news.

5 Q. Do you know whether they issued a  
6 proclamation regarding Destiny?

09:45:31

7 MR. CHAPMAN: Objection, Your Honor,  
8 leading.

9 THE COURT: Overruled.

10 A. There was a proclamation that Osceola County  
11 issued, yes.

09:45:39

12 Q. I show you this, sir, if I may.

13 Show you what I marked as Plaintiff's  
14 Exhibit 67, a paper copy of it. Have you seen that  
15 before?

09:46:16

16 A. Yes, I have.

17 Q. Is that the proclamation that was issued by  
18 Osceola County to the Destiny project?

19 A. Yes, it is.

20 MR. MARIANI: Your Honor, I'd like to move  
21 Exhibit 67 into evidence, a paper copy of it.

09:46:32

22 MR. CHAPMAN: No objection.

23 THE COURT: So stipulated. It will be  
24 received, the paper copy.

25 You may proceed.

09:46:45

1 (Whereupon a document/item was marked in  
2 evidence as Plaintiff's Exhibit 67.)

09:46:47

3 Q. In terms of your reference to develop  
4 business for Destiny -- withdrawn, excuse me.

5 Can you tell us about Anthony Pugliese's  
6 vision for the plan? What was his plan?

09:47:44

7 A. His plan was really to do something sometime  
8 United States that hasn't been done before, that the  
9 State of Florida and its citizens would be very proud  
10 of. It was something where I think people considered  
11 it just a develop deal, a land deal are really missing  
12 the point; that it was really about change in the way  
13 we live in the United States and something that's  
14 being done elsewhere in the world.

09:47:56

15 So there are other visionaries out there  
16 that have this type vision, and they're doing it. So  
17 it's in the like it was an impossible dream.

09:48:15

18 Q. Have you leader of a company called Gale  
19 International?

20 A. Yes I have.

09:48:35

21 Q. What's your knowledge of Gale International,  
22 your personal knowledge?

23 A. Gale International is a company in Boston  
24 that the government of South Korea reached out to  
25 develop their sustainable city. The city's name is

09:48:48

1 Sedongdo, South Korea. Gale had never done something  
2 like this before, but they believed in the work ethic  
3 and in the background of Gale International on how  
4 they had done prior work that they were the one that  
5 they thought could lead this project.

09:48:54

09:49:09

6 So Gale International interacted with the  
7 government of South Korea to develop Sedongdo City.

8 Q. You mentioned Sedongdo City is that one of  
9 the other recipients at the Clinton Climate  
10 Initiative?

09:49:32

11 A. Sedongdo did not receive an award, no.

12 Q. Did you visit Sedongdo City?

13 A. We didn't have the chance when we were  
14 there, but we would have certainly liked to.

15 Q. Did you have meetings with Gale  
16 International?

09:49:45

17 A. Yes we did.

18 Q. Why did you meet with Gale International?

19 A. Well, we felt that if they're doing this on  
20 a small what smaller, but still a very large scale in  
21 Seoul South Korea that they should change some ideas  
22 on hurdle wills that we might come to and they had the  
23 same ideas about developing business and they would do  
24 that.

09:49:54

25 So being that we were basically, you know,

09:50:14

1 working together on similar projects, I thought it was 09:50:17  
2 something that we needed to reach out to them and make  
3 them aware of what we were trying to do in Florida.

4 Q. And based on your meetings with them did you  
5 have an understanding whether they had performed a 09:50:33  
6 project as significant as Sedongdo City previously?

7 A. In they had not.

8 Q. What was the nature of their business  
9 generally in the Boston area?

10 A. To that point in time they were known for 09:50:45  
11 some of their large commercial renovation works,  
12 commercial office buildings. They received a number  
13 of awards for that, those type of projects, but they  
14 had not developed anything on that scale before, no.

15 MR. MARIANI: Excuse me for a moment, Your 09:51:10  
16 Honor.

17 THE COURT: Take your time.

18 MR. MARIANI: Mr. Corners I'm just going to  
19 take a moment to public the proclamation which  
20 you identified which is now in evidence. 09:51:32

21 BY MR. MARIANI:

22 Q. Now, Mr. Corners you said that in the summer  
23 of 2009 you stopped working for the Destiny project?

24 A. That's correct.

25 Q. Describe the circumstances why you stopped 09:52:27

1 working.

09:52:28

2 A. We were moving forward on business  
3 development. We had just come back in May from Seoul  
4 South Korea. We were moving forward on a number of  
5 front and the funding had stopped for the consultants.

09:52:45

6 So a number of us, mainly Ros Gatewood and  
7 myself, we still stayed on for about two more months  
8 after that, hoping that you know that things would  
9 resolve themselves and that the project would still  
10 move forward, because we had had a lot of good things  
11 that were coming to fruition.

09:53:13

12 Q. Do you have any knowledge or understanding  
13 of why funding stopped at the Destiny project?

14 A. Not direct understanding other than I  
15 believe that the partners decided -- I don't know  
16 decided, but stopped funding the project.

09:53:33

17 Q. While you worked on the Destiny project,  
18 give the jury a sense of your daily, your work ethic,  
19 what you did during the day. Describe what you did  
20 and how many hours and that type of thing that you  
21 invested in the effort.

09:54:01

22 A. Well, there was no given week that was like  
23 the same. We did whatever we needed to do to reach  
24 out to potential companies and if we had to go to meet  
25 them or if they could come to meet us, we were on

09:54:18

1 their schedule. You know, if we had to pick someone  
2 up at the airport at midnight, we would pick them up  
3 at the airport at midnight. We met whenever we could  
4 meet with them.

09:54:20

5 So there was no week that was similar to the  
6 next week. Every week was different depending on how  
7 full we could load our plates.

09:54:32

8 Q. Was it a full time responsibility for you?

9 A. Absolutely.

10 Q. How many hours per week, an average, would  
11 you work on the Destiny project?

09:54:46

12 A. I would say 60 to maybe 80 hours a week.

13 MR. MARIANI: I have no further questions.

14 Thank you.

15 THE COURT: Thank you Mr. Mariani.

09:55:07

16 Mr. Chapman.

17 BY MR. CHAPMAN:

18 Q. Morning Mr. Corners?

19 A. Morning.

20 Q. You mentioned you stopped working on the  
21 project in 2009 because the funding stopped?

09:55:34

22 A. That's correct.

23 Q. Did Anthony Pugliese ever tell you that he  
24 had money set aside to pay expenses of the Land  
25 Company of Osceola County going forward?

09:55:44

1 A. I never met with Anthony for that type of  
2 conversation, no.

09:55:47

3 Q. Anthony Pugliese never told you that,  
4 correct?

5 A. Correct.

09:55:54

6 Q. You don't know why the funding stopped,  
7 correct?

8 A. No.

9 Q. Is that correct?

10 A. That's correct.

09:56:00

11 Q. Did you know that FD Destiny learned that  
12 Anthony Pugliese was stealing from LCOC?

13 A. No.

14 Q. Now, you said you started working for Land  
15 Company of Osceola County in 2008, correct?

09:56:23

16 A. Yes, sir.

17 Q. You didn't do any work on the project in  
18 2005, correct?

19 A. That's correct.

20 Q. You didn't do any work on the project prior  
21 to its purchase, correct?

09:56:30

22 A. That's correct.

23 Q. You didn't do any due diligence on the  
24 project prior to its purchase, correct?

25 A. That's correct.

09:56:38

1 Q. And you weren't aware that Land Company of  
2 Osceola County had even submitted a comparative plan  
3 to the Department of Community Affairs, correct?

09:56:38

4 A. That's correct.

5 Q. And you never heard of an objection,  
6 recommendations and comments issued by the Department  
7 of Community Affairs, correct?

09:56:49

8 A. That's correct.

9 Q. An you're not familiar with the Urban Land  
10 Boundary, correct?

09:56:56

11 A. That's correct. I was business development,  
12 sir. That's not an area that we were covering.

13 Q. So you were not familiar with what an Urban  
14 Land Boundary is?

15 A. That's correct.

09:57:10

16 Q. And you don't know what the zoning was on  
17 the property when it was purchased, correct?

18 A. That's correct.

19 Q. And you don't know what the zoning is on the  
20 property today, correct?

09:57:17

21 A. That's correct.

22 Q. And what aware of what entitlements were or  
23 were not received on this property, correct?

24 A. That's correct.

25 Q. Now, you have experience in financial

09:57:26

1 controls and accounts, correct?

09:57:28

2 A. Yes, sir.

3 Q. In fact, you served on the board of a bank  
4 with Laura Pugliese, Mr. Pugliese's wife?

5 A. That's correct.

09:57:39

6 Q. And Anthony Pugliese never asked you to  
7 assist in the financial controls and accounting for  
8 Land Company of Osceola County, did he?

9 A. That's correct.

10 Q. He had nothing to do with the accounting for  
11 Land Company of Osceola County, correct?

09:57:47

12 A. That's correct, yes, sir.

13 Q. And you didn't know that Anthony Pugliese  
14 was using LCOC's money to pay for services that it  
15 wasn't providing, correct?

09:58:05

16 A. That's correct.

17 Q. You don't know what the terms of the  
18 operating agreement are?

19 A. I do not.

20 Q. Never reviewed the operating agreement,  
21 correct?

09:58:12

22 A. No, I don't I haven't reviewed the operating  
23 agreement.

24 Q. And you're not aware of what Anthony  
25 Pugliese's funding obligations are?

09:58:20

1 A. No, sir. 09:58:21

2 Q. You're not aware of what Fred DeLuca's and  
3 his operations responsibilities are?

4 A. That's correct.

5 Q. And the Destiny project is the largest  
6 project you ever worked on? 09:58:29

7 A. That's correct.

8 Q. It's also the largest project that Anthony  
9 Pugliese has ever worked on?

10 A. That's correct. 09:58:37

11 Q. And your job was to create interest and  
12 bring jobs into the project, correct?

13 A. Yes, sir.

14 Q. And no company has ever committed to  
15 bringing jobs to this project, correct? 09:58:45

16 A. I wouldn't say that, no, sir.

17 Q. Well, you're not aware of any companies that  
18 committed to bringing jobs to the Yeehaw property  
19 prior to the Yeehaw property obtaining entitlements,  
20 isn't that correct? 09:59:00

21 A. Prior to obtaining -- prior to obtaining  
22 entitlements there wouldn't be a company because you  
23 can't sign an agreement when there's no -- you don't  
24 have an address, you don't have a location. You have  
25 a plotted piece of ground and you're asking a company, 09:59:12

1 especially a publicly traded company in some instances 09:59:17  
2 to make a commitment to come to an area.

3 It's like saying I'm going to buy a house no  
4 Palm Beach County L that's great what's the address.  
5 I don't have an address, but I want you to sign this 09:59:28  
6 document that that you're going to say I'm going to  
7 Palm Beach County and guy a home. It's very difficult  
8 to get any company especially a publicly traded  
9 company that would be willing shine such a thing.

10 Q. And no company was willing to sign a 09:59:41  
11 commitment to bring jobs to LCOC prior to it obtaining  
12 entitlements, correct?

13 A. For those reasons, yes, sir.

14 Q. And in fact, as of June 2009 LCOC had no  
15 binding agreements with any business wanting to locate 09:59:54  
16 at the Yeehaw Junction property, isn't that correct?

17 A. That's correct.

18 Q. And you know that the Department of  
19 Community Affairs found that there was an insufficient  
20 showing of commitments from various companies to come 10:00:09  
21 to this project, correct?

22 A. That I do not know, no.

23 Q. Now, it was your understanding that if this  
24 project successfully obtained entitlements, that it  
25 was going to be sold, correct? 10:00:22

1 A. Yes.

10:00:25

2 Q. And you mentioned Gale International in your  
3 direct examination. You actually met with Morgan  
4 Stanley and you obtained the contact information from  
5 Morgan Stanley through Gale International, correct?

10:00:34

6 A. No.

7 Q. Well, you did meet with Morgan Stanley in  
8 late 2008, correct?

9 A. Absolutely, yes.

10 Q. And you were meeting with Morgan Stanley to  
11 raise money for the project?

10:00:42

12 A. We were meeting with Morgan Stanley to tell  
13 them about the project, because they were the main  
14 financial backer behind Sedongdo City and knowing of  
15 their interest and experience in backing these types  
16 of developments, we were interested in telling them  
17 about ours.

10:00:56

18 Q. And you were seeking financing to obtain  
19 entitlements for this project, correct?

20 A. At that point in time we were in the seeking  
21 financing. We were just -- I had nothing to present  
22 them to seek financing with. I was just bringing the  
23 Destiny project to their attention, letting them know  
24 that this was going on in the United States and that  
25 they might want to be aware of it if they're doing one

10:01:09

10:01:22

1 in Seoul South Korea.

10:01:25

2 Q. Well, what you told Morgan Stanley is that  
3 you were seeking money to move the project forward to  
4 get entitlements, that's how you presented it --  
5 that's how you presented it to Morgan Stanley?

10:01:35

6 MR. MARIANI: Objection, hearsay.

7 THE COURT: Overruled.

8 A. We didn't present it to Morgan Stanley as  
9 getting financing to get the entitlements. We  
10 presented it to Morgan Stanley that this is a project  
11 that we were doing in the United States and we were  
12 trying to determine if they had a level of interest,  
13 which they did in joining us and moving this project  
14 forward.

10:01:46

15 Q. Mr. Corners, do you remember giving a  
16 deposition in this case, correct?

10:02:00

17 A. Correct.

18 Q. And I took that deposition?

19 A. Yes.

20 Q. There was a court reporter present?

10:02:06

21 A. Yes.

22 Q. And you were under oath?

23 A. Yes.

24 Q. And Mr. Pugliese's attorneys were present  
25 during that deposits?

10:02:11

1 A. Yes.

10:02:12

2 MR. CHAPMAN: May I approach.

3 THE COURT: You have a copy?

4 BY MR. CHAPMAN:

5 Q. Mr. Conners, please turn to page 125. line  
6 15.

10:02:35

7 "Q: And moving it forward to get  
8 entitlements, that's how you presented it to.

9 "A: Morgan Stanley.

10 "Q: Morgan Stanley.

10:02:53

11 "A: Yes, sir."

12 Did I read that correctly?

13 A. You did read that correctly, yes.

14 MR. MARIANI: Your Honor, objection, it's  
15 not the full question and there's an objection on  
16 the record there. Move to strike.

10:03:06

17 MR. CHAPMAN: There is a full question and  
18 that's exactly the question I asked.

19 THE COURT: I think it's a situation of  
20 reading it in context. It appears probably the  
21 witness and the attorney spoke over each other,  
22 so the objection is overruled.

10:03:23

23 BY MR. CHAPMAN:

24 Q. Now, Mr. Conners after your meeting with  
25 Morgan Stanley there was no further full opinion,

10:03:36

1 correct? 10:03:40

2 A. With Morgan Stanley at that time.

3 Q. Is that correct?

4 A. That's correct, yes.

5 Q. And other than Morgan Stanley you had never 10:03:45  
6 net with any other potential invest various to invest  
7 in this project?

8 A. That's correct.

9 Q. And no other investors made a commitment to  
10 invest in the Destiny project? 10:03:57

11 A. Correct.

12 Q. Now, you socialized with Anthony Pugliese  
13 and his wife since 1997?

14 A. That's correct.

15 Q. Your families do activities; is that 10:04:03  
16 correct?

17 A. Yes, it is.

18 Q. And you're still friends with Anthony  
19 Pugliese today, correct?

20 A. That's correct. 10:04:10

21 Q. Now, you mentioned the Clinton Climate  
22 Initiative. Essentially Osceola County had to fill  
23 out an application to receive that award, correct?

24 A. Correct.

25 Q. And you're not familiar what was in that 10:04:20

1 application. That was done by Ros Gatewood?

10:04:22

2 A. Correct. That's correct.

3 Q. Now, you mentioned some companies. Cisco,  
4 they never committed to do anything with respect to  
5 this project did they?

10:04:31

6 A. No they did not.

7 Q. And the group from South Korea that you  
8 mentioned they never committed to do anything with  
9 respect to this project, correct?

10 A. Correct.

10:04:40

11 Q. And the Sea Change group that you mentioned,  
12 they never committed to doing anything with Supreme  
13 Court to this project, correct?

14 A. That's correct.

15 Q. And MIT, they never committed to do anything  
16 with respect to this project, correct?

10:04:47

17 A. Yes.

18 Q. Is that correct?

19 A. Correct, yes.

20 Q. And general electric that you mentioned,  
21 they never committed to doing anything with respect to  
22 this project, correct?

10:04:54

23 A. That's correct.

24 Q. Rice University no committed from rice  
25 university, were there?

10:05:06

1           A.     Not at this stage.  There wasn't for many of  
2 these companies.  It was too early to make a  
3 commitment.

10:05:08

4           Q.     You also mentioned calipers, there was no  
5 commitment from calipers, correct?

10:05:16

6           A.     That's correct.

7           Q.     And is it fair to say that the Clinton  
8 Climate Initiative, that goal of that whole initiative  
9 is to protect the essential environment and you know  
10 make a green community?

10:05:29

11          A.     Some, yes.

12          Q.     So the Clinton Climate Initiative, wouldn't  
13 want a project that's going to destroy ten environment  
14 or adversely affect federally protected species,  
15 correct?

10:05:45

16          A.     That's correct.

17          Q.     And the Clinton Climate Initiative award  
18 that was mentioned that didn't increase entitlement on  
19 the project, did it?

20          A.     No it did not.

10:05:59

21          Q.     Man, Your Honor may have 20 seconds?

22                 THE COURT:  Sure.

23                 MR. CHAPMAN:  Thank you I have into further  
24 questions.

25                 THE COURT:  Okay, anything on redirect.

10:06:20

1 MR. MARIANI: Yes, Your Honor. 10:06:23

2 REDIRECT EXAMINATION

3 BY MR. MARIANI:

4 Q. Mr. Conners let me ask you some questions  
5 about sincere interest in something and a binding  
6 contract that would bind somebody to do something? 10:06:38

7 A. Certainly.

8 Q. You've acknowledged in your prior testimony,  
9 in binding contracts were entered into?

10 A. That's correct, yes. 10:06:51

11 Q. The reason -- the reason why no binding  
12 contracts were entered into was because the  
13 entitlements had not been formulated with enough  
14 specificity in order for people to be able to bind  
15 themselves to something in particular? 10:07:07

16 A. Correct.

17 MR. CHAPMAN: Objection, Your Honor,  
18 leading.

19 THE COURT: Sustained. Give counsel just a  
20 moment when you see him stand, to be able to  
21 state the objection so that if I do sustain the  
22 objection, the answer is not given first. 10:07:14

23 THE WITNESS: Yes, sir.

24 THE COURT: All right, sir. The jury will  
25 disregard the last answer. 10:07:25

ROUGH DRAFT TRANSCRIPT

1 BY MR. MARIANI:

10:07:29

2 Q. So your experience in developing business  
3 and helping companies grow business there respect to  
4 the companies you spoke with concerning their interest  
5 in interest any, did you conclude it was sincere  
6 interest there Destiny?

10:07:41

7 A. Absolutely.

8 MR. CHAPMAN: Objection, Your Honor, asked  
9 and answered.

10 THE COURT: Overruled on that ground.

10:07:50

11 Q. What was your answer, sir?

12 A. Absolutely it was sincere.

13 Q. And please describe why you say it was  
14 sincere.

15 A. Well, you know, these people weren't ones  
16 that were sitting there telling us I want to come to  
17 your office to review this project and talk to you  
18 about this project, you know, send me what ticket, put  
19 me up in a hotel. These were individuals flying in  
20 from Seoul, South Korea on their own nickel so to  
21 speak to listen to this project to talk to us.

10:07:58

10:08:16

22 This wasn't meeting. This wasn't just a  
23 preliminary meeting. I mean, we met with the group  
24 from Seoul South Korea on three occasions. The group  
25 from John Preston and the Sea Change group at least

10:08:32

1 twice maybe three times they came to our offices down  
2 here, and this is all on their initiative.

10:08:36

3 Rice University came to meet with us, you  
4 know, again on their own and then they invited us at  
5 rice to see what they were doing at rice.

10:08:52

6 So the interest wasn't an interest to, you  
7 know, come and see what the show was about and get a  
8 free ride. Nothing even close to that. This was  
9 honest interest.

10 I think if we also look at the timeframe,  
11 November of 2008 was all about change. We just  
12 elected a new president of the United States at that  
13 time. It was all about change and we were working  
14 with people who wanted to make a change, who wanted  
15 to, you know, do something that the rest of the world  
16 is leading ahead of us on. Solar power take for  
17 example, a cloudy area of Germany is the leading  
18 source of power at that time in the world and here we  
19 are in sunny Florida and we have very little to none  
20 of it, why?

10:09:07

10:09:24

10:09:46

21 It was those type of questions that I think  
22 intelligent people were asking themselves at, why.  
23 And we reached out to them.

24 Q. And they came on their own nickel to visit?

25 A. Exactly, yes.

10:10:03

1 Q. And they expressed interest net Destiny  
2 project?

10:10:04

3 MR. CHAPMAN: Objection, Your Honor,  
4 leading.

5 THE COURT: Sustained the jury will  
6 disregard the last answer.

10:10:12

7 Any questions from the jury?

8 Thank you for your time. Kindly watch your  
9 step as you step down from the witness stand.

10 (Witness excused).

10:10:23

11 Next witness, please. Next witness please.

12 MR. MARIANI: Yes, Your Honor, we call Ros  
13 Gatewood to the stand.

14 THE COURT: All right deputy if you would  
15 call Ros Gatewood. Clerk good morning, ma'am  
16 please raise your right hand.

10:10:42

17 Thereupon:

18 ROSALIND GATEWOOD

19 was called as a witness and having been first duly  
20 sworn, was examined and testified as follows:

10:11:37

21

22 THE WITNESS: Yes, I do.

23 THE COURT: Welcome back. Kindly watch your  
24 step there are stairs there. Follow the deputy's  
25 directions on the witness stands.

10:11:45

1 THE BAILIFF: Have a seat. 10:11:49

2 THE COURT: When the witness is seated,  
3 Mr. Mariani you can kindly proceed, sir.

4 DIRECT EXAMINATION

5 BY MR. MARIANI: 10:11:56

6 Q. Good morning Ms. Gatewood?

7 A. Good morning.

8 Q. Please state your full name and residence  
9 address for the record. Please?

10 A. Surely Rosalind Gatewood 859 Jeffrey Street, 10:12:18  
11 Boca Raton, Florida.

12 Q. What is your occupation presently?

13 A. Presently I am CEO of a global aquatic bio  
14 systems an also a consultant for various different  
15 technology companies. 10:12:36

16 Q. I'd ask you the keep your boys up?

17 A. I'm sorry, I have the residue of the flu so  
18 I apologize.

19 Q. Please don't apologize, but it's important  
20 that the jury hear your answers. 10:12:50

21 What does that company do that you're the  
22 CEO of?

23 A. Global aquatic biosystems, well, we're  
24 focused on biological control of mosquito disease  
25 vectors using plankton, small little critters, that 10:13:05

1 actually eat them the mosquito larvae. 10:13:09

2 Q. And I didn't hear the rest of your prior  
3 answer, that you said besides being CEO you do  
4 something else?

5 A. I do consulting for various technology 10:13:20  
6 companies. One is a digital health care company, as  
7 well as working on an energy park, sort of a similar  
8 thing to a little bit similar to Destiny, over in  
9 Brandon, Florida.

10 Q. What type of consulting do you do? 10:13:38

11 A. Mostly it's for business development aspect  
12 and also bringing different technologies into that  
13 particular program or project.

14 I'm also working on a 3200-acre with a  
15 former USDA project that's a land transfer to FAMU, 10:13:59  
16 which is a Florida agricultural and mechanic  
17 university outside of Tallahassee. So that I have  
18 actually done putting together letters of interest  
19 from companies to be interred in that project.

20 Q. Do you recall the time period when you 10:14:27  
21 worked on the Destiny project?

22 A. Yes of course.

23 Q. And give the jury an idea -- not an idea,  
24 the specifics if you can, of which you started working  
25 on the Destiny project and when you stopped working. 10:14:39

1           A.     Well, I wasn't involved pretty much at the  
2 beginning of right after they purchased the land. I  
3 began working on the marketing, crate creating,  
4 helping to design the logo which actually we won an  
5 award for the Destiny logo; putting of course together  
6 collateral and videos to help articulate what Destiny  
7 was about as it was a bit different real estate  
8 development than the norm at the time.

10:14:43

9           Q.     When did you start there?

10          A.     Oh, dear. I worked for Mr. Pugliese way  
11 before that, so I will tell you I don't remember was  
12 it '05. I don't really quite recall the date.

10:15:20

13                     I was working for Anthony prior to that.

14          Q.     And when did you stop working on the Destiny  
15 project?

10:15:38

16          A.     I stopped working on the Destiny project  
17 when the funding ceased.

18          Q.     When was that, to your recollection?

19          A.     I do -- I believe it was in August,  
20 September. I can't recall, but I'll say I'm terrible  
21 with years. I think it was '09, '08. I'm not sure.

10:15:50

22          Q.     So approximately August, September of '09 is  
23 that your best recollection?

24          A.     Yes that's my best recollection.

25          Q.     You said that you worked for Anthony

10:16:08

1 Pugliese before the Destiny project. Please describe  
2 that to the jury.

10:16:10

3 A. Okay. I worked many different projects for  
4 Mr. Pugliese, including marketing for one of our --  
5 one of our retail formats called creations. I was  
6 also involved in our technology. We had a video  
7 protein was a video IP camera management technology.

10:16:30

8 So I worked and helped in many capacities  
9 with that project as well. And then with Destiny and  
10 after that I've worked on other projects with Anthony.

10:16:51

11 Q. And describe what it is like to work for or  
12 with Anthony Pugliese?

13 A. I would say that Anthony is perhaps one of  
14 the most interesting and renaissance men I have ever  
15 met. They thinks totally out of the box and I would  
16 say that probably suits my personality because I'm  
17 sort of the same. But he's highly creative and is  
18 always just, you know, as I said very creative,  
19 artistic and exceedingly forward-thinking. It's  
20 always sort of amazes one what he comes up with and  
21 you go wow, how did you think about that.

10:17:12

10:17:33

22 So he has several patents in technologies  
23 that really wonder how he ever thought of them. Some  
24 are very -- like video protein was very forward  
25 thinking. In fact, today, even today it's still ahead

10:17:55

1 of its time.

10:17:59

2 So he's very interesting. He's a wonderful  
3 person to work for, fun, creative, nice. I've  
4 actually never met anyone who didn't like Anthony.

5 Q. Does he work hard?

10:18:10

6 A. All the time, never stops. You will get a  
7 text from Anthony, could be midnight, saying what do  
8 you think about this or don't forget to do that or  
9 what have you.

10 So he's usually always working, just like  
11 me.

10:18:21

12 Q. On the Destiny project did he work hard?  
13 Was he committed?

14 A. Oh, we worked everyone. It was 24/7.  
15 Everyone was working, he was working all the time,  
16 never ever stopped. We had many meetings on weekends.  
17 It was all the time. It would be very rare if you  
18 left much before 8 o'clock at night.

10:18:39

19 Q. What was your specific role on the Destiny  
20 team?

10:19:00

21 A. So it sort of morphed, but I really started  
22 with articulating the story, being able to communicate  
23 because it was so different from a traditional real  
24 estate development project. So I worked with Anthony  
25 on really how to communicate how this sustainable

10:19:18

1 aspect that was not just -- it was about the 10:19:23  
2 environment, but it was also about the continue my and  
3 it was also about the social equity and equality.

4 So I worked on -- because of my background,  
5 just so, you know, I was a publisher of a engine net 10:19:39  
6 newspaper of the largest weekly in consider contract  
7 and I was always director of especially marketing of  
8 ten newspapers in the Metropolitan New York area that  
9 was also retail product development for the newspaper  
10 association of America. So I have a certain skill 10:19:57  
11 sets, both in being able to be creative in writing and  
12 being able to develop products.

13 I've done many of any own magazines. So  
14 that's what I worked on, helping to create the  
15 collateral that could tell this really powerful story 10:20:15  
16 about how we see the future of development.

17 Q. So did you put together various materials to  
18 help accomplish that?

19 A. Yes, I did.

20 Q. Let me ask you, what materials did you put 10:20:33  
21 together for that purpose?

22 A. So I did two videos, where I actually did  
23 the script of the videos, actually worked with Anthony  
24 because some of them had his voice over, so I worked  
25 with Anthony to have him -- obviously do the voice 10:20:51

1 over for the videos.

10:20:54

2 I did also some paper collateral. I also  
3 worked on the marketing, you know, the language for  
4 the website; and I also worked with our firm that we  
5 hired to develop the Destiny logo.

10:21:10

6 Q. Now, in terms of other marketing, for  
7 example bringing people together, did you engage in  
8 those activities?

9 A. Absolutely.

10 Q. Describe those please.

10:21:28

11 A. So in the role of business development  
12 because quite honestly, the Destiny vision and  
13 platform was so engrained in me it was very easy and I  
14 was passionate about it to attract companies and quite  
15 honestly, people that were also interested in  
16 sustainability. So I met with many different people  
17 including universities. I met with Dr. Brogan who was  
18 the president of FAU and he actually put together a  
19 12-team multi discipline area group to work on some  
20 excepts for Destiny.

10:21:48

10:22:17

21 I also worked with the Florida Institute of  
22 Technology on some of their ideas for bringing  
23 different types of technology to Destiny, and I also  
24 worked with Rice University the director of -- sounds  
25 crazy, National Corrosion Institute of Rice University

10:22:38

1 with Dr. Pena who actually came to our offices from 10:22:44  
2 Houston and in turn, invited myself and Craig  
3 Conners -- and at the time we were working with GE.

4 So we went with GE, Craig and myself were  
5 invited by Rice University because they were very 10:23:02  
6 interested in the Destiny platform and how we were  
7 going about approaching sustainability.

8 Q. You mentioned put together videos. Describe  
9 for the jury what you did with those videos, meaning  
10 how did you use them in accomplishing your 10:23:23  
11 responsibilities at Destiny.

12 A. Well, they were utilized in many different  
13 times and events. Obviously we had the unveiling in  
14 Osceola County that was for a major event, introducing  
15 Destiny to the community, also to the county 10:23:43  
16 commissioners and with that particular video, was used  
17 in that context.

18 It was used also for instance when we had  
19 General Electric, their entire ecomanagement division  
20 came to our offices. Of course we used the video to 10:24:01  
21 tell our story. A picture tells a thousand words. So  
22 it was utilized in that and of source it was utilized  
23 whenever we had, which we did constantly, have  
24 companies coming in and different groups coming in to  
25 learn about Destiny. 10:24:21

1 MR. CHAPMAN: May I approach. 10:24:43

2 MS. CARTWRIGHT: May we see what you have.

3 MR. HUTCHISON: What exhibit number was it.

4 MR. MARIANI: May have a moment, Your Honor.

5 THE COURT: Sure. 10:25:00

6 THE WITNESS: May I take a mint out of my  
7 bag.

8 THE COURT: Absolutely.

9 MR. MARIANI: Your Honor, can we come  
10 sidebar on this. 10:26:17

11 THE COURT: Okay.

12 (Whereupon counsel for the respective  
13 parties approached the bench and the following  
14 proceedings were had outside the presence of the  
15 jury:)

16 THE COURT: What is the issue you're  
17 intending to show, a video of what? The video of  
18 Mr. Pugliese's voice over. 10:26:23

19 MR. MARIANI: The one she testified she  
20 create to do use for marketing materials for the  
21 Destiny project. 10:26:45

22 THE COURT: And your objection is what.

23 MS. CARTWRIGHT: Yes went to authenticity,  
24 we object to hearsay, we object to the  
25 foundation. 10:26:59

1 THE COURT: One at a time. 10:27:00

2 MR. CHAPMAN: The video contains narrations  
3 and statistics none of which are backed up. It's  
4 basically projections of what's going to happen  
5 in the future and how it's going to happen. It's 10:27:11  
6 hearsay, it's presumably expert information none  
7 of which has been true or established to be true,  
8 and it's got a narration of what's been  
9 happening. It's all based on speculation.

10 THE COURT: That's subject to cross 10:27:27  
11 examination. That ahas has nothing to do with  
12 its admissibility. The purpose of the video is  
13 simply to show what progress was being made  
14 toward the conception and what was done in terms  
15 of time, effort, money, etc. I don't see the 10:27:44  
16 legal objection would hold any water -- let me  
17 get this straight now, because I've been very  
18 lenient because I tried to take into account  
19 different counsel's experience level and things  
20 of that nature, on both sides, when I came to 10:28:05  
21 multiple attorneys arguing, that will occur no  
22 longer, meaning one lawyer per issue per side  
23 when it comes to argument here.

24 I'll hear from you since I'm drawing the  
25 line in the sand now. What's the last thing you 10:28:23

1 want to say. 10:28:27

2 MR. HUTCHISON: All I'm saying is the whole  
3 thing is about what will happen in the future.  
4 It is all speculation and about it has nothing to  
5 do about the facts of this case. It is beyond 10:28:39  
6 relevance and it's all speculation and including  
7 hearsay.

8 THE COURT: The objection is overruled. As  
9 I said before, it's simply a matter of showing  
10 what the concept was, what the money was spent 10:28:51  
11 for, how it was allocated, and the progress or  
12 lack of progress.

13 It can all be cover on cross examination.  
14 It's not a matter of admissibility as far as the  
15 Court is concerned. 10:29:06

16 MR. HUTCHISON: Can we get an instruction is  
17 nothing to be taken as to the truth of the  
18 matter.

19 THE COURT: Well, when you say hearsay, I  
20 don't understand the objection. I mean, it's an 10:29:15  
21 exhibit that was prepared on or at the behest of  
22 the project developer, Ms. Gatewood is one of two  
23 who prepared this in conjunction with the  
24 promotion of the project.

25 So hearsay, is an out of court statement 10:29:37

1 taken to prove the truth of the matter asserted, 10:29:44  
2 it certainly would's apply to this.

3 MR. HUTCHISON: It's a professional  
4 narration it's not Ms. Gatewood. It's a  
5 professional narrator. 10:29:57

6 MR. MARIANI: She testified it's her  
7 narration and Mr. Pugliese's narration.

8 MR. HUTCHISON: It's not their voice I don't  
9 think, Judge.

10 THE COURT: In my view there's nothing to be 10:30:08  
11 objected to when it comes to admittance. The  
12 only issue is whether or not any type of  
13 instruction should be given on this, but I think  
14 that can all be covered on cross examination. I  
15 don't think the Court has to involve itself in 10:30:22  
16 that explanation.

17 A video is a video. It's a promotional  
18 video it speaks for itself and you can cover it  
19 on cross.

20 MR. HUTCHISON: Thank you. 10:30:32

21 (Whereupon the following proceedings were  
22 had within the presence of the jury:)

23 THE COURT: All right. You may proceed.

24 MR. MARIANI: May I approach, Your Honor?  
25

1 BY MR. MARIANI:

10:30:53

2 Q. Ms. Gatewood, I'm showing you the jacket of  
3 the video you described that you put together for the  
4 fly over?

5 A. Well, this is the fly over because there  
6 were two. Yes, that is correct. I actually flew in  
7 the helicopter to do the fly over.

10:30:58

8 Q. Came, thank you.

9 MR. MARIANI: At this time we'd like to  
10 public the video for the jury, Your Honor.

10:31:11

11 THE COURT: Thank you. And if we could have  
12 that and dim the lights.

13 That's fine, the court reporter is has  
14 indicated she's not going the type the narrative.  
15 It will simply be an exhibit that will be  
16 admitted into evidence over objection.

10:31:35

17 MR. MARIANI: Yes, Your Honor. And.

18 THE COURT: And before we begin I'm  
19 admitting this because Ms. Gatewood was the one  
20 who authorized this as part of the project  
21 development. To the extent that it can be  
22 construed in any fashion as hearsay, which is  
23 defined as an out of court statement used to  
24 proof the truth of the matter asserted, that's  
25 not the intent of the admission. The admission

10:32:02

10:32:15

1 is solely to show the time, the money, the extent 10:32:17  
2 to which Ms. Gatewood involved herself in the  
3 project and you are to consider it in that  
4 respect please.

5 (Whereupon a video was played to the jury). 10:32:34

6 THE COURT: Okay, thank you.

7 MR. MARIANI:

8 Q. Just a few points about that video. The  
9 voice in that video was who?

10 A. That was Anthony Pugliese. 10:36:25

11 Q. Did you prepare -- excuse me. Are you in  
12 this picture which is Exhibit 51 of the Destiny team?

13 A. You're depressing team. Like a lot younger  
14 there. Yes I was. I'm the second seated from the  
15 right. 10:36:50

16 Q. So this is you here?

17 A. Correct.

18 Q. Where was that picture taken?

19 A. That was taken at the luncheon at the  
20 Osceola County was the unveiling of Destiny, and I'm 10:37:06  
21 trying to remember the year. I'm very bad at years,  
22 I'm sorry.

23 Q. What was the purpose for the luncheon?

24 A. For the luncheon was to introduce Destiny to  
25 the community, to the commissioners, to partners of 10:37:20

1 Destiny.

10:37:26

2 Q. Their county officials who attended that  
3 luncheon?

4 A. Absolutely, yes. I believe the Audubon  
5 Society. I know myself, I had probably four tables of  
6 guests, including the Capernaum Ministry Group was one  
7 of our partners at Destiny. Yes, there were many  
8 people from all over, excuse me, officials.

10:37:34

9 Q. Did you say representatives of the Audubon  
10 Society was?

10:37:56

11 A. There the Audubon I believe was there I  
12 can't remember all the guest list. It was significant  
13 though. Obviously we had many of our consultants were  
14 there, many of -- obviously the team members for  
15 Destiny were there as well as multitudes of guests  
16 that were invited from both -- you know, from the  
17 county level and other officials.

10:38:13

18 Q. Did you prepare a video for that luncheon?

19 A. Yes, I did.

20 Q. Excuse me, let me finish?

10:38:35

21 A. I'm sorry.

22 Q. I don't want to interrupt you, but our court  
23 reporter needs to listen to one voice the a time. So  
24 I'll try the speak more quickly to I get to the end of  
25 my question.

10:38:50



1 we developed the story line. I wrote the script and  
2 then just like in publishing, I created, found all of  
3 the B roll and then worked with John and his designer  
4 and put together the sketches and animated actually,  
5 you'll see there was, you know, a land map.

10:40:39

10:41:01

6 So we animated the land map to kind of show  
7 and tell the story.

8 MR. MARIANI: Your Honor, we'd like to show  
9 the video. It's Exhibit 68, counsel.

10 THE COURT: What video are we talking about  
11 now.

10:41:31

12 MR. MARIANI: The one of the unveiling that  
13 the witness just testified about at the gathering  
14 in Orlando.

15 THE COURT: Okay, approach the bench,  
16 please.

10:41:40

17 (Whereupon counsel for the respective  
18 parties approached the bench and the following  
19 proceedings were had outside the presence of the  
20 jury:)

10:41:42

21 This is a video of the people that are shown  
22 on this still photograph several times?

23 MR. MARIANI: It's more than that, Your  
24 Honor. I can ask her more questions. It's the  
25 concept that was presented to by video to the

10:42:02

1 various county officials, other people, the 10:42:06  
2 governor, different things like that, relative to  
3 more specifics.

4 She just testified to the first video and  
5 this is our last video. The first video was 10:42:22  
6 about --

7 THE COURT: I'm sorry, go ahead.

8 MR. MARIANI: The first video was about the  
9 sustainability.

10 THE COURT: First video I had no problem 10:42:31  
11 with. The second video is showing this gathering  
12 or folks that were there, the same folks are  
13 shown on the still photograph, singular that has  
14 been shown quite a few times to various  
15 witnesses. But what else is on the video besides 10:42:50  
16 showing these people that.

17 MR. MARIANI: The focus is not those people  
18 in the picture. The focus is on the community  
19 what was going to happen in the community, what  
20 they saw; not these particular people. 10:43:05

21 So the interest from the county for  
22 example --

23 THE COURT: Are there other people talking  
24 on this.

25 MR. MARIANI: Yes, it does, yes, it does. 10:43:16

1 THE COURT: What are they saying. 10:43:17

2 MR. MARIANI: Talking about the goals to be  
3 achieved in the Destiny project.

4 THE COURT: Why would this not be hearsay in  
5 terms of those people's statements relative to 10:43:27  
6 the goals of the project? These are out of court  
7 statements being used to prove the truth of the  
8 matter asserted.

9 MR. MARIANI: They're not being provided for  
10 the truth. They're being provided to show the 10:43:41  
11 dedication and work that was being performed to  
12 market the property and to bring this to the  
13 market, which is exactly what she did.

14 So we have -- you know, we have no effort to  
15 prove what's being said in the video. It's 10:44:01  
16 showing the sophistication and the dedication.

17 The jury has the right to understand, this  
18 is not just drawn on one piece of paper and  
19 nothing else was done.

20 THE COURT: Okay. Mr. Chapman. 10:44:15

21 MR. CHAPMAN: Yes it's my understanding this  
22 video contains interviews with several county  
23 officials that are interviews that are  
24 incomplete. They provide opinions of these  
25 opinions of these individuals, county officials. 10:44:32

1 They're not here to testify, they're not subject  
2 to cross examination. They provide statistics.  
3 They provide there been opinion as to viability.

4 We're prejudiced if they're not putting  
5 these individuals on to essentially testify about  
6 their thoughts on the project without being  
7 subject to cross examination. Charlie Crist was  
8 mentioned as one of them. He's a witness if he  
9 has an opinion on this project then he should  
10 come in here and testify about that. It's all  
11 hearsay. What these individuals are saying, them  
12 expressing their opinion is hearsay. It's a back  
13 doorway to get these individuals in here to  
14 provide their opinion without actually calling  
15 them as witnesses.

16 It doesn't go to the work that was being  
17 done. It's these people's opinion on the  
18 viability of project.

19 THE COURT: How long is the video?

20 MR. CRICKENBERGER: I believe it's about 12  
21 minutes, Your Honor.

22 THE COURT: I'd like the look at anytime  
23 camera before I make a decision on this.

24 MR. MARIANI: Can we take our morning break  
25 perhaps.

1 THE COURT: All right. Thank you. 10:45:37

2 (Whereupon the following proceedings were  
3 had within the presence of the jury:)

4 THE COURT: Ladies and gentlemen before I  
5 make a ruling on this I'd like to take a rule and 10:45:42  
6 see it. So I'm going to go ahead hand excuse you  
7 for your morning break. We'll take about ten  
8 minutes, 15 minutes. The video is about 12  
9 minutes long and I'll take a look at it and make  
10 a decision. 10:45:57

11 So if you'd like to go downstairs, stretch  
12 your legs get some fresh air, feel fry free to  
13 do. So peel wick up again at 11 o'clock so I can  
14 give the court reporter a break as well for a few  
15 minutes before we commence, okay. 10:46:12

16 Thank you again for your continued service  
17 and sacrifice kindly do not talk about the case  
18 with anyone -- kindly do not send or receive any  
19 messages regarding the jury service. Please do  
20 not do any investigation on your own of any 10:46:29  
21 persons or issues having to do with the case.

22 Have a good break we'll see back at  
23 11 o'clock. Thank you.

24 (Whereupon the jury retired from the  
25 courtroom and the following proceedings were 10:46:48

1 had:)).

10:46:48

2 THE COURT: Okay, get it cued up and roll it  
3 when the door has closed, please.

4 Same agreement as to the court reporter not  
5 having to take this down or at any time down.

10:47:00

6 MR. MARIANI: Yes, Your Honor.

7 THE COURT: She's really not going to be  
8 able to distinguish or delineate who is saying  
9 what. So.

10 MR. HUTCHISON: I don't have an objection,  
11 Judge. You're just reviewing it at this point in  
12 time. If you exclude it they can proffer the  
13 video for the record.

10:47:18

14 THE COURT: I'll summarize. I'll summarize  
15 it as well.

10:47:29

16 MR. CHAPMAN: Is the witness excused, Your  
17 Honor.

18 THE COURT: Yes, if you would go ahead and  
19 step down. Watch your step there's stairs there.

20 Okay, thank you very much. We'll summon you  
21 back. Don't talk about your testimony please to  
22 anyone. Thank you.

10:47:36

23 Okay show the video, please. (Whereupon the  
24 video was played).

25 (Whereupon a recess was taken.)

10:59:53

1 THE COURT: I've had the opportunity to 10:59:55  
2 review the video and the rule is as follows. The  
3 first portion of the video depicts then Governor  
4 Charlie Crist speaking generally at a climate --  
5 regarding climate change at a summit in Miami on 11:00:09  
6 July 12th, 2007. He hasn't mentioned this  
7 project and his introduction with or without his  
8 permission does not deal specifically with  
9 Destiny and thus would not be permitted to be  
10 shown to the jury. 11:00:33

11 It also later shows the former governor  
12 signing some type of legislation, again generic,  
13 does not specify what it is. It just would give  
14 the viewer and thus this jury the impression that  
15 somehow to governor got on board here and was 11:00:52  
16 doing something that may have affected the  
17 Destiny project, which at this point in time has  
18 not been testified to by anyone. In fact, the  
19 testimony thus far has largely been governmental  
20 resistance in the form of the department and 11:01:07  
21 Mr. Pelham pertaining to the project in general.

22 The voiceover that sounded like Mr. Pugliese  
23 was repetitive and cumulative to the basic views  
24 found in the prior video. Also the female voice,  
25 while a bit more length I repeats much of what 11:01:38

1 was said on the prior video. And it mentions."  
2 And with the guidance of our governor." again  
3 something that has not yet been introduced into  
4 evidence and would not be permitted at this point  
5 in time, unless someone who is qualified to  
6 testify regarding the then governor's involvement  
7 would be specific to this particular program.

8 Further, the photographs of existing  
9 buildings, science centers, etc, while I  
10 understand that they're essentially property  
11 types I'm talking about the photographs of  
12 existing build I know, not sketches, that the  
13 photographs of those existing buildings, towns,  
14 cities, water-ways and the like outside of this  
15 project, would again be potentially confusing to  
16 this jury because again I have never been able to  
17 figure out what jurors accept as fact and others  
18 appreciate that these are prototypes.

19 But at this point again I'm not going to  
20 take the chance on causing confusion to the jury.  
21 There's a quote." Thank our great state." again,  
22 providing at least some suggestion with an  
23 imprimatur by the State of Florida as to the  
24 project.

25 I don't know if that's the case, I don't

1 know that's what the evidence will prove, but at 11:03:42  
2 this point it has not been established as fact or  
3 is even arguably relevant tending to prove a  
4 material fact that. So for all of those reasons  
5 based on my review of the video, it would not be 11:04:03  
6 admissible.

7 All right. Did I say 11? If anybody needs  
8 to use the restroom, free to go ahead and do so  
9 and we'll take a few minutes. But only a few.  
10 Thank you. 11:04:31

11 (Whereupon a recess was taken.)

12 THE COURT: Okay, welcome back. Can you  
13 summon the witness back into the courtroom,  
14 please. Somebody perhaps from the Pugliese team  
15 kindly summon the witness back while he's getting 11:08:13  
16 the jury. Thank you.

17 THE BAILIFF: You want me to bring them in?  
18 Thank you, Judge.

19 The jury is entering.

20 (Whereupon the jury entered the courtroom 11:09:02  
21 and the following proceedings were had:).

22 THE COURT: Again welcome back ladies and  
23 gentlemen and thank you for your continued  
24 service and sacrifice.

25 Ms. Gatewood is being called back to the 11:09:10

1 stand and will be continuing with her direct  
2 examination. You're reminded you're still under  
3 oath, ma'am.

4 THE WITNESS: Yes.

5 THE COURT: Mr. Mariani you may proceed,  
6 sir.

7 MR. MARIANI: Thank you, Your Honor.

8 May I approach the witness, Your Honor.

9 THE COURT: Yes.

10 BY MR. MARIANI:

11 Q. Ms. Gatewood may I show you what's been  
12 marked as Exhibit 63. Have you seen that document  
13 before?

14 A. Yes, I have, sir.

15 Q. Can you identify it?

16 A. Yes, this is a memorandum of understanding  
17 between --

18 MS. CARTWRIGHT: Objection, Your Honor.

19 THE WITNESS: Excuse me.

20 THE COURT: Hold on a second.

21 THE WITNESS: Am I supposed to speak.

22 THE COURT: Yes.

23 THE WITNESS: It's a memorandum of  
24 understanding with the Clinton Climate Initiative  
25 and the Destiny project.

1 Q. What is the Clinton Climate Initiative? 11:11:03

2 A. So -- also with the green building council.

3 So the Clinton Climate Initiative is a foundation that  
4 supports and helps to promote sustainable projects

5 throughout the world and identifies those projects are  
6 deemed what they call climate positive developments. 11:11:23

7 So and this was in conjunction also with the  
8 U.S. green building council, which is also an

9 organization that designates, provides standards for  
10 being able to have a building that is what we call 11:11:49  
11 energy efficient and other things that you're using  
12 sustainable building materials.

13 So it's all hand in hand about how to -- we  
14 should be building more efficiently using less of our  
15 natural resources so this was a memorandum of 11:12:07

16 understanding between the Clinton Climate Initiative  
17 and Destiny as Destiny was selected as one of the 16  
18 climate positive developments in the world and that  
19 was but we had developed a methodology and a process  
20 for benchmarks of sustainability. In other words how 11:12:31  
21 we were going to use less water, how we were going to  
22 recycle our materials.

23 So it was the platform upon which the  
24 Destiny was to be built on. Energy consumption. I'm  
25 sorry. 11:12:52

1 Q. And with respect to that memorandum of  
2 understanding, was Destiny selected as one of the  
3 award winners at the climate -- Clinton Climate  
4 Initiative?

11:12:54

5 A. Yes, we were. Yes we were, sir.

11:13:06

6 Q. And as a result of that selection, I'm going  
7 to show you what's been entered into evidence, the  
8 proclamation from Osceola County?

9 A. Yes.

10 Q. Have you seen this before?

11:13:20

11 A. Yes of course, uh-huh. I was very proud of  
12 it.

13 Q. This is the proclamation that the county  
14 gave to the Destiny project?

15 A. Yes, yes, it did.

11:13:27

16 Q. Were you there the day the proclamation was  
17 sign?

18 A. I don't think I was there at the actual  
19 thing. I was probably busy.

20 Q. And that copy in front of you of the  
21 memorandum of understanding --

11:13:42

22 A. Yes.

23 Q. -- is that accurate to the best of your  
24 knowledge?

25 A. Yes, absolutely. This outlines, you know,

11:13:50

1 all of the -- it was a very rigorous process. It 11:13:54  
2 wasn't something you just were given. I had to -- I  
3 worked closely with the gentleman from Michael Caballo  
4 from the Clinton initiative. I had massive forms and  
5 things we needed to fill out and needed to be able to 11:14:16  
6 articulate really what our benchmarks of  
7 sustainability were going to be our energy  
8 consumption, our water consumption, etc.

9 Q. And who signed the memorandum of  
10 understanding? 11:14:36

11 A. Let me see. It looks like Anthony. Yes it  
12 was.

13 Q. Mr. Pugliese?

14 A. Mr. Pugliese.

15 Q. Anthony Pugliese? 11:14:44

16 A. Correct.

17 Q. You were familiar with his signature at that  
18 time? You've seen it before?

19 A. Yes absolutely.

20 Q. And who signed it on behalf of the 11:14:51  
21 initiative?

22 A. It was to by -- oh, gosh looks like  
23 Dothright, who was the CFO of the Clinton Climate  
24 Initiative.

25 Q. Did you meet with that person? 11:15:01

1           A.     I did not, no. I did not meet with him, no.           11:15:02  
2 I worked with Michael Caballo, who was the  
3 representative for the Clinton Climate Initiative and  
4 he actually came to our offices and I always call it  
5 Destiny, in our offices in Delray.           11:15:17

6           MR. MARIANI: Your Honor, we'd like to move  
7 the admission of that Exhibit .

8           THE COURT: You what, I'm sorry?

9           MR. MARIANI: I'd like to move the admission  
10 into evidence of that Exhibit, 63, Your Honor.           11:15:27

11          MS. CARTWRIGHT: No objection.

12          THE COURT: By stipulation, 63 will be  
13 admitted into evidence by the Pugliese parties.

14          (Whereupon a document/item was marked in  
15 evidence as Plaintiff's Exhibit 63.)           11:15:39

16          Q.     Thank you?

17          A.     You're welcome.

18          Q.     In your efforts to market the Destiny  
19 project, were there companies that were interested in  
20 being involved either at Destiny or with Destiny?           11:16:18

21          A.     There were many, yes, sir, not just  
22 companies, but universities and religious  
23 organizations as well.

24          Q.     What religious organizations were interested  
25 in Destiny?           11:16:36

1           A.     We were actually a group which represented  
2 300 different churches throughout the State of  
3 Florida, different denominations called the Capernaum  
4 ministries and they became very interestingly -- very  
5 interested in Destiny because originally they don't  
6 really believe in climate change or things of that  
7 nature, but they really took heart when we laid out  
8 the fact that we are stewards of the environment and  
9 so from that approach they said, you know, we  
10 really -- you're right, we need to have a different --  
11 we need to embrace that as well and to help our  
12 ministers who are struggling today with dealing with  
13 their congregations, there's so many different issues.

14                 So they decided to come and they wanted to  
15 build their Capernaum ministries retreat which was a  
16 center to minister to those ministers. So the  
17 ministers had a retreat place where they could really,  
18 you know, get whole again. You know, get positive  
19 feedback and things, because they deal with a lost  
20 social issues that they have to handle within their  
21 congregations.

22           Q.     Were they interested in buying or obtaining  
23 property in Destiny for that purpose?

24           A.     Yes. Yes, they were and they had actually  
25 started -- we had the renderings of what the buildings

1 would look like and looking also that potentially it 11:18:11  
2 could be an initial a small conference center for us  
3 to be able to bring people to the site.

4 Q. Before the break you mentioned Rice  
5 University. What was their interest in the Destiny 11:18:32  
6 project?

7 A. They were very interested as I said in the  
8 different approaches we were taking to promote  
9 sustainability. They were also interested potentially  
10 because of Florida, because of the humidity to look at 11:18:45  
11 different -- once again it's IP transfer, intellectual  
12 property transfer that could be accomplished through  
13 building techniques that we would embrace at Destiny.  
14 So that was also part of that.

15 Q. Are you familiar with the word -- and let me 11:19:04  
16 spell it after I say it, Velocita VELOCITA?

17 A. Of course, yes.

18 Q. What is your understanding of that world?

19 A. Velocita?

20 Q. What your understanding -- were you ever 11:19:19  
21 involved with a group called Velocita?

22 A. Of course.

23 Q. Describe your involvement with Velocita?

24 A. I worked with all the partners of Velocita.

25 Velocita was a project that it was actually both 11:19:35

1 research and I would call entertainment, a sports  
2 entertainment.

11:19:39

3           So I dealt with the partners, Doug  
4 Hutchinson, Emerson Fitipaldi, who is an  
5 internationally renowned Formula One and Indy 500 car,  
6 he's known around the world for that. He's also known  
7 as a spokesperson for ethanol. So he's from Brazil  
8 and of course Brazil was -- is real a country that has  
9 embraced how to really reduce their pollution and so  
10 he is a spoke person for ethanol, which obviously they  
11 do racing in green. They use ethanol not race when's  
12 they race the car.

11:19:52

11:20:17

13           So Velocita was all about research and also  
14 racing for entertainment. So it was both an  
15 attraction, a tourist attraction, as well as it was to  
16 have different types of research, what they call black  
17 track.

11:20:35

18           Also it was to have the very first wind  
19 tunnel also for racing. There's no other -- there was  
20 no other marine wind tunnel and so that was one of the  
21 things, because we were going to be doing all types of  
22 racing and research and development, as well as  
23 robotics.

11:20:55

24           Q. Did you meet with the people from Velocita?

25           A. Yes oh, yes, all the time. Emerson

11:21:11

1 Fitipaldi came to our offices. I worked very closely  
2 with all of their partners, Doug Hutchinson, Frank --  
3 oh, gosh, Frank Riley, also Robert Culterman. So I  
4 dealt with all of them and actually met some of their  
5 initial investors who were the two brothers from, I  
6 think it's Interstate batteries. So I worked very  
7 closely with them.

11:21:14

11:21:34

8 We visited many universities together,  
9 including harbor branch. So I worked with them all  
10 the time.

11:21:50

11 Q. Can you estimate how many times you met in  
12 person with the people from Velocita?

13 A. Oh, my gosh, from Velocita. Wow, I don't  
14 know. I couldn't give you a guess, but I promise you  
15 it was probably 30, 40, 50 times, I mean, on a  
16 consistent basis or say on the phone with them. Well,  
17 Emerson was traveling and in fact -- we actually  
18 arranged to have Emerson meet with Charlie Crist in  
19 Brazil. So he spent a lot of time in Brazil so I  
20 didn't see him, but he was at Anthony's home many  
21 times.

11:22:07

11:22:32

22 MR. MARIANI: May I approach the witness,  
23 Your Honor.

24 THE COURT: Thank you.

25

1 BY MR. MARIANI:

11:23:16

2 Q. I hand you a binder that's marked  
3 Exhibit 43. Have you seen it before?

4 A. I've seen, I don't know about the binder,  
5 but I've seen the things that are in here. Yes, I  
6 have.

11:23:25

7 Q. We put anytime a binder for ease of --

8 A. A lot of material.

9 Q. On the first page 43-one, do you say the  
10 business plan?

11:23:41

11 A. Yes.

12 Q. Velocita, the speed of green?

13 A. Yes. Yes, I do, sir.

14 Q. And can you look at the table of contents  
15 please at 43-two.

11:23:49

16 A. Yes, sir.

17 Q. Are these materials -- and look through the  
18 whole binder, if you would. Just breeze through it.

19 Can you tell the jury -- when you finish  
20 I'll ask you a question?

11:24:13

21 A. Yes.

22 Q. Were these materials submitted to Destiny to  
23 show their interest in the property?

24 A. Absolutely, yes.

25 MR. MARIANI: Your Honor, at this time we

11:24:40

1 move the admission of Exhibit 43. 11:24:41

2 MS. CARTWRIGHT: Objection, Your Honor,  
3 hearsay, relevance.

4 THE COURT: Let me see it, please. For the  
5 record I'm looking at now several hundred pages 11:24:55  
6 of documents.

7 MR. HUTCHISON: Mr. Mariani do you have a  
8 copy of that binder. The one you provided is a  
9 lot thinner.

10 MR. MARIANI: If I may address the hearsay, 11:25:30  
11 Your Honor.

12 THE COURT: Okay.

13 (Whereupon counsel for the respective  
14 parties approached the bench and the following  
15 proceedings were had outside the presence of the 11:25:33  
16 jury:)

17 MR. MARIANI: Your Honor, the exhibit is not  
18 being introduced for the truth of the matters  
19 asserted. They're simply to show the amount of  
20 interest that this particular group had that they 11:25:54  
21 would submit this level of materials. Counsel on  
22 the other side aren't using this in questions of  
23 witness. We're not suggesting this is a binding  
24 agreement. But the jury has the right to see  
25 either various levels of interest or something 11:26:14

1 short of that. The contractual aspect in the 11:26:19  
2 binding nature of the interest by an outside  
3 party only guess to the relationship with the  
4 government. It doesn't speak to the efforts, the  
5 timing efforts and the commitment that people 11:26:35  
6 like Ros Gatewood and the outside people had.

7 It shows a much different level of interest  
8 than just a signing of a one-page letter, a let  
9 of interest.

10 THE COURT: What is Velocita. 11:26:53

11 MR. MARIANI: Velocita is the concept that  
12 Mr. Fitipaldi put together with his partners  
13 which Ms. Gatewood already testified about. She  
14 said she met with them 30 times. They're  
15 interest in building a black track and other high 11:27:10  
16 tech activities for research for cars, car  
17 engines, driving. She indicated they wanted to  
18 build a black track which is a closed track -- we  
19 don't need to get in that now, but --

20 THE COURT: That's what I understood, but 11:27:28  
21 now it goes into different elements and it talks  
22 about things like aviation elements.

23 MR. MARIANI: Yes there's other activities  
24 as well.

25 THE COURT: Research campus, computer sent 11:27:41

1 all these other things. 11:27:44

2 MR. MARIANI: I can go through all of them.  
3 She testified so far that this was submitted by  
4 them. If you suggest I need to go through all of  
5 the different aspects of it, I'm happy to. I'm 11:27:56  
6 just trying to save us sometime.

7 THE COURT: Well I appreciate that.

8 MS. CARTWRIGHT: May I? First and foremost  
9 Your Honor, this particular document that is  
10 identified as Plaintiff's Exhibit 43 was not 11:28:10  
11 provided to us. We have as Plaintiff's  
12 Exhibit 43 the document that as you can see,  
13 is --

14 THE COURT: You're showing me what has been  
15 provided, likes to me to be about 110th of the 11:28:24  
16 pages that are now being sought to be introduced.

17 MS. CARTWRIGHT: Also, Your Honor, the dates  
18 on this document are different than the ones  
19 provide. The one in front of you is dated  
20 3/10/2008 the one that was actually provided is 11:28:37  
21 3/13/2008. It's one of 40 pages.

22 This is classic hearsay. Everything that is  
23 contained in it so far. She has not testified to  
24 I would say 90.99 percent of what is contained in  
25 here. 11:29:03

1 THE COURT: I mean, there are lets in here 11:29:04  
2 sent to different people that have nothing to do  
3 with this project. It just again has so much  
4 information here that has nothing to do with  
5 Destiny. It has everything to do with this 11:29:21  
6 Velocita.

7 While I recognize that I can admit evidence  
8 that is not being provided for the truth of the  
9 matter asserted, at the same time this is so far  
10 afield and so far removed from what was actually 11:29:50  
11 done here that it carries again an imprimatur  
12 somehow this went I don't understand just three  
13 discussions and essentially sets Velocita's city  
14 and project as opposed to Destiny again even if  
15 somehow it can be construed as not being hearsay, 11:30:23  
16 I thumbed through some payings I found a  
17 situation where the FD parties are claiming it  
18 was not produced in totality, the date of the  
19 document of amounts which they received, which  
20 again just by an eye ball view is ten percent of 11:30:42  
21 what was provide earlier, that while again I  
22 appreciate the documents, hundreds of documents  
23 being suggested as not being admitted to prove  
24 the truth of the matter asserted, it can't be  
25 over looked that these documents have a great 11:31:00

1 deal of information in them that could clearly  
2 mislead this jury into, again, having this  
3 project taken so much further than it actually  
4 was.

5 She can testify to meetings with  
6 Mr. Fitipaldi, she can testify to the concept  
7 that she understood it to be, but as far as these  
8 documents are concerned, I'm not going to admit  
9 them.

10 Your final point Mr. Mariani is what.

11 MR. MARIANI: Two quick points. One is that  
12 this witness has testified to over 30 visit or  
13 meetings not three meetings, just so, Your Honor,  
14 is understanding that.

15 At this time we would ask to substitute the  
16 smaller version, if you will, that apparently  
17 counsel -- I can't speak to why they don't have  
18 this, but to the extent that this smaller thinner  
19 version has been provided, I would ask that that  
20 be introduced at this time, not for the truth of  
21 the matter asserted, but for just an indication  
22 of a level of interest that is slightly different  
23 from or different from a one-page letter.

24 MS. CARTWRIGHT: Your Honor, this does not  
25 get rid of any of the issues whether it's

1 90 percent or ten percent. The same issues exist 11:32:27  
2 with respect to hearsay, the same issues exist  
3 with respect to the type of things are contained  
4 in the pages that we have in front of us. It  
5 goes far beyond what this witness is testifying 11:32:39  
6 to. This is a breach of contract claim --

7 THE COURT: Again, do you have the language  
8 by the governor of the State of Florida.

9 MS. CARTWRIGHT: Yes, Your Honor.

10 THE COURT: That's problematic. It goes 11:32:57  
11 directly to this issue. It would be misleading  
12 to this jury to suggest otherwise and it gets  
13 into Velocita's dynamic business.

14 MR. MARIANI: Understood, Your Honor.

15 THE COURT: The introduction, the first 11:33:14  
16 page, since it has information concerning Destiny  
17 and doesn't go on to a significant side track  
18 into matters that have not been introduced here.  
19 I don't have a problem about Velocita with the  
20 first page which is 43-four. I don't have a 11:33:41  
21 problem with that, but I'm not going to allow it  
22 one because the entire thing has not been  
23 produced. Two my going over it for the first  
24 time cursorily because I don't want to keep this  
25 jury waiting, the Governor Crist citation is not 11:33:59

1 case specific and mirrors what I perceive to be  
2 at least from looking at the video now, standing  
3 his quote appears to be very similar to what he  
4 said there that summit in Miami and nothing to do  
5 with this project.

11:34:02

11:34:17

6 So I'll allow the first page to go in. She  
7 can testify to the relationship between Velocita  
8 and Destiny, but the first page will be allowed  
9 to go in, okay.

10 MR. MARIANI: Okay, thank you. We reserve  
11 our objection.

11:34:32

12 THE COURT: Yes. For the reason I indicated  
13 in lateraling part because it appears that the FD  
14 parties only received 110th of the documents even  
15 though the documents are fraud with hearsay that  
16 cannot be over come simply by a statement to the  
17 jury to qualify same, meaning to only accepted  
18 for Ms. Gatewood's involvement and not for the  
19 truth of the matter asserted. It goes well  
20 beyond that and is essentially a commercial for  
21 the Fitipaldi group. Thank you.

11:34:48

11:35:09

22 (Whereupon the following proceedings were  
23 had within the presence of the jury:).

24 BY MR. MARIANI:

25 Q. Ms. Gatewood we're going the reduce all that

11:36:16

1 material to page 43-one and 43-four. So may I hand  
2 that you?

11:36:20

3 A. Sure.

4 Q. And I'll take this back.

5 A. Okay.

11:36:28

6 Q. Those two pages represent information that  
7 you spoke with the people from Velocita about, do  
8 they?

9 A. Yes.

10 Q. So we'll go into it at little more deeply.

11:36:54

11 Besides the race car activity that you decided, was  
12 there were other things that the Velocita pod was  
13 going to include?

14 A. Yes, I mean, it was to be also an

15 entertainment and mixed use. There would be some

11:37:14

16 residential. Of course there would be a hotel,

17 amenities because obviously this was a tourist

18 attraction. Besides everything else that came with

19 it, besides the research and racing, right. So there

20 was a whole -- actually a whole town sort of design to

11:37:33

21 it, with the thought that potentially they would be

22 able to do some of the racing actually through the

23 village, the downtown part of the vice president of.

24 Q. Let's break that down. Let's talk about the

25 science or research type of activity?

11:37:56

1 A. Yes. 11:37:58

2 Q. Describe that for the jury, please. What  
3 are you referring to?

4 A. Well, obviously racing, actual racing is  
5 where a lot of innovation really begins and then that 11:38:07  
6 gets transferred down to the cars that we drive  
7 ourselves in our daily lives, but most of it starts  
8 out actually on the racetrack.

9 So hence there would be what they term black  
10 track, where there would be some proprietary testing 11:38:22  
11 of different technologies and materials, of course.  
12 As well as some of the other components as I  
13 mentioned, was the wind tunnel, the racing for both  
14 not just cars, but also for boats.

15 Because we had the design of Velocita, the 11:38:47  
16 village, obviously you had waterways, etc, that all  
17 connected. So that would be also part of the racing,  
18 but also be part of the technology and R and D would  
19 be done.

20 We were looking to do Fran stance, being 11:39:04  
21 able to do racing with also having aquaculture. We  
22 were working with harbor branch on aquaculture for the  
23 Velocita project.

24 Q. Why would those two be involved?

25 A. Well, the aeration of the boats and the 11:39:24

1 motors, because we would not be polluting the water,  
2 that was the whole part. All of the vehicles and  
3 things would be green. We would not be using  
4 pollution, so that's why that was the ability to show,  
5 to demonstrate how they were using green technologies  
6 and not polluting the water so they would actually be  
7 able to raise fish in the same water.

11:39:26

11:39:41

8 Q. Besides the focus on car engines and engines  
9 that might be used in boats, was there any aspect of  
10 Velocita that dealt with airport or airplanes?

11:40:02

11 A. Yes there was.

12 MS. CARTWRIGHT: Objection, Your Honor,  
13 relevance. Cumulative.

14 THE COURT: Overruled.

15 Q. Go ahead?

11:40:13

16 A. Yes, there was, yes.

17 Q. Can you describe that to the jury please?

18 A. We were working with Embry-Riddle University  
19 on hopefully we were to build what they call a point  
20 to point airport, which was the -- actually there were  
21 only two states I believe in the country that were  
22 looking to do this technology yes it's mostly  
23 technology is driving the planes point to point.

11:40:25

24 So it was California and Florida, and  
25 Destiny was part of the -- oh, gosh, the aligns for

11:40:43

1 sustainable air transportation. I'm sorry, I can't  
2 quite remember, and actually Governor Crist actually  
3 was a major pro modes --

11:40:48

4 MS. CARTWRIGHT: Objection, Your Honor, move  
5 to strike, hearsay.

11:41:02

6 THE COURT: Consistent with my prior  
7 rulings, I'd rather not go into what Governor  
8 Crist wanted or Crist may have done, unless it's  
9 specific to this project. So please refrain from  
10 that. The objection is sustained.

11:41:24

11 Q. Did you meet with Governor Crist?

12 A. No, I did not, sir.

13 Q. Did anyone -- do you know who from Destiny  
14 met with Governor Crist?

15 A. Oh, I'm sure there were --

11:41:34

16 MS. CARTWRIGHT: Objection, Your Honor,  
17 calls for speculation.

18 THE COURT: Sustained.

19 Q. The question is do you know. Please answer  
20 that question?

11:41:41

21 A. Yes, I do know people from Destiny team that  
22 met with Charlie Crist.

23 Q. Let me hand you what's been marked as  
24 Exhibit 41.

25 Let me hand you what's been marked as

11:42:44

1 Exhibit 41. Thank you. 11:42:46

2 A. Yes.

3 Q. Still on the Velocita project, did FAU, the  
4 University of Florida Atlantic university, have any  
5 involvement in the Velocita project? 11:43:00

6 A. Yes. Yes they did. Doug Hutchinson and  
7 myself met with Dr. Carl Stevens, who was the dean of  
8 engineering for FAU on several occasions and they were  
9 obviously very interested in not just the Destiny  
10 project, but obviously the school of engineering was 11:43:20  
11 very interested in the Velocita project.

12 Q. What's your understanding of how those two  
13 would work together, that's to say Velocita and  
14 Florida Atlantic University?

15 A. Well, obviously there would be a lot to do 11:43:34  
16 with their robotics and also computer science  
17 platforms, that they would be integrating into a lot  
18 of the elements that would be taking place with the R  
19 and D for Velocita.

20 Q. And Exhibit 41, the letter that's in front 11:43:52  
21 of you, is that a letter that Destiny received from  
22 FAU?

23 A. Yes, Anthony Pugliese was cc'd on that.

24 Q. And is that a letter that you maintained in  
25 your file at Destiny in respect of the marketing 11:44:08

1 efforts?

11:44:11

2 A. Yes.

3 Q. You and Craig Connors made?

4 A. Yes.

5 Q. Did you maintain this particular letter in  
6 that file?

11:44:17

7 A. Yes.

8 Q. At the Destiny offices?

9 A. Yes, I did, sir.

10 Q. And this letter, is it an accurate copy of  
11 the letter that was received from Douglas Hutchinson  
12 or excuse me written to Douglas Hutchinson at Velocita  
13 from Carl Stevens at FAU?

11:44:26

14 A. Yes, sir.

15 MR. MARIANI: I move the admission of  
16 Exhibit 41.

11:44:44

17 MS. CARTWRIGHT: Objection, Your Honor,  
18 hearsay.

19 MR. MARIANI: It's in the being introduced  
20 for the truth.

11:44:48

21 THE COURT: Let me see it please.

22 (Whereupon counsel for the respective  
23 parties approached the bench and the following  
24 proceedings were had outside the presence of the  
25 jury:)

11:44:58

1 MR. MARIANI: I have a business record 11:45:33  
2 exception --

3 THE COURT: Record exception, I don't know  
4 what you mean by that.

5 MR. MARIANI: The business record exception. 11:45:39

6 THE COURT: Oh, business record exception.

7 MR. MARIANI: I'm sorry, I'm losing my  
8 voice.

9 THE COURT: That's okay, not a problem. For  
10 the record this is a January 16, 2008 letter from 11:45:49  
11 a dean at Florida Atlantic University to a  
12 Douglas Hutchinson from Velocita regarding a  
13 letter of intent.

14 Again for the same purpose I indicated  
15 earlier, while it is suggested that this is not 11:46:05  
16 being admitted for the truth of the matter  
17 asserted, I have difficulty in determining what  
18 then would be the purpose of its admission.

19 First it's not being sent to any of the  
20 parties in this case. It's cc'd to Mr. Pugliese, 11:46:23  
21 but it says quite clearly and I'll quote, "this  
22 letter is our formal expressing of independent to  
23 collaborate to the fullest extent possible with  
24 other collaborates. This collaboration includes  
25 planning implementation of programs of education 11:46:43

1 an realer encompassing the general fields of 11:46:47  
2 transportation, environmental and motorsports  
3 engineering in a planning development facilities  
4 to support these activities."

5 The attenuation here number one is very 11:46:59  
6 difficult, that is that no entitlements were  
7 applied for.

8 The fact that this is a letter of intent  
9 between the dean of a university and  
10 Mr. Hutchinson, who's the Velocita representative 11:47:15  
11 and not the AVP or FD parties' representative is  
12 also troubling to the Court.

13 The business records exception has to deal  
14 with an inability for her to be able to know what  
15 the manner in which the college or university 11:47:51  
16 formers its business, has to know more about why  
17 this is in her file other than just being in her  
18 file.

19 MR. MARIANI: Three things, Your Honor.  
20 One, entitlements were applied for. In the prior 11:48:11  
21 comment you said no entitlements had been applied  
22 for. No entitlements had been granted at this  
23 stage or a even at late stage --

24 THE COURT: What entitlements had been  
25 applied for. 11:48:27

1 MR. MARIANI: There's been testimony that  
2 applications had been made under the Rural Land  
3 Stewardship Act and by the county to the DCA for  
4 a new city overlay in respect of building cities  
5 within Osceola County.

11:48:35

11:48:48

6 THE COURT: All right. Well, I was talking  
7 about entitlements between things like water,  
8 sewer, electricity, those types of issues.

9 MR. MARIANI: I would say that those are  
10 more permanent issues as distinct from  
11 entitlement issues.

11:49:03

12 But this witness has already testified about  
13 her personal activity in those item that's are  
14 mentioned in the letter. It's in the mere  
15 coincidence that the letter is being copied to  
16 Mr. Pugliese on behalf of the Destiny project and  
17 she maintained it in her file.

11:49:16

18 This would be --

19 THE COURT: Is she the records custodian.

20 MR. MARIANI: For her file, yes. No, she  
21 testified she kept the marketing file.

11:49:30

22 THE COURT: Okay.

23 MS. CARTWRIGHT: Your Honor, this is not a  
24 business record. This is the business record of  
25 FAU and maybe the business records of Velocita.

11:49:40

1 It is not a business record. There's in showing 11:49:43  
2 that these are the types of let that's are kept  
3 in the regular business practice of Destiny.  
4 This is a record between FAU and a record between  
5 Velocita it he wasn't been authenticated. It is 11:49:55  
6 hearsay. The applications for entitlements  
7 occurred after this January 16, 2008 letter and  
8 in fact, this letter does not even specifically  
9 mention the Destiny project.

10 Mr. Pugliese is copied on it, but that's 11:50:11  
11 about it.

12 THE COURT: It talks about the Velocita  
13 concept at Destiny.

14 MR. MARIANI: Yes.

15 THE COURT: Why don't you go on to a 11:50:27  
16 different subject and let me the a look. You can  
17 proceed. I'll reserve ruling on this.

18 BY MR. MARIANI:

19 Q. Besides FAU showing university, did if it,  
20 Florida Institute of Technology show interest in doing 11:50:52  
21 something at Destiny?

22 A. Yes. I worked very closely with Dr. Cliff  
23 Bragdon, who his textbooks actually are still  
24 currently used in most universities in regards to  
25 transportation. 11:51:13

1 Q. And who is he? 11:51:14

2 A. Dr. Cliff Bragdon was the chief of strategic  
3 initiatives at Florida Institute of Technology.

4 Q. And what was the nature of their interest?

5 A. Well, they were very interested obviously in 11:51:26  
6 bringing some of the principles of transportation and  
7 logistics. Which was his specialty.

8 Q. How often did you meet with him?

9 A. Dr. Bragdon because of their location in  
10 Melbourne, I would have meetings with them and also 11:51:49  
11 with the Velocita team. I really can't remember how  
12 many times, but you know, I would say probably at  
13 least six or seven times.

14 Q. You met with him at the university?

15 A. Yes. 11:52:12

16 Q. With who else?

17 A. With Cliff Riley and Dr. Bragdon.

18 Q. Based on those meetings, what was your  
19 understanding of FI. The's interest?

20 THE COURT: Who. 11:52:28

21 MR. MARIANI: FIT, we're speaking of a  
22 lifter university, Your Honor.

23 Q. Excuse me based on those meetings with FIT  
24 and others from Velocita, what was your understanding  
25 of FI. The's interest in the Destiny project? 11:52:41

1           A.     Well, obviously to bring some of their  
2 technologies and some of their planning tools to both  
3 to Velocita project and also to the Destiny project.

4           Q.     Do you have examples of that that you know  
5 of?

6           A.     Well, some of it was as I mentioned before,  
7 was in transportation and the logistics. So that was  
8 a lot to do with planning of roadways, etc, and also  
9 Dr. Bragdon, one of his other specialties was sound  
10 abatement, and that was a very important aspect and  
11 concern for Velocita, having racetracks, having  
12 certainly racetracks as part of their development.

13           So that was one of the other, I'll call it  
14 technology transfer, was Dr. Bragdon was looking at  
15 how to help them with the sound abatement issues that  
16 might occur from having the racetracks near some of  
17 their other amenities.

18           THE COURT: Okay you want to approach on  
19 this please.

20           (Whereupon counsel for the respective  
21 parties approached the bench and the following  
22 proceedings were had outside the presence of the  
23 jury:) let the record reflect I have no case law  
24 from either side to provide further guidance from  
25 the Court. Rhyming from professor Ehrhardt that

1 says 3.6 cannot lay a foundation for the second  
2 business even in possessing of the first  
3 business, because the witness would not have  
4 personal knowledge of how the second business  
5 kept its records and could not testify to the  
6 foundation requirements.

11:54:28

11:54:40

7 That's as to Belver vs. Lipson, which is a  
8 federal case which speaks to physicians in the  
9 vent where testimony from another doctor does not  
10 incorporate them and the physician business  
11 records. The physician in possessing of his  
12 personal knowledge that any of the foundational  
13 requirements for the business record exception.

11:54:55

14 Belver vs. Lipson BELVER versus Lipson 905  
15 Fed.2d. 945 at 552.

11:55:15

16 MR. MARIANI: Let me make a comment because  
17 I think we've miscommunicated. I'm not trying to  
18 admit it because it's FAU's business report. I'm  
19 trying to admit it because it's Destiny's  
20 business record and it shows -- it shows the  
21 intent of the people working on the Destiny  
22 project. There is claims by my opponents in this  
23 matter about Ms. Management, about -- I think  
24 what did they say in their opening statement,  
25 incompetence. So to the extent that that is a

11:55:32

11:55:53

1 business record of the Destiny project and the 11:55:58  
2 Pugliese parties, it shows a valid effort and  
3 it's used for that purpose, not for the purpose  
4 of proving anything about FAU's records or even  
5 proving the truth of the matter stated in the 11:56:13  
6 letter.

7 THE COURT: The only thing I would  
8 respectfully suggest is that this is a letter of  
9 intent from FAU to Velocita and the believe in  
10 the Velocita concept not necessarily in anything 11:56:25  
11 having to do with the Destiny projects' concept  
12 and those who are involved in the Destiny  
13 project's plan.

14 MR. MARIANI: It's about Velocita at  
15 Destiny. That's clear in the document, number 11:56:43  
16 one. Number two, this witness has testified and  
17 others have, about this is a part of the Destiny  
18 project, sights not talking about the entirety of  
19 the Destiny project. It's talking about that  
20 node that that may become the Velocita node. 11:57:07

21 THE COURT: Counsel anything else.

22 MS. CARTWRIGHT: This is not a record  
23 exception of the hearsay rule.

24 THE COURT: You're speaking to me in  
25 generalities. Give me a specific like I've given 11:57:18

1 to you. Generalities don't help the Court make a 11:57:22  
2 decision. Do you have a case that stands for any  
3 of the propositions that I've indicated. Have  
4 you had the opportunity? Everyone should bring  
5 air hearts when they come to trial. Have you had 11:57:32  
6 an opportunity to look at air hard that's what  
7 causes sometimes a confusion. I'm doing this by  
8 myself. I don't have the luxury of six lawyers  
9 sitting behind me who are sitting there basically  
10 talking and doing really nothing other than 11:57:46  
11 sitting there watching. I don't have the benefit  
12 of that. I'm doing this myself and the record  
13 should be clear on that. I'm doing the best I  
14 can alone while each party has multiple lawyers  
15 on each side. 11:57:59

16 Meanwhile I get very little help when it  
17 comes to case law. I get general statements  
18 being made, but not anything that's concrete.

19 So I'll err on the side of caution and allow  
20 to it come in with the instruction that the jury 11:58:20  
21 is not to consider it for the truth of the mat  
22 asserted, only as to the extent to which  
23 Ms. Gatewood's involvement included this Velocita  
24 development concept.

25 MR. MARIANI: Thank you, Your Honor. 11:58:36

1           (Whereupon the following proceedings were  
2           had within the presence of the jury:)

11:58:43

3 BY MR. MARIANI:

4           Q.    Do you have Exhibit 41?

5           A.    Yes, I do.

11:58:47

6           MR. MARIANI:  We move 41 into evidence.

7           THE COURT:  The jury will consider this  
8           again not for the truth of the matter asserted,  
9           but only as it reflects Ms. Gatewood's  
10          involvement in the project, including this  
11          Velocita concept that was also spoken about  
12          conceptually.

11:59:06

13 BY MR. MARIANI:

14          Q.    Did you ever meet with Carl Stevens, the  
15          dean at FAU?

11:59:22

16          A.    Yes, I did.

17          Q.    And how many times?

18          A.    Oh, probably half a dozen or more.

19          Q.    Did you meet with him by yourself or did you  
20          meet with him with other people?

11:59:31

21          A.    I did meet with Carl and his -- I forgot the  
22          name, by myself, but usually with either -- I actually  
23          met with Mr. Pugliese once, I believe and then also  
24          with Doug of course because we were working together.

25          Q.    Tell the jury who Douglas Hutchinson is.

11:59:52

1           A.     So Douglas Hutchinson was the gentleman who  
2 really was running sort of the development of the  
3 Velocita project. He has many patents and very  
4 interested in racing. I forgot the name of the race  
5 car he was involved in developing. So he's very  
6 passionate about racing and he had put together a team  
7 and the concept of Velocita, which was his passion.

11:59:56

12:00:16

8           Q.     Was he a principal of that entity with  
9 Mr. Fitipaldi?

10          A.     Yes.

12:00:34

11           MR. MARIANI: Your Honor, this would be a  
12 good break if it's to your pleasure.

13           THE COURT: Great. So let's go ahead and  
14 take our lunch break now. Ladies and gentlemen  
15 again reminding you don't talk about the case  
16 with anyone don't let anyone speak to you about  
17 it in any way. Don't talk about the any research  
18 on your own using any form of electronic device.  
19 Do not accept or receive any type of messages or  
20 otherwise concerning your jury service.

12:00:45

12:01:02

21           Again we want yours and only your collective  
22 opinions once you have heard all the evidence and  
23 the law.

24           Have a good lunch, we'll see you back at  
25 1:10, 1:10 and again thank you all. Thank you

12:01:14

1 counsel, thank you to our courtroom personnel. 12:01:19

2 (Whereupon the jury retired from the  
3 courtroom and the following proceedings were  
4 had:)

5 THE COURT: Again thank you, ma'am don't 12:01:49  
6 speak about your testimony at all at the break  
7 and please be back at 1:10. Thank you.

8 Have a good break everyone. Thank you.

9 (Whereupon at 12 p.m. a luncheon recess  
10 was taken until 1:10 p.m. ) 12:02:03

11 - - -

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