

**WEST VILLAGES IMPROVEMENT DISTRICT
BOARD MEETING & ATTORNEY-CLIENT SESSION
MARCH 9, 2023**

A. CALL TO ORDER

The March 9, 2023, Board Meeting of the West Villages Improvement District (“WVID” or the “District”) was called to order at 11:01 a.m. in the Public Safety Building Training Room located at 19955 Preto Boulevard, Venice, Florida 34293.

B. PROOF OF PUBLICATION

Proof of publication was presented which showed the notice of the Board Meeting had been published in the *Sarasota Herald-Tribune* on March 1, 2023, as legally required.

C. ESTABLISH A QUORUM

It was determined that the attendance of the following Supervisors constituted a quorum, and it was in order to proceed with the meeting:

Chairman	John Luczynski	Present in person
Vice Chairman	Steve Lewis	Absent
Supervisor	Tom Buckley	Present in person
Supervisor	Christine Masney	Present in person
Supervisor	John Meisel	Present in person

Staff members in attendance were:

District Manager	William Crosley	Special District Services, Inc.
District Counsel	Lindsay Whelan	Kutak Rock LLP
District Counsel	Joseph Brown	Kutak Rock LLP
District Engineer	Giacomo Licari	Dewberry

Also present were: Cynthia Wilhelm of Nabors, Giblin, & Nickerson, P.A.; Erica Klevers of Goodwyn, Mills and Cawood (via phone); and Andrew Karmeris of Special District Services, Inc. (via phone).

D. ADDITIONS OR DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

E. COMMENTS FROM THE PUBLIC

Pam Kantola requested an update on hurricane damage to street lighting and stump removal and leaning trees in Gran Paradiso. The District owned street lighting in Gran Paradiso that requires repairs or replacement is being claimed through the POA’s insurance policy. The maintenance agreement between the District and the POA provides that the District owned street lighting inside Gran Paradiso is to be included on the POA’s property insurance policy. In order to receive a successful FEMA claim for stumps or leaning trees, the District is required to follow specific

procurement policies for that type of work such as locating and then documenting with GPS coordinates and photographs. Dewberry will provide a proposal to complete the review. The FEMA claim could take up to one year to complete. It was discussed that because of the expected lengthy time period for a FEMA claim, the Gran Paradiso POA board may want to move forward with addressing the leaning trees or stump removals on their own. One option offered was to run the expense through the District with the understanding that this unbudgeted expense would be recovered on the FY 23/24 District tax bill. Another option is to have the POA specially assess its residents for the costs.

Paul Maloney read from a prepared statement of his concerns regarding \$38,000,000 for road impact fees that is owed to the District and his concern that if de-annexation is successful, the District could potentially suffer significant financial harm. A copy of the statement was provided for the official record.

Jim Cranston asked if FEMA would reimburse interest that is accrued on a loan to complete hurricane cleanup. Ms. Klevers indicated that she did not believe FEMA reimburses for interest on loans made for cleanup.

F. APPROVAL OF MINUTES

1. February 10, 2023, Special Board Meeting

The minutes of February 10, 2023, Special Board Meeting were presented for consideration.

Mr. Meisel made a **MOTION**, amending the minutes to reflect that he requested the rationale for the District being the procuring agent of the artwork and it was explained by the Chair that one of the reasons was because the District did not have to pay sales tax. The **MOTION** was seconded by Mr. Buckley and passed unanimously approving the minutes of the February 10, 2023, Special Board Meeting, as amended.

Mr. Luczynski noted that there was a chance that the District could receive as much as \$2 Million from the State and an additional \$2 Million from federal funding for the US 41 roundabout project.

G. ATTORNEY-CLIENT SESSION RELATIVE TO GRAN PARADISO HOA IRRIGATION LITIGATION

The court reporter had not yet arrived to the meeting for this agenda item. The Board deferred the Shade Session until later in the meeting and the Board Meeting continued to Item H.

H. GENERAL DISTRICT MATTERS

1. Consider Change Order No. 2 Under Work Authorization No. 51 between the District and Stantec

This change order is an increase to the original change order not to exceed \$15,000 for additional miscellaneous services. The District has retained Stantec for support such as updating master plans, preparation of legal descriptions, and other matters that are cost effective to complete due to legacy information and institutional knowledge.

A **MOTION** was made by Ms. Masney, seconded by Mr. Meisel and passed unanimously approving Change Order No. 2 under Work Authorization No. 51 between the District and Stantec not to exceed \$15,000 for additional miscellaneous services, as presented.

2. Consider Resolution No. 2023-01 – Authorizing Electronic Approvals and Check Signers

Resolution No. 2023-01 was presented, entitled:

RESOLUTION 2023-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT AUTHORIZING THE DISTRICT MANAGER TO ESTABLISH A CHECKING ACCOUNT ON BEHALF OF THE DISTRICT AND TO DESIGNATE THE AUTHORIZED SIGNATORIES FOR THE DISTRICT'S OPERATING BANK ACCOUNT(S); AND TO DESIGNATE AUTHORIZED DISTRICT OFFICIALS TO REVIEW, APPROVE AND ISSUE PAYMENT OF EXPENDITURES; AND PROVIDING FOR AN EFFECTIVE DATE.

This resolution updates and authorizes signatories Todd Wodraska, Patricia LasCasas, Jason Pierman, John Luczynski, and William Crosley to approve electronic or non-electronic payments made by the District. All District checks require two signatures and approval by the District Chairman or Vice Chairman before payment is made.

A **MOTION** was made by Mr. Buckley, seconded by Mr. Masney and passed unanimously adopting Resolution No. 2023-01, as presented.

3. Consider Resolution No. 2023-02 – Adopting a Records Retention Policy

Resolution No. 2023-02 was presented, entitled:

RESOLUTION 2023-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT PROVIDING FOR THE APPOINTMENT OF A RECORDS MANAGEMENT LIAISON OFFICER; PROVIDING THE DUTIES OF THE RECORDS MANAGEMENT LIAISON OFFICER; ADOPTING A RECORDS RETENTION POLICY; DETERMINING THE ELECTRONIC RECORD TO BE THE OFFICIAL RECORD; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Ms. Whelan presented this resolution that is intended to allow electronic records, in lieu of hard copies, to be the official records of the District. Any document that does not exist electronically must be retained by hard copy until an electronic copy is available.

This resolution has two options regarding record retention policy that the Board may consider. The first Option #1 provides that pursuant the State records retention policy, the District will continue to retain documents pursuant to the state authorized schedule which allows for destruction of

records after a certain amount of time. Option #2 provides that the District will retain all documents in perpetuity. Ms. Whelan recommended that the Board consider adoption of Option 2 and indicated that even though a formal policy was not previously adopted by the Board that staff had been retaining documents in perpetuity.

A **MOTION** was made by Mr. Luczynski, seconded by Mr. Buckley and passed unanimously adopting Resolution No. 2023-02, Option #2, as presented.

I. UNIT OF DEVELOPMENT NO. 3

1. Status of Unit 3 Bonds Requisition Audit

The audit report from Giffels Webster should be ready for Board review at the April meeting.

2. Discussion on Matters Related to Gran Paradiso Litigation

The Board deferred this item until after its Shade Session and the Board Meeting continued to Item J.

J. UNIT OF DEVELOPMENT NO. 9

1. Consider Bond Financing Team Funding Agreement

Ms. Whelan explained that when bonds are issued, the cost of issuance is paid for items such as legal, engineering, methodology or professional services. This agreement provides that in the event that the bonds for Unit 9 do not get issued, the developer would cover the cost of issuance incurred for those services.

A **MOTION** was made by Mr. Buckley, seconded by Mr. Meisel and passed unanimously approving the Bond Financing Team Funding Agreement, as presented.

2. Consider Resolution No. 2023-06 – Delegation Award Resolution

Resolution No. 2023-06 was presented, entitled:

RESOLUTION NO. 2023-06

A RESOLUTION DELEGATING TO THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF WEST VILLAGES IMPROVEMENT DISTRICT (THE "DISTRICT") THE AUTHORITY TO APPROVE THE SALE, ISSUANCE AND TERMS OF SALE OF WEST VILLAGES IMPROVEMENT DISTRICT SPECIAL ASSESSMENT REVENUE BONDS (UNIT OF DEVELOPMENT NO. 9), SERIES 2023, AS A SINGLE SERIES OF BONDS UNDER THE MASTER TRUST INDENTURE (THE "SERIES 2023 BONDS") IN ORDER TO FINANCE THE SERIES 2023 PROJECT; ESTABLISHING THE PARAMETERS FOR THE PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES, REDEMPTION PROVISIONS AND OTHER DETAILS THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE CHAIRMAN TO ACCEPT THE BOND PURCHASE CONTRACT FOR THE SERIES 2023 BONDS; APPROVING A NEGOTIATED SALE OF THE SERIES 2023 BONDS TO THE UNDERWRITER; APPROVING THE FORMS OF THE MASTER TRUST

INDENTURE AND FIRST SUPPLEMENTAL TRUST INDENTURE AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF BY CERTAIN OFFICERS OF THE DISTRICT; APPOINTING A TRUSTEE, PAYING AGENT AND BOND REGISTRAR FOR THE SERIES 2023 BONDS; APPROVING THE FORM OF THE SERIES 2023 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE USE OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2023 BONDS; APPROVING THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT RELATING TO THE SERIES 2023 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS REQUIRED AND TO EXECUTE AND DELIVER ALL DOCUMENTS, INSTRUMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2023 BONDS; AUTHORIZING THE VICE CHAIRMAN AND ASSISTANT SECRETARIES TO ACT IN THE STEAD OF THE CHAIRMAN OR THE SECRETARY, AS THE CASE MAY BE; SPECIFYING THE APPLICATION OF THE PROCEEDS OF THE SERIES 2023 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS AND ENTER INTO ALL AGREEMENTS REQUIRED IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF THE SERIES 2023 PROJECT; AND PROVIDING AN EFFECTIVE DATE.

This resolution was presented by Ms. Wilhelm, Bond Counsel for the District. The delegated award resolution provides that the District Chairman has the authority to enter into a bond purchase contract and to approve the forms of the Bond Purchase contract itself, the Master Trust Indenture and First Supplemental Trust Indenture, the Preliminary Offering Memorandum and the Continuing Disclosure Agreement. The maximum principal amount, or par amount of the bond is not to exceed \$19,000,000. The maximum interest rate is the maximum statutory rate. The maximum underwriter discount is 1.5% and the maximum maturity date is 30 years of principal payments. There is coordination between the District and the landowner to ensure the level of debt being placed on the property is amenable to the landowner by not overburdening the properties that could make selling lots a challenge.

A **MOTION** was made by Mr. Meisel, seconded by Mr. Luczynski and passed unanimously adopting Resolution No. 2023-06, as presented.

3. Consider Form of Ancillary Agreements

- a. Acquisition Agreement**
- b. Completion Agreement**
- c. Collateral Assignment Agreement**
- d. True-Up Agreement**

Ms. Whelan presented the forms of the ancillary agreements. The Acquisition Agreement sets forth the terms upon which the District will acquire completed infrastructure or the manner in which the District will agree to reimburse the developer from bond proceeds for the previously constructed and accepted infrastructure. The Completion Agreement provides in the event the bond funds are not sufficient to complete the project, the developer is agreeing to fund the remaining costs of the improvements. The Collateral Assignment Agreement provides that in the unlikely event that the bonds go into default due to the nonpayment of assessments by the

landowner that the development rights to the property would be assigned to the District. The True-Up Agreement provides that the developer of the property will cover any debt that is realized in the event that the specific number of units per the original development plan are not constructed. This “true up” payment removes the debt associated with those units that were not constructed. Ms. Whelan indicated that these forms presented are in substantial form and will be finalized with final bond terms.

A **MOTION** was made by Mr. Buckley, seconded by Ms. Masney and passed unanimously approving the form of ancillary agreements, in substantial form.

4. Consider Preliminary Supplemental Assessment Report

Mr. Karmeris presented the Preliminary Supplemental Assessment Report and explained that the engineer projected public infrastructure construction costs at \$51,000,000 with an estimated bond sizing par amount of \$16,540,000. Mr. Karmeris also reviewed the schedules provided in the report regarding debt service allocated by product type (lot size) spread across the proposed 733 units and the expected annual debt assessment per unit. The standard Equivalent Residential Unit (ERU) in the methodology refers to a 50-foot lot (50-foot lot = 1 ERU).

A **MOTION** was made by Mr. Meisel, seconded by Mr. Buckley and passed unanimously approving the Preliminary Supplemental Assessment Report, as presented.

K. ADMINISTRATIVE MATTERS

1. District Engineer

Mr. Licari reported that he was working on three projects and hoping for Board direction. The first project is the road resurfacing planned for the District owned roads in Unit 3 that includes portions of Renaissance Boulevard and Prestigio Drive. The second project is the Playmore resurfacing from Preto Boulevard west to the entrance of Islandwalk. Both the Gran Paradiso resurfacing and the Playmore resurfacing projects will be bid together. The third project was at the direction of the Board. Dewberry was asked to evaluate the intersection of West Villages Parkway (WVP) at the entrance to the Publix shopping center. There have been several close calls of vehicular traffic accidents at this intersection because it is confusing to vehicles heading north on WVP to turn left into the shopping center at the same time as vehicles leaving the shopping center turning left onto WVP to head towards US41. Two options were presented which could help create a safer intersection. After discussion of the two options, the consensus of the Board was to move forward with eliminating U-turns for vehicles approaching the intersection from US 41 travelling south towards Playmore; adding additional thermoplastic road markings, and utilizing traffic delineator posts. Sarasota Memorial Hospital owns the property on the SE corner of WVP and US41, which may require this portion of the roadway to be modified in order to allow access to that property.

In addition, Mr. Licari reported that Florida Department of Transportation (FDOT) was repairing the US 41 sidewalks after the District provided a punch list needed to be completed before the District accepted the maintenance, including these from the western most entrance monuments to the wastewater treatment plant access road just west of River Road. The District approved the form of the maintenance agreement with FDOT in August 2022, however these sidewalk issues need to be addressed before that agreement can be executed.

2. District Attorney

There were no updates from the District's attorney.

3. District Operations' Manager

There was no update from the District's Operations' Manager at this time.

4. District Manager

There was no update from the District Manager at this time.

L. BOARD MEMBER COMMENTS

Mr. Meisel suggested that the monthly meetings and back-up information on the District website be looked at to determine if it can be easily accessed by District residents.

G. ATTORNEY-CLIENT SESSION RELATIVE TO GRAN PARADISO HOA IRRIGATION LITIGATION (THIS ITEM WAS TAKEN OUT OF ORDER)

Court reporter Jennifer Cope of Huseby Inc. arrived after the Board completed agenda Item L. Mr. Brown asked that the court reporter begin transcribing.

He addressed that the District was currently involved in pending litigation between the Gran Paradiso POA versus West Villages Improvement District and Lennar Homes, Case No. 2022-CA-005368-SC, pending in the 12th Judicial Circuit. An Attorney-Client Session was requested and a Notice of Attorney-Client Session was published, announcing that the non-conflicted Board of Supervisors, District Counsel, the District Manager, and a court reporter would be present. The Attorney-Client Session was transcribed by a court reporter and maintained under Florida law and that transcript will not be available until after the conclusion of the litigation and will become part of the District's public record.

Mr. Luczynski then announced the commencement of the private Attorney-Client Session at 12:13 p.m. The estimated length of this session was 30 minutes. The names of those persons attending were WVID Supervisors John Luczynski, Steve Lewis, Tom Buckley, Christine Masney, District Counsel Joe Brown and Lindsay Whelan and District Manager William Crosley.

Mr. Brown advised that the Board Meeting will resume immediately after this closed session, with anyone then welcome to return for the remainder of the meeting where the Board will take up additional business.

The Special Board Meeting was then recessed for the Attorney-Client Session at which time the Zoom call was muted and all residents, non-essential staff, and Mr. Meisel left the room.

The Attorney-Client Session ended at 12:45 p.m., at which time staff allowed any interested individuals back into the Board Meeting. Mr. Meisel did not rejoin the Board Meeting in progress.

The Board then moved to agenda Item I2.

I. UNIT OF DEVELOPMENT NO. 3 (THIS ITEM TAKEN OUT OF ORDER)

2. Discussion on Matters Related to Gran Paradiso Litigation

Mr. Brown shared that the court transcripts from the February Gran Paradiso irrigation litigation hearing were made available to the District. A written order has not yet been entered by Judge Carroll.

It was requested that the Board provide authority to District staff to proceed with a Request for Qualifications (RFQ) for a new 2023 irrigation rate study which will be helpful to the District in proving the reasonableness of its rates in the pending litigation as well as serving to facilitate any settlement discussions that may occur.

Mr. Brown discussed that the District believes it properly noticed its 2018 irrigation rate hearing but in an abundance of caution to ensure compliance with the law it was also requested that the District notice an additional public hearing to be held at its April 13, 2023 meeting to solicit additional public and Board input on the 2018 ratemaking study, to consider re-adoption of that study, to ratify and confirm the findings made and the rates adopted in prior ratemaking resolutions and the prior use of those rates by the District, and to re-approve the current rates on an interim basis.

Additionally, it was also requested that District staff be authorized to provide a formal written letter to Thomas Ranchlands Intangibles (TRI) to notify them of the current status of the litigation any Board action today since the well availability charge is paid to that entity.

A **MOTION** was made by Mr. Buckley, seconded by Ms. Masney authorizing District staff to proceed with a new irrigation rate study RFQ, notice an additional Public Hearing on the 2018 irrigation rates and related matters, and to send written notice to TRI. This **MOTION** passed unanimously.

M. ADJOURNMENT

The Supervisors did not have any additional business they would like to discuss.

There being no further business to come before the Board, the Board Meeting was adjourned at 1:24 p.m. on a **MOTION** made by Mr. Buckley, seconded by Ms. Masney and passed unanimously.


Secretary/Assistant Secretary


Chair/Vice Chair

