

**WEST VILLAGES IMPROVEMENT DISTRICT
SPECIAL BOARD MEETING & ATTORNEY-CLIENT SESSION
JUNE 28, 2024**

A. CALL TO ORDER

The June 28, 2024, Special Board Meeting of the West Villages Improvement District (“WVID” or the “District”) was called to order at 10:22 a.m. in the Chambers Room of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286.

B. PROOF OF PUBLICATION

Proof of publication was presented which showed the notice of the Special Board Meeting had been published in the *Sarasota Herald-Tribune* on June 14, 2024, and June 21, 2024, as legally required.

C. SEAT NEW BOARD MEMBER

Steve Lewis was seated as a new Board Member.

D. ADMINISTER OATH OF OFFICE AND REVIEW BOARD MEMBER RESPONSIBILITIES & DUTIES

Mr. Lewis was sworn in and acknowledged the oath of office. Supervisor Lewis’s Seat 3 has a term that expires in June 2028.

E. 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	Present in person
Supervisor	Tom Buckley	Present in person
Supervisor	Christine Masney	Present in person
Supervisor	John Meisel	Present in person

District Manager	William Crosley	Special District Services, Inc.
District Operations Manager	Ryan Johanneman	Special District Services, Inc.
District Counsel	Lindsay Whelan	Kutak Rock LLP
District Counsel	Michael Eckert	Kutak Rock LLP
District Engineer	Giacomo Licari	Dewberry

Also present was Michael McElligott of Special District Services, Inc. (via phone).

F. ELECTION OF OFFICERS

- Chairman

A **motion** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously electing John Luczynski as Chairman of the Board of Supervisors.

- Vice Chairman

A **motion** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously electing Steve Lewis as Vice Chairman of the Board of Supervisors.

- Secretary/Treasurer

A **motion** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously electing Todd Wodraska as Secretary/Treasurer.

- Assistant Secretaries

A **motion** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously electing William Crosley, Christine Masney, Tom Buckley and John Meisel as Assistant Secretaries.

G. DISCUSSION REGARDING PUBLIC DECORUM AT BOARD MEETINGS

Chairman Luczynski read the District's public decorum policy previously approved by the Board.

H. COMMENTS FROM THE PUBLIC FOR ALL AGENDA ITEMS

Rich Bando commented on the Gran Paradiso Property Owners Association (GPPOA) irrigation lawsuit which has now gone on for 19 months and Gran Paradiso residents have paid over \$100,000 or more in legal fees just for the GPPOA's pursuance of the lawsuit. Mr. Bando referenced the irrigation agreement signed on 12/16/2020 between the District and GPPOA for the provision of irrigation quality water. In that agreement under Section 17, it provides that if either party pursues a court proceeding to enforce the agreement, the prevailing party shall be entitled to recover all fees and costs incurred.

Mr. Bando went on to state that the seller of Gran Paradiso properties must disclose to prospective buyers any ongoing lawsuits in which the GPPOA is involved. The land sale from Lennar to the GPPOA is on hold due to Lennar being named in the lawsuit. The proposed Ch. 558 construction defects settlement between Lennar and GPPOA may be at risk because of this litigation. Gran Paradiso residents are paying both sides of the legal costs associated with the irrigation litigation, which is a lose/lose to residents. Mr. Bando summarized that it was time for a negotiated settlement of both parties to stop Gran Paradiso residents from paying more money out of their pockets for both the District and GPPOA legal costs.

Paul Maloney read aloud his public comments and provided a written statement (attached hereto and made a part hereof these meeting minutes).

Phil Stokes thanked the District Board for all that they do for the WVID and commented that he felt that the GPPOA legal fees charged to all irrigation users in Unit 6 was not the right thing to do because no other communities are taking part in the litigation other than the GPPOA. He stated that most level-headed people in Gran Paradiso realize that they are paying reasonable irrigation rates and have an appreciation of the complexities of the irrigation issues faced, and realize the amount of money the District and the master developer have invested in the irrigation utility system. In his opinion, the lawsuit is frivolous and will only benefit attorneys and asked that the WVID legal fees needed to defend the lawsuit be appropriately charged where they belong, which is Gran Paradiso in Unit No 3. Mr. Stokes further stated that the homeowners in

Gran Paradiso are little by little coming to the realization that this lawsuit was a precipitous action initially taken illegally, then justified with a later community vote based on a belief that the lawsuit was somehow going to inure to the Gran Paradiso residents' benefit and it is not. Mr. Stokes urged the Board not to penalize the other WVID residents for the actions of the GPPOA and to resolve this lawsuit in very short order when rational minds prevail.

Larry Cobb stated that he was concerned with the District budget and how he felt there was a lack of accountability because the GPPOA filed the irrigation lawsuit and requested that the GPPOA be held accountable for any court costs incurred, which should not be shared with the balance of those residents who are not involved with the lawsuit. Mr. Cobb noted that he had read a request for funds for the GPPOA to further the litigation and wondered why those who wish to divide the community don't learn to be accountable on their own and not on the shoulders of others.

Jim Cranston read aloud his public comments and provided a written statement (attached hereto and made a part hereof these meeting minutes).

Neil Brady provided a written statement (attached hereto and made a part hereof these meeting minutes).

I. APPROVAL OF MINUTES

1. May 9, 2024, Regular Board Meeting

The May 9, 2024, Regular Board Meeting minutes were presented for consideration.

A **motion** was made by Mr. Lewis, seconded by Mr. Buckley and passed unanimously approving the minutes of May 9, 2024, Regular Board Meeting, as presented.

2. May 9, 2024, Audit Committee Meeting

The May 9, 2024, Audit Committee Meeting minutes were presented for consideration.

A **motion** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously approving the minutes of May 9, 2024, Audit Committee Meeting, as presented.

J. ATTORNEY-CLIENT SESSION RELATIVE TO LITIGATION

Ms. Whelan advised that there was nothing to address in the closed session.

K. GENERAL DISTRICT MATTERS

1. Consider Resolution No. 2024-17 – Adopting Proposed Budgets for Fiscal Year 2024/2025; Declaring Special Assessments to Fund the Proposed Budgets

Resolution No. 2024-17 was presented, entitled:

RESOLUTION 2024-17

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT APPROVING PROPOSED BUDGET(S) FOR FY 2025; DECLARING SPECIAL ASSESSMENTS TO FUND THE PROPOSED

BUDGETS PURSUANT TO CHAPTERS 170 AND 197, FLORIDA STATUTES, AND CHAPTER 2004-456, LAWS OF FLORIDA; SETTING PUBLIC HEARINGS THEREON AND DIRECTING PUBLICATION; ADDRESSING TRANSMITTAL AND POSTING REQUIREMENTS; ADDRESSING SEVERABILITY AND EFFECTIVE DATE.

Ms. Whelan explained that the District's annual budget is approved through a two-step process with the purpose of today's meeting being to adopt a proposed Fiscal Year 2024/2025 budget for the purpose of noticing anticipated assessment increases and setting a public hearing on the adoption of the Fiscal Year 2024/2025 budget to be held at a future meeting.

Mr. Crosley presented the Fiscal Year 2024/2025 Proposed Budget and went over each individual Unit of Development budgets.

Chairman Luczynski asked what the remaining debt for Unit of Development No. 1 was. Mr. McElligott reported that the remaining balance for Unit 1, after the most recent principal payment made on May 1, 2024, was \$24,550,000. He went on to state that all proposed unit assessment increases discussed, except for residents in the IslandWalk community which does not receive irrigation water from the District, include the special assessment for Unit of Development No. 6 in the proposed amount estimated at \$81 for the legal representation of the irrigation lawsuit that was filed against the District by the GPPOA. He explained that based on the nature of the purpose of the assessment, the Unit 6 assessment is not based on irrigation water consumption but is instead an equal assessment to any one person or entity that benefits from the usage of irrigation water provided by the District.

Mr. Meisel asked why there were different assessments for seventy-foot lots located in Unit of Development No. 3. Mr. McElligott explained that the difference is because when Lennar purchased the remainder of the developable land from the original developer, Sam Rodgers, they chose to perform an updated methodology that included some bond prepayments that changed assessments from the original methodologies adopted by the original developers, Sam Rodgers and Lee Wetherington. That updated methodology by Lennar is also the same reason for the slight difference in Operations & Maintenance assessments for the same size product type as the 70-foot lot in Gran Paradiso.

Mr. Luczynski commented that the District Proper budget had a new budget line item entitled "Contingency/Office Space." He explained that currently, the District rents office space and that building will be demolished towards the end of next year so the District will have to look for alternative office space. It is possible that maybe for a couple years, temporary trailers could be used with the thought that at some point, as the District grows and staff grows, as well as the need to store utility vehicles or irrigation parts, etc. continues, that it may be most cost effective for the District to construct a building and the \$25,000 is included in the proposed budget to hire an architect in the future for some space planning to identify what could be needed and maybe even include a meeting space so that WVID Board meetings could be held within the District. This idea will evolve over the next year and there will be some type of budget line item in District Proper in the 2025/2026 fiscal year budget for the District to procure some type of construction field office for a few years until a permanent site can be identified and a building constructed. Once the area needed for the office space has been determined, discussions can begin of where the location could be, such as one of the two commercial pieces located inside the entrance of Gran Paradiso that could be purchased from Lennar Homes, or another piece of property that is located in the southern or central portion of the District.

Mr. Crosley stated that mailed notices will be sent to any landowner with an assessment increase, letting them know the date, time, and location of the public hearing and to contact the District Manager for any

questions related to the proposed budget. A budget workshop may be held prior to the final budget public hearing, depending on the amount of communication received from residents regarding the mailed notices. Last year, a similar notice was mailed and a budget workshop was advertised and posted on the District's website, however there were less than 5 residents in attendance, along with two District Supervisors.

There was Board discussion of the Unit of Development No. 6 budget with field staff, which is designated as the irrigation utility, specifically that a new line item has been added for extra erosion of the larger primary irrigation lakes in the amount of \$35,000 and that there is a plan to bring Well No. 96 online in the future and a budget has been established for most of the construction costs expected in FY 2024/2025, which will likely not be completed until FY 2025/2026.

Mr. Lewis asked Ms. Whelan to articulate on the residents' comments regarding wanting irrigation litigation legal fees to be assessed in Unit of Development No. 3 instead of Unit of Development No. 6. Ms. Whelan responded that she was hesitant to speak in too much detail on this topic in an open forum, given the active litigation on both the GPPOA irrigation lawsuit and last year's Unit 6 special assessment for legal costs associated with that litigation. Mr. Lewis rephrased his question by asking if the legal fees were being expensed from the Unit 6 funds because Kutak Rock feels that it is prudent from a legal perspective. Ms. Whelan responded that was correct and that, as was stated last year in connection with the levy and imposition of the Unit No. 6 special assessment, at the conclusion of the GPPOA litigation District staff will reassess and reevaluate to determine what unit of development is the most appropriate unit to pay the litigation costs since as with many budgeted items there may be more than one appropriate unit to budget expenses in. She stated that while these legal expenses are currently included in Unit No. 6's budget they may be reallocated and ultimately funded from a different unit if recommended by staff and approved by the Board.

Mr. Meisel commented that he previously made a request for copies of all invoices for Unit 6 and asked why he still had not received them. Mr. Crosley responded that staff acknowledged the request and promptly sent a response letter to Mr. Meisel indicating that there would be cost incurred by the District to facilitate the request because of the need to review all invoices to determine those needing statutorily-required redaction, particularly during the multiple active lawsuits against the District relative to irrigation related matters, and that a special service charge was warranted. Mr. Meisel offered to sign a confidentiality agreement and stated that as a fiduciary steward of the WVID, the District should provide the invoices upon his request and asked if any of the other Supervisors disagreed with that. Mr. Lewis stated that he would defer to legal counsel on that question.

Ms. Whelan responded that the District was in a strange environment now with multiple active lawsuits filed relative to the District's provision of irrigation water and that there is a need to review, by law, all documents distributed external of staff for any confidential or exempt information that may be included in those documents. She stated that all requests for documents with potentially confidential or exempt information are being treated the same and noted that no other Supervisors have requested documents of the type and nature as Mr. Meisel. She also stated that the scope of his request was extremely voluminous with potentially thousands of pages of documents needing to be reviewed because staff cannot possibly know what confidential or exempt information is potentially included in each one of the invoices, and what invoices may need redaction, until they are reviewed. She stated that staff has not received any direction from the Board to waive or modify their standard process that is followed for all records requests.

Mr. Luczynski stated that he would only be comfortable waiving that review for a Board member in a case where the District was not involved in litigation. Ms. Whelan responded that it is the litigation itself that is requiring the public records exemption document review by staff.

Mr. Meisel stated that he was only requesting Unit 6 capital expenditures that were paid. Ms. Whelan responded that the scope of his request was for all Unit 6 invoices, not just capital expenditure invoices, which resulted in a substantially high volume of documents but if he'd like to modify his request that will likely shorten staff review time and cost. Mr. Luczynski stated that if Mr. Meisel only wants to see Unit 6 capital expenditure invoices then he should update and modify his request and resubmit it to the District.

Mr. Crosley suggested that the District could easily provide an accounting spreadsheet showing Unit 6 capital expenditures, which had already been provided to other record requestors without incident, if desired, in lieu of invoices.

A **motion** was made by Mr. Lewis, seconded by Ms. Masney and passed unanimously adopting Resolution No. 2024-17, as presented, setting the public hearing for the Fiscal Year 2024/2025 budget and assessments for August 8, 2024.

2. Consider Interlocal Agreement with Sarasota County on River Road Project

Ms. Whelan explained that, as previously discussed with the Board at its February meeting, Sarasota County desires to start widening a portion of south River Road from a two-lane road to a four-lane road and that there are District roadway and other improvements that would need to tie into that River Road expansion at Playmore Road and Manasota Beach Road. For time and cost efficiencies it really makes sense to do both the County project and the District project at the same time and at the February meeting, Mr. Luczynski discussed some of the early discussions with Sarasota County on how to team up with them relative to the coordinated development of both projects. Included in the agenda package is the proposed interlocal agreement with Sarasota County for the development of these projects.

She stated that the agreement provides that the District will oversee the design and permitting of the entirety of the project and once that has been completed, the County will take over on the construction of the entirety of the project, which will save a significant amount of time and get the project commenced faster. In exchange for the District overseeing the design and permitting of the project, the County will give the District a credit in the amount of approximately \$7,100,000 towards the construction cost for the District improvements. She stated that the \$7,100,000 amount represents the cost of the design and permitting work to be conducted by one of the District's Engineers, Kimley-Horn and Associates, based on proposals received from that vendor. As a result, instead of Sarasota County requesting funds for the cost of construction of the District improvements at the conclusion of the construction phase, the County will instead credit the District for the cost of the design and permitting work incurred towards those construction costs. If project construction ends up costing less than the design and permitting costs, the District will receive a reimbursement from the County for the difference.

Ms. Whelan went on to explain that it is anticipated that the District will have Unit 1 construction funds and other roadway impact fee reimbursement revenues on hand sufficient to pay for the design and permitting costs, but should those funds not be available due to cash flow and timing considerations, Wellen Park LLLP has agreed to essentially backstop the District if it has a shortfall of any amount due to Kimley-Horn. A funding agreement with Wellen Park LLLP is included in the agenda package under agenda item K3, which can be considered at the same time and under the same motion as the approval of the project and the interlocal agreement with Sarasota County since they are related agreements.

Mr. Luczynski stated that this project would fall in Unit of Development No. 1, but has not been included in the current or future Operations and Maintenance budget and he does not desire for the cost to be funded by special assessments, roadway reserves, or any other funds except for any remaining Unit No. 1 bond

construction funds or roadway impact fee reimbursements from the City of North Port. As a result, no landowners will be assessed in the future for this project.

Mr. Lewis commented that the District is trying to take roadway impact fee reimbursements and use them to pay future roadway design and construction costs, even though those reimbursements are not restricted to use for roadway capital costs. He noted that there's a certain symmetry to using those reimbursement funds for future master roadway costs, and this is the same way that the District has funded its U.S. 41 roadway project.

Mr. Luczynski commented that in addition to this interlocal agreement there will be continued discussions with the County and other stakeholders on turn lanes, signalization, and right-of-way acquisition that will occur as the design work progresses. For example, in the case of the Manasota Beach Road intersection, if there is a need for turn lanes or a signal light, then the turn lanes would normally be a District cost, but the County has conceptually agreed to pay for 50% of that cost because of the location of the new high school that is currently under construction at that intersection. Additionally, there may be a need for turn lanes into the GCI parcel that is west of River Road, which is commonly referred to as the "Banker's Trust Parcel," as well as into the Village G2 parcel with the District. Once the design evolves and once that data is available the stakeholders can all discuss what is appropriate for each of the affected parties to pay for. Finally, the agreement also contemplates future needs for land where the County will need to negotiate with landowners to acquire approximately 7 to 10 acres of land where the hairpin curve is located on River Road.

He noted that the District taking the lead on the design and permitting of this roadway project benefits the residents and landowners within the District by providing District projects faster and more cost efficient than if they were pursued separate from the County's River Road expansion project, in addition to the benefits of the expansion of River Road itself which is a hurricane evacuation route and has experienced flooding along sections of the roadway. He stated that by the District overseeing the design and permitting of the project it will cut three years off the County's normal design and permitting process so it is anticipated that this project will be designed and permitted by the District before the County, under their normal process, could even start the design work.

Mr. Luczynski explained that approximately \$40,000,000 of federal funds has been earmarked for this River Road expansion and that there is a high belief that if the entire roadway project is permitted together, that Sarasota County will be able to get other funds- whether federal and/or State- to expand River Road all the way south to the County line. He stated that the goal is to cooperatively work with the County to get a vital improvement needed for District landowners and residents faster, cheaper and at no additional expense to those District landowners and residents.

Mr. Meisel stated that he was not opposed to the widening of River Road and inquired as to what an estimate of the costs of the intersection improvements were going to be. Mr. Luczynski responded that the design work will ultimately bear out what is needing to be constructed, but for Manasota Beach Road as an example it is safe to assume that a left turn lane, a right turn lane, and a signal will cost approximately \$2,000,000 to \$2,500,000 while a roundabout would cost approximately \$1,000,000 since a signal and right turn lane would not be needed. Once the design is prepared, Kimley-Horn will prepare a detailed cost estimate. He further noted that, depending on the ultimate design of River Road, any access improvements that need to be constructed that benefit private landowners will need to be funded by those landowners if they wish for their parcels to have access to River Road. Agreements with those landowners would be negotiated in the future once the design is finalized. For example, the owners of the GCI property discussed previously may desire as many as three access points to River Road and so they are aware that if access points are desired that they'll need to contract with the appropriate government entities to provide funding for that work.

Mr. Luczynski stated that, at present and in current dollars, the cost of construction of the District's improvements is estimated be approximately \$7,000,000, which is why the interlocal agreement is drafted so that if the District is spending \$7,100,000 on design and permitting costs and the cost of construction of the District improvements ends up being less than that amount, then Sarasota County will pay back the difference to the District.

Mr. Meisel asked what happens if it is higher? Mr. Luczynski responded that if construction of the District improvements exceeds current preliminary estimates than the District would be responsible for that cost. Essentially, the District at the end of the day is only paying for the cost of constructing its own public improvements whatever that amount may be.

Mr. Lewis stated that the way he understood this plan was that the District would spend up to \$7,150,000 on engineering and permitting but he did not understand the concept of what the District was getting credit for. Mr. Luczynski responded that the District would get a credit for every dollar spent by the District on the permitting and design towards the construction of WVID improvements. He provided as an example that if the cost of construction of the District improvements ends up being \$10,000,000, the District would get a credit towards that construction cost for the \$7,150,000 that it already spent on design and engineering for the project, and so the District would only be responsible for paying the difference of \$2,850,000 to the County for the cost of construction of the District improvements.

Mr. Meisel stated that he is opposed to this project even though no residents in the District are going to be financially impacted, because roadway impact fee reimbursements are going to pay for the project.

Mr. Lewis responded that the developer was going to front the money, and they hope to be repaid by impact fee reimbursements, but there is no guarantee on the certainty of those reimbursements. Mr. Luczynski reminded the Board that there is an existing roadway impact fee reimbursement agreement with Wellen Park LLLP, the District and the City of North Port, where the City was to first reimburse the District, then Wellen Park, up to \$90,000,000 for prior master roadway construction through reimbursement of road impact fees collected by the City that were paid within Wellen Park. He stated that this project is being funded by those reimbursements and not by new impact fee reimbursements coming from other sources.

Mr. Luczynski went on to explain that if the District were to undertake the construction of its intersection improvements independently instead of coordinating with Sarasota County in the manner proposed, that the District's costs would total more than \$7,000,000. As an example, the construction of the intersection at Wellen Park Boulevard will cost approximately \$11,000,000 plus about \$4,000,000 to \$5,000,000 of engineering and construction management costs so it is safe to assume that the proposed intersection improvements at both Manasota Beach Road and Playmore Road would cost about the same- approximately \$10,000,000 to \$15,000,000 each. So by partnering with Sarasota County in this manner the District is able to mitigate its capital infrastructure costs for these projects from \$20,000,000 to \$30,000,000 down to approximately \$7,000,000 which is a pretty darn good deal.

Mr. Meisel stated that he understood the need for the Manasota Beach Road intersection, but in his opinion the Playmore Road intersection does not even exist yet. Mr. Luczynski responded that the development of Playmore Road and its connection at River Road are a part of the District's capital improvement plan to provide interconnectivity throughout the District and so it ultimately is an improvement that the District will be responsible to provide and fund in the future.

Mr. Meisel stated that from his perspective, the District is paying \$7,100,000 for construction activities at Manasota Beach Road for Winchester Road, which will ultimately be funded by the master developer, but Winchester Road is not even in the District. Ms. Whelan clarified that the District will use impact fee

reimbursement funds on hand first before tapping into this developer funding agreement, so it's more of a backstop versus some of our other historical funding agreements where the developer has just agreed to essentially carte blanche fund the construction of a District project. It is anticipated that the District will ultimately fund the entirety of this project from those impact fee reimbursements.

Mr. Lewis stated that it is difficult to determine if and when future impact fee monies come in and all the master developer is really doing is trying to take the risk out of the project for cash shortfalls by agreeing with the District that if it does not have any money in the bank from the impact fee reimbursements, it will front those costs until those monies are received so that the project can proceed. Ms. Whelan concurred and stated that the purpose of the developer funding agreement was to ensure that the District has some backup source of funding that does not include a new special assessment or the use of operations and maintenance funds.

Mr. Meisel stated his concern was that the District was paying \$7,100,000 to Kimley-Horn for engineering and permitting services in order for the County to construct roadways on parcels of land that in his opinion provide no benefit to the District or little benefit to the District and more to the general population. He stated that he desired for the Grand Palm community to cost share in the project. Mr. Luczynski responded that this project does not affect the section of roadway where Grand Palm is located.

Mr. Meisel stated he did not think that Sarasota County was using taxes to fund this construction project and that it was instead being funded by federal or State money, but even though no residents are really being financially impacted by this project, he feels that the funds that are being used for this project should be used for other projects. Mr. Luczynski responded that this project allows for the mitigation of District infrastructure costs from \$20,000,000 and \$30,000,000 down to the area of \$7,000,000 and stated he believes that coordinating with the County on this project is a super wise investment in the WVID's future and for managing our capital installation expenses. Further, there is a benefit to the District in overseeing the project design to make sure we have input in the design of the intersection improvements which we're ultimately financially responsible for so that we're getting the best solution for the cost. He stated that he believes that this is a wise investment of District resources.

Mr. Lewis commented that the District is spending \$7,100,000 on this intersection project either way and to coordinate with the County to get the money that WVID advances for design and engineering essentially credited back against the ultimate construction costs seals the deal for him that this is a good transaction. He stated that WVID is spending that money one way or another and proceeding in this manner helps to mitigate time and cost for all, and that he did not see how that could be portrayed as a bad transaction.

Mr. Meisel stated that he could not support this project today, and asked if this vote could be put off so he could do some more research until the next meeting. He also stated that the completion of this project appreciates the value of the properties in the southern portion of the District which gives him concern. Mr. Lewis responded that the project would appreciate all properties within the District.

Mr. Luczynski stated he would still like to move forward with consideration of the project today, as time is of the essence, because it is a two-year process for design and permitting and Sarasota County has already put this matter on their consent agenda for their upcoming Board of County Commissioners meeting. He stated that he would like Kimley-Horn to proceed with the design and permitting work in early July if the project is approved by the WVID Board today. Mr. Luczynski went on to state that if Supervisor Meisel had additional questions that were not answered by staff in advance of or during this Board meeting, that he could meet with staff after the meeting to understand the project in more detail. He asked the District Engineer, Mr. Licari, to provide the Board cost estimates and updates for this project, as information becomes available, under his monthly report.

Mr. Luczynski asked the Board if there was a motion to approve this project, including the agreements in the agenda package.

Mr. Meisel asked why the interlocal agreement was not between the developer and the County. Mr. Luczynski stated that Sarasota County preferred to contract with another government entity versus a private developer due to impacts on the use of federal funds. Ms. Whelan added that this structure also allows the District to use impact fee reimbursement funds for this roadway project.

A **motion** was then made by Mr. Lewis, seconded by Mr. Buckley, approving the project including the interlocal agreement and the funding agreement, as presented. Upon being put to a vote, the **motion** carried 4 to 1 with Mr. Meisel dissenting.

3. Consider Funding Agreement with Wellen Park LLLP on River Road Project

This item was discussed and voted upon previously during the meeting.

4. Discussion Regarding District Performance Goals and Objectives

Ms. Whelan reported that during the last state legislative session, HB 7013 passed, which provides that all special districts are now obligated to adopt goals and objectives, as well as performance addressing whether they've met those goals and objectives, on an annual basis. The first step is that the District Board is required to approve the goals, objectives, and performance measures by October 1st of each year. District staff will put together a draft to come before the Board prior to your October Board meeting. Then, by each December 1st of the following year, the District is required to create and post a report on its website which outlines how successful the District was in meeting those goals and objectives. The first round of the goals and objectives would need to be posted on the District website as of December 1, 2025 for the goals and objectives that the Board adopts as of October 1, 2024.

Chairman Luczynski asked that staff include as a goal of the District, 10-year projections for operations and maintenance, road resurfacing, and road widening.

Ms. Whelan also pointed out that pursuant to HB 7013, Board members elected by the general election process such as Mr. Meisel now have a 12-year term limit.

L. UNIT OF DEVELOPMENT NO. 1

1. Consider First Amendment to Downtown Infrastructure Maintenance Agreement

Ms. Whelan explained that the District has an existing maintenance agreement with Wellen Park LLLP, providing that, for cost and other efficiencies, the master developer is to oversee the maintenance of the public improvements associated with the Downtown project due to their proximity with substantial private improvements. Now that Phase 1 of the Downtown development is complete and the project has access to U.S. 41, allowing full use of the roadways by the general public, the master developer recently came to the District asking if the Board would consider modifying the agreement to place the responsibility of maintenance of the roadway segments for Wellen Park Boulevard, Market Way, Radiant Way and Springtide Way between Sunglow Boulevard and US 41 back on the District.

The draft amendment included in your agenda package for consideration removes those roadways and associated infrastructure from the scope of the Downtown maintenance agreement and so the revised

maintenance agreement would now only include the segment of Market Way south of Sunglow within its scope to be maintained by Wellen Park LLLP. She noted that the District is still waiting on a map of the improvements as well as the AGMOD associated with the roadways which would be inserted once received.

A **motion** was made by Mr. Meisel, seconded by Mr. Lewis and passed unanimously approving the First Amendment to the Downtown Infrastructure Maintenance Agreement in substantial form, as presented.

2. Consider Change Order No. 10 between the District and DeMoya, Inc. for Wellen Park Boulevard Roundabout and US 41/State Road 45 Improvement Project

Mr. Licari presented Change Order No. 10 in the additional amount of \$37,800 for concrete pavement costs associated with the roundabout apron. He noted that these quantities were not included in the original engineering plans but were necessary.

A **motion** was made by Mr. Lewis, seconded by Mr. Luczynski and passed unanimously approving Change Order No. 10 between the District and DeMoya, Inc. for the Wellen Park Boulevard Roundabout and US 41/State Road 45 Improvement Project in the amount of \$37,800, as presented.

M. UNIT OF DEVELOPMENT NO. 3

1. Review Response to Supplemental Letter from Englewood Water District (EWD) on Interlocal Agreement

Ms. Whelan stated that, per Board direction at the May meeting, her office sent another letter to EWD requesting clearer confirmation that the sender of the notice of termination of the WVID/EWD water supply agreement in 2019 was authorized to send that notice on behalf of EWD. The District has received a response letter from EWD's legal counsel confirming that in 2019, Mr. Burroughs, in his role as District Administrator of EWD, was authorized by EWD to send the notice in question to the District. A copy of this correspondence is included in your agenda package for reference.

N. ADMINISTRATIVE MATTERS

1. District Engineer

Mr. Licari reported that reflective pavement markers were being installed on West Villages Parkway and Preto Boulevard. The small devices will reflect headlights after sundown, and it is hoped that the vibration experienced when driving over the markers will deter vehicles from driving onto the grass medians. Installation is to begin after the July 4th holiday.

2. District Attorney

Ms. Whelan reported that she has several updates in regard to the GPPOA irrigation lawsuit. She recalled with the Board that the Court had ruled in favor of the District regarding the District's motion to compel the GPPOA to comply with the District's discovery requests by May 11th. That date has come and gone and the District has still not received responses to its requested discovery. As a result, a second motion to compel was filed by the District and the hearing on that motion has been set for July 2nd at 9:30 A.M.

In addition, as discussed last month, the Court recently allowed the GPPOA to amend its complaint to bring in Lennar and some of the developer-related entities, but declined to allow certain Board Members and staff to be included as defendants. As part of that order, the Court required the District to review the revised amended complaint that was being proposed by the GPPOA prior to it being filed to confirm that it complied

with the Court order. However, the version of the amended complaint ultimately filed by the GPPOA was filed despite the fact that the District had raised substantive objections to certain of the allegations in the complaint that were not addressed by the GPPOA. As a result the District believes that the GPPOA is in violation of the Court order on this topic and has accordingly filed a motion for contempt and to dismiss or strike GPPOA's second amended complaint. A hearing on this matter has been set on August 13th at 9:30 A.M.

Due to the filing of the second amended complaint, it is expected that the inclusion of Lennar and those master developer entities will likely cause a delay in that August 2024 trial date. It is anticipated that the new plaintiffs are going to object to that August date as they are coming into the lawsuit with only 8 or so weeks until trial which they will be expected to participate in. The District's litigation team believes it is in the District's best interest to not try to fight or prevent the delay of the trial because it seems inevitable to happen anyway, unless otherwise directed by the Board to do so.

Ms. Whelan also reported that a motion for summary judgment was just filed by WVID relative to the District's cure of the alleged Sunshine Law violation, making the argument that the Sunshine Law issue has been cured by not only several subsequent public hearings that the District has held regarding its irrigation rates but also by the District's adoption of new standalone rates based on the 2024 rate study several months ago. She stated that she would provide a copy of the motion to the Board and would let them know when a hearing was set.

Ms. Whelan then reported on the status of the irrigation assessment litigation. As discussed at last month's meeting, the plaintiffs in that case have failed to comply with the District's discovery requests and the District filed a motion to compel. A hearing was set on that motion but ultimately cancelled because the District and the plaintiffs agreed that the delinquent discovery was to be provided to WVID by June 28th, which is today. As of the start of this meeting, nothing had been received by WVID. To the extent that the District does not receive that discovery timely, it will file another motion to compel.

Finally, Ms. Whelan reminded the Board that she announced a few months ago that she would be taking family leave at some point in late August, and Michael Eckert of Kutak Rock, who was also present at the meeting today, would be supporting her role as District Counsel during her absence.

3. District Operations' Manager

Mr. Johanneman reported that because it was now hurricane season, the District had been reviewing the protocols that will be followed before, during and after a hurricane.

4. District Manager

Mr. Crosley reported that, per prior Board direction, District staff would be publishing a legal advertisement requesting that contractors submit their qualifications to the District to be considered as a prequalified contractor for services such as road construction, landscape services, irrigation maintenance, pond maintenance, paving services, etc. Once the submissions have been received, staff will review and make recommendations to the Board as to which contractors should be considered for prequalification. Once a contractor has been pre-qualified, pricing proposals can be considered for a specific scope of work without the need for a formal request for proposals process. The prequalified contractor list allows the District to retain services much quicker from its pre-qualified contractors rather than going through the much slower formal process of receiving requests for proposals. Recommendations for prequalified contractors will be brought back to the Board for consideration at a future meeting.

Mr. Crosley also reported that the District had just received roadway impact fee reimbursements collected by the City of North Port in the amount of \$4,085,225 which brings the total reimbursements from the City of North Port to date to \$11,833,480.51. Mr. Luczynski stated that \$961,000 in road impact fees was collected in late May of this year from Costco, a single commercial entity, which will eventually come to the District as a reimbursement.

Finally, Mr. Crosley updated the Board that WVID staff have a meeting scheduled with community HOA management and leadership regarding the hurricane protocols on July 11th at the Public Safety Building. Erica Klevers, WVID FEMA Consultant, stated that she was looking to make a presentation that is useful and more aligned with HOA responsibility, and not individual resident responsibilities on how to better interact with the District prior to and after a storm. The hope is to educate everyone in regard to handling District assets located within each community, and the relationship between both parties.

Mr. Crosley wished Lindsay Whelan well with her maternity leave.

O. BOARD MEMBER COMMENTS

Mr. Luczynski asked staff if the HOAs provide certificates of insurance indemnifying the District during work being performed by an HOA contractor on District-owned property, such as a fountain repair on a District pond where the repair, per the pond agreements, require the HOA and not the District, to repair the fountain. Mr. Crosley responded that because of the challenges of verifying contractors for each community, the District puts that responsibility on the HOA to ensure the District is properly indemnified but in any event the HOA has indemnified the District for its actions and actions of its contractors and vendors per the terms of the pond agreements. He indicated that staff will work on educating the HOAs and their management on those responsibilities.

Ms. Masney commented that there had been vehicles parking on the District rights-of-way along Preto Boulevard in order to go fishing and asked if that type of parking could be restricted. Ms. Whelan responded that enforcement depended on the details of how the vehicle was parked. Because the District does not have police powers, traffic enforcement is delegated to the State who then delegates it to the cities and counties who enact ordinances relative to parking. Generally speaking, parking with the flow of traffic, assuming you are not blocking fire hydrants and things of that nature, is permitted by local ordinance. However, if these people are parking off of the right-of-way, such as along the bank of a District pond, that would be different and the District has enforcement ability in those areas.

Ms. Whelan also commented that sometime around 2019, the WVID board passed a resolution deferring to each HOA whether or not it would allow fishing in District ponds located in their communities and, if allowed, requiring that the HOA enter into to a license agreement with the District providing for indemnification and other matters. To her knowledge no communities have come forward to say that they wanted to allow fishing and enter into the license agreement with the District. As a result, no HOAs should be allowing fishing in District ponds at present.

Mr. Lewis commented that the requirement for Supervisors to submit their Form 1 financial disclosure statement online was July 1, 2024.

P. ADJOURNMENT

There being no further business to come before the Board, the Special Board Meeting was adjourned at 12:10 p.m. on a **MOTION** made by Mr. Luczynski, seconded by Mr. Lewis and passed unanimously.


Secretary/Assistant Secretary


Chair/Vice Chair

Good morning, Paul Maloney from Islandwalk.

I would like to comment on the proposed budget for Unit 6 – the Master Irrigation Utility Budget. This budget provides funds for irrigation water for all properties within the district, except for Islandwalk who, through their ponds, provides their own irrigation water.

The proposed 24/25 budget contains a special line item for the “Extraordinary Legal Expenses” incurred as a result of the Gran Paradiso irrigation water litigation.

For fiscal 23/24 the budget for this litigation was \$750,000 and the proposed 2024/2025 budget is \$350,000 for a total of \$1,100,000 over two budget cycles for a case that has little chance of success.

The Board commissioned a registered municipal advisor and consultant to perform an irrigation water rate study. This study had two important findings:

First, the proposed rates were not the lowest nor were they the highest among peer groups...they were in the middle. This seems reasonable.

Second, the Developer has contributed almost \$4M in interest free deficit funding to subsidize the rates and according to the rate study this deficit funding will be needed until the West Villages is more fully developed and costs can be spread over a greater tax base.

So, the question becomes: Why would a developer use their own capital to provide a \$4.0M dollar interest free loan if the current rates were excessive? The answer: They wouldn't. For the bottom line the developer could put this capital to much better use.

When the facts of these legal actions see the light of day in court it will be clear these claims have little chance for success. As this litigation was initiated by Gran Paradiso it seems only reasonable that Gran Paradiso alone should bear the legal costs.

I ask that the Board consider allocating all legal expenses for this litigation to Unit 3 (Gran Paradiso) and not spread the costs among the other communities in Unit 6. This seems not only reasonable, but fair to all parties.

Thank you for your time and consideration.

WVID Meeting, June 28th 2024

Good morning WVID Supervisor, Staff, ladies and gentlemen.

I am CDR Jim Cranston, from Gran Paradiso. I have come today to request that you, the District, NOT spread Gran Paradiso's irrigation water litigation legal bills amongst our community neighbors. As you go forward with your annual budget development, please consider the following...

Gran Paradiso's HOA Board's actions against WVID, is a continued pursuit of the imaginary excessive irrigation water rates. There have been many of us, who have researched the documentation, and find no support for these allegations. We have tried to persuade some members of the BOD, including it's President, to stop this ill-informed and costly waste of resources...and negotiate an immediate end to the litigation to no avail.

That is why we believe legal fees, as a result of Gran Paradiso's actions, should be borne exclusively by Gran Paradiso. It is NOT fair to burden ANY of the neighboring communities in West Villages, to clean-up what Gran Paradiso has solely caused. GP's litigation does not benefit ANYONE..!!

As our District Supervisors, you are well aware of these facts: To date, the developer(s) have subsidized the irrigation water budget, to the tune of over \$4 million dollars,

- a. Therefore there are NO overcharges, therefore,
- b. There will be NO \$650,000 rebate or refund...
- c. There are long term water agreements, but NONE are illegal.
- d. Judge Hunter Carroll's use of the word "Obscene" should be used to describe all of the allegations, the GPPOA has made without evidence.

Here are a few more facts, that the GPPOA BOD knows ... but is NOT sharing with the rest of their homeowners:

1. There is NO obligation (by anyone) to provide irrigation water to GP, as there is NO active executed agreement with GP and any entity (WVID or Englewood). *The agreement presented by the WVID in 2021 was never signed by Gran Paradiso.*
2. Although the cost for potable water is an option, GP would have to pay for ERC's to provide water FROM THE WVID to the tune of about **\$13 million dollars**.
3. Gran Paradiso's lawsuit escalation (not approved by GP vote) naming the developer(s), will be SOLELY born on the back of the GP HOA's, and can't be spread across the rest of the residents in West Villages.
4. The water from GP wells is unsuitable for irrigation, because of the dissolved salts and minerals. It MUST be mixed/diluted with the other irrigation water sources, to be useful and not "burn" landscaping vegetation. Access to other additional water sources is part of the overall WVID agreement.

THEREFORE, and in closing, I recommend that WVID spare GP's neighboring communities, by making GP solely pay for the legal expenses related to the irrigation water litigation.

Thank you for the opportunity to address you.

My best,

Jim Cranston, CDR/USN(Ret)
USCG Lic. Ship's Master
860-884-1233

WVID Supervisors, staff, ladies and gentlemen:

With regard to the 2024/2025 District Budget, I wish to once again oppose any Legal costs associated with Gran Paradiso's irrigation litigation, being allocated to any Unit beyond Unit 3. This litigation originated solely in Unit 3, and the remedy being sought by Gran Paradiso via the Courts seems to more directly benefit Unit 3. Why should the rest of the Wellen Park Communities pay for the costs of another litigation folly, when these funds could be deployed in a positive way for our growing community.

I would further point out that Gran Paradiso has no executed agreement in place, with any entity, to deliver irrigation water to their community. I have heard their claim in prior District meetings, that Englewood is open to another direct Irrigation Agreement, and that Sarasota may be as well.

With these simple options supposedly available to them, why can't Gran Paradiso/Unit 3 go ahead and execute a direct agreement under the more favorable price terms they claim are available. Why should the rest of the District be saddled with these litigation costs when they have an alternate option available.

For the privilege of not participating in the growing litigation costs, I personally will gladly forego whatever hazy future benefit might come via litigation.

Let the costs of this litigation, land squarely on the wallet of the litigants. Allocate the Litigation Costs where they belong, to Unit 3 alone.

Neil Brady
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